

# Comprehensive Annual

## FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Ankeny Community School District



*Providing  
Excellence  
in Education*

306 S.W. School Street, Ankeny, IA 50023-3033

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**ANKENY COMMUNITY SCHOOL DISTRICT  
306 S.W. School Street  
Ankeny, Iowa 50023**

**For the fiscal year ended June 30, 2008**

**OFFICIAL ISSUING REPORT**

**Dr. Craig Hansel, R.S.B.A., CFO/Board Secretary**

**OFFICE ISSUING REPORT**

**Business Office**

## **INTRODUCTORY SECTION**



**Ankeny Community School District**  
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**Ankeny Community School District  
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# ANKENY COMMUNITY SCHOOL DISTRICT

EXCELLENCE IN EDUCATION!

December 15, 2008

To the Board of Education and Residents  
Ankeny Community School District

The Comprehensive Annual Financial Report of the Ankeny Community School District, (the "District") for the year ending June 30, 2008 is submitted herewith. The District is an independent entity governed by a seven-member board. Responsibility for the accuracy and completeness of the presentation, including all disclosures, rests with the District's Business Office. We believe the data presented is accurate in all material respects; the data is presented to fairly set forth the financial position and results of operation of the District as measured by the financial activity of the various funds; and all necessary disclosures have been included in order to enable the reader to gain the maximum understanding of the District's financial affairs.

This report is prepared in conformance with generally accepted accounting principles (GAAP) for governments as promulgated by the Government Accounting Standards Board (GASB). This report is consistent with legal reporting requirements of the State of Iowa. In addition to meeting legal requirements, this report is intended to present a comprehensive summary of significant financial data to meet the needs of citizens, taxpayers, employees, financial institutions, intergovernmental agencies, creditors, and the Board of Education.

The Comprehensive annual financial report is presented in four sections:

1. Introductory Section: This section contains the Table of Contents; this Letter of Transmittal; listing of Board of Education Members; a listing of School Officials; and an organizational chart. The introductory section is not audited.
2. Financial Section: This section begins with the independent auditor's report. This section includes Management Discussion and Analysis, Basic Financial Statements, Notes to the Basic Financial Statements, Combining and Individual Fund Statements, and required Budgetary Supplemental Information. All reports of the financial section are audited.

3. Statistical Section: This section, which is not audited, includes selected financial, demographic and economic data, generally presented on a multi-year basis. This section includes all disclosures, not contained elsewhere in the CAFR, to comply with the Securities and Exchange Commission continuing disclosure requirements for general obligation debt issues.
4. Compliance Section: The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1992, and the U. S. Office of Management and Budget, Circular A-133. Audits of State, Local Governments, and Non-profit Organizations. Information related to this single audit, including the schedules of state and federal assistance, the independent auditor's reports on internal controls, and compliance with applicable laws and regulations is included in this section of the report.

## THE REPORTING ENTITY

The Ankeny Community School District was consolidated in 1919. The District is independently supported financially by state aid, state and federal grants for special projects, local revenue received in the form of tuition, and property taxes levied by its Board of Education. The District is governed by a seven-member Board of Education. Information on residents currently serving as Board Members is contained after the transmittal letter. The Board has the power and duty to set budgets, certify tax levies, issue debt, and other tasks necessary to the operation of the District. The District is subject to the general oversight of the Iowa Department of Education. This oversight generally includes an approval process that reviews compliance to standards enacted by legislative mandate.

## ECONOMIC CONDITION AND OUTLOOK

Ankeny has one of the premier locations in the Upper Midwest, at the intersection of Interstates 80 and 35. Ankeny is on the northern side of the Des Moines metropolitan area, Iowa's strongest business region; and 20 minutes south of Ames, home of Iowa State University. This location gives Ankeny businesses access to the resources of Iowa State University, the business assets of the Des Moines metro area and the education and job training benefits of the Des Moines Area Community College.

The Metro North Business Park is adjacent to Interstate 35 and offers less than five minute access to the Ankeny Regional Airport. The addition of the Corporate Woods Pointe Business Park and the Vintage Business Park at Prairie Trail provide new options for businesses considering an investment in Ankeny. The City of Ankeny continues to work with the private sector to prepare the 450-acre Crosswinds Business Park at the intersection of Interstates 35 and 80.

Ankeny has the workforce businesses need to succeed. Labor shed studies completed in 2008 by Iowa Workforce Development indicate the community has high concentrations of people with skills for the Life Sciences, Advanced Manufacturing, and Information Solutions/Financial Services. Over 11,000 Ankeny residents commute to other cities to work each day, providing a potential source of talented workers to

businesses considering an investment in Ankeny.

Ankeny's workforce is employed in the following business sectors:

Professional, Paraprofessional and Technical	40%
Production, Construction, Operating, Maintenance & Material Handling	18%
Managerial/Administrative	17%
Clerical/Administrative Support	12%
Service	8%
Sales	4%
Agriculture	1%

The City of Ankeny has a history of working with businesses to be successful through focused incentive packages, extension of critical infrastructure, and a business-friendly development process. This attitude has attracted many new businesses and has allowed existing businesses to grow in Ankeny. Ankeny's largest employers include John Deere, Tone's Spices, Casey's General Stores, Inc., SYSCO Foods, Monsanto, Perishable Distributors of Iowa, Accu-mold, Delta Dental of Iowa, Praxair, and the Des Moines Area Community College. Recent additions to the Ankeny business community include Clarke American, LGI, Embria Health Sciences, Pioneer and Darling International.

Businesses and residents are attracted to Ankeny for what it offers for "after work" opportunities. Saylorville Lake, on Ankeny's western corporate limits, provides recreation and outdoor opportunities with its 5,500 acres of water, miles of biking trails, and numerous campgrounds. In the near future, Ankeny will have a new library, a second aquatic center, a renovated municipal golf course and clubhouse, and direct links to miles of regional trails.

Ankeny is in a position for future success with a strong business environment, a variety of development options for businesses, a talented and growing workforce, a community that is attractive to workers, and a city government that is committed to assisting in the success of businesses.

The Ankeny Community School District is the 10th largest school district in the state of Iowa with 7,355 students and encompasses approximately 52 square miles. It provides a program of public education from kindergarten through twelfth grade. The District's enrollment has increased every year since FY1987 and is averaging 181 students growth per year since FY1994. The District has grown from an enrollment of 3,927 students in FY1987 to its current enrollment. This growth has had a positive effect on employment and the District's tax base. The District has averaged a 7.58% annual increase in its tax base since 1977. Based on conservative projections this trend is expected to continue. The District population is expected to grow to a population of 39,000 by the year 2010 and to a population of 55,000 by the year 2020 from its current estimated population of 36,161 (2005 Special Census).

Ankeny's population, building permits and retail sales are increasing at a rate greater than many locations in the metropolitan area or in the state of Iowa. The population of Ankeny is over 41,000, compared to the 2000 census of slightly over 27,000. While residential growth is slowed with the national economy, Ankeny will have over 300

single family housing starts in 2008 and is in position for future growth with several residential lots ready for construction. Total retail sales in Ankeny have been strong for the past few years, but they may be impacted by the activity in the national economy.

## MAJOR INITIATIVES FOR THE YEAR AND FOR THE FUTURE

The 2007-2008 school year brought not only the beginning of a new school year, but also many changes to the District, especially in personnel, programs and buildings.

- **New Personnel-** Ankeny Community Schools welcomed 21 new Teachers filling new positions and 70 additional new staff replacing retiring teachers, filling vacancies.
- **Capital Improvement-** During this year, the school district completed construction of major geothermal heating and cooling improvements at Terrace Elementary; partial roof repair and replacement at Westwood Elementary; restoration, re-seeding, and irrigation of the football practice field at Ankeny High School; and restroom improvements and remodeling at Terrace, East, and Southeast Elementary Schools as well as Ankeny High School. Other projects completed include: outside brick restoration at Westwood Elementary; sanitary sewer line replacement at Terrace Elementary; and PE locker additions at Ankeny High School. The district also continued work on new Elementary School #8 (Ashland Ridge Elementary), planning, design and bid documents for the New Ankeny High School in Prairie Trail, and long-range planning for future school sites and buildings. In conjunction with the long-range planning, the district completed evaluations, study, community discussions, and school board approval of new enrollment/attendance boundaries for all elementary schools. Other projects included: technology equipment and wiring updates to many schools, new IP telephone systems at Terrace Elementary and Northview Middle School.
- **Curriculum Programming-** High School expanded opportunities with DMACC college for dual credit courses.
- **Student Growth/New Families to Ankeny-** Ankeny Community Schools experienced a growth of 242.3 students, creating additional sections of classes in some of the buildings.
- **Extra Curricular Activities-** The District has had a very successful activities program. The District has won numerous state athletic championships in both girls and boys athletics in the past. During FY08 the Activities Program received the following recognitions:
  - Football State Runnerup
  - Girls Golf Individual State Runner-up
  - CIML Central Conference Championships: boys cross country, volleyball, girls basketball, boys tennis, girls tennis, girls soccer, girls golf, and boys track
  - 72 - All conference athletes
  - 26 - 1<sup>st</sup> Team All Conference champions
  - 14 – Conference Champions

- 5 - 1<sup>st</sup> Team All-State Athletes
  - 12 - State Tournament Appearances: football, volleyball, girls cross country, boys cross country, girls swimming, wrestling, boys swimming, girls track, boys track, boys tennis, girls golf, and baseball
  - 4 - Top Ten Finishes: football (2<sup>nd</sup>), volleyball (semifinalist), boys swimming (9<sup>th</sup>), girls golf (1<sup>st</sup>)
  - 32 - Musicians received All–State chorus or band
  - 19 - Individuals or Groups received Division I ratings in large group and individual speech. All vocal and instrumental large groups received Division I ratings
  - 16 – Teams received State Academic Recognition
- **College Entrance Scores (ACT)** - The American College Testing Program (ACT) is the college entrance exam that most Ankeny High School students take. A score of 20 or higher on the 36-point scale for the test is the score that Iowa's state universities require for acceptance. For the 2007-08 school year, 328 senior students who took the exam (84%) obtained a score of 20 or higher.
  - **Average Daily Attendance** – Ankeny's K-8 average daily attendance rate for the 2007-2008 school year was 95.94%. This compares to 96.5% in 2006-2007. The state average daily attendance rate goal was 96.0%.
  - **Dropout Rates** - Of the 3,040 students in grades seven through twelve, 12 students dropped out during the 2007-2008 school year. Ankeny Community Schools offer extra assistance to students considered at-risk of dropping out through Learning Center Programs in all secondary buildings.
  - **Graduation Rate** – The graduation rate for the District is computed by the Department of Education and is always a year behind the current school year. The graduation rate is computed by dividing the number of high school graduates in a specific year by the sum of the number of graduates in that year (2007-2008) and the sum of drop-outs for that graduation class from ninth grade through twelfth grade. Ankeny Community School's graduation rate for the class of 2008 was 96.89% compared to the state graduation rate goal of 90.49%. Ankeny's graduation rate continues to be above the state average.
  - **Post Graduation Intentions for 2008 Graduates**
    - **Total Number of Seniors responding: 460**
    - Attend a four-year private college/university 58 students
    - Attend a four-year college 166 students
    - Attend a two-year college/training program 153 students
    - Total pursuing post-secondary education 377 students
    - Enter the military 7 students
    - Start full-time employment 39 students
    - Unknown 32 students
    - Other 5 students

In order to meet the challenges addressed in the Early Intervention Goals, the Ankeny Community School District has implemented an Enrichment period in three of the

elementary schools to serve as a pilot for the full program implementation in 2009-2010. The goal of the Enrichment period is to provide early intervention to those students who are not reading at grade level and provide extended opportunities for those students who are performing above grade level. The district will be creating formative interim assessments to aid teachers in modifying instruction to meet the needs of individual students. The progress toward each goal will be chronicled in the District's Annual Report on the web.

## FINANCIAL INFORMATION

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

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

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

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

Cash Management- The District has been in a banking services agreement with Valley Bank which will be extended an additional year in 2008-2009. The District's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. The District kept investments of its idle funds in Valley Bank and Iowa Schools Joint Investment Trust (ISJIT). ISJIT was one of the first local Government Investment Pools in the country when it was created in 1986. During the past seventeen years of

continuous operation, ISJIT has assisted more than 360 authorized participants to safely and effectively increase their interest income, providing millions of additional dollars in investment income to increase the quality of educational services available to students across the state. Interest revenue of \$379,687 was earned on General Fund investments for the year ended June 30, 2008. This represents an decrease of \$363,700 or 49.0% under fiscal year 2007 earnings.

Risk Management- The District's administration is charged with the responsibility of supervising the protection of District's assets by employing various risk management techniques and procedures to reduce, absorb, minimize or transfer risk. The District belongs to a statewide school insurance risk pool sponsored by EMC Insurance Companies, Des Moines, Iowa. The managing agent for the "Safety Group Insurance Program" is Jester Insurance Services, Inc. of Des Moines, Iowa. The District carries a multitude of policies to cover all areas of risk management. These policies are itemized in the statistical section of this report. District property is insured for its replacement value. The administration is also responsible for directing the District's fringe benefits program, which includes the administration of health, life, and disability benefits for all full-time employees.

Independent Audit- A request for proposals was submitted to the market in the spring of 2008. The accounting firm of Denman & Company 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 to 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 publication of this report is a major step toward the commitment to professionalism in financial reporting and significantly increases the accountability of the District to the taxpayers. This report would not have been possible without the help of several people. We would like to express our appreciation to all District and County employees who assisted in the preparation of this report. A special thank you is extended to Brian Whalen, Director of Finance, and Janice Eggers, Administrative Assistant, for their assistance in planning, designing, preparing and reviewing this financial report.

I would also like to recognize Dr. Matthew Wendt, Superintendent of Schools for his guidance in helping Ankeny Community School District remain financially healthy, and his support of financial decisions that have improved the Ankeny Community School District's financial health.

Some of the information contained in the report was obtained from the City of Ankeny website @ <http://www.ci.ankeny.ia.us>. Additional information on the curriculum and operations of the Ankeny Community Schools can be obtained from the District's website @ <http://www.ankenyschools.org>.

Finally, sincere appreciation is extended to the Board of Education, where the

commitment to excellence begins. It is with great pride that this year's Comprehensive Annual Financial Report is submitted to the Board of Education.

Respectfully submitted,



Dr. Craig Hansel  
CFO/ Board Treasurer



Dr. Matthew Wendt  
Superintendent of Schools

# Ankeny Community Schools Board of Education



## Term Expires

### Before September 2007 election:

Denny Presnall	President	September, 2008
Trent Murphy	Vice-President	September, 2010
Andrew Martin	Member	September, 2010
Randy McMahill	Member	September, 2009
Paula Pearson	Member	September, 2008
Leslie Petersen	Member	September, 2008
George Tracy	Member	September, 2009

### After September 2007 election:

Trent Murphy	President	September, 2010
Andrew Martin	Vice-President	September, 2010
Randy McMahill	Member	September, 2009
Paula Pearson	Member	September, 2008
Leslie Petersen	Member	September, 2008
Denny Presnall	Member	September, 2008
George Tracy	Member	September, 2009

## *We welcome your comments!*

This audit report was prepared by the Ankeny Community School District. If you wish to receive additional copies, need more information, or have suggestions or comments about anything in this report, please call (515) 965-9600. This report is also available on our web site at: [www.ankenyschools.org](http://www.ankenyschools.org)

## District Administration

Year Ended June 30, 2008

### Superintendent of Schools

Dr. Matthew Wendt

### Assistant Superintendent

Dr. Anne Laing

### CFO/Board Secretary

Dr. Craig Hansel

### Executive Director of Instruction

Ms. Linda Hoobin

### Executive Director Special Programs

Ms. Kim Neal

### Director of Community Education

Mr. Kevin Koester

### Director of Facility Construction

Mr. Steve Drake

### Director of Finance

Mr. Brian Whalen

### Director of Human Resources

Mr. Tom Ahart

### Director of Support Services

Mr. Don Peterson

### Director of Technology

Mr. Keith Lyles



**Building Administration Year Ended June 30, 2008**

**Ankeny High School**  
 1302 N. Ankeny Boulevard  
 (515) 965-9630

**Principal**  
 Ms. Brenda Colby

**Associate Principal**  
 Dr. Jennifer Lindaman

**Assistant Principal**  
 Ms. Patricia Hoffman

**Assistant Principal**  
 Mr. Jeff Hawkins

**Activities Director**  
 Mr. Gary Telford

**Events Coordinator**  
 Mr. Randy Hoeck

**Northview Middle School**  
 1010 NW Prairie Ridge Drive  
 (515) 965-9700

**Principal**  
 Mr. Scott Osborn

**Associate Principal**  
 Mr. Mike Boyle

**Assistant Principal**  
 Mr. Daniel Meyer

**Parkview Middle School**  
 105 NW Pleasant Street  
 (515) 965-9640

**Principal**  
 Mr. Jeff Schumacher

**Assistant Principal**  
 Ms. Keri Schlueter

**Associate Principal**  
 Ms. Bev Kuehn

**East Elementary School**  
 710 SE Third Street  
 (515) 965-9660

**Principal**  
 Mr. Matt Adams

**Crocker Elementary School**  
 1705 NE Trilein Drive  
 (515) 965-9620

**Principal**  
 Dr. Tom Muhlenbruck

**Associate Principal**  
 Mr. Al Neppi

**Northeast Elementary School**  
 1705 NE Trilein Drive  
 (515) 965-9620

**Principal**  
 Mr. Dennis Warren

**Associate Principal**  
 Mr. Al Neppi

**School**  
 1202 NW First Street  
 (515) 965-9680

**Principal**  
 Mr. Jason Albrecht

**Southeast Elementary School**  
 1005 SE Trilein Drive  
 (515) 965-9650

**Principal**  
 Ms. Pam Dodge

**Associate Principal**  
 Ms. Cathy Lents

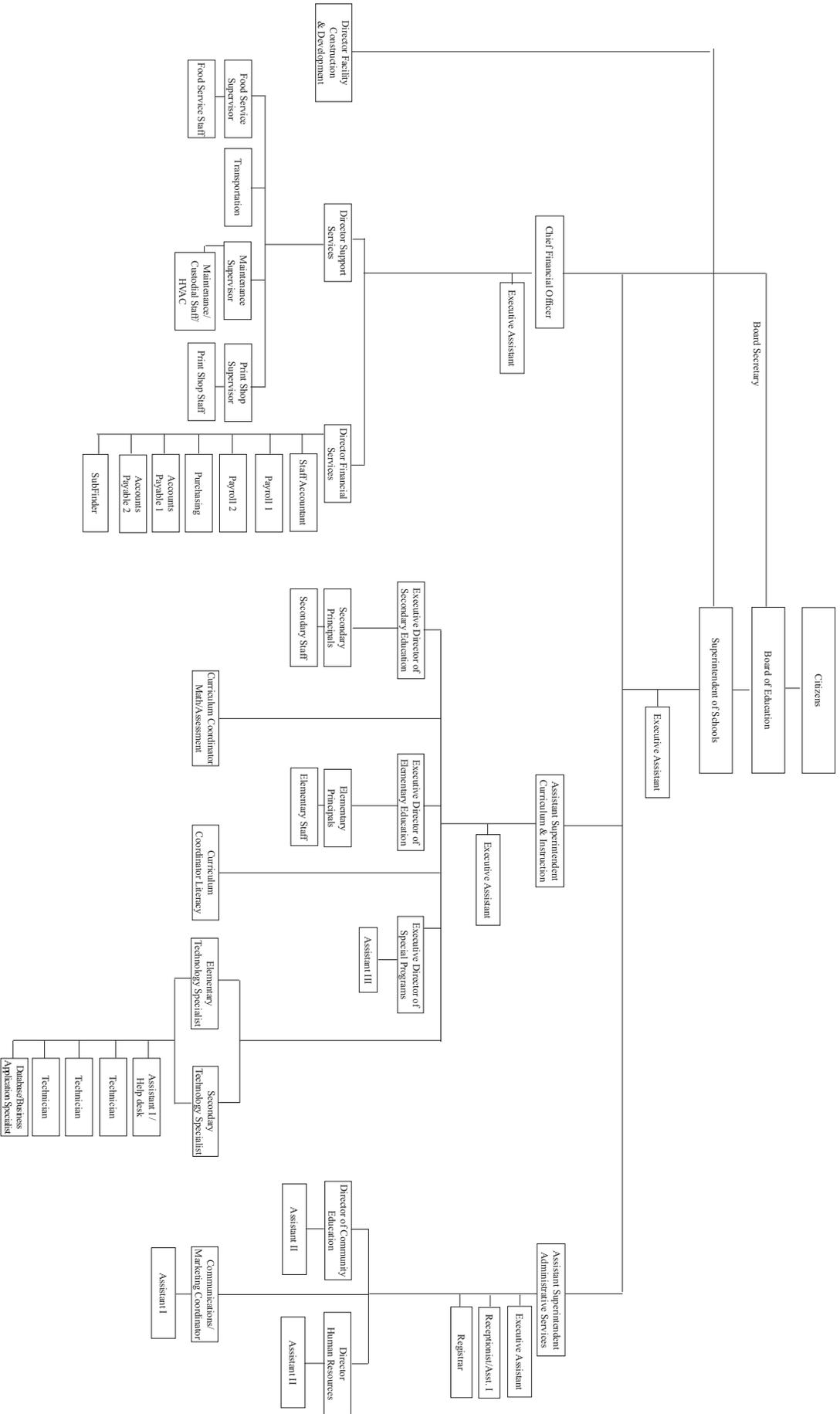
**Terrace Elementary School**  
 310 NW School Street  
 (515) 965-9670

**Principal**  
 Ms. Tiffany O'Hara

**Westwood Elementary School**  
 2920 NW Ninth Street  
 (515) 965-9690

**Principal**  
 Mr. Jim Ford

**Associate Principal**  
 Ms. Cathy Lents



**Ankeny Community School District**

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*Providing  
Excellence  
in Education*

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306 S.W. School Street, Ankeny, IA 50023-3033

**FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Ankeny Community School District, as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of District officials. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Ankeny Community School District as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2008 on our consideration of Ankeny 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 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 our audit.

Management's Discussion and Analysis and budgetary comparison information on pages 3 through 9 and 35 through 36 are not required parts of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Ankeny Community School District's basic financial statements. We 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, 2007 (none of which are presented herein) and expressed unqualified opinions on those financial statements. The supplemental information included on pages 39 through 50 and page 81, which includes the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133 *Audits of States, Local Governments and Non-Profit Organizations*, 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 our audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The other data in this report, designated as the "statistical section" on the contents page, was not audited by us and, accordingly, we express no opinion on it.

  
**DENMAN & COMPANY, LLP**

West Des Moines, Iowa  
October 23, 2008

**Ankeny Community School District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
For fiscal year ended June 30, 2008**

This section of the Ankeny Community School District annual financial report presents the readers of the District's financial statements a narrative overview and analysis of the financial activity of the District for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal. Professional standards require the inclusion of certain comparative information in the Management's Discussion and Analysis (MD&A).

**FINANCIAL HIGHLIGHTS**

- The District showed an increase in net assets of \$9,619,613 and \$9,186,525 during the years ended June 30, 2008 and 2007, respectively.
- Total revenues for the fiscal year ended June 30, 2008 and 2007 of \$81,640,035 and \$74,478,666 were comprised of General Revenues in the amount of \$68,146,184 and \$62,899,730 and Program Revenues totaling \$13,493,851 and \$11,578,936.
- As of June 30, 2008 the District's governmental funds reported combined ending fund balances of \$33,415,244 a decrease of \$18,136,259, in comparison with the prior year. Of the total combined fund balance, the unreserved undesignated amount equals \$1,317,992.
- As of June 30, 2008, unreserved undesignated fund balance of the General Fund was (\$578,341) or (.99%) of total General Fund revenues compared to \$1,678,885 or 3.11% for 2007.
- The District's general obligation bonded debt decreased by \$7,895,000 during the current fiscal year.

**OVERVIEW OF FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the 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 other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net assets* presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change 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 compensated absences).

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include instruction, support services, operation and maintenance of plant, student transportation, and operation of non-instructional programs 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 and Community Education.

The government-wide financial statements can be found on pages 11 through 13 of this report.

**Ankeny Community School District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
For fiscal year ended June 30, 2008**

**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 District 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 funds 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 the government-wide financial statements, government 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 the District's near-term financing 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 financial statements. By doing so, readers may better understand the long-term impact of the District'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 Ankeny Community School District maintains seven 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, Physical Plant and Equipment Fund, Debt Service, and Local Option School Sales Tax Fund 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 these 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 14 through 17 of this report.

**Proprietary funds.** There are two types of proprietary funds: enterprise and internal service. The District maintains one type of proprietary funds. The enterprise funds are used to report the same functions presented as business-type activities.

The basic proprietary funds financial statements can be found on pages 18 through 20 of the 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 statements because the resources of those funds are *not* available to support the District's own programs. The fiduciary fund of the District is an agency fund. Agency funds are custodial in nature and do not involve measurement of results of operation.

The basic fiduciary fund financial statement can be found on page 21 of this report.

**Notes to financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide fund financial statements. The notes to financial statements can be found on pages 22 through 33 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District's budget process. The District adopts an annual expenditure budget for all governmental funds. A budgetary comparison statement has been provided for the General Fund as required supplementary information. The required supplementary information can be found on pages 35 through 36 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the major budgetary comparisons. Combining and individual fund statements and schedules can be found on pages 39 through 48 of this report.

**Ankeny Community School District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
For fiscal year ended June 30, 2008**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, net assets have increased from a year ago from \$64,680,594 to \$74,300,207.

A significant portion of the District's total assets reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment and construction in progress), less any related debt used to acquire those assets that is still outstanding. The District uses the capital assets to provide services to its students; consequently, the assets are *not* available for future spending. The District's net assets invested in capital assets, net of related debt, was \$43,562,159 for 2008 and \$39,128,752 for 2007. Although the District's investment in 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 the associated liabilities.

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

The following table presents a summary of the District's net assets for the fiscal years ended June 30, 2008 and 2007.

Table 1 – Total Net Assets

Description	Governmental Activities		Business-type Activities		Total School District		Total Change June 30, 2008
	2008	2007	2008	2007	2008	2007	
Current and other assets	\$ 80,425,020	\$ 89,934,676	\$ 821,638	\$ 888,462	\$ 81,246,658	\$ 90,823,138	-10.54%
Capital assets	\$ 92,645,522	\$ 77,301,760	\$ 158,308	\$ 175,803	\$ 92,803,830	\$ 77,477,563	19.78%
Other assets	\$ 189,861	\$ 199,854	\$ -	\$ -	\$ 189,861	\$ 199,854	-5.00%
<b>Total assets</b>	<b>\$ 173,260,403</b>	<b>\$ 167,436,290</b>	<b>\$ 979,946</b>	<b>\$ 1,064,265</b>	<b>\$ 174,240,349</b>	<b>\$ 168,500,555</b>	<b>3.41%</b>
Current Liabilities	\$ 56,454,948	\$ 49,417,800	\$ 95,633	\$ 84,362	\$ 56,550,581	\$ 49,502,162	14.24%
Long-term Liabilities	\$ 43,389,561	\$ 54,317,799	\$ -	\$ -	\$ 43,389,561	\$ 54,317,799	-20.12%
<b>Total Liabilities</b>	<b>\$ 99,844,509</b>	<b>\$ 103,735,599</b>	<b>\$ 95,633</b>	<b>\$ 84,362</b>	<b>\$ 99,940,142</b>	<b>\$ 103,819,961</b>	<b>-3.74%</b>
Net assets							
Investment in Capital assets, net of related debt	\$ 43,403,851	\$ 38,952,949	\$ 158,308	\$ 175,803	\$ 43,562,159	\$ 39,128,752	11.33%
Restricted	\$ 26,537,998	\$ 18,158,956	\$ -	\$ -	\$ 26,537,998	\$ 18,158,956	46.14%
Unrestricted	\$ 3,474,045	\$ 6,588,786	\$ 726,005	\$ 804,100	\$ 4,200,050	\$ 7,392,886	-43.19%
<b>Total net assets</b>	<b>\$ 73,415,894</b>	<b>\$ 63,700,691</b>	<b>\$ 884,313</b>	<b>\$ 979,903</b>	<b>\$ 74,300,207</b>	<b>\$ 64,680,594</b>	<b>14.87%</b>

The following are significant current year transactions that have had an impact on the statement of net assets.

- The principal retirement of \$7,895,000 of general obligation bonds and the payment of \$1,590,413 in interest on this debt.
- The addition of \$4,202,367 in capital assets through the construction of a new school, and other school improvements, and purchases of furniture, equipment and vehicles, net of current year depreciation expense.

**Ankeny Community School District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
For fiscal year ended June 30, 2008**

**Changes in net assets.** The District's net assets increased by \$9,619,613 during the current fiscal year. The governmental activities' net assets increased by \$9,715,203. The business-type activities, which include nutrition, decreased by (\$95,590). The increase in governmental activities was mainly attributed to capital project activities.

Table 2 highlights the District's revenues and expenses for the fiscal year ended June 30, 2008. The two main components are subtracted to yield the change in net assets. Revenues are made up of Program Revenues and General Revenues. Program Revenues are defined as charges for services and sales, operating and capital grants, and contributions. General Revenues include taxes and unrestricted grants such as state foundation support.

**Table 2 - Program Revenues and Expenditures**

Description	Governmental Activities		Business type Activities		Total School District	
	2008	2007	2008	2007	2008	2007
Program revenues:						
Charges for service and sales	\$ 527,810	\$ 635,326	\$ 2,496,047	\$ 2,237,645	\$ 3,023,857	\$ 2,872,971
Operating grants, contributions	\$ 10,062,409	\$ 8,261,689	\$ 467,626	\$ 444,276	\$ 10,530,035	\$ 8,705,965
General revenues:						
Local sources	\$ 38,853,237	\$ 33,966,241			\$ 38,853,237	\$ 33,966,241
Investment earnings	\$ 2,017,095	\$ 1,764,909	\$ 35,217	\$ 50,388	\$ 2,052,312	\$ 1,815,297
State sources	\$ 27,842,902	\$ 26,145,901			\$ 27,842,902	\$ 26,145,901
Other	\$ 562,408	\$ 925,678			\$ 562,408	\$ 925,678
Sale of Assets	\$ (1,164,675)	\$ 46,613			\$ (1,164,675)	\$ 46,613
Total revenues	\$ 78,701,186	\$ 71,746,357	\$ 2,998,890	\$ 2,732,309	\$ 81,700,076	\$ 74,478,666
Program expenses:						
Regular Instruction	\$ 30,357,570	\$ 25,136,110			\$ 30,885,380	\$ 25,136,110
Special Instruction	\$ 7,411,560	\$ 7,025,195			\$ 17,473,969	\$ 7,025,195
Vocational and Other	\$ 5,594,611	\$ 4,932,740			\$ 5,594,611	\$ 4,932,740
Support services:						
Pupil	\$ 3,816,504	\$ 3,456,227			\$ 3,816,504	\$ 3,456,227
Instructional Staff	\$ 3,826,779	\$ 3,431,571			\$ 3,826,779	\$ 3,431,571
Administration	\$ 6,525,031	\$ 5,742,551			\$ 6,525,031	\$ 5,742,551
Operation and Maintenance	\$ 4,878,736	\$ 6,652,180			\$ 4,878,736	\$ 6,652,180
Support Service - Other	\$ 2,423,621	\$ 2,143,508			\$ 2,423,621	\$ 2,143,508
Non-instructional programs	\$ 1,673,580	\$ 2,519,951	\$ 3,094,480	\$ 2,605,040	\$ 4,768,060	\$ 5,124,991
Interest Expense	\$ 2,477,991	\$ 1,647,068			\$ 2,477,991	\$ 1,647,068
Total expenses	\$ 68,985,983	\$ 62,687,101	\$ 3,094,480	\$ 2,605,040	\$ 72,080,463	\$ 65,292,141
Change in net assets	\$ 9,715,203	\$ 9,059,256	\$ (95,590)	\$ 127,269	\$ 9,619,613	\$ 9,186,525

- The cost of all governmental and business-type activities this year was \$72,080,463.
- Federal and state governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$13,553,892.
- Net cost of governmental activities \$58,395,764, was financed by general revenues, which are made up of primarily property taxes and local source revenue \$30,552,862 and state sources \$27,842,902.

**Ankeny Community School District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
For fiscal year ended June 30, 2008**

**Table 3 - Governmental Activities**

<u>Description</u>	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Primary Governmental Activities				
Program expenses:				
Instruction:				
Regular	\$ 30,357,570	\$ 25,136,110	\$ (23,423,051)	\$ (19,475,209)
Special	\$ 7,411,560	\$ 7,025,195	\$ (6,909,066)	\$ (6,749,908)
Vocational and Other	\$ 5,594,611	\$ 4,932,740	\$ (4,945,956)	\$ (4,314,540)
Support services:				
Pupil	\$ 3,816,504	\$ 3,456,227	\$ (3,816,504)	\$ (3,456,227)
Instructional Staff	\$ 3,826,779	\$ 3,431,571	\$ (3,735,176)	\$ (3,232,452)
Administration	\$ 6,525,031	\$ 5,742,551	\$ (6,525,031)	\$ (5,742,551)
Operation and Maintenance	\$ 4,878,736	\$ 6,652,180	\$ (4,878,736)	\$ (6,652,180)
Support Service- Other	\$ 2,423,621	\$ 2,143,508	\$ (10,673)	\$ (2,143,508)
Non-instructional programs	\$ 1,673,580	\$ 2,519,951	\$ (1,673,580)	\$ (376,443)
Interest Expense	\$ 2,477,991	\$ 1,647,068	\$ (2,477,991)	\$ (1,647,068)
Total Governmental Activities	\$ 68,985,983	\$ 62,687,101	\$ (58,395,764)	\$ (53,790,086)
Business - Type Activities				
Nutrition Services	\$ 3,094,480	\$ 2,605,040	\$ (130,807)	\$ 76,881
Total Business-type Activities	\$ 3,094,480	\$ 2,605,040	\$ (130,807)	\$ 76,881
Total Primary Government	\$ 72,080,463	\$ 65,292,141	\$ (58,526,571)	\$ (53,713,205)

Net cost of services is 81% of total cost of services in 2008.

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

**Governmental funds.** The focus of the 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, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Ankeny Community School District's governmental funds reported combined ending fund balances of \$33,415,244 a decrease of \$18,136,259 in comparison to the previous year. Approximately 3.9% of this amount, \$1,317,992 constitutes unreserved and undesignated fund balance, which is available for spending at the government's discretion. The remainder of the fund balance of \$32,097,252 is reserved or designated to indicate that it is not available for new spending because it has already been committed for 1) General Fund \$5,559,254; 2) Capital Projects Fund \$12,196,809; 3) Debt Service \$6,853,330; 4) Non-Major Governmental Funds \$7,487,859.

**Ankeny Community School District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
For fiscal year ended June 30, 2008**

The General Fund is the principal operating fund of the District. At the end of the current fiscal year, unreserved fund balance of the General Fund was (\$578,341) while total fund balance declined to \$4,980,913. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund revenues. Unreserved undesignated fund balance represents (.99%) of total General Fund revenues, while total fund balance represents approximately 8.5% of that same amount.

The fund balance of the District's General Fund decreased by \$2,657,157 during the current fiscal year. Key factors in the decrease were insufficient cash reserve levy, increased special education deficit spending, and emergency spending on technology infrastructure. Additional staffing results from high student growth continues to place pressure on general fund resources.

**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 of the District's Budgeted funds for the FY2008 budget amounts is as follows:

	<u>Budget</u>		<u>Actual Expenditures/ Expenses</u>	<u>Final Budget to Actual Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Instruction	\$40,479,908	\$45,967,482	\$42,547,883	\$3,419,599
Support services	17,206,455	21,256,887	19,164,867	2,092,020
Non-instructional programs	2,625,286	3,780,952	3,094,480	686,472
Other	<u>41,846,405</u>	<u>48,849,091</u>	<u>45,811,225</u>	<u>3,037,866</u>
Total	<u>\$102,158,054</u>	<u>\$119,854,412</u>	<u>\$110,618,455</u>	<u>\$9,235,957</u>

The FY2008 budget was amended on May 5, 2008. The District spent more in capital improvement projects category than anticipated.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** As of June 30, 2008, the District had invested \$131,380,194 in capital assets, including land, school buildings, athletic facilities, vehicles, computers and other equipment. This amount represents a net increase prior to depreciation of \$16,260,476 from last year, primarily due to the completion of the final phases of construction on building additions. Total depreciation expense for the year was \$2,182,744.

The following schedule presents capital asset balances net of depreciation for the fiscal year ended June 30, 2008.

Land and improvements	\$ 13,553,759
Buildings and improvements	64,552,600
Vehicles, furniture and equipment	452,061
Construction in progress	<u>14,245,410</u>
Total	<u>\$92,803,830</u>

Additional information on the District's capital assets can be found in Note 4 on page 28 of this report.

**Ankeny Community School District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
For fiscal year ended June 30, 2008**

**Debt Administration.** At year end, the District had \$52,834,733 in general obligation bonds and other long-term liabilities outstanding, of which \$9,445,172 is due within one year. The following table presents a summary of the District's outstanding long-term liabilities for the fiscal year ended June 30, 2008.

General obligation bonds	\$31,675,000
General obligation capital loan notes	4,945,000
Revenue bonds	13,640,000
Accrued compensated absences	380,324
Early retirement	<u>2,194,409</u>
 Total	 <u>\$52,834,733</u>

The District maintains an "A+" rating from Standard and Poor's for general obligation debt.

State statutes currently limit the amount of general obligation debt a District may issue to five percent (5%) of its total assessed valuation. The current debt limitation for the District is \$94,546,430, which is more than the District's outstanding general obligation debt.

Additional information on the District's long-term debt can be found in Note 5 on pages 29 through 31 of this report.

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The District is located in the central part of the state at the cross roads of Interstate 35 and Interstate 80; bordering the larger Des Moines metropolitan area and ranks as the tenth largest school district in the state in the heart of one of the top growth areas of the country. The economic condition and outlook has continued to improve since the economic decline of the early 1990's with the last farm crisis. Student growth is expected to continue despite slower economic conditions in the state as a whole. The District's tax base is growing in excess of 7% annually.

The District opened Ashland Ridge Elementary school in August 2008 and expects to begin construction on a 1,400 student capacity, \$44,000,000 high school in Prairie Trail. The District will also be breaking ground for a new 600 student grades 8-9 building near the same location as the high school.

Based on conservative projections, this trend is expected to continue well into 2030 if interest rates remain affordable to build. While this growth has a positive impact it also brings with it significant challenges in maintaining the District's infrastructure to accommodate this growth in an orderly and efficient manner.

Retail sales, building permits and population increases in Ankeny and the metro area as a whole exceed most state and national trends. The increases are expected to continue if economic conditions remain favorable.

#### **Request for Information**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, please write Dr. Craig Hansel, Chief Financial Officer, Ankeny Community School District, 306 S.W. School Street, Ankeny, Iowa 50023-0189.

## **BASIC FINANCIAL STATEMENTS**

**Ankeny Community School District**  
**STATEMENT OF NET ASSETS**  
**June 30, 2008**

<b>ASSETS</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
Current assets			
Cash and cash equivalents	\$ 41,448,528	\$ 747,746	\$ 42,196,274
Property taxes receivable			
Current year	201,667	-	201,667
Succeeding year	37,865,009	-	37,865,009
Due from other governments	1,459,880	-	1,459,880
Other receivables	406,347	4,844	411,191
Inventories	181,126	69,048	250,174
Total current assets	<u>81,562,557</u>	<u>821,638</u>	<u>82,384,195</u>
Noncurrent assets			
Land	13,553,759	-	13,553,759
Land improvements	717,930	-	717,930
Buildings	99,873,934	-	99,873,934
Equipment	2,056,734	932,427	2,989,161
Accumulated depreciation	(37,802,245)	(774,119)	(38,576,364)
Construction in progress	14,245,410	-	14,245,410
Total noncurrent assets	<u>92,645,522</u>	<u>158,308</u>	<u>92,803,830</u>
Other assets			
Bond discount and issuance costs	189,861	-	189,861
Total assets	<u>174,397,940</u>	<u>979,946</u>	<u>175,377,886</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable and accrued liabilities	10,282,304	29,066	10,311,370
Due to students	-	66,567	66,567
Bonds payable	8,595,000	-	8,595,000
Early retirement payable	469,848	-	469,848
Absences payable	380,324	-	380,324
Deferred revenue--succeeding year property taxes	37,865,009	-	37,865,009
Total current liabilities	<u>57,592,485</u>	<u>95,633</u>	<u>57,688,118</u>
Noncurrent liabilities			
Bonds payable--long term	41,665,000	-	41,665,000
Early retirement payable--long term	1,724,561	-	1,724,561
Total noncurrent liabilities	<u>43,389,561</u>	<u>-</u>	<u>43,389,561</u>
Total liabilities	<u>100,982,046</u>	<u>95,633</u>	<u>101,077,679</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	43,403,851	158,308	43,562,159
Restricted for			
Capital projects	16,271,663	-	16,271,663
Debt service	6,853,330	-	6,853,330
Insurance	3,413,005	-	3,413,005
Unrestricted	3,474,045	726,005	4,200,050
Total net assets	<u>\$ 73,415,894</u>	<u>\$ 884,313</u>	<u>\$ 74,300,207</u>

See Notes to Financial Statements.

**Ankeny Community School District  
STATEMENT OF ACTIVITIES  
Year ended June 30, 2008**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>PRIMARY GOVERNMENT</b>			
Governmental activities			
Instruction			
Regular	\$30,357,570	\$ 436,207	\$ 6,498,312
Special	7,411,560	-	502,494
Vocational and other	7,161,047	-	648,655
Support services			
Pupil	3,816,504	-	-
Instructional staff	3,826,779	91,603	-
Administration	6,632,175	-	-
Operation and maintenance of plant services	4,878,736	-	-
Other	10,673	-	-
AEA Flowthrough	2,352,907	-	2,352,907
Interest	2,477,991	-	-
Total governmental activities	<u>68,925,942</u>	<u>527,810</u>	<u>10,002,368</u>
Business-type activities			
Nutrition services	<u>3,094,480</u>	<u>2,496,047</u>	<u>467,626</u>
Total business-type activities	<u>3,094,480</u>	<u>2,496,047</u>	<u>467,626</u>
Total primary government	<u>\$72,020,422</u>	<u>\$3,023,857</u>	<u>\$10,469,994</u>

**General revenues**

- Taxes
  - Property taxes for general purposes
  - Property taxes for debt service
  - Property taxes for capital outlay
  - Revenue in lieu of taxes
  - Sales taxes
- State aid
- Investment earnings
- Miscellaneous
- Loss on disposal of assets
- Total general revenues and transfers
- Changes in net assets

Net assets, beginning of year

Net assets, end of year

**Net (Expense) Revenue and  
Changes in Net Assets**

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (23,423,051)	\$ —	\$ (23,423,051)
(6,909,066)	—	(6,909,066)
(6,512,392)	—	(6,512,392)
(3,816,504)	—	(3,816,504)
(3,735,176)	—	(3,735,176)
(6,632,175)	—	(6,632,175)
(4,878,736)	—	(4,878,736)
(10,673)	—	(10,673)
—	—	—
<u>(2,477,991)</u>	<u>—</u>	<u>(2,477,991)</u>
<u>(58,395,764)</u>	<u>—</u>	<u>(58,395,764)</u>
—	<u>(130,807)</u>	<u>(130,807)</u>
—	<u>(130,807)</u>	<u>(130,807)</u>
<u>(58,395,764)</u>	<u>(130,807)</u>	<u>(58,526,571)</u>
22,077,502	—	22,077,502
6,006,270	—	6,006,270
3,074,352	—	3,074,352
592,464	—	592,464
7,102,649	—	7,102,649
27,842,902	—	27,842,902
2,017,095	35,217	2,052,312
562,408	—	562,408
<u>(1,164,675)</u>	<u>—</u>	<u>(1,164,675)</u>
<u>68,110,967</u>	<u>35,217</u>	<u>68,146,184</u>
9,715,203	(95,590)	9,619,613
<u>63,700,691</u>	<u>979,903</u>	<u>64,680,594</u>
<u>\$73,415,894</u>	<u>\$ 884,313</u>	<u>\$74,300,207</u>

See Notes to Financial Statements.

**Ankeny Community School District  
BALANCE SHEET – GOVERNMENTAL FUNDS  
June 30, 2008**

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$11,116,088	\$13,907,063	\$ 6,622,488	\$ 9,802,889	\$41,448,528
Property taxes receivable					
Current year	132,530	-	38,312	30,825	201,667
Succeeding year	25,089,778	-	8,238,694	4,536,537	37,865,009
Due from other governments	938,886	-	-	520,994	1,459,880
Other receivables	-	36,703	192,875	176,769	406,347
Inventories	<u>181,126</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,126</u>
Total assets	<u>\$37,458,408</u>	<u>\$13,943,766</u>	<u>\$15,092,369</u>	<u>\$15,068,014</u>	<u>\$81,562,557</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable and accrued liabilities	\$ 7,387,717	\$ 1,746,957	\$ 345	\$ 1,147,285	\$10,282,304
Deferred revenue—succeeding year property taxes	25,089,778	-	8,238,694	4,536,537	37,865,009
Total liabilities	<u>32,477,495</u>	<u>1,746,957</u>	<u>8,239,039</u>	<u>5,683,822</u>	<u>48,147,313</u>
<b>Fund balances</b>					
Unreserved					
Undesignated	(578,341)	-	-	1,896,333	1,317,992
Reserved	5,559,254	12,196,809	6,853,330	7,487,859	32,097,252
Total fund balances	<u>4,980,913</u>	<u>12,196,809</u>	<u>6,853,330</u>	<u>9,384,192</u>	<u>33,415,244</u>
Total liabilities and fund balances	<u>\$37,458,408</u>	<u>\$13,943,766</u>	<u>\$15,092,369</u>	<u>\$15,068,014</u>	<u>\$81,562,557</u>

See Notes to Financial Statements.

**Ankeny Community School District**  
**RECONCILIATION OF THE BALANCE SHEET—GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET ASSETS**  
**June 30, 2008**

<b>Total fund balances of governmental funds (page 14)</b>	<b>\$33,415,244</b>
<b><i>Amounts reported for governmental activities in the statement of net assets are different because:</i></b>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds	92,645,522
Long-term liabilities, including bonds payable, compensated absences, and bond discounts and issuance costs are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.	<u>(52,644,872)</u>
<b>Net assets of governmental activities (page 11)</b>	<b><u>\$73,415,894</u></b>

**Ankeny Community School District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES—GOVERNMENTAL FUNDS**  
**Year ended June 30, 2008**

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Local taxes	\$20,750,846	\$ —	\$ 6,114,220	\$11,988,171	\$ 38,853,237
Interest income	379,684	893,654	192,874	550,883	2,017,095
Other	2,370,112	—	—	1,742,027	4,112,139
State sources	33,586,846	—	—	—	33,586,846
Federal sources	<u>1,236,503</u>	—	—	—	<u>1,236,503</u>
Total revenues	<u>58,323,991</u>	<u>893,654</u>	<u>6,307,094</u>	<u>14,281,081</u>	<u>79,805,820</u>
<b>EXPENDITURES</b>					
Current					
Instruction					
Regular	27,975,276	—	—	—	27,975,276
Special	7,411,560	—	—	—	7,411,560
Vocational and other	5,594,611	—	—	1,566,436	7,161,047
Support services					
Pupil	3,816,504	—	—	—	3,816,504
Instructional staff	3,826,779	—	—	—	3,826,779
Administration	6,525,031	—	—	107,144	6,632,175
Operation and maintenance of plant services	4,878,736	—	—	—	4,878,736
Other	—	—	—	10,673	10,673
Capital outlay	—	13,455,427	—	9,499,893	22,955,320
Debt service					
Principal retirement	—	—	18,035,000	—	18,035,000
Interest	—	—	2,467,998	—	2,467,998
AEA Flowthrough	<u>2,352,907</u>	—	—	—	<u>2,352,907</u>
Total expenditures	<u>62,381,404</u>	<u>13,455,427</u>	<u>20,502,998</u>	<u>11,184,146</u>	<u>107,523,975</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(4,057,413)</u>	<u>(12,561,773)</u>	<u>(14,195,904)</u>	<u>3,096,935</u>	<u>(27,718,155)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of assets	26,736	—	—	4,280,160	4,306,896
Operating transfers in (out)	1,373,520	—	7,643,112	(9,016,632)	—
Proceeds from general obligation bonds	—	—	<u>5,275,000</u>	—	<u>5,275,000</u>
Total other financing sources (uses)	<u>1,400,256</u>	<u>—</u>	<u>12,918,112</u>	<u>(4,736,472)</u>	<u>9,581,896</u>
<b>NET CHANGES IN FUND BALANCES</b>	<u>(2,657,157)</u>	<u>(12,561,773)</u>	<u>(1,277,792)</u>	<u>(1,639,537)</u>	<u>(18,136,259)</u>
<b>FUND BALANCES, beginning of year</b>	<u>7,638,070</u>	<u>24,758,582</u>	<u>8,131,122</u>	<u>11,023,729</u>	<u>51,551,503</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 4,980,913</u>	<u>\$12,196,809</u>	<u>\$ 6,853,330</u>	<u>\$ 9,384,192</u>	<u>\$ 33,415,244</u>

See Notes to Financial Statements.

**Ankeny 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, 2008**

**Net change in fund balances—total governmental funds (page 16)** \$(18,136,259)

***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 Assets 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:

Capital outlays	\$22,951,081	
Depreciation expense	<u>(2,135,748)</u>	20,815,333

Cost basis of assets disposed of is offset against proceeds from sale of assets on the Statement of Activities		(5,471,571)
--	--	-------------

Repayment of long-term debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Assets.		18,035,000
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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	(186,870)	
Compensated absences	<u>(55,437)</u>	(242,307)

Proceeds of general obligation bonds provide current financial resources to governmental funds, but increases noncurrent liabilities in the Statement of Net Assets.		(5,275,000)
--	--	-------------

Governmental funds report the effect of issuance costs, premiums, discount and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		<u>(9,993)</u>
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**Change in net assets of governmental activities (page 13)** \$ 9,715,203

**Ankeny Community School District**  
**STATEMENT OF NET ASSETS—PROPRIETARY FUND**  
**ENTERPRISE FUND**  
**June 30, 2008**

	<u>School Nutrition</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 747,746
Sundry receivables	4,844
Inventories	69,048
Property and equipment, net of accumulated depreciation	<u>158,308</u>
 Total assets	 \$ <u>979,946</u>
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	\$ 29,066
Due to students	<u>66,567</u>
Total liabilities	<u>95,633</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	158,308
Unrestricted	<u>726,005</u>
 Total net assets	 \$ <u>884,313</u>

**Ankeny Community School District  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
NET ASSETS—PROPRIETARY FUND  
ENTERPRISE FUND  
Year ended June 30, 2008**

	<u>School Nutrition</u>
<b>OPERATING REVENUES</b>	
Local sources	
Other local sources	
Sale of lunches and breakfast	
Students	\$1,255,527
Adults	18,690
A la carte	1,166,370
Special functions	<u>55,460</u>
Total operating revenues	<u>2,496,047</u>
<b>OPERATING EXPENSES</b>	
Non-instructional programs	
Food service operations	
Salaries	1,002,465
Employee benefits	395,535
Kitchen supplies	80,690
Food consumed	1,486,214
Other	82,580
Depreciation	<u>46,996</u>
Total operating expenses	<u>3,094,480</u>
<b>OPERATING (LOSS)</b>	<u>(598,433)</u>
<b>NON-OPERATING REVENUES</b>	
Interest income	35,217
State appropriations	23,204
Federal food commodities revenue	85,878
Federal appropriations	<u>358,544</u>
Total non-operating revenues	<u>502,843</u>
Change in net assets	(95,590)
<b>NET ASSETS—beginning of year</b>	<u>979,903</u>
<b>NET ASSETS—end of year</b>	<u>\$ 884,313</u>

See Notes to Financial Statements.

**Ankeny Community School District**  
**STATEMENT OF CASH FLOWS—PROPRIETARY FUND**  
**ENTERPRISE FUND**  
**Year ended June 30, 2008**

	<u>School Nutrition</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from sale of lunches and breakfasts	\$2,591,930
Cash payments to employees for services	(1,398,000)
Cash payments to suppliers for goods or services	(1,649,485)
Net cash (used in) operating activities	<u>(455,555)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>	
State grants received	23,204
Federal grants received	<u>358,544</u>
Net cash provided by non-capital financing related activities	<u>381,748</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING</b>	
Acquisition of capital assets	<u>(29,500)</u>
Net cash (used in) capital and related financing activities	<u>(29,500)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	<u>35,217</u>
Net cash provided by investing activities	<u>35,217</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(68,090)
<b>CASH AND CASH EQUIVALENTS</b>	
Beginning	<u>815,836</u>
Ending	<u>\$ 747,746</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating (loss)	\$ (598,433)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities	
Depreciation	46,996
Federal commodities used	85,878
Change in assets and liabilities	
Decrease in receivables	2,035
(Increase) in inventories	(3,301)
Increase in accounts payable and accrued liabilities	<u>11,270</u>
Net cash (used in) operating activities	<u>\$ (455,555)</u>

Noncash investing, capital and financing activities

During the year ended June 30, 2008, the District received \$85,878 of federal commodities.

**Ankeny Community School District**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**June 30, 2008**

<b>ASSETS</b>	<u><b>District</b></u>	<u><b>Cafeteria</b></u>	<u><b>Total</b></u>
Cash and cash equivalents	\$ 217,033	\$ 231	\$ 217,264
Receivables			
Sundry receivables	<u>10,264</u>	<u>1</u>	<u>10,265</u>
Total assets	<u>\$ 227,297</u>	<u>\$ 232</u>	<u>\$ 227,529</u>
 <b>LIABILITIES AND FUND EQUITY</b>			
Liabilities			
Accounts payable	\$ 4,514	\$ -	\$ 4,514
Due to student groups/employees	<u>222,783</u>	<u>232</u>	<u>223,015</u>
Total liabilities	<u>\$ 227,297</u>	<u>\$ 232</u>	<u>\$ 227,529</u>

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Ankeny Community School District is a political subdivision of the State of Iowa. The affairs of the district are conducted by a Board of Education. The District operates seven elementary schools, two middle schools, a high school and a building for special programs. The District's comprehensive annual financial report includes all of the District operations. The accounting policies of the Ankeny Community School District conform to generally accepted accounting principles, as applicable to governmental units. The following is a summary of such significant policies.

**Reporting Entity**

For financial reporting purposes, Ankeny 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. The Ankeny 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 Polk County Assessor's Conference Board.

**Basis of Presentation**

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

The statement of net assets presents the District's nonfiduciary 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 that are attributed to the acquisition, construction, or improvement of those assets. The portion of debt attributable to unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included with the same fund equity component as the unspent proceeds.

*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 that are imposed by management, but 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.

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Basis of Presentation (continued)**

**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 nonmajor 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 receipts 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 expenses, including instructional, support and other costs.

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

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

The other governmental funds of the District are considered nonmajor and are as follows:

The Local Option Sales and Services Tax Fund, a capital projects fund, accounts for all financial transactions from the local option sales and services tax for school infrastructure authorized by Iowa Code chapter 422E.

The Physical Plant and Equipment Levy (PPEL) Fund is utilized to account for the resources to be used to pay for the purchase of grounds, construction of buildings, purchase of buildings, equipment and repairs, remodeling, reconstructing, improving or expanding schoolhouses or buildings. The PPEL fund is required to be accounted for as a special revenue fund by statutes.

Special Revenue Funds are used to account for the revenue sources that are legally restricted to expenditures for specific purposes.

Management Fund: Accounts for tort liability insurance premiums, unemployment compensation insurance claims and early retirement incentive payments.

Student Activity Fund: Accounts for money held by the District on behalf of the students who have raised these funds and are responsible for their disposition for co-curricular or extracurricular activities of the District.

The District reports the following nonmajor proprietary fund:

School Nutrition Fund: Accounts for the food service operations of the District.

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

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

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Measurement Focus and Basis of Accounting**

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

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.

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Assets, Liabilities and Fund Equity**

**Cash and Cash Equivalents** – The cash balances of most District funds are pooled and invested. Investments are stated at fair value except for the investment in the Iowa Schools Joint Investment Trust which is valued at amortized cost.

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

**Property Tax Receivable** – Property tax in the 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 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 District-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 1 1/2% per month penalty for delinquent payments; is based on January 1, 2006 assessed property valuations; is for the tax accrual period July 1, 2007 through June 30, 2008 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April, 2007.

**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.

**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 repairs that do not add to the value of the asset or materially extend assets 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.

Land	\$ 2,000
Buildings	10,000
Improvements other than buildings	10,000
Furniture and equipment	
School Nutrition Fund equipment	500
Other furniture and equipment	5,000

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Assets, Liabilities and Fund Equity (continued)**

**Capital Assets (continued)**

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

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 included with accounts payable and accrued 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 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 period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue consists of the succeeding year property tax receivable as well as delinquent property tax receivable and other receivables not collected within sixty days after year end.

Deferred revenue on 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.

**Compensated Absences** – District employees accumulate a limited amount of earned but unused vacation for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the District-wide financial statements. A liability for these amounts is reported in governmental funds 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, 2008. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund.

**Long-term Obligations** – 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 Balances** – 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.

**Budgeting and Budgetary Control**

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2008, disbursements did not exceed amounts budgeted.

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 CASH AND POOLED INVESTMENTS**

The District's deposits in banks at June 30, 2008 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This Chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

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

At June 30, 2008, the District had the following investments:

	<b>Fair value</b>	<b>Amortized cost</b>
Iowa Schools Joint Investment Trust Diversified Portfolio	\$ <u>          —</u>	\$ <u>39,828,047</u>

The investments in the Iowa Schools Joint Investment Trust are valued at an amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940.

Interest rate risk. The District's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) in instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days but the maturities shall be consistent with the needs and use of the District.

Credit risk. The investments in the Iowa Schools Joint Investment Trust were both rated Aaa by Moody's Investors Service.

**NOTE 3 INTERFUND TRANSFERS**

The detail of interfund transfers for the year ended June 30, 2008 is as follows:

<b>Transfer to</b>	<b>Transfer from</b>	<b>Amount</b>
Debt Service	Capital Projects Local Option Sales and Services Tax Physical Plant and Equipment Levy	\$6,816,718 <u>826,394</u> <b>\$7,643,112</b>
General	Special Revenue Management	<b>\$1,373,520</b>

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

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2008 is as follows:

	<u>Balance beginning of year</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance end of year</u>
<b>Governmental activities</b>				
Capital assets not being depreciated				
Land	\$ 11,113,570	\$ 7,792,169	\$5,351,980	\$ 13,553,759
Construction in progress	<u>2,812,942</u>	<u>13,990,154</u>	<u>2,557,686</u>	<u>14,245,410</u>
Total capital assets not being depreciated	<u>13,926,512</u>	<u>21,782,323</u>	<u>7,909,666</u>	<u>27,799,169</u>
Capital assets being depreciated				
Buildings and improvements	97,909,985	2,949,301	985,352	99,873,934
Furniture and equipment	2,187,850	251,658	382,774	2,056,734
Land improvements	<u>192,445</u>	<u>525,485</u>	<u>—</u>	<u>717,930</u>
Total capital assets being depreciated	<u>100,290,280</u>	<u>3,726,444</u>	<u>1,368,126</u>	<u>102,648,598</u>
Less accumulated depreciation for				
Buildings and improvements	35,011,555	1,980,680	985,352	36,006,883
Furniture and equipment	1,893,855	132,309	263,183	1,762,981
Land improvements	<u>9,622</u>	<u>22,759</u>	<u>—</u>	<u>32,381</u>
Total accumulated depreciation	<u>36,915,032</u>	<u>2,135,748</u>	<u>1,248,535</u>	<u>37,802,245</u>
Total capital assets being depreciated, net	<u>63,375,248</u>	<u>1,590,696</u>	<u>119,591</u>	<u>64,846,353</u>
Governmental activities capital assets, net	<u>\$ 77,301,760</u>	<u>\$23,373,019</u>	<u>\$8,029,257</u>	<u>\$ 92,645,522</u>
<b>Business-type activities</b>				
Furniture and equipment	\$ 902,926	\$ 29,501	\$ —	\$ 932,427
Less accumulated depreciation	<u>727,123</u>	<u>46,996</u>	<u>—</u>	<u>774,119</u>
Business-type activities capital assets, net	<u>\$ 175,803</u>	<u>\$ (17,495)</u>	<u>\$ —</u>	<u>\$ 158,308</u>

Depreciation expense was charged by the District as follows:

Governmental activities	
Instruction	
Regular	\$ <u>2,135,748</u>
Business-type activities	
School nutrition	\$ <u>46,996</u>

Construction in progress at June 30, 2008 consists of costs related to the additions to Terrace, Northview, Ashland Meadows, and the new High School buildings.

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 LONG-TERM LIABILITIES**

The following is a summary of accrued compensated absences, general obligation bonds, general obligation capital loan notes, revenue bonds and early retirement transactions for the governmental funds of the District for the year ended June 30, 2008:

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2008</u>	<u>Due within one year</u>
Accrued compensated absences	\$ 324,887	\$ 55,437	\$ -	\$ 380,324	\$ 380,324
General obligation bonds	39,570,000	5,275,000	13,170,000	31,675,000	3,565,000
General obligation capital loan notes	5,580,000	-	635,000	4,945,000	655,000
Revenue bonds	17,870,000	-	4,230,000	13,640,000	4,375,000
Early retirement	<u>2,007,539</u>	<u>186,870</u>	<u>-</u>	<u>2,194,409</u>	<u>469,848</u>
Totals	<u>\$65,352,426</u>	<u>\$5,517,307</u>	<u>\$18,035,000</u>	<u>\$52,834,733</u>	<u>\$9,445,172</u>

The District offers a voluntary early retirement plan to its employees. Eligible employees must be at least age fifty-five and employees must have completed twelve years of continuous service to the District. Employees must complete an application which is required to be approved by the Board of Education. The early retirement incentive for each eligible employee is equal to a) 60% of the employee's salary or b) 30% of the employee's salary plus continued health insurance of up to a maximum of five years. Currently, thirty six retirees meet the eligibility requirements. Expenditures for early retirement are recognized as benefits are paid. Early retirement benefits paid during the year ended June 30, 2008 totaled \$570,350.

The District's general obligation bond debt is as follows:

- a) An issue dated October 1, 2001, having an interest rate of 3.95% and an unpaid balance of \$1,230,000.
- b) An issue dated March 15, 2004, having an interest rate of 2.5% and an unpaid balance of \$1,505,000.
- c) An issue dated June 1, 2007, having an interest rate varying from 4.0% to 4.5% and an unpaid balance of \$23,665,000.
- d) An issue dated March 5, 2008, having an interest rate varying from 2.3% to 3% and an unpaid balance of \$5,275,000.

The District's general obligation capital loan note debt is as follows:

- a) An issue dated July 1, 2005, having an interest rate of 3.43% and an unpaid balance of \$4,945,000.

The District's revenue obligation bond debt, which is payable from revenues of the Local Option Sales and Services Tax Fund, is as follows:

- a) An issue dated December 1, 2002 having an interest rate varying from 4.0% to 5.0% and an unpaid balance of \$8,445,000.
- b) An issue dated April 1, 2004, having an interest rate varying from 3.0% to 3.5% and an unpaid balance of \$3,680,000.
- c) An issue dated April 1, 2004, having an interest rate varying from 2.85% to 3.35% and an unpaid balance of \$1,515,000.

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 LONG-TERM LIABILITIES (continued)**

Annual general obligation bond principal maturities, by issue and in total, are as follows:

Year ending June 30	Bond issue date				Total
	October 1, 2001	March 15, 2004	June 1, 2007	March 5, 2008	
2009	\$1,230,000	\$ 745,000	\$ 820,000	\$ 770,000	\$ 3,565,000
2010	—	760,000	855,000	825,000	2,440,000
2011	—	—	890,000	845,000	1,735,000
2012	—	—	925,000	965,000	1,890,000
2013	—	—	965,000	930,000	1,895,000
2014-2018	—	—	5,520,000	940,000	6,460,000
2019-2023	—	—	6,900,000	—	6,900,000
2024-2027	—	—	6,790,000	—	6,790,000
Totals	<u>\$1,230,000</u>	<u>\$1,505,000</u>	<u>\$23,665,000</u>	<u>\$5,275,000</u>	<u>\$31,675,000</u>

Annual general obligation capital loan note maturities, are as follows for the notes dated July 1, 2005:

Year ending June 30	
2009	\$ 655,000
2010	680,000
2011	700,000
2012	730,000
2013	755,000
2014-2015	<u>1,425,000</u>
Total	<u>\$4,945,000</u>

Annual revenue obligation bond principal maturities, by issue and in total, are as follows:

Year ending June 30	Bond issue date			Total
	December 1, 2002	April 1, 2004	April 1, 2004	
2009	\$ 2,725,000	\$1,190,000	\$ 460,000	\$ 4,375,000
2010	2,810,000	1,225,000	500,000	4,535,000
2011	<u>2,910,000</u>	<u>1,265,000</u>	<u>555,000</u>	<u>4,730,000</u>
Totals	<u>\$ 8,445,000</u>	<u>\$3,680,000</u>	<u>\$1,515,000</u>	<u>\$13,640,000</u>

The local option sales and services 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 local option sales and services tax revenues 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 resolution providing for the issuance of the local option sales and services tax revenue bonds includes the following provisions:

- a) 10% of the proceeds from the issuance of the revenue bonds shall be deposited to the 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 Capital Project Account.

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 LONG-TERM LIABILITIES (continued)**

- b) All proceeds from the local option sales and services 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.

All District bond principal and interest expenditures are accounted for in the Debt Service Fund.

A summary of general and revenue obligation bond and general obligation capital loan note debt service requirements to maturity as of June 30, 2008, is as follows:

Year ending June 30	<u>General Obligation Bonds</u>			<u>General Obligation Capital Loan Notes</u>			<u>Revenue Obligation Bonds</u>		
	Annual principal and interest requirements			Annual principal and interest requirements			Annual principal and interest requirements		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 3,565,000	\$ 1,399,447	\$ 4,964,447	\$ 655,000	\$ 169,614	\$ 824,614	\$ 4,375,000	\$ 483,085	\$ 4,858,085
2010	2,440,000	1,105,448	3,545,448	680,000	147,147	827,147	4,535,000	306,273	4,841,273
2011	1,735,000	1,032,448	2,767,448	700,000	123,823	823,823	4,730,000	104,184	4,834,184
2012	1,890,000	975,300	2,865,300	730,000	99,813	829,813	-	-	-
2013	1,895,000	912,245	2,807,245	755,000	74,774	829,774	-	-	-
2014-2018	6,460,000	3,700,700	10,160,700	1,425,000	73,403	1,498,403	-	-	-
2019-2023	6,900,000	2,440,294	9,340,294	-	-	-	-	-	-
2024-2027	6,790,000	781,875	7,571,875	-	-	-	-	-	-
Totals	<u>\$31,675,000</u>	<u>\$12,347,757</u>	<u>\$44,022,757</u>	<u>\$4,945,000</u>	<u>\$ 688,574</u>	<u>\$5,633,574</u>	<u>\$13,640,000</u>	<u>\$ 893,542</u>	<u>\$14,533,542</u>

Principal payments on general obligation bonds and capital loan notes are due annually on June 1, and interest payments are due semiannually on June 1 and December 1. Principal payments on revenue bonds are due annually on July 1, and interest payments are due semiannually on January 1 and July 1.

The bond issues include provisions whereby the District has the option to call general obligation bonds for early redemption that mature after stated dates.

**NOTE 6 DEFINED BENEFIT PENSION PLAN**

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 3.90% of their annual covered salary and the District is required to contribute 6.05% of annual covered payroll for the years ended June 30, 2008, 2007, and 2006. Contribution requirements are established by State statute. The District's contributions to IPERS for the years ended June 30, 2008, 2007 and 2006 were \$2,171,309, \$1,953,602 and \$1,743,031, respectively, equal to the required contributions for each year.

**NOTE 7 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 \$2,352,907 for the year ended June 30, 2008 and is recorded in the General Fund by making a memorandum adjusting entry to the cash basis financial statements.

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 COMMITMENTS**

The District entered into contract commitments with contractors for the completion of several construction projects. The total contract commitments are \$12,250,000 of which \$9,902,753 has been incurred as of June 30, 2008. The unpaid commitment balance is \$2,347,247.

The District has entered into an agreement for the provision of transportation services to students for the year ended June 30, 2009 through June 30, 2011.

The total minimum commitment at June 30, 2008 is due as follows:

<b>Year ending June 30,</b>	
2009	\$1,296,972
2010	1,335,852
2011	<u>1,375,947</u>
 Total	 <u>\$4,008,771</u>

\$ 1,815,795 was incurred for the year ended June 30, 2008.

**NOTE 9 FUND BALANCE RESERVES**

The District fund balances have been reserved as follows:

General Fund	
Reserved for inventories	\$ 181,126
Reserved for talented and gifted	157,668
Reserved for school improvement technology	72,960
Reserved for At-Risk	2,846,814
Reserved for instructional support levy	876,593
Reserved for teacher quality professional development	45,569
Reserved for early intervention state reading	73,437
Reserved from early intervention federal reading	15,401
Reserved for Polar Watch grant	375
Reserved for Federal Bureau grant	125
Reserved for market factor	67,368
Reserved for tech learning grant	4,978
Reserved for ABC5 grant	222
Reserved for building budget	399,950
Reserved for transportation vehicles	804,200
Reserved for Community Foundation Cultural grant	<u>12,468</u>
 Total	 <u>\$5,559,254</u>
 Special Revenue Fund	
Reserved for employee benefits	<u>\$ 3,413,005</u>
 Debt Service Fund	
Reserved for debt service	<u>\$ 6,853,330</u>
 Capital Projects Fund	
Reserved for construction projects	<u>\$12,196,809</u>
 Local Option Sales and Services Tax Fund	
Reserved for construction projects	<u>\$ 4,074,854</u>

**Ankeny Community School District  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 10 RISK MANAGEMENT**

The 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 from independent third parties. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 11 NEW GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS**

As of June 30, 2008, the Governmental Accounting Standards Board (GASB) has issued several statements not yet implemented by the District. The statements which might impact the District are as follows:

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, issued June 2004, will be effective for the District beginning with its year ending June 30, 2009. This Statement establishes standards for the measurement, recognition and display of other postemployment benefit expenses and related liabilities or assets, note disclosures and, if applicable, required supplementary information in the financial reports.

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, issued November, 2006, will be effective for the District beginning with its year ending June 30, 2009. This statement establishes accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups.

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, will be effective for the District beginning with its year ending June 30, 2010. This statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets.

GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, will be effective for the District beginning with its year ending June 30, 2009. This statement requires endowments to report their land and other real estate investments at fair value.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, will be effective for the District beginning with its year ending June 30, 2010. This statement requires that derivative instruments be reported at fair value.

The District's management has not yet determined the effect these statements will have on the District's financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Ankeny Community School District**  
**BUDGETARY COMPARISON SCHEDULE OF RECEIPTS,**  
**DISBURSEMENTS AND CHANGES IN FUND BALANCES**  
**BUDGET TO ACTUAL—ALL GOVERNMENTAL FUNDS AND PROPRIETARY FUND**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**Year ended June 30, 2008**

	Governmental		Proprietary	Budgeted Amounts		Final Budget to Actual Variance Positive (Negative)
	Fund Types	Fund Type	Total	Original	Amended	
	Actual	Actual	Actual			
<b>REVENUES</b>						
Local	\$ 44,982,471	\$ 2,531,264	\$ 47,513,735	\$ 47,392,746	\$ 47,392,746	\$ 120,989
Federal	1,236,503	444,422	1,680,925	1,627,176	1,627,176	53,749
State	<u>33,586,846</u>	<u>23,204</u>	<u>33,610,050</u>	<u>36,482,364</u>	<u>36,482,364</u>	<u>(2,872,314)</u>
Total revenues	<u>79,805,820</u>	<u>2,998,890</u>	<u>82,804,710</u>	<u>85,502,286</u>	<u>85,502,286</u>	<u>(2,697,576)</u>
<b>EXPENDITURES</b>						
Current						
Instruction	42,547,883	—	42,547,883	40,479,908	45,967,482	3,419,599
Support services	19,164,867	—	19,164,867	17,206,455	21,256,887	2,092,020
Noninstructional programs	—	3,094,480	3,094,480	2,625,286	3,780,952	686,472
Total other expenditures	<u>45,811,225</u>	<u>—</u>	<u>45,811,225</u>	<u>41,846,405</u>	<u>48,849,091</u>	<u>3,037,866</u>
Total expenditures	<u>107,523,975</u>	<u>3,094,480</u>	<u>110,618,455</u>	<u>102,158,054</u>	<u>119,854,412</u>	<u>9,235,957</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES/EXPENSES</b>	(27,718,155)	(95,590)	(27,813,745)	(16,655,768)	(34,352,126)	6,538,381
<b>OTHER FINANCING SOURCES (USES), NET</b>	<u>9,581,896</u>	<u>—</u>	<u>9,581,896</u>	<u>—</u>	<u>—</u>	<u>9,581,896</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (18,136,259)</u>	<u>\$ (95,590)</u>	<u>\$ (18,231,849)</u>	<u>\$ (16,655,768)</u>	<u>\$ (34,352,126)</u>	<u>\$ 16,120,277</u>

See accompanying independent auditor's report.

**Ankeny Community School District**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION—BUDGETARY REPORTING**  
**Year ended June 30, 2008**

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

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds, except private-purpose trust and agency funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on the accrual basis which is consistent with generally accepted accounting principles. Encumbrances are not recognized and appropriations as adopted and amended lapse at year end.

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, noninstructional programs and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated functional level, not by fund. The Code of Iowa also provides that District expenditures in the General Fund may not exceed the amount authorized by the school finance formula.

**OTHER SUPPLEMENTARY INFORMATION**

**GENERAL FUND**

**Ankeny Community School District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GENERAL FUND**  
**Year ended June 30, 2008**

**REVENUES**

Local sources	
Local tax	
Property tax	\$20,355,077
Utility tax replacement excise tax	362,165
Mobile home tax	33,604
	<u>20,750,846</u>
Other local sources	
Interest on investments	379,684
Tuition from other districts	1,411,270
Transportation fees	91,603
Miscellaneous	867,239
	<u>2,749,796</u>
	<u>23,500,642</u>
State appropriations	
State foundation aid	27,474,013
Instructional support state aid	368,889
Educational Excellence program	
Phase I	2,678
Phase II	596,799
Vocational education aid	29,607
Iowa Early Intervention Grant	803,460
Teacher induction allocation	1,921,299
Teacher learning grant	15,105
Truancy Prevention Grant	22,089
AEA flow-through	2,352,907
	<u>33,586,846</u>
Federal appropriations	
Title I Grants to Local Educational Agencies	177,409
Safe and Drug-Free Schools and Communities—State grants	14,201
Federal Teacher Quality Program (Title II program)	100,760
Innovative Education Program Strategies (Title V program)	8,805
Innovative Education Program Strategies (Title VI program)	50,603
Medicaid	502,494
Special Education—Grants to States	343,397
Perkins Grant	38,834
	<u>1,236,503</u>
Total revenues	<u>58,323,991</u>

**Ankeny Community School District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (continued)**  
**GENERAL FUND**  
**Year ended June 30, 2008**

**EXPENDITURES**

Instruction	
General education	
Salaries	\$18,938,553
Benefits	6,527,569
Services	1,472,608
Supplies	719,200
Property	305,082
Other	<u>12,264</u>
	<u>27,975,276</u>
Special education	
Salaries	4,754,624
Benefits	1,817,759
Services	733,923
Supplies	60,866
Property	44,271
Other	<u>117</u>
	<u>7,411,560</u>
Career education	
Salaries	1,262,080
Benefits	285,347
Services	246,814
Supplies	1,055,443
Property	190,410
Other	<u>148,257</u>
	<u>3,188,351</u>
Cocurricular education	
Salaries	1,686,683
Benefits	488,801
Services	147,243
Supplies	69,154
Property	14,267
Other	<u>112</u>
	<u>2,406,260</u>
Support service programs	
Student services	
Salaries	1,267,705
Benefits	401,289
Services	1,955,416
Supplies	190,812
Property	<u>1,282</u>
	<u>3,816,504</u>
Media/instruction	
Salaries	1,732,790
Benefits	453,635
Services	258,421
Supplies	395,432
Property	975,252
Other	<u>11,249</u>
	<u>3,826,779</u>

See accompanying independent auditor's report.

**Ankeny Community School District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (continued)**  
**GENERAL FUND**  
**Year ended June 30, 2008**

**EXPENDITURES (continued)**

Support service programs (continued)

General administration

Salaries	\$ 3,825,413
Benefits	1,758,930
Services	646,610
Supplies	205,955
Property	31,813
Other	<u>56,310</u>
	<u>6,525,031</u>

Central services

Salaries	1,621,946
Benefits	744,852
Services	787,622
Supplies	1,599,252
Property	124,419
Other	<u>645</u>
	<u>4,878,736</u>

Other

AEA flow-through	<u>2,352,907</u>
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Total expenditures	<u>62,381,404</u>
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Excess of revenues over expenditures	(4,057,413)
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**OTHER FINANCING SOURCES**

Sale of assets	26,736
Operating transfers in	<u>1,373,520</u>
Total other financing sources	<u>1,400,256</u>
Excess of revenues and other financing sources over expenditures	(2,657,157)

<b>FUND BALANCE</b> —beginning of year	<u>7,638,070</u>
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<b>FUND BALANCE</b> —end of year	<u>\$ 4,980,913</u>
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**NONMAJOR GOVERNMENTAL FUNDS**

**Ankeny Community School District  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2008**

	<u>Local Option Sales and Services Tax</u>	<u>Physical Plant and Equipment Levy</u>	<u>YMCA Endowment</u>	<u>Management</u>	<u>Student Activity</u>	<u>Total</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$4,007,354	\$1,415,286	\$ 16,251	\$3,487,774	\$ 876,224	\$ 9,802,889
Property taxes receivable						
Current year	-	19,610	-	11,215	-	30,825
Succeeding year	-	3,399,000	-	1,137,537	-	4,536,537
Due from other governments	520,994	-	-	-	-	520,994
Other receivables	<u>-</u>	<u>5,926</u>	<u>581</u>	<u>150,548</u>	<u>19,714</u>	<u>176,769</u>
Total assets	<u>\$4,528,348</u>	<u>\$4,839,822</u>	<u>\$ 16,832</u>	<u>\$4,787,074</u>	<u>\$ 895,938</u>	<u>\$15,068,014</u>
<b>LIABILITIES AND DISTRICT EQUITY</b>						
Liabilities						
Accounts payable and accrued liabilities	\$ 453,494	\$ 383,600	\$ -	\$ 236,532	\$ 73,659	\$ 1,147,285
Deferred revenue—succeeding year property tax	<u>-</u>	<u>3,399,000</u>	<u>-</u>	<u>1,137,537</u>	<u>-</u>	<u>4,536,537</u>
Total liabilities	<u>453,494</u>	<u>3,782,600</u>	<u>-</u>	<u>1,374,069</u>	<u>73,659</u>	<u>5,683,822</u>
District equity						
Fund balance						
Reserved for employee benefits, insurance, retirement, tort liability, unemployment, and capital projects	4,074,854	-	-	3,413,005	-	7,487,859
Unreserved	<u>-</u>	<u>1,057,222</u>	<u>16,832</u>	<u>-</u>	<u>822,279</u>	<u>1,896,333</u>
Total fund balance	<u>4,074,854</u>	<u>1,057,222</u>	<u>16,832</u>	<u>3,413,005</u>	<u>822,279</u>	<u>9,384,192</u>
Total liabilities and District equity	<u>\$4,528,348</u>	<u>\$4,839,822</u>	<u>\$ 16,832</u>	<u>\$3,649,537</u>	<u>\$ 895,938</u>	<u>\$15,068,014</u>

See accompanying independent auditor's report.

**Ankeny Community School District**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year ended June 30, 2008**

	<b>Local Option Sales and Services Tax</b>	<b>Physical Plant and Equipment Levy</b>	<b>YMCA Endowment</b>	<b>Management</b>	<b>Student Activity</b>	<b>Total</b>
<b>REVENUES</b>						
Local taxes	\$7,102,649	\$3,129,607	\$ -	\$1,755,915	\$ -	\$11,988,171
Interest income	306,463	30,324	-	150,549	63,547	550,883
Other	22,798	34,234	3,581	70,764	1,610,650	1,742,027
Total revenues	<u>7,431,910</u>	<u>3,194,165</u>	<u>3,581</u>	<u>1,977,228</u>	<u>1,674,197</u>	<u>14,281,081</u>
<b>EXPENDITURES</b>						
Instruction						
Vocational and other	-	-	-	-	1,566,436	1,566,436
Support services						
Administration	-	-	-	107,144	-	107,144
Other	-	10,673	-	-	-	10,673
Capital outlay	<u>3,564,338</u>	<u>5,935,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,499,893</u>
Total expenditures	<u>3,564,338</u>	<u>5,946,228</u>	<u>-</u>	<u>107,144</u>	<u>1,566,436</u>	<u>11,184,146</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,867,572</u>	<u>(2,752,063)</u>	<u>3,581</u>	<u>1,870,084</u>	<u>107,761</u>	<u>3,096,935</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Sales of assets	-	4,280,160	-	-	-	4,280,160
Operating transfers in (out)	<u>(6,816,718)</u>	<u>(826,394)</u>	<u>-</u>	<u>(1,373,520)</u>	<u>-</u>	<u>(9,016,632)</u>
Total other financing sources (uses)	<u>(6,816,718)</u>	<u>3,453,766</u>	<u>-</u>	<u>(1,373,520)</u>	<u>-</u>	<u>(4,736,472)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(2,949,146)</u>	<u>701,703</u>	<u>3,581</u>	<u>496,564</u>	<u>107,761</u>	<u>(1,639,537)</u>
<b>FUND BALANCE</b> —beginning of year	<u>7,024,000</u>	<u>355,519</u>	<u>13,251</u>	<u>2,916,441</u>	<u>714,518</u>	<u>11,023,729</u>
<b>FUND BALANCE</b> —end of year	<u>\$4,074,854</u>	<u>\$1,057,222</u>	<u>\$ 16,832</u>	<u>\$3,413,005</u>	<u>\$ 822,279</u>	<u>\$ 9,384,192</u>

See accompanying independent auditor's report.

**DEBT SERVICE FUND**

**Ankeny Community School District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**DEBT SERVICE FUND**  
**Year ended June 30, 2008**

**REVENUES**

Local sources		
Local tax		
Property tax		\$ 6,006,270
Utility tax replacement excise tax		98,784
Mobile home tax		<u>9,166</u>
		<u>6,114,220</u>
Other local sources		
Interest		<u>192,874</u>
Total revenues		<u>6,307,094</u>

**EXPENDITURES**

Debt service		
Principal redemption		18,035,000
Coupon redemption and fees		<u>2,467,998</u>
Total expenditures		<u>20,502,998</u>
(Deficiency) of revenues (under) expenditures		<u>(14,195,904)</u>

**OTHER FINANCING SOURCES**

Interfund transfers		7,643,112
Proceeds from general obligation bonds		<u>5,275,000</u>
Total other financing sources		<u>12,918,112</u>
(Deficiency) of revenues and other financing sources (under) expenditures		<u>(1,277,792)</u>

<b>FUND BALANCE</b> —beginning of year	<u>8,131,122</u>
<b>FUND BALANCE</b> —end of year	<u>\$ 6,853,330</u>

**AGENCY FUNDS**

**Ankeny Community School District**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**Year ended June 30, 2008**

	<u>District</u>	<u>Cafeteria</u>	<u>Total</u>
<b>BALANCE</b> , beginning of year	\$ 165,019	\$ 223	\$ 165,242
Additions			
Collections	189,190	-	189,190
Interest	<u>7,630</u>	<u>9</u>	<u>7,639</u>
	196,820	9	196,829
Deductions			
Miscellaneous	<u>139,056</u>	<u>-</u>	<u>139,056</u>
<b>BALANCE</b> , end of year	<u>\$ 222,783</u>	<u>\$ 232</u>	<u>\$ 223,015</u>

See accompanying independent auditor's report.

**Ankeny Community School District**  
**SCHEDULE OF CHANGES IN STUDENT ACTIVITY ACCOUNTS**  
Year ended June 30, 2008

<u>Account</u>	<u>Balance beginning of year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Balance end of year</u>
District—Wide				
Interest income	\$ 54,449	\$ 27,539	\$ —	\$ 81,988
PE Uniform Account	(2,079)	28,139	32,437	(6,377)
DW Towel	43,658	—	11,632	32,026
Book Fair	1,185	11,227	11,597	815
Elem Musical Recorders	2,775	5,859	6,313	2,321
Total District-Wide	<u>99,988</u>	<u>72,764</u>	<u>61,979</u>	<u>110,773</u>
Senior High School				
Athletic Fund	141,702	652,764	627,179	167,287
Drama/Muscial	10,667	7,068	929	16,806
Vocal Music	1,398	68,607	42,364	27,641
Instrumental Music	20,416	46,742	44,944	22,214
Art	2,157	1,506	1,818	1,845
Lock	7,874	135	—	8,009
Industrial Tech	3,397	6,223	426	9,194
Media Special	8,053	3,144	2,608	8,589
Soaring Hawk Award	—	325	140	185
Business Ed Special	4,117	21,684	21,511	4,290
Health Special	1,310	—	168	1,142
Language Arts Special	943	—	690	253
Math Special	653	660	557	756
Modern Language Special	3,837	1,268	1,483	3,622
Science Special	5,846	5,065	1,860	9,051
Social Studies Special	2,836	1,464	1,254	3,046
Industrial Tech Cad Lab	692	—	—	692
Scholastic Bowl	1,208	552	933	827
Drama Club	(532)	13,337	5,915	6,890
Family & Consumer Science	4,713	15,730	14,544	5,899
Spanish Club	—	94	—	94
French Club	3,322	—	—	3,322
Honor Society	10,068	6,438	6,370	10,136
Journalism Club	(1,138)	4,949	3,277	534
Debate Club	153	180	—	333
Ecology Club	166	235	235	166
Travel Club	174	—	—	174
Ahs Coffee Shop	4,742	18,916	15,632	8,026
Cheerleaders....Varsity	22,521	86,216	82,133	26,604
Cheerleaders....9 <sup>th</sup> Grade	16,664	27,022	35,471	8,215
Circle Of Friends (Overton)	2,640	1,861	1,729	2,772
Drill Team	1	5,444	2,935	2,510
S A D D	364	—	185	179

See accompanying independent auditor's report.

**Ankeny Community School District**  
**SCHEDULE OF CHANGES IN STUDENT ACTIVITY ACCOUNTS (continued)**  
Year ended June 30, 2008

<u>Account</u>	<u>Balance beginning of year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Balance end of year</u>
Senior High School (continued)				
Interact	\$ 164	\$ -	\$ -	\$ 164
Student Council	6,129	11,709	7,577	10,261
Yearbook	52,244	10,681	21,528	41,397
Textbook Fines	5,861	2,988	-	8,849
Badge Replacement	2,295	2,335	5	4,625
Handbooks	100	45	-	145
Building Trades	3,379	3,100	2,213	4,266
Peer Helper	682	180	60	802
Student Teacher Scholarship	4,956	3,304	4,200	4,060
Speech/Drama Scholarship	311	1,044	747	608
Debate Scholarship	5,438	-	-	5,438
Advance Placement Testing	9,586	28,073	27,556	10,103
ACT Prep	-	115	-	115
Academic Awards	27	1,800	2,649	(822)
Cap & Gown	(1,115)	1,880	6,196	(5,431)
Prom	8,082	15,650	17,417	6,315
Learning Center Balloons	868	1,688	1,588	968
Special Olympics	-	370	-	370
Summer Fitness	12,145	15,150	10,722	16,573
Model UN	77	-	-	77
Total Senior High School	<u>392,193</u>	<u>1,097,741</u>	<u>1,019,748</u>	<u>470,186</u>
Northview Middle School				
Vocal Music	4,093	16,878	15,862	5,109
Instrumental Music	1,911	4,138	6,938	(889)
Art	293	-	-	293
Lock	14,638	75	-	14,713
Media Center Special	1,914	2,990	2,558	2,346
PE Special	17	-	-	17
Culinary Arts Special	3,308	287	772	2,823
Modern Language	734	1,666	2,499	(99)
Science Special	10	-	-	10
Student Council Special	11,000	229	11,172	57
F A H	13,729	10,789	9,324	15,194
Drama Club	(44)	1,000	-	956
Student Council	240	19,558	7,209	12,589
Yearbook	4,863	7,019	6,012	5,870
Textbook Fines	5,647	505	-	6,152
Book Store	1,103	695	1,400	398
SOS Club	(345)	345	-	-
Technology Fundraising	20,552	30,051	26,085	24,518
Special Olympics	487	121	120	488
Total Northview Middle School	<u>84,150</u>	<u>96,346</u>	<u>89,951</u>	<u>90,545</u>

See accompanying independent auditor's report.

**Ankeny Community School District**  
**SCHEDULE OF CHANGES IN STUDENT ACTIVITY ACCOUNTS (continued)**  
Year ended June 30, 2008

<u>Account</u>	<u>Balance beginning of year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Balance end of year</u>
Parkview Middle School				
Vocal Music	\$ -	\$ -	\$ 1,685	\$ (1,685)
Instrumental Music	874	5,655	5,967	562
Lock	404	5	-	409
Industrial Tech	-	4,443	2,583	1,860
Media Ctr Special	2,936	9,589	6,966	5,559
Culinary Arts	1,079	2,506	2,107	1,478
Science Special	597	-	-	597
Parview Stars	274	-	171	103
6 <sup>th</sup> Grade Silver Team	33	2,377	2,582	(172)
6 <sup>th</sup> Grade Gold Team	765	1,481	1,771	475
6 <sup>th</sup> Grade Maroon Team	50	2,121	2,179	(8)
6 <sup>th</sup> Grade Teal Team	446	1,521	2,142	(175)
6 <sup>th</sup> Grade Platinum Team	29	2,269	2,306	(8)
6 <sup>th</sup> Grade Navy Team	50	906	712	244
6 <sup>th</sup> Grade Bronze Team	167	1,556	1,684	39
6 <sup>th</sup> Grade Crimson Team	18	641	670	(11)
7 <sup>th</sup> Grade Gold Team	(3)	1,150	340	807
7 <sup>th</sup> Grade Teal Team	244	333	408	169
7 <sup>th</sup> Grade Bronze Team	50	735	796	(11)
7 <sup>th</sup> Grade Platinum Team	230	1,818	1,222	826
7 <sup>th</sup> Grade Navy Team	297	20	570	(253)
7 <sup>th</sup> Grade Silver Team	145	348	487	6
7 <sup>th</sup> Grade Maroon Team	50	380	411	19
7 <sup>th</sup> Grade Crimson Team	50	1,585	1,545	90
Student Council	27,618	90,227	79,655	38,190
Lead Council	-	142	-	142
Yearbook	2,772	2,670	1,668	3,774
Textbook Fines	994	763	101	1,656
Total Parkview Middle School	<u>40,169</u>	<u>135,241</u>	<u>120,728</u>	<u>54,682</u>
Crocker Elementary				
Field Trip	(40)	7,189	7,189	(40)
Media Center Special	6,228	19,487	18,746	6,964
Special Projects	4,542	11,066	8,745	6,864
Total Crocker Elementary	<u>10,730</u>	<u>37,742</u>	<u>34,680</u>	<u>13,792</u>
East Elementary				
Field Trip	31	3,359	3,331	59
Media Center Special	4,328	11,088	8,141	7,275
Classroom donations	-	2,100	1,999	-
Special Projects	1,438	1,578	-	3,016
Science Special	3,124	5,364	4,144	4,344
Student Council	-	23	-	23
Peer Helper	850	1,000	140	1,710
Total East Elementary	<u>9,771</u>	<u>24,512</u>	<u>17,755</u>	<u>16,528</u>

See accompanying independent auditor's report.

**Ankeny Community School District**  
**SCHEDULE OF CHANGES IN STUDENT ACTIVITY ACCOUNTS (continued)**  
**Year ended June 30, 2008**

<u>Account</u>	<u>Balance beginning of year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Balance end of year</u>
Northwest Elementary				
Field Trip	\$ 274	\$ 3,141	\$ 3,436	\$ (21)
Media Center Special	6,358	7,238	9,492	4,104
Special Projects	3,826	14,850	14,573	4,103
Student Council	<u>1,852</u>	<u>309</u>	<u>1,710</u>	<u>451</u>
Total Northwest Elementary	<u>12,310</u>	<u>25,538</u>	<u>29,211</u>	<u>8,637</u>
Southeast Elementary				
Field Trip	520	722	836	406
Media Center Special	3,042	16,425	21,768	(2,301)
Special Projects	9,736	31,014	26,089	14,661
Special Ed	<u>3,778</u>	<u>—</u>	<u>1,073</u>	<u>2,705</u>
Total Southeast Elementary	<u>17,076</u>	<u>48,161</u>	<u>49,766</u>	<u>15,471</u>
Terrace Elementary				
Field Trip	1,079	3,604	3,816	867
Media Center Special	5,029	27,478	29,816	2,691
Special Projects	<u>3,490</u>	<u>16,938</u>	<u>11,160</u>	<u>9,268</u>
Total Terrace Elementary	<u>9,598</u>	<u>48,020</u>	<u>44,792</u>	<u>12,826</u>
Westwood Elementary				
Field Trip	348	6,210	6,056	502
Media Center Special	10,572	18,053	23,396	5,229
Special Activity	(429)	1,648	—	1,219
Special Projects	10,929	17,173	21,517	6,585
Science Special	129	—	221	(92)
Student Council	<u>955</u>	<u>—</u>	<u>—</u>	<u>955</u>
Total Westwood Elementary	<u>22,504</u>	<u>43,084</u>	<u>51,190</u>	<u>14,398</u>
Northeast Elementary				
Field Trip	374	5,035	5,693	(284)
Media Center Special	3,724	13,918	14,373	3,270
Special Projects	11,931	23,259	25,373	9,817
McManus Memorial	<u>—</u>	<u>2,835</u>	<u>1,197</u>	<u>1,638</u>
Total Northeast Elementary	<u>16,029</u>	<u>45,048</u>	<u>46,636</u>	<u>14,441</u>
Totals	<u>\$ 714,518</u>	<u>\$1,674,197</u>	<u>\$1,566,436</u>	<u>\$ 822,279</u>

See accompanying independent auditor's report.

**Ankeny Community School District**  
**SCHEDULE OF CHANGES IN AGENCY FUNDS – DISTRICT**  
**Year ended June 30, 2008**

<u>Account</u>	<u>Balance beginning of year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Balance end of year</u>
District wide				
Interest	\$ 8,137	\$ 7,630	\$ –	\$ 15,767
ACSD Pop Machine	(502)	1,855	1,172	181
Admin Office Pop Machine	1,062	694	691	1,065
Maintenance Pop Machine	922	469	329	1,062
Pictures	20,597	120	20,717	–
Family Fund	91	326	41	376
Administrator Social	(239)	–	–	(239)
Adult Ed	107,001	56,891	36,801	127,091
Community Ed	7,688	600	545	7,743
Comm Ed Task Force	14,886	2,500	100	17,286
Iowa Center	9,787	14,733	8,432	16,088
ASAP	(60,848)	44,503	10,179	(26,524)
Comm Ed Advisory Council	<u>3,821</u>	<u>–</u>	<u>–</u>	<u>3,821</u>
Total District-Wide	<u>112,403</u>	<u>130,321</u>	<u>79,007</u>	<u>163,717</u>
Senior High School				
Graphics Lab	5	–	–	5
AHS Pop Fund	3,212	691	600	3,303
Payphone Gym	248	7	905	(650)
Vending Machine Project	17,321	20,971	24,132	14,160
Contributions	3,166	26,465	12,358	17,273
Social	–	365	195	170
Total Senior High School	<u>23,952</u>	<u>48,499</u>	<u>38,190</u>	<u>34,261</u>
Northview Middle School				
Pop Machine	(604)	2,236	349	1,283
Vending Machine Acct	18,555	4,517	7,933	15,139
Wellness	3,920	1,000	4,825	95
Social Activity Acct	<u>2,963</u>	<u>665</u>	<u>1,445</u>	<u>2,183</u>
Total Northview Middle School	<u>24,834</u>	<u>8,418</u>	<u>14,552</u>	<u>18,700</u>
Parkview Middle School				
Faculty Pop Machine	98	1,082	1,116	64
PV Social Acct	<u>714</u>	<u>2,402</u>	<u>1,829</u>	<u>1,287</u>
Total Parkview Middle School	<u>812</u>	<u>3,484</u>	<u>2,945</u>	<u>1,351</u>
Crocker Elementary				
Faculty Pop Machine	<u>442</u>	<u>326</u>	<u>–</u>	<u>768</u>
East Elementary				
Faculty Pop Machine	20	177	–	197
Social Acct	<u>–</u>	<u>743</u>	<u>498</u>	<u>245</u>
Total East Elementary	<u>20</u>	<u>920</u>	<u>498</u>	<u>442</u>

See accompanying independent auditor's report.

**Ankeny Community School District**  
**SCHEDULE OF CHANGES IN AGENCY FUNDS – DISTRICT**  
**Year ended June 30, 2008**

<u>Account</u>	<u>Balance beginning of year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Balance end of year</u>
Northwest Elementary				
Faculty Pop Machine	\$ 85	\$ 278	\$ 349	\$ 14
Social Acct	—	—	16	(16)
Total Northwest Elementary	<u>85</u>	<u>278</u>	<u>365</u>	<u>(2)</u>
Southeast Elementary				
Faculty Pop Machine	<u>953</u>	<u>644</u>	<u>916</u>	<u>681</u>
Terrace Elementary				
Faculty Pop Machine	<u>1,156</u>	<u>453</u>	<u>42</u>	<u>1,567</u>
Westwood Elementary				
Faculty Pop Machine	<u>293</u>	<u>249</u>	<u>—</u>	<u>542</u>
Northeast Elementary				
Faculty Pop Machine	69	837	589	317
Social Acct	—	2,391	1,952	439
Total Northeast Elementary	<u>69</u>	<u>3,228</u>	<u>2,541</u>	<u>756</u>
Totals	<u>\$ 165,019</u>	<u>\$ 196,820</u>	<u>\$ 139,056</u>	<u>\$ 222,783</u>

See accompanying independent auditor's report.

**Ankeny Community School District**  
**SCHEDULE OF REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION**  
**ALL GOVERNMENTAL FUND TYPES**  
**For the Last Four Years**

	<b>Year ended June 30</b>			
	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
<b>REVENUES</b>				
Local sources				
Local taxes	\$ 38,853,237	\$33,966,241	\$30,065,953	\$28,318,302
Interest income	2,017,095	1,764,909	1,541,667	654,717
Other	4,112,139	4,237,222	3,270,005	2,989,482
State sources	33,586,846	30,667,370	27,255,269	24,777,864
Federal sources	<u>1,236,503</u>	<u>1,000,472</u>	<u>887,107</u>	<u>820,386</u>
Totals	<u>\$ 79,805,820</u>	<u>\$71,636,214</u>	<u>\$63,020,001</u>	<u>\$57,560,751</u>
<b>EXPENDITURES</b>				
Instruction				
Regular	\$ 27,975,276	\$24,633,816	\$22,577,446	\$23,095,940
Special	7,411,560	7,025,195	6,401,321	4,507,078
Vocational and other	7,161,047	4,932,740	3,076,311	1,585,385
Support services				
Pupil	3,816,504	3,456,227	3,118,663	2,795,127
Instructional staff	3,826,779	3,431,571	3,392,635	2,596,540
Administration	6,632,175	5,742,551	4,910,159	3,549,498
Operation and maintenance of plant services	4,878,736	4,527,812	4,254,557	4,476,949
Other, including AEA Flowthrough	2,363,580	2,143,508	1,873,011	3,888,892
Noninstructional programs	-	1,660,568	1,488,544	2,305,132
Other expenditures				
Capital outlay	22,955,320	7,188,118	8,055,677	4,500,988
Long-term debt				
Principal retirement	18,035,000	7,255,000	7,150,000	4,735,000
Interest	<u>2,467,998</u>	<u>1,647,068</u>	<u>1,882,037</u>	<u>1,828,217</u>
Totals	<u>\$107,523,975</u>	<u>\$73,642,174</u>	<u>\$68,180,361</u>	<u>\$59,864,746</u>

See accompanying independent auditor's report.

**STATISTICAL SECTION (UNAUDITED)**

## STATISTICAL SECTION NOTES

The following statistical schedules recommended by the Governmental Accounting Standards Board and the Association of School Business Officials are not included for the reasons stated below:

- A. The School District has no special assessments; therefore, a special assessment collection schedule is not presented.

**Ankeny Community School District  
GENERAL FUND DISBURSEMENTS, BY PROGRAM  
Last ten fiscal years  
(Unaudited)**

Fiscal year Ended June	General education	Career education	Special education	Skill education	Cocurricular education
2008	\$27,975,276	\$3,188,351	\$7,411,560	—	\$2,406,260
2007	24,633,816	2,701,973	7,025,195	—	2,230,767
2006	22,577,446	1,968,469	6,401,321	—	1,107,842
2005	23,095,940	912,444	4,507,078	—	672,941
2004	20,333,859	803,119	3,885,672	—	642,345
2003	18,649,743	815,629	3,757,264	—	591,520
2002	17,899,431	768,302	3,871,714	—	574,605
2001	16,494,978	723,310	3,283,873	—	558,326
2000	15,487,102	671,941	2,990,632	—	511,180
1999	14,550,406	642,340	2,653,199	—	522,999
1998	13,952,005	604,578	2,399,876	—	456,403

Skill development was reclassified to general education in 1997. Total costs excludes A.E.A. costs.

<u>Student services</u>	<u>Media/ Instruction</u>	<u>General administration</u>	<u>Central services</u>	<u>Non-instructional programs</u>	<u>Debt service</u>	<u>Total</u>
\$3,816,504	\$3,826,779	\$6,525,031	\$4,878,736	---	---	\$60,028,497
3,456,227	3,431,571	5,742,551	4,527,812	---	---	53,749,912
3,118,663	3,392,635	4,910,159	4,254,557	102,028	---	47,833,120
2,795,127	2,596,540	3,549,498	4,476,949	199,276	---	42,805,793
2,333,612	2,024,659	3,268,080	4,068,655	191,288	---	37,551,289
2,544,736	2,316,569	3,254,563	3,891,169	161,961	---	35,983,154
2,264,210	2,211,791	3,070,212	3,600,566	155,188	---	34,416,019
2,123,923	2,141,604	2,758,972	3,615,288	139,782	---	31,840,056
2,010,947	2,186,075	2,578,603	3,040,578	115,065	---	29,592,123
1,829,978	2,058,686	2,420,220	2,993,012	114,105	---	27,784,945
1,646,890	2,054,912	2,295,201	2,999,538	114,166	---	26,523,569

**Ankeny Community School District**

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306 S.W. School Street, Ankeny, IA 50023-3033

**Ankeny Community School District  
GENERAL FUND RECEIPTS, BY SOURCE  
Last ten fiscal years  
(Unaudited)**

<u>Fiscal year ended June 30</u>	<u>Local tax</u>	<u>Appropriations</u>		<u>Other Fund Revenues</u>	<u>Total</u>
		<u>State</u>	<u>Federal</u>		
2008	\$20,750,846	\$33,586,846	\$1,236,503	\$2,749,796	\$58,323,991
2007	19,197,313	28,523,862	1,000,472	3,080,023	51,801,670
2006	16,586,800	25,382,258	887,107	2,581,880	45,438,045
2005	16,626,276	23,067,764	547,042	2,172,442	42,413,524
2004	15,269,117	21,724,396	474,578	1,852,248	39,320,339
2003	14,368,847	21,154,968	534,548	1,401,714	37,460,077
2002	13,159,840	19,928,311	414,758	1,486,332	34,989,241
2001	12,055,780	19,480,420	673,287	1,546,255	33,755,742
2000	11,413,500	18,685,713	490,658	1,273,875	31,863,746
1999	10,515,097	16,773,065	252,007	1,223,700	28,763,869
1998	9,541,063	15,800,844	239,280	1,206,272	26,787,459

Total receipts excluded A.E.A. receipts.

**Ankeny Community School District  
PROPERTY TAX LEVIES AND COLLECTIONS  
Last ten fiscal years  
(Unaudited)**

	<b>Governmental</b>			
	<u>General</u>	<u>Management</u>	<u>Special revenue</u>	
<u>Schoolhouse (\$0.675)</u>			<u>Physical plant and equipment</u>	
<b>PROPERTY TAX LEVIES</b>				
Levy year				
2007	\$20,366,316	\$1,723,351	--	\$3,076,621
2006	19,174,477	1,595,636	--	2,862,030
2005	16,638,590	1,430,049	--	2,538,675
2004	16,676,596	1,112,115	--	1,416,849
2003	14,858,113	870,376	--	1,265,264
2002	14,059,943	685,718	--	1,184,397
2001	13,153,952	651,549	--	1,140,489
2000	11,645,554	583,094	--	1,016,591
1999	10,998,709	492,836	--	889,452
1998	10,596,219	288,971	--	814,484
1997	9,537,660	273,222	--	738,358

**PROPERTY TAX COLLECTIONS  
(INCLUDING DELINQUENTS)**

Fiscal year				
2007-08	\$20,750,846	\$1,755,915	--	\$3,129,607
2006-07	19,197,313	1,596,345	--	2,862,659
2005-06	16,586,800	1,422,368	--	2,573,794
2004-05	16,216,278	1,081,329	--	1,379,793
2003-04	14,846,278	869,492	--	1,264,012
2002-03	13,964,530	680,941	--	1,198,720
2001-02	13,159,840	651,662	--	1,140,740
2000-01	12,055,780	603,519	--	996,459
1999-00	11,413,500	496,307	--	895,714
1998-99	10,515,097	289,068	--	814,759
1997-98	9,541,063	276,986	--	748,098

**PERCENTAGE COLLECTED**

Fiscal year				
2007-08	101.89%	101.89%	--	101.72%
2006-07	100.12	100.04	--	100.02
2005-06	99.69	99.46	--	101.38
2004-05	97.24	97.23	--	97.38
2003-04	99.92	99.90	--	99.90
2002-03	99.32	99.30	--	101.21
2001-02	100.04	100.02	--	100.02
2000-01	103.52	103.50	--	98.02
1999-00	103.77	100.70	--	100.70
1998-99	99.23	100.03	--	100.03
1997-98	100.04	101.38	--	101.32

fund types

<u>Debt service</u>	<u>Total</u>
\$6,010,704	\$31,176,992
3,183,132	26,815,275
3,202,501	23,809,815
3,242,488	22,448,048
3,243,504	20,237,257
3,209,171	19,139,229
3,310,679	18,256,669
3,174,794	16,420,033
2,990,925	15,371,922
2,756,763	14,456,437
2,491,801	13,041,041

\$6,114,220	\$31,750,588
3,183,816	26,840,133
3,152,384	23,735,346
3,157,677	21,835,077
3,325,042	20,304,824
3,166,444	19,010,635
3,311,407	18,263,649
3,277,514	16,933,272
3,011,305	15,816,826
2,756,389	14,373,133
2,499,373	13,065,520

101.72%	101.84%
100.02	100.09
98.44	99.69
97.38	97.27
102.51	100.33
98.67	99.33
100.02	100.04
103.24	103.13
100.68	102.89
99.99	99.42
100.30	100.19

**Ankeny Community School District**

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**Ankeny Community School District  
PROPERTY TAX RATES PER \$1,000  
ASSESSED VALUATION—ALL OVERLAPPING GOVERNMENTS  
Last ten fiscal years  
(Unaudited)**

<u>Fiscal Year</u>	<u>County Assessor</u>	<u>City of Ankeny</u>	<u>Polk County</u>	<u>Area XI Community College Fund</u>	<u>State</u>	<u>Ankeny Community School District</u>	<u>Total</u>	<u>Ratio of Ankeny Community School District to total</u>
2007-08	\$0.32711	\$10.52956	\$9.91938	\$0.56386	\$0.0035	\$19.58053	\$40.92394	47.85%
2006-07	0.31349	10.28956	9.95808	0.60276	0.0035	17.90637	39.07376	45.83
2005-06	0.35437	10.38956	9.58881	0.68408	0.004	16.70201	37.72283	44.28
2004-05	0.31745	10.35126	9.64715	0.59856	0.004	16.90251	37.82093	44.69
2003-04	0.31715	9.90126	9.44511	0.58184	0.004	17.10241	37.35177	45.79
2002-03	0.34363	9.90126	9.37854	0.54584	0.004	17.24845	37.42172	45.09
2001-02	0.31454	9.65126	8.39917	0.54506	0.005	17.09290	36.54793	46.77
2000-01	0.30594	9.52084	8.97280	0.52451	0.005	17.09029	36.41938	46.93
1999-00		9.65126	9.11536	0.47230	0.005	17.38533	36.62925	47.46
1998-99		9.90126	9.22055	0.50661	0.005	17.44987	37.08329	47.06
1997-98		10.20126	9.67195	0.48988	0.005	18.72181	39.08990	47.89

**Ankeny Community School District**  
**TAXABLE AND ASSESSED VALUE OF TAXABLE PROPERTY**  
**Last ten fiscal years**  
**(Unaudited)**

<u>Valuation year</u>	<u>Collection year</u>	<u>Real property</u>		<u>Taxable value</u>	<u>Utilities</u>	
		<u>Taxable value</u>	<u>100% value</u>		<u>100% value</u>	<u>100% value</u>
2007	2007-08	\$1,863,453,717	\$3,481,247,287	\$31,560,031	\$38,189,771	
2006	2006-07	1,549,847,251	2,790,674,272	12,169,067	12,169,067	
2005	2005-06	1,537,678,184	2,778,505,205	12,169,067	12,169,067	
2004	2004-05	1,480,938,309	2,494,286,179	10,744,675	10,744,675	
2003	2003-04	1,266,411,402	2,177,202,273	9,731,708	9,731,708	
2002	2002-03	1,149,825,987	1,877,404,167	11,898,903	11,898,903	
2001	2001-02	1,078,330,641	1,755,207,265	10,801,381	10,801,381	
2000	2000-01	1,013,647,140	1,539,375,860	9,465,826	9,465,826	
1999	1999-00	932,876,632	1,435,438,115	9,970,189*	9,970,189	
1998	1998-99	846,070,767	1,262,399,867	43,380,778	43,380,778	
1997	1997-98	764,687,599	1,174,771,439	49,795,942	49,843,679	

<b>Total**</b>		<b>Ratio of taxable to assessed value</b>
<b>Taxable value</b>	<b>100% value</b>	
\$2,047,071,518	\$3,671,494,828	55.76%
1,562,016,318	2,802,843,339	55.73
1,549,847,251	2,790,674,272	55.54
1,491,682,984	2,505,030,854	59.55
1,276,143,100	2,186,933,981	58.35
1,161,724,890	1,889,303,070	61.49
1,089,132,022	1,766,008,646	61.67
1,023,112,966	1,548,841,686	66.06
942,846,821	1,445,408,304	65.23
889,451,545	1,305,780,645	68.12
814,483,541	1,224,615,118	66.51

\*Valuation Year 1999 – 2003 – Utilities without gas and electric

\*\*Total has been reduced by the amount of Military Tax Credit

**Ankeny Community School District**  
**COMPARATIVE RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE**  
**Last ten fiscal years**  
**(Unaudited)**

<b>Fiscal Year (of collection)</b>	<b>Population*</b>	<b>Assessed Property Value</b>	<b>Legal bonded debt limit</b>	<b>Bonded debt</b>	<b>Ratio of Bonded Debt to Assessed</b>	<b>Bonded debt per capita</b>
2007-08	41,000	\$1,891,308,608	\$94,546,430	\$31,675,000	1.68%	\$773
2006-07	36,161	1,733,617,954	86,680,898	39,570,000	2.28	1,094
2005-06	36,161	1,576,520,597	78,826,030	16,714,000	1.06	462
2004-05	27,117	1,520,164,796	76,008,240	21,595,000	1.42	796
2003-04	27,117	1,295,672,527	64,738,626	23,890,000	1.84881	
2002-03	27,117	1,184,397,022	59,219,851	26,065,000	2.20	961
2001-02	27,117	1,023,112,966	51,155,648	29,105,000	2.84	1,073
2000-01	27,117	1,023,112,966	51,155,648	31,685,000	3.10	1,168
1999-00	26,500	943,366,545	47,168,327	29,740,000	3.15	1,122
1998-99	24,500	879,218,541	43,960,927	31,195,000	3.55	1,273
1997-98	23,000	804,354,149	40,217,707	28,075,000	3.49	1,221

\*Population figures relate to census taken in 1990, 2000.  
Population estimated in 1997 and 1998. Special Census taken in 1996.  
City of Ankeny estimate in 1998-01.

**Ankeny Community School District  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
Year ended June 30, 2008  
(Unaudited)**

Name of governmental unit	2007 Valuation*	Total outstanding debt June 30, 2008	*	Percentage applicable to School District	School District's share of the outstanding debt
Polk County	\$29,944,466,163	\$241,510,000	*	12.26%	\$29,611,572
City of Ankeny	\$3,242,327,958	\$91,529,000	*	100.00%	\$91,529,000
Des Moines Area Community College	\$53,145,114,894	\$82,815,000	*	6.91%	\$5,721,219
Ankeny Community School District	\$3,671,494,828	\$50,260,000	*	100.00%	\$50,260,000
Total direct and overlapping debt		<u>\$466,114,000</u>			<u>\$177,121,791</u>

\* Include all utilities

\*\* Includes G.O. Debt for Governmental Activities and Business Activities

\*\*\* Includes G.O. Debt for Governmental Activities and Business Activities for Job training certificates

Source: State Department of Management and State Treasurer

**Ankeny Community School District**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR**  
**GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES**  
**Last ten fiscal years**  
**(Unaudited)**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Services</b>	<b>Total General Expenditures</b>	<b>Ratio of Debt Service To Total Expenditures</b>
2007-08	\$7,895,000	\$1,590,413	\$9,485,413	\$62,381,404	15.21%
2006-07	2,535,000	648,132	2,535,000	55,893,420	4.54
2005-06	2,470,000	732,507	3,202,507	47,833,120	6.70
2004-05	2,410,000	830,269	3,240,269	42,805,793	7.57
2003-04	2,295,000	1,024,354	3,319,354	37,551,289	8.84
2002-03	4,095,000	1,488,531	5,583,531	35,983,154	14.84
2001-02**	7,807,494	1,608,136	9,415,630	34,416,019	27.36
2000-01	2,020,128	1,801,297	3,821,425	31,840,056	12.00
1999-00	1,624,477	1,561,346	3,185,823	29,592,123	10.77
1998-99	1,380,000	1,377,390	2,757,390	27,784,945	9.92
1997-98	1,315,000	1,177,668	2,492,668	26,523,569	9.40

\*Includes all General Fund expenditures except A.E.A. costs.

\*\* FY203 included expenditures in debt service for refunded bonds.

## DEMOGRAPHIC STATISTICS

**Ankeny Community School District  
GENERAL ANALYSIS OF FACILITIES AND ENROLLMENT  
(Unaudited)**

Name of School	Date Constructed	Grades Served	Enrollment
Elementary schools			
Crocker	2004, 2005	K-5	652
East	1963, 1966, 1994-95, 2005	K-5335	
Northwest	1963, 1965, 1981,2002	K-5	465
Southeast	1968-69,2003	K-5	594
Terrace	1971,2002, 2005	K-5	491
Westwood	1988-89, 1991-92,2002	K-5	671
Northeast	1992-93, 1996-97, 2000	K-5	671
Parkview Middle School			
	1950-56, 1963, 1974, 1987		
	1991, 1993, 1999, 2005	6-9	1133
Northview Middle School			
	1996, 1999,2001	8-9	1081
Ankeny Senior High			
	1973-75, 1986, 1999, 2003, 2005	10-12	1,462
*Other			
Less open enrollment out		K-12	271.6
		K-12	<u>(124)</u>
Total enrollment			<u>7,702.6</u>
Recreation/Pool complex			
	1988-89, 2005	K-12, YMCA	
Other facilities—non-student occupancy			
Bus garage	1978, 2005	Transportation	
Administrative annex—Neveln	1967, 1986	Administration	
Storage building	1974	Maintenance	
Neveln	1921, 1971	Special Programs, YMCA	
		Afternoon Connection,	
		Community Program	

\*Special education, tuitioned out, at-risk consortium, home school weighting

**Ankeny Community School District  
DISTRICT STAFFING LEVELS—F.T.E.'s\*  
(Unaudited)**

	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99	1997-98
<b>Administration</b>											
Superintendent	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant superintendent	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Principal	10.0	10.0	10.0	10.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Assistant principal	10.0	10.0	8.0	8.0	8.0	8.0	8.0	6.0	6.0	5.0	4.0
All other administrators	9.0	7.0	7.0	8.0	8.0	8.0	8.0	8.0	7.0	6.0	6.0
<b>Totals</b>	<u>31.0</u>	<u>29.0</u>	<u>27.0</u>	<u>28.0</u>	<u>27.0</u>	<u>27.0</u>	<u>27.0</u>	<u>25.0</u>	<u>24.0</u>	<u>22.0</u>	<u>21.0</u>
<b>Instructors</b>											
Teachers	467.3	415.0	406.0	377.7	356.8	350.6	346.4	327.7	321.6	315.0	298.0
Curriculum specialist	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Counselor	18.0	13.0	15.0	15.0	14.0	14.0	14.0	14.0	14.0	13.0	13.0
Librarian	10.0	10.0	10.0	10.0	9.0	9.0	9.0	9.5	9.5	9.5	9.5
<b>Totals</b>	<u>497.3</u>	<u>438.0</u>	<u>431.0</u>	<u>402.7</u>	<u>379.8</u>	<u>373.6</u>	<u>369.4</u>	<u>351.2</u>	<u>345.1</u>	<u>337.5</u>	<u>320.5</u>
<b>Support personnel</b>											
Nurses	10.0	10.0	10.0	10.0	9.0	9.0	9.0	9.0	7.4	6.8	6.4
Office/clerical	38.4	35.0	34.0	36.0	35.0	35.0	35.0	29.0	29.0	33.9	29.0
Crafts and trades	17.6	15.5	15.5	16.0	15.0	15.0	15.0	15.0	12.0	11.0	10.0
Noninstruction	53.6	68.0	67.0	66.0	59.0	58.0	57.0	56.0	55.0	54.5	53.0
Instruction	183.5	188.4	177.0	167.0	159.0	153.0	152.0	149.0	146.0	112.2	105.0
Supervisors	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Technical	7.0	--	--	--	--	--	--	--	--	--	--
<b>Totals</b>	<u>315.1</u>	<u>321.9</u>	<u>308.5</u>	<u>300.0</u>	<u>282.0</u>	<u>275.0</u>	<u>273.0</u>	<u>263.0</u>	<u>254.4</u>	<u>223.4</u>	<u>208.4</u>
<b>Total district staffing</b>	<u>843.3</u>	<u>788.9</u>	<u>766.5</u>	<u>730.7</u>	<u>688.8</u>	<u>675.6</u>	<u>669.4</u>	<u>639.2</u>	<u>623.5</u>	<u>582.9</u>	<u>549.9</u>

\*Does not include Food Service employees

**Ankeny Community School District  
MISCELLANEOUS DEMOGRAPHIC STATISTICS  
(Unaudited)**

The Ankeny Community School District is located in Crocker and a portion of Douglas Township, in the City of Ankeny, County of Polk, State of Iowa. The District encompasses an area of 52 square miles. The Ankeny Community School District is ranked 10th largest in total enrollment among 371 school districts in Iowa.

The Ankeny Community School District serves over 41,000 people living in and around the City of Ankeny.

Located just north of Des Moines, along Interstate 35, Ankeny is the home of Des Moines Area Community College and Faith Baptist Bible College. Saylorville Lake, on the District's western border, adds to local recreation opportunities which include golf, tennis, swimming, biking, hunting, boating, fishing, and a variety of other activities.

Proximity to Des Moines and Ames insures a wide variety of cultural and entertainment events, plus a choice of colleges which includes Iowa State University and Drake University.

The District owns and operates nine schools, a building for special programs, plus an Administrative Annex and a Transportation/Maintenance Complex.

<b>Schools</b>	<b><u>07-08</u></b>	<b><u>06-07</u></b>	<b><u>05-06</u></b>	<b><u>04-05</u></b>	<b><u>03-04</u></b>	<b><u>02-03</u></b>	<b><u>01-02</u></b>	<b><u>00-01</u></b>	<b><u>99-00</u></b>	<b><u>98-99</u></b>	<b><u>97-98</u></b>
Crocker Elementary	K-5	K-5	K-5								
East Elementary	K-5	K-6									
Northwest Elementary	K-5	K-6									
Southeast Elementary	K-5	K-6									
Terrace Elementary	K-5	K-6									
Westwood Elementary	K-5	K-6									
Northeast Elementary	K-5	K-6									
Parkview Middle School	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7
Northview Middle School	8-9	8-9	8-9	8-9	8-9	8-9	8-9	8-9	8-9	8-9	8-9
Ankeny High School	10-12	10-12	10-12	10-12	10-12	10-12	10-12	10-12	10-12	10-12	10-12

Consolidation came to Ankeny in 1919 at which time the oldest part of the present Neveln building was built. Several country schoolhouses were moved to the grounds to accommodate the increased enrollment.

There was no new construction until 1952 when the original part of the Parkview building was constructed. In 1957, the west wing was added and in 1964 an east wing was completed at which time Parkview became Ankeny High School.

In 1959, an addition consisting of offices, a small gym, and classrooms joined the two buildings on the corner of 3rd and School Streets.

As Ankeny grew from a small town to a suburb, the story of education has been one of increased enrollment and continuous building. Six buildings now house the kindergarten through sixth grade students. Northwest Elementary on West 1<sup>st</sup> Street was the first building after the original Parkview building. It was completed in 1962 with an open house held on September 23. The next grade building was East Elementary, opened in 1963. The third building, Southeast Elementary on South Trilein, was occupied in 1969. Running out of points of the compass for designations, the fourth building on School Street was completed and opened in 1972 as Terrace Elementary.

**Ankeny Community School District**  
**MISCELLANEOUS DEMOGRAPHIC STATISTICS (continued)**  
**(Unaudited)**

Ankeny High School, Phase I, was opened in 1975-76 and fully completed for full occupancy for the 1976-77 school year. With the addition of the new high school, Parkview housed the 9th grade and the elementary overflow from Northwest Elementary.

During the summer of 1986, the District completed additions to the High School to accommodate the addition of the 9th grade. This allowed the District to remodel Parkview School during the school year to accommodate the 7th and 8th grades. The 7th and 8th grades occupied the Parkview facility at the start of the 1987 school year. The 5th and 6th grades occupied the remodeled south wing of Neveln. The District's administration moved into the north wing of Neveln, during the fall of 1987.

During the spring of 1988 the District started construction of Westwood Elementary School in the northwestern part of the city and a recreation/pool complex at the High School. Both projects were completed in the fall of 1989.

During fiscal 1991-92 the District completed construction on a \$9.35 million facility expansion program. The construction program included a \$1,034,000 addition to Westwood Elementary, \$3,821,310 addition to Parkview Junior High and a new \$4,495,700 Northeast Elementary School. The Westwood facility was finished for occupancy in fall of 1991 and Parkview and Northeast facilities ready for occupancy in the fall of 1992.

During fiscal 1995-96 the District completed a \$10.5 million facility expansion program. The major portion of which was the construction of the \$8.5 million Northview Middle School. This facility was opened in the fall of 1996.

During fiscal 1997-98 the District passed a \$9.5 million bond referendum for additions to Parkview Middle School, Northview Middle School, and Ankeny High School. Work began during the fall and spring of the 1998-99 school year.

During fiscal 1998-99 the District completed work on an addition to Parkview Middle School and continued HVAC work at Ankeny High School. Bids were received and accepted for additions to Ankeny High School and Northview Middle School as part of the \$9.5 million bond referendum previously passed. Work was completed during the spring and summer of 2000. This construction will allow these facilities to accommodate class sizes of 500.

During fiscal 1999-00 the District started work on a Local Option Sales Tax Building Plan. This is a 10-year building plan with an estimated cost of \$50 million or \$5.0 million per year. This construction will allow existing facilities and new facilities to accommodate classes sizes of 600.

**During fiscal 2000-01 the following Local Option Sales Tax projects were started or near completing:**

At the High School, the Local Option Sales Tax provided funding for interior painting, carpeting, lockers, new gymnasium bleachers, and new flooring in the main halls. Over the summer, the lockers were removed from the commons area so a new floor could be installed. The new lockers were installed before school started in August. It was the first time in 25 years the lockers had been replaced.

At Northview Middle School, the Local Option Sales Tax provided funding to expand the physical education locker rooms and lunchroom. The total cost of this project was approximately \$537,000.

At Parkview Middle School, the Local Option Sales Tax funded new gymnasium bleachers that were installed during the summer.

**Ankeny Community School District**  
**MISCELLANEOUS DEMOGRAPHIC STATISTICS (continued)**  
**(Unaudited)**

Northwest Elementary School is being expanded to serve three sections per grade with Local Option Sales Tax monies. In addition, the building is being renovated to provide additional space for a new media center, computer labs, multi-purpose room, and an art room. Land for future school sites was also purchased using the Local Option Sales Tax. One site is located in the northern part of the District, and one site is in the southern part of the District. These sites will be used to handle growth in these areas.

Facility expansions at Westwood and Southeast Elementary Schools will also take place during fiscal year 2001-02, using Local Option Sales Tax funding.

**During fiscal 2001-02 the following Local Option Sales Tax projects were completed:**

Final retainage for boys and girls locker room addition at the Northview middle school was completed in fall of 2001. Total cost of project was \$549,873.

The High School update project was completed in Fall of 2001 at cost of \$152,764. This project was started in the fall of 2000 and included new flooring and painting updates to the building. New student lockers were also a part of this project.

The Northeast Elementary addition was completed at a cost of \$3,580,715. This project added 18 classrooms, media center computer lab and special education area and the music area extended.

The Westwood Elementary addition was completed at a cost of \$1,752,887. This project added 6 classrooms, computer lab and remodeled the existing computer lab, music areas and building office area.

The Northwest Elementary addition was completed at a cost of \$3,929,375. This project added 6 classrooms, new gymnasium, media center, computer lab, music and art areas, and building offices. Some existing space was converted to include 6 additional classrooms.

The Southeast Elementary building remodel was begun. The estimated budget for this project is \$4,522,373. This project will add 7 classrooms, new media center, new gymnasium, and special areas.

The Neveln Boiler project was completed at a cost of \$70,255. This project replaced the original 1910 boiler with a new boiler. The Electrical update projects was partially completed.

**During fiscal 2002-03 the following Local Option Sales Tax projects were completed:**

The Northeast Elementary addition final punch list was completed. An additional \$44,478 was expended bringing the 3 year project total to \$3,625,193.

The Westwood Elementary addition final punch list was completed. An additional \$419,802 was expended bringing the 3-year total cost to \$2,172,688.

The Northwest Elementary addition final punch list was completed. An additional \$747,430 was expended bringing the 3-Year total cost to \$4,676,805.

The Southeast Elementary building remodel was almost finished with project expenses to date of \$4,484,327. There was a large final punch list to be completed in FY04

The Neveln Electrical update project was completed. An additional \$151,804 was expended bring the project total to \$286,612.

**Ankeny Community School District**  
**MISCELLANEOUS DEMOGRAPHIC STATISTICS (continued)**  
**(Unaudited)**

The new Crocker Elementary facility was start in the spring of FY2003 with a total expenditure of \$1,789,426 being made in this fiscal year. The District also purchase land for an addition elementary in southeast part of the District.

**During fiscal 2003-04 the following Local Option Sales Tax projects were completed:**

Northeast Elementary addition final punch list was completed. An additional \$22,272 was expended bringing the 4 year project total to \$3,647,465.

Westwood Elementary addition final punch list was completed. An additional \$31,572 was expended bringing the 4-year total cost to \$2,204,261.

Northwest Elementary addition final punch list was completed. An additional \$25,272 was expended bringing the 4-Year total cost to \$4,702,077.

Southeast Elementary addition and final punch list was completed. An additional \$653,381 was expended bringing the 3-Year total cost to \$5,137,707.

Crocker Elementary facility was almost complete except for final punch list. An additional \$6,660,385 was expended bringing the 2-Year total cost to \$8,660,385.

High School / YMCA project was down to the final 20% of completion in the summer of 2004. An additional \$3,376,312 was expended bringing the 2-Year total cost to \$3,547,855.

Terrace Elementary facility received \$34,556 in remodeling update from the projects fund

The District also spent \$3,672,154 acquiring building sites for future growth and \$63,065 to connect Crocker Elementary to the existing fiber network.

**During fiscal 2004-05 the following Local Option Sales Tax projects were completed:**

Crocker Elementary addition was completed with a final payment of \$1,481,316. This payment brought the final project total to \$9,563,288.

High School / YMCA project was completed to the retainage with payment totaling \$1,167,729, bring the project total to \$4,706,960.

Land purchases at the High School site were completed with the payment of \$1,290,785. An additional three sites totaling 110 acres were purchased for \$3,684,209

**During fiscal 2005-06 the following PPEL & Local Option Sales Tax projects were completed:**

Parkview Middle School and Crocker Elementary additions were completed with payment totaling \$2,492,266 and \$2,118,684 respectively. The District was also in the process of closing on two school sites, which carried into the next fiscal year.

**Ankeny Community School District  
MISCELLANEOUS DEMOGRAPHIC STATISTICS (continued)  
(Unaudited)**

**During fiscal 2006-07 the following PPEL & Local Option Sales Tax projects were completed:**

District Administration remodel was completed totaling \$450,982.44. High School portables to accommodate increased high school enrollment for \$207,297. Final payment of \$119,018 for the Support Services building.

Land purchases for future school sites totaling \$2,048,531. Completed the high school road and parking lot expansion totaling \$192,444.92.

**During fiscal 2007-08 the following PPEL & Local Option Sales Tax projects were completed:**

Roof improvements to Northeast and Southeast Elementary schools totaling \$147,486.55. Terrace and East Elementary schools renovations totaling \$249,777.25.

Land purchased for the new High School site in Prairie Trail development totaling \$7,792,169.20 and sold 18 acres of land north of the current high school for \$5,351,979.66.

The District is large enough to provide a full curriculum yet small enough to offer personal touches. Some examples are: buddy systems for kindergartners in their first few days of school, teacher contacts with parents, new family orientations, student orientations whenever they change facilities, and many others.

Ankeny takes a strong stand on attendance and discipline. The attendance policy and the in-school suspension programs in the secondary schools exemplify these concerns.

Each building has a new or updated media center; carpeted classrooms; well-equipped, and safe playgrounds.

The Ankeny Community School District has an ongoing curriculum review and update program. There are standing committees (grades K-12) in each area to ensure curriculum coordination and articulation. Yearly in-service time updates the staff. A seven-year curriculum rotation plan guarantees each area is studied in depth during the summer workshop. All schools in the District are NCA accredited.

These efforts result in a well-rounded, organized program of studies emphasizing the mastery of basic skills. Typically Ankeny students perform above grade level on standardized achievement tests.

**STUDENT POPULATION**

The school enrollment in September 2007 was 7,702.6 students: 1,462 (10-12) senior high students, 1,081 (8-9) middle school, 1,133 (6-7) middle school students, 3,879 elementary students. The District's enrollment dropped to a low of 3,896 in 1984-85 and has continued to grow each year since to the current 7,702.6.

The District contracts out the student transportation services to Durham School Services. Student lunches and breakfasts are prepared at two central locations and are trucked to the attendance centers for distribution. The Food Service Program prepared 788,884 student lunches and 40,874 breakfasts during the 2007-08 school year.

**Ankeny Community School District  
MISCELLANEOUS DEMOGRAPHIC STATISTICS (continued)  
(Unaudited)**

**STATISTICAL REVIEW**

Area: 52 square miles

Recreational facilities:

Number of facilities in city or within 10 miles.

- 16+ public golf courses
- 19+ public tennis courts
- 16 public parks
- 3 public swimming pools

Number of country clubs available—2

Public access to lake or river—yes

Activities allowed—swimming, water skiing, fishing, and motor boating

Remarks: Saylorville and Big Creek reservoirs offer many water sport activities

Location: Distance in miles from center of the City of Ankeny.

Atlanta	875	Detroit	579	Minneapolis	247
Chicago	332	Houston	910	New Orleans	983
Cleveland	657	Kansas City	200	New York	1,114
Denver	674	Los Angeles	1,732	Omaha	137
Des Moines	13	Milwaukee	356	St. Louis	338

Churches: 25 (24 Protestant, 1 Catholic)

Public Library: City of Ankeny library contains over 60,690 volumes

Newspapers: One weekly, one daily in Des Moines metropolitan area

Education: Seven public schools in Des Moines Metro area. Number of pupils in Ankeny Community Schools, 7,702.6, number of teachers, 467.25 (full-time equivalent).

Climate: Average winter temperature, 20.8 degrees

Average summer temperature, 71.8 degrees

Average annual rainfall, 33.4 inches

Average annual snowfall, 30.8 inches

Health Facilities: Number of hospitals serving the county: 9

Total number of beds: 2,614

Drive time to nearest facility: 10 minutes

Municipal Services: Council/City Manager; volunteer fire department; full-time police force; industrial waste and garbage collection is contracted out.

**Ankeny Community School District  
TOP PRINCIPAL TAXPAYERS IN THE DISTRICT  
June 30, 2008  
(Unaudited)**

<u>Name of Taxpayer</u>	<u>2007 taxable value</u>	<u>Percentage of 2008 District's taxable value</u>
Tone Brothers	\$23,528,000	1.15%
John Deere Des Moines Works	23,423,250	1.14
Casey's General Store	20,526,040	1.00
Denny Elwell Family LC	16,621,640	0.81
Perishable Distributors of Iowa, Ltd.	16,512,420	0.81
Signature Properties LLC	16,300,070	0.80
Walmart Real Estate	15,566,050	0.76
Karl Chevrolet	14,202,710	0.69
Target Corp.	12,914,200	0.63
Menard Inc.	12,400,580	0.61

District Assessed Value with Gas and Electric = \$ 2,047,071,518

Note: This list represents some of the top taxpayers in this jurisdiction, not necessarily the Top Ten Taxpayers.  
The source of this information is the Polk County Auditors Office.

**MISCELLANEOUS**

**Ankeny Community School District  
MAJOR EMPLOYERS IN THE DISTRICT  
June 30, 2008  
(Unaudited)**

<u>Employer</u>	<u>Business/Service</u>	<u>Number of Employees</u>	<u>Union</u>
John Deere Des Moines Works	Farm implements	1,500	UAW/IAM
Ankeny Community School District	Primary and secondary education	843	ISEA/PPME
Des Moines Area Community College	Post secondary education	700	ISEA
Casey's General Stores	Distribution center for Casey's General Stores	526	Teamsters
Tone Brothers, Inc.	Manufacturer of spices	500	Teamsters
Perishable Distributors of Iowa, Ltd.	Distribution center for frozen foods	465	None
Sysco of Iowa	Foodservice distributor	260	
Wal-Mart	Wholesale/retail outlet	175	None
City of Ankeny	City Services	154	Teamsters
Snyder & Associates	Engineering and surveying	140	None
Mrs. Clark's Foods	Mfg. and distributor of salad dressings and juices	140	None
Praxair	Mfg. gases, welding equipment	133	None
On With Life	Head injury rehabilitation facility	122	None
Clarke American	Security check printing	89	
Techniplas	Custom injection mold plastics	80	None
Accumold	Micro molded parts	85	None

**Ankeny Community School District  
ENROLLMENT BY GRADE  
Last ten fiscal years  
(Unaudited)**

	<u>07-08</u>	<u>06-07</u>	<u>05-06</u>	<u>04-05</u>	<u>03-04</u>	<u>02-03</u>	<u>01-02</u>	<u>00-01</u>	<u>99-00</u>	<u>98-99</u>
Preschool/ Handicapped Developmental	25	20	16	18	19	14	16	8	11	12
Kindergarten	0	0	0	0	0	16	15	17	20	17
Kindergarten	692	665	583	571	522	506	493	455	455	415
First	688	605	602	558	533	510	459	466	434	408
Second	627	617	596	541	528	486	467	445	425	402
Third	629	622	573	542	495	482	462	439	414	444
Fourth	626	577	569	506	501	466	447	433	463	438
Fifth	<u>592</u>	<u>578</u>	<u>532</u>	<u>524</u>	<u>483</u>	<u>466</u>	<u>444</u>	<u>474</u>	<u>455</u>	<u>429</u>
Elementary Total	3,879	3,684	3,471	3,260	3081	2,946	2,803	2,737	2,677	2,565
Sixth	595	533	545	495	475	454	483	468	437	412
Seventh	538	534	514	486	468	496	468	449	395	418
Eighth	537	523	495	473	499	488	468	392	417	443
Ninth	<u>544</u>	<u>497</u>	<u>492</u>	<u>506</u>	<u>480</u>	<u>472</u>	<u>395</u>	<u>416</u>	<u>449</u>	<u>402</u>
Middle School Total	2,214	2,087	2,046	1,960	1,922	1,910	1,814	1,725	1,698	1,675
Tenth	500	487	494	499	473	401	415	445	413	428
Eleventh	485	477	514	470	401	413	433	403	404	399
Twelfth	<u>477</u>	<u>490</u>	<u>469</u>	<u>380</u>	<u>399</u>	<u>403</u>	<u>389</u>	<u>392</u>	<u>397</u>	<u>374</u>
High School Total	1,462	1,454	1,477	1,349	1,273	1,217	1,237	1,240	1,214	1,201
Special education	--	--	--	--	--	--	--	--	--	--
Home schooled	--	--	--	--	--	--	--	--	--	--
*Other (net)	147.6	130.5	112.5	125.5	170.13	148.2	144	126.4	162.1	127.4
Totals	<u>7,702.60</u>	<u>7,355.1</u>	<u>7,106.50</u>	<u>6,694.50</u>	<u>6,446.13</u>	<u>6,221.20</u>	<u>5,998.0</u>	<u>5,828.4</u>	<u>5,751.1</u>	<u>5,568.4</u>

\*Open enrollment tuitioned in, open enrollment tuitioned out, alternative programs

**Ankeny Community School District**

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*Providing  
Excellence  
in Education*

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306 S.W. School Street, Ankeny, IA 50023-3033

**Ankeny Community School District  
OPERATING COST PER PUPIL  
Last ten fiscal years  
(Unaudited)**

<u>Fiscal year</u>	<u>Total costs*</u>	<u>Average daily attendance</u>	<u>Operating cost per pupil</u>
2007-08	\$60,028,497	6,954	\$8,979.00
2006-07	53,749,912	6,986	8,001.00
2005-06	47,833,120	6,672	7,169.00
2004-05	42,805,793	6,392	6,697.00
2003-04	37,551,289	5,992	6,267.00
2002-03	35,983,154	5,853	6,148.00
2001-02	34,416,019	5,616	6,128.00
2000-01	31,840,056	5,481	5,809.00
1999-00	29,592,123	5,421	5,467.22
1998-99	27,784,945	5,212	5,330.96

\*Excludes A.E.A costs

**Ankeny Community School District  
SCHEDULE OF INSURANCE COVERAGE  
June 30, 2008  
(Unaudited)**

<u>Detail of coverage</u>	<u>Carrier/ policy number</u>	<u>Policy period</u>	
		<u>From</u>	<u>Through</u>
<b>PROPERTY</b> Coverage A—buildings Coverage B—personal property School floater endorsement	Employers 8A6-89-47---08	07/01/07	07/01/08
<b>LIABILITY</b> Premises, contractual, personal injury, teachers liability, nurses professional liability, garage keepers, employee benefit, additional insureds	Employers 8D6-89-47---08	07/01/07	07/01/08
<b>FLEET</b> Bodily injury, property damage, medical, uninsured motorist, comprehensive, collision. Includes nonowned.	Employers 8E6-89-47---08	07/01/07	07/01/08
<b>WORKERS' COMPENSATION</b>	Employers 8H6-89-47---08	07/01/07	07/01/08
<b>COMMERCIAL UMBRELLA (EXCESS LIABILITY)</b>	Employers 8J6-89-47---08	07/01/07	07/01/08
<b>GROUP EXCESS LIABILITY INSURANCE</b>	Employers 8Y6-89-47---08	07/01/07	07/01/08
<b>SCHOOL ADMINISTRATION ERROR AND OMISSION LIABILITY PROJECTION</b> Includes prior acts, 36-month discovery period extension, teacher negotiation—covers school board and all employees	Employers 8K6-89-47---08	07/01/07	07/01/08
<b>INLAND MARINE</b> Earthquake Coverage Builders Risk	Employers 8M6-89-47---08 8R6-89-47---08	07/01/07	07/01/08
<b>PUBLIC SCHOOL EMPLOYEES BLANKET BOND</b>		07/01/07	07/01/08
<b>COMMERCIAL CRIME</b>	Employers 8F6-89-47---08	07/01/07	07/01/08
<b>POLLUTION LIABILITY</b>	Employers 8P6-89-47---08	07/01/07	07/01/08

<b>Liability limits</b>	<b>Annual premium</b>
Coverage 90% of full replace. Cost as per statement of values—deductible \$1,000.	\$189,537
\$1,000,000 bodily injury each occurrence, \$2,000,000 aggregate, \$1,000,000 property damage each occurrence, \$1,000,000 aggregate teachers included.	39,195
\$1,000,000 single limit liability, \$5,000 medical payment, ACV comprehensive; \$0; Collision \$250 deductible and; uninsured and underinsured motorist \$50,000	23,952
Statutory	263,489
\$5,000,000 occurrence and aggregate—\$10,000 retained limit.	24,986
\$25,000,000 occurrence and \$50,000,000 group aggregate—IASB Group	10,095
\$5,000 deductible, \$1,000,000 each loss, \$1,000,000 aggregate.	7,651
\$50,000 deductible; \$10,000,000	4,033 18,005
Dishonesty Coverage \$500,000; \$10,000 deductible. \$250 deductible & \$10,000 Limit forgery or alteration.	-
Coverage Form C—individual premise limits for nine different sites.	2,360
Coverage \$500,000. \$250 deductible.	1,125
<b>Total</b>	<b>\$584,428</b>

**COMPLIANCE SECTION**

**Ankeny Community School District**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year ended June 30, 2008**

<u>Grantor/Program</u>	<u>CFDA number</u>	<u>Grant number</u>	<u>Expenditures</u>
<b>Indirect</b>			
<b>U.S. Department of Agriculture</b>			
Iowa Department of Education			
Food Distribution (non-cash)	10.550	FY08	\$ 85,878
School Nutrition Cluster Programs			
School Breakfast Program	10.553	FY08	27,043
National School Lunch Program	10.555	FY08	<u>331,501</u>
Total School Nutrition Cluster			<u>358,544</u>
Total Department of Agriculture			<u>444,422</u>
<b>U.S. Department of Education</b>			
Iowa Department of Education			
Title I Grants to Local Educational Agencies	84.010	FY08	177,409
Improving Teacher Quality Stock Grants	84.367	FY08	100,760
State Grants for Innovative Programs	84.298	FY08	8,805
Safe and Drug-Free Schools and Community - State Grants	84.186	FY08	14,201
Improve Academic Achievement (Title VI)	84.369	FY08	50,603
Special Education - Grants to States	84.027	FY08	343,397
State Childrens Insurance Program	93.767	FY08	502,494
Ankeny Area Education Agency			
Vocational Education - Basic Grants to States	84.048	FY08	<u>38,834</u>
Total Department of Education			<u>1,236,503</u>
 Total			 <u>\$1,680,925</u>

**Basis of Presentation**

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Ankeny Community School District and is presented in conformity with the accrual or modified 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.

**Ankeny Community School District**



306 S.W. School Street, Ankeny, IA 50023-3033

**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  
Ankeny Community School District  
Ankeny, Iowa

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 Ankeny Community School District as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements listed in the table of contents and have issued our report thereon dated October 23, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Ankeny Community School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of the Ankeny Community School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Ankeny Community School District's internal control over financial reporting.

A control deficiency exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Ankeny Community School District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood a misstatement of Ankeny Community School District's financial statements that is more than inconsequential will not be prevented or detected by Ankeny Community School District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood a material misstatement of the financial statements will not be prevented or detected by Ankeny Community School District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

### **Compliance and Other Matters**

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

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2008 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.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Ankeny Community School District and other parties to whom Ankeny 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.

  
**DENMAN & COMPANY, LLP**

West Des Moines, Iowa  
October 23, 2008

**INDEPENDENT AUDITORS 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  
Ankeny Community School District  
Ankeny, Iowa

**Compliance**

We have audited the compliance of Ankeny Community School District with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to its major federal programs for the year ended June 30, 2008. Ankeny 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 its major federal programs are the responsibility of Ankeny Community School District's management. Our responsibility is to express an opinion on Ankeny Community School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Ankeny 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. Our audit does not provide a legal determination on Ankeny Community School District's compliance with those requirements.

In our opinion, Ankeny Community School District complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2008.

### **Internal Control Over Compliance**

The management of Ankeny 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 our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on its major federal programs in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Ankeny Community School District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the District's internal control that might be significant deficiencies or material weaknesses as defined below.

A control deficiency in the District's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the District's internal control.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Ankeny Community School District and other parties to whom Ankeny 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.

  
**DENMAN & COMPANY, LLP**

West Des Moines, Iowa  
October 23, 2008

**Ankeny Community School District  
SCHEDULE OF FINDINGS  
Year ended June 30, 2008**

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

- (a) An unqualified opinion was issued on the financial statements.
- (b) No significant deficiencies in internal control over financial reporting were disclosed by the audit of the financial statements.
- (c) The audit did not disclose any noncompliance which is material to the financial statements.
- (d) No significant deficiencies 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 the major programs.
- (f) The audit disclosed no audit findings which were 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 93.767 - Medicaid
  - 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 \$300,000.
- (i) Ankeny Community School District qualified as a low-risk auditee.

**Part II—Findings Related to the General Purpose Financial Statements**

**NONE**

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

**NONE**

**Ankeny Community School District  
SCHEDULE OF FINDINGS (continued)  
Year ended June 30, 2008**

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

**IV-A-08 CERTIFIED BUDGET**

Expenditures during the year ended June 30, 2008, did not exceed amounts budgeted.

**IV-B-08 QUESTIONABLE EXPENDITURES**

No expenditures that we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

**IV-C-08 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-08 BUSINESS TRANSACTIONS**

No business transactions between the District and District officials or employees were noted.

**IV-E-08 BOND COVERAGE**

Surety bond coverage of District officials and employees is in accordance with statutory provisions.

**IV-F-08 BOARD MINUTES**

No transactions were found that we believe should have been approved in the Board minutes but were not.

**IV-G-08 CERTIFIED ENROLLMENT**

We noted that the number of open enrolled in nonresident public students reported to the Iowa Department of Education on line 3 of the Certified Enrollment Certification Form for October 2007 was overstated by 3 students, which resulted in understating line 11.

**Recommendation**

The District should contact the Iowa Department of Education and the Department of Management to resolve this matter.

**Response**

We will contact the Iowa Department of Education and the Department of Management.

**Conclusion**

Response accepted.

**Ankeny Community School District  
SCHEDULE OF FINDINGS (continued)  
Year ended June 30, 2008**

**IV-H-08 DEPOSITS AND INVESTMENTS**

No instances of noncompliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the District's investment policy were noted.

**IV-I-08 CERTIFIED ANNUAL REPORT**

The certified annual report was filed with the Department of Education timely and we noted no significant deficiencies in the amounts reported.

**ANKENY COMMUNITY SCHOOL DISTRICT  
ANNUAL FINANCIAL HEALTH REPORT**

**Prepared by  
Craig Hansel**

**15-Dec-08**



<http://www.ankenyschools.org>

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## Description of Financial Indicator Ratios

The nine ratios selected for inclusion in this report were identified as being the most efficacious predictors of financial health for Iowa K-12 public schools as supported by formal quantitative research conducted in 2005.

An operational definition has been constructed for each ratio used in this report. There is not one single standard under which all ratios have a consistent definition. For the purpose of this report the most commonly identified methods were used to construct the ratio definition. Where a common computational method was not identified, a logical "best guess" candidate was used and applied consistent with Iowa school business practice. Benchmarks have been included that are also consistent with prior research reviews. Where no ratio benchmark was drawn from literature, none was included with the working definition. The source of the data for most of the ratios used is the Certified Annual Report (CAR) required by the Iowa Department of Education on September 15 of each year. Data for the unspent balance is available from the Iowa Department of Management's website.

### Creditors Equity Ratio (CER):

The Creditors Equity Ratio is designed to measure the amount of the current assets that are provided by creditors. The amount of short-term borrowing would be symptomatic of how dependent the school is on credit to cash flow business operations. One would expect to see an inverse relationship of this indicator to that of the Day's Net Cash Ratio. Logic would suggest that as a school increases available cash to service operations, the less dependent on short-term debt it would become. The operational equation is: [creditor's equity ratio = Iowa Schools Cash Management Program restricted assets / current assets]. Ideally the minimum ratio would be zero. This indicates a condition where no short-term borrowing is required.

### Current Ratio (CR):

The Current Ratio is one of the most widely used measures of short-term liquidity for both public and private sector organizations. It is used to predict the schools ability to meet its current obligations from current assets from continuing operations. If this were a private business it would in essence measure working capital. The operational equation is: [current ratio = current assets / current liabilities]. The minimum target range for this indicator is 1.0. An indicator of less than 1.0 would indicate a condition where the district has more current liabilities than assets.

### Day's Net Cash Ratio (DCR):

The Day's Net Cash Ratio is typically calculated at the end of a fiscal period and gives a good indication of how long a district can operate without the additional infusion of revenue. One of the limitations of this indicator is that district expenditures are most generally made in large amounts on only a few days each month. An example would be monthly or bi-monthly payroll and board approved vendor payments once or twice per month. At the same time, most schools receive revenue in large amounts only a few times per month. An example would be state aid distributions, which are received once per month, or property tax distributions that are received twice per year. The timing of these receipts and expenditures is important to maintaining effective business operations. For this reason the Day's Net Cash Ratio is important. Inadequate cash on hand to service expenditure obligations requires the school to borrow funds creating added debt expense not directly tied to student instruction. An over abundance of cash, however, is also irresponsible management. Excessive accumulations of cash from community taxpayers' does not fit well within the purpose of most K-12 school operations. The operational equation is: [day's net cash ratio = (cash + investments) / (total general fund expenditures / 365)]. The target range for this indicator is 90 to 120 days. In Iowa, it is especially important to note that state foundation aid to schools ends each fiscal year in mid-June. The first payment of state aid for the new fiscal year does not begin again until mid-September, a full 90 day gap. In addition to this gap, districts typically secure new fiscal year supplies during the summer months so expenditures increase during a time when revenue is not received.

### Direct Foundation Aid Ratio (FAR):

The Foundation Aid Ratio measures the amount of total General Fund revenue coming directly in the form of state aid. Since state aid is pupil driven under the Iowa funding formula, assumptions are this ratio would fluctuate in direct relationship to enrollment trends. While this is technically true, the Iowa funding formula does provide schools with a type of safety net when experiencing enrollment decline. This "scale down" provision has the effect of softening or delaying the revenue declines caused by the loss of students. State aid is the largest single source of school revenue. The operational equation is: [foundation aid ratio = state aid revenues / general fund revenue]. No suggested target range for Iowa schools can be determined for the indicator at this time.

## Description of Financial Indicator Ratios - Continued

### Interest Income Ratio (IIR):

The Interest Income Ratio measures earnings on idle monies. This indicator can tell how aggressively the district's money has been managed and what contribution the investment income is making to total revenue. It is anticipated that this ratio should rise and fall in direct relationship to the Days Net Cash Ratio. One reservation about using this ratio is that it is very susceptible to market fluctuations that are not within the control of district management. The operational equation is: [interest income ratio = interest income / revenue]. The target for this ratio is simply the higher the better. A low ratio could indicate poor money management, few liquid cash assets, poor market conditions, or a combination of these factors.

### Receivables and Inventory Ratio (RIR):

The Receivables and Inventory Ratio provides a measure of total current assets tied up in accounts receivable and inventory. Accounts receivable and inventory items are not truly available as working capital and are not available for the district to pay bills with. It is possible that when a greater proportion of the current assets are in receivables and inventory, the district balance sheet would look healthy but the district does not have the ability to meet immediate expenditure needs. This ratio may also provide insight on the timeliness of state aid payments and other intergovernmental obligations owed to the district. The ratio also gives an indication of how well the district is managing accounts receivable and if inventory stockpiling is occurring. The operational equation is: [receivables and inventory ratio = (receivables + inventories) / current assets]. The target for this ratio should be as close to zero as possible.

### Student Transportation Ratio (STR):

The Student Transportation Expenditure Ratio measures the amount of the school budget spent on transportation costs. Examples would include operating and maintaining bus routes, driver costs, equipment purchases, and fuel. A high ratio may suggest to management that a disproportionate amount of resources are being spent in this area. The operational equation is: [student transportation ratio = transportation expenditures / general fund expenditures]. No suggested target range for Iowa schools can be determined for the indicator at this time.

### Unspent Balance Ratio (UBR):

The Unspent Balance Ratio measures the amount of cumulative district spending authority not spent at the end of each fiscal year. This ratio is unique to Iowa schools. Iowa schools are funded according to a state formula, which is different than any other in the country. Because spending authority is vitally important to the financial health of any Iowa district, it must be included as an indicator in any test group of ratios designed to assess fiscal health. The data for this indicator are provided by the Iowa Department of Management on the report titled Unspent Balance Calculations. The operational equation is: [unspent balance ratio = unspent cumulative spending authority / maximum budget authority]. The target range for this indicator logically is roughly equal to that of fund balance. This is because fund balance is the closest approximation of this indicator defined in previous research done in other states. The suggested minimum target for this indicator should be 5%.

### Financial Solvency Ratio (FSR):

This is a measure of financial health that resulted from the "Study of School Corporation Financial Operations" study conducted in 1990 by Ehlers. The ratio of unreserved undesignated general fund balance to actual revenues is defined in the following operational equation: (financial solvency ratio = unreserved undesignated general fund balance / general fund revenues). The target ranges and classification criteria established by the Ehlers study are as follows: (a) target solvency position equals 5.00% through 10.00%, (b) acceptable solvency position equals 0.00% through 4.99%, (c) solvency alert equals -3.00% through -0.01%, and (d) solvency concern equals less than -3.00% (ISCAP, 1991).

## Executive Summary

The District's overall financial condition deteriorated from FY2007 to FY2008.

- The District's unreserved General Fund balance decreased from \$1,678,885 to a negative (\$578,342). This reduced the district's financial solvency ratio from 3.11% for FY2007 to (\$0.99%) for FY2008. A target of 10% is optimal for this indicator.
- The certified enrollment of 7,947.9 was taken on October 1, 2008. This count represents an increase of 245.3 students from the prior year. Student growth continues to present many challenges for the district. The district has added over 800 k-12 students in the past three years alone.
- Interest rates continue to improve for the investment of idle funds. Rates on district investments climbed from 4.98% in June of 2007 to 2.26% in June of 2008. Interest earnings in the General Fund decreased from \$743,384 in FY2007 to \$379,684 in FY2008. Lower average balances of idle funds contributed to this decrease.
- The District ended FY2007 with a total General Fund balance of \$7,638,070. For FY2008 this balance decreased to \$4,980,913. This reduction of \$2,657,158 is primarily due to an insufficient cash reserve tax asking in the FY2008 budget, an increase in Special Education deficit spending, unbudgeted expenditures of \$580,000 to improve District core network switches and wiring, and a nearly \$400,000 spenddown of reserved fund balance in Aelp, ISL, building budgets, and early intervention reading programs.
- FY2008 cash flow needs did not require the District to participate in (ISCAP) or incur other debt for this purpose.
- District long-term debt as of June 30, 2008 totaled \$50,260,000 compared to \$63,020,000 the prior year. School infrastructure local option sales and service tax bonds, Capital loan notes, and multiple series of regular General obligation bonds account for this total. Interest payments of \$13,929,873 were made in FY2008 to service this debt.
- Local Option Sales Tax revenue totaled for FY2008 \$7,431,910 with expenditures / transfers of \$10,381,056 compared to FY2007 revenue of \$7,694,119 and expenditures / transfers of \$8,109,793.
- The construction of Ashland Ridge Elementary School was substantially complete June 30, 2008. The contract amount for this facility was \$12,250,000. FF&E is projected to be \$784,000. Initial staffing includes \$2,102,213 for 44.74 F.T.E.
- The Special Education program fund balance ended fiscal year 2008 with a balance of (\$1,470,269) compared to FY2007 with a (\$949,154) balance. This is an decrease of (\$521,115) from the prior year.
- The Student Transportation ratio shows an increase from 3.25% in FY2007 to 3.31% in FY2008. A new three year contract agreement extension was approved between Durham and the District. The agreement will take effect July 1, 2008. Regular route pricing increased from \$151.61 in FY2007 to \$155.61.
- The District's taxable valuation continues to grow. In January 2008 the valuation was computed to be \$1,891,308,608 compared to \$1,733,617,954 in FY2007, an increase of \$157,690,654 or 9.10%.
- The Day's Net Cash Ratio shows that the District's cash flow capacity declined. On June 30, 2008 the District had a combination of cash and investments on hand totaling \$11,116,088. This amount when divided by FY2008 average daily expenditures of \$170,908 yields 65 days of operating cash flow.

## Nine Point Financial Condition Test Ratio Indicators

Assessment	Benchmark		District Ratio Values	
Indicator Ratio	Best	Recommended Minimum Target Value	District Value 2007	District Value 2008
Creditor Equity Ratio	Low	0.0%	0.00%	0.00%
Current Ratio	High	100.0%	128.50%	115.30%
Day's Net Cash Ratio	High	90.0	82	65
Foundation Aid Ratio	Medium	50.0%	47.70%	47.70%
Financial Solvency Ratio	High	5.0%	3.11%	-0.99%
Investment Income Ratio	High	0.0%	1.38%	0.65%
Receivables & Inventory Ratio	Low	0.0%	3.08%	3.34%
Student Transportation Ratio	Low	2.0%	3.25%	3.31%
Unspent Balance Ratio	High	5.0%	17.30%	16.64%

**Simple Balance Sheet Comparisons**  
**General Fund Only**

	FY07	FY08	\$ Change	% Change
<b>Assets:</b>				
Cash & Investments	\$12,618,357	\$11,116,088	(\$1,502,269)	-11.9%
Receivables	\$875,181	\$1,071,416	\$196,235	22.4%
Inventories	\$185,960	\$181,126	(\$4,834)	-2.6%
ISCAP	\$0	\$0	\$0	#DIV/0!
Other Assets	\$20,736,775	\$25,089,778	\$4,353,003	
<b>Total Assets</b>	<b>\$34,416,273</b>	<b>\$37,458,408</b>	<b>\$3,042,135</b>	<b>8.8%</b>
<b>Liabilities:</b>				
Payables	\$5,443,770	\$6,185,647	\$741,877	13.6%
Payroll benefits	\$597,658	\$1,202,070	\$604,412	101.1%
ISCAP	\$0	\$0	\$0	#DIV/0!
Other Liabilities	\$20,736,775	\$25,089,778	\$4,353,003	21.0%
<b>Total Liabilities</b>	<b>\$26,778,203</b>	<b>\$32,477,495</b>	<b>\$5,699,292</b>	<b>21.3%</b>
<b>Fund Balance:</b>				
Reserved	\$5,959,185	\$5,559,254	(\$399,931)	-6.7%
Unreserved	\$1,678,885	(\$578,341)	(\$2,257,226)	134.4%
<b>Total Fund Balance</b>	<b>\$7,638,070</b>	<b>\$4,980,913</b>	<b>(\$2,657,157)</b>	<b>34.8%</b>

**Simple Revenue & Expenditures Comparison**  
**General Fund Only**

	FY07	FY08	\$ Change	% Change
<b>Revenues:</b>				
Local sources	\$19,940,697	\$21,130,530	\$1,189,833	6.0%
State sources	\$30,667,370	\$33,586,846	\$2,919,476	9.5%
Federal sources	\$1,000,472	\$1,236,503	\$236,031	23.6%
Other sources	<u>\$2,336,639</u>	<u>\$2,370,112</u>	<u>\$33,473</u>	<u>1.4%</u>
Total revenues	\$53,945,178	\$58,323,991	\$4,378,813	8.1%
<b>Expenditures:</b>				
Instruction	\$36,591,751	\$40,981,447	\$4,389,696	12.0%
Support services	\$12,630,349	\$14,168,314	\$1,537,965	12.2%
Non-instructional	\$4,527,812	\$4,878,736	\$350,924	7.8%
Other expenditures	<u>\$2,143,508</u>	<u>\$2,352,907</u>	<u>\$209,399</u>	<u>9.8%</u>
Total expenditures	\$55,893,420	\$62,381,404	\$6,487,984	11.6%
<b>Other Financing Sources:</b>				
Sale of Assets	\$46,613	\$26,736	(\$19,877)	-42.6%
Transfers	<u>\$1,008,600</u>	<u>\$1,373,520</u>	<u>\$364,920</u>	<u>36.2%</u>
Total other sources	\$1,055,213	\$1,400,256	\$345,043	32.7%
<b>Changes in fund balance:</b>	<u><u>(\$893,029)</u></u>	<u><u>(\$2,657,157)</u></u>	<u><u>(\$1,764,128)</u></u>	<u><u>197.5%</u></u>

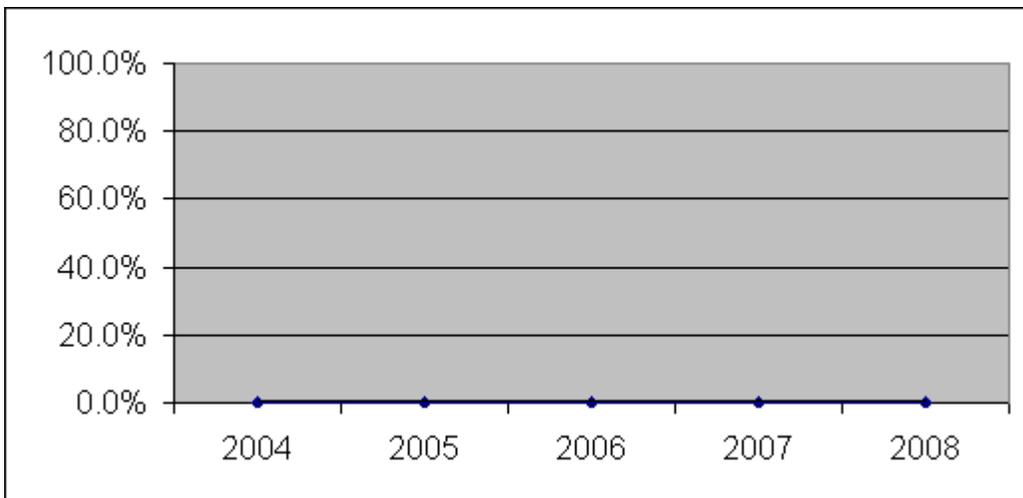
# Creditor's Equity Ratio

**Formula:** 
$$\frac{\text{Current Restricted Assets: ISCAP Investments}}{\text{Total Current Assets}}$$

**Financial Information and Computation:**

Year	ISCAP	Total Assets	Ratio
CAR reference	BalSheet C1L8	BalSheet C1L11	
2004	\$0	\$30,160,418	0.0%
2005	\$0	\$30,752,225	0.0%
2006	\$0	\$33,093,244	0.0%
2007	\$0	\$34,416,273	0.0%
2008	\$0	\$37,458,408	0.0%

Ratio explanation: Short-term borrowing represents xx.x% of total current assets



**Purpose:** Measures how much of the district's current Genral Fund equity is funded with borrowed money.

**Trend:** Stable

**Target:** Ideally the ratio would be zero. This would indicate a condition where no short-term borrowina is required.

**Need/Concern:** This indicator is at the desired level at this time.

**Corrective Action:** None needed at this time

# Contribution Ratio

**Formula:** 
$$\frac{\text{Line Source Revenue}}{\text{Total Revenue}}$$

**Financial Information and Computation:**

	FY 2007	
Line	Amount	Ratio
Source		
Local	\$19,940,697	37.0%
State	\$30,667,370	56.8%
Federal	\$1,000,472	1.9%
Other	\$2,336,639	4.3%
Total	\$53,945,178	100.0%

	FY 2008	
Line	Amount	Ratio
Source		
Local	\$21,130,530	36.2%
State	\$33,586,846	57.6%
Federal	\$1,236,503	2.1%
Other	\$2,370,112	4.1%
Total	\$58,323,991	100.0%

Year	Local	State	Federal	Other
2004	39.6%	56.9%	1.2%	2.3%
2005	40.4%	56.2%	1.9%	1.5%
2006	38.6%	57.6%	1.9%	1.9%
2007	37.0%	56.8%	1.9%	4.3%
2008	36.2%	57.6%	2.1%	4.1%

**Purpose:** Measures local taxation effort

**Trend:** NA

**Target:** NA

**Need/Concern:** As a district's property tax wealth grows the school aid formula shifts financial responsibility from the state to the local district. This can be seen in the table above.

**Corrective Action:** NA

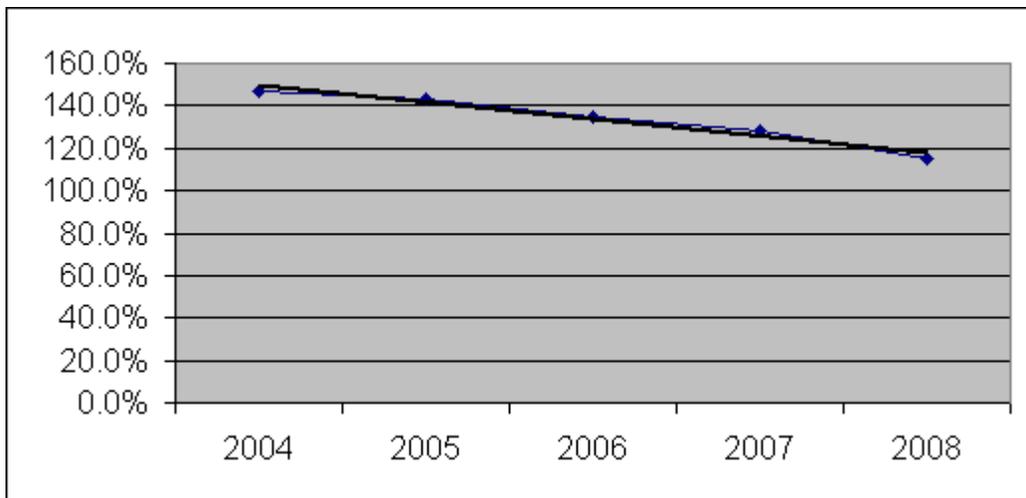
# Current Ratio

**Formula:** 
$$\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$$

**Financial Information and Computation:**

Year	Assets	Liabilities	Ratio
CAR reference	BalSheet C1L11	BalSheet C1L24	
2004	\$30,160,418	\$20,518,078	147.0%
2005	\$30,752,225	\$21,455,402	143.3%
2006	\$33,093,244	\$24,562,145	134.7%
2007	\$34,416,273	\$26,778,203	128.5%
2008	\$37,458,408	\$32,477,496	115.3%

Ratio explanation: Short-term solvency represents xx.x% of assets to liabilities



**Purpose:** Measures the district's short-term solvency position .

**Trend:** Up

**Target:** A minimum target would be 100%. An indicator less than zero would indicate a condition where the district has more liabilities than assets.

**Need/Concern:** This indicator is above the minimum target value, this indicator is moving in the right direction and is not a cause for concern at this time.

**Corrective Action:** Levy for cash reserve

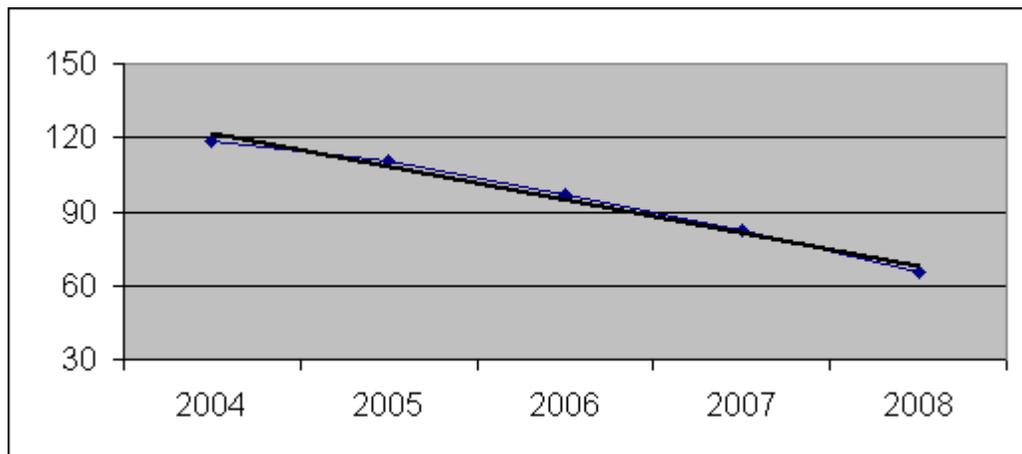
# Day's Net Cash Ratio

**Formula:** 
$$\frac{\text{Cash \& Investments}}{\text{Average Daily Cash Expenditures}}$$

## Financial Information and Computation:

Year	Cash & Investments	Total Expenditures	Daily (365) Expenditures	Ratio In Days
CAR reference	BalSheet C1L1	ExpGF C8L42		
2004	\$12,734,091	\$39,181,437	\$107,346	119
2005	\$13,501,876	\$44,515,893	\$121,961	111
2006	\$13,141,201	\$49,706,131	\$136,181	96
2007	\$12,618,357	\$55,893,420	\$153,133	82
2008	\$11,116,088	\$62,381,404	\$170,908	65

Ratio explanation: Number of days the district can carry expenditures without cash infusion



**Purpose:** Measures short-term solvency and the ability to cash flow expenditures without receiving additional revenue.

**Trend:** Down

**Target:** 90 days

**Need/Concern:** This indicator is below target. The major concern is insufficient cash reserve being levied in the immediate prior years budgets.

**Corrective Action:** Levy for cash reserve

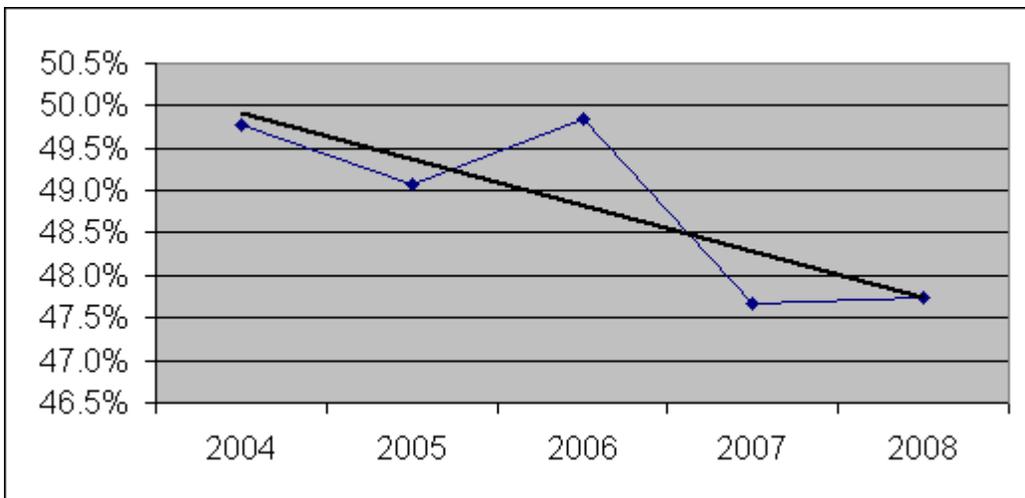
# Foundation Aid Ratio

**Formula:** 
$$\frac{\text{Direct State Aid}}{\text{Total General Fund Revenue}}$$

**Financial Information and Computation:**

Year	State Aid	Total Revenue	Ratio
CAR reference	Rev. C1L24	Rev. C1L56	
2004	\$20,378,960	\$40,950,487	49.8%
2005	\$21,649,626	\$44,123,624	49.1%
2006	\$23,583,533	\$47,311,056	49.8%
2007	\$25,719,646	\$53,945,178	47.7%
2008	\$27,842,902	\$58,323,991	47.7%

Ratio explanation: What xx.x% of total revenue does foundation aid represent.



**Purpose:** Measures resource contribution.

**Trend:** Down

**Target:** No target is established for this ratio. A rule of thumb is that as a district's property wealth grows a smaller percentage of the total revenue is contributed from the foundation aid formula.

**Need/Concern:** None at this time.

**Corrective Action:** None needed at this time

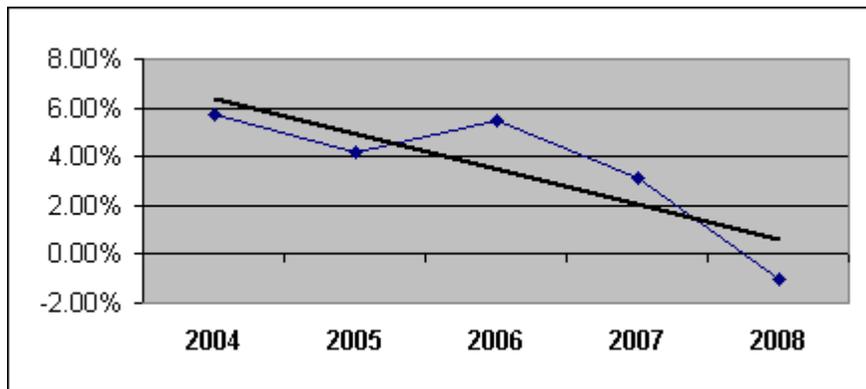
# Financial Solvency Ratio

**Formula:** 
$$\frac{\text{Unreserved Undesignated Fund Balance (UUFB)}}{\text{Total GF Revenue}}$$

**Financial Information and Computation:**

Year	UUFB	Total Revenue	Ratio
CAR reference	Balsheet C1L28	Rev. C1L56	
2004	\$2,331,290	\$40,950,487	5.69%
2005	\$1,855,924	\$44,123,624	4.21%
2006	\$2,583,476	\$47,311,056	5.46%
2007	\$1,678,885	\$53,945,178	3.11%
2008	(\$578,342)	\$58,323,991	-0.99%

Ratio explanation: What xx.x% of total revenue does fund equity represent.



**Purpose:** Measures the District's Fund Equity position

**Trend:** Down

**Target:** Short-term 5% / Long-term 10%

**Need/Concern:** Full funding of budget revenue resources

**Corrective Action:** Levy for cash reserve

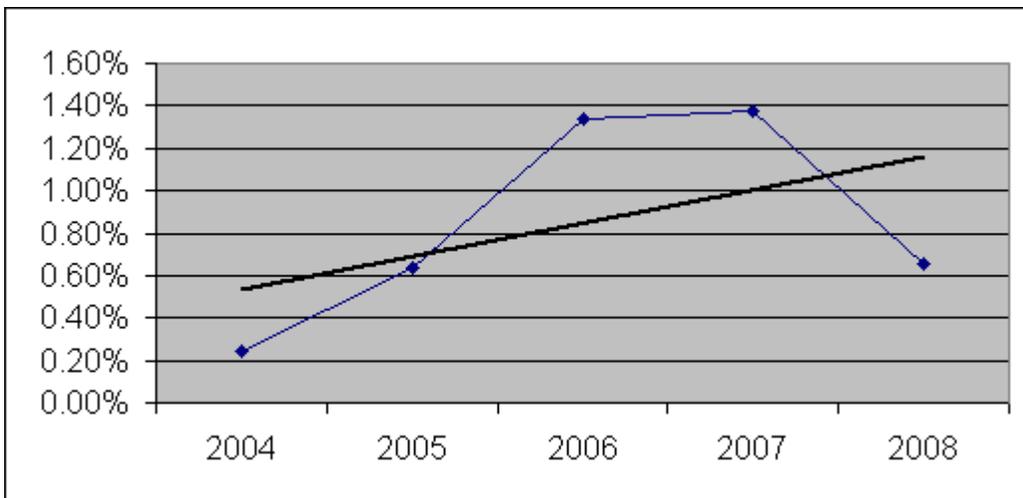
# Investment Income Ratio

**Formula:** 
$$\frac{\text{Interest Income}}{\text{Total General Fund Revenue}}$$

**Financial Information and Computation:**

Year	Interest	Total Revenue	Ratio
CAR reference	Rev. C1L9	Rev. C1L56	
2004	\$98,570	\$40,950,487	0.24%
2005	\$278,961	\$44,123,624	0.63%
2006	\$631,368	\$47,311,056	1.33%
2007	\$743,384	\$53,945,178	1.38%
2008	\$379,684	\$58,323,991	0.65%

Ratio explanation: What xx.xx% of total revenue does interest in idle funds represent.



**Purpose:** Measures operating results.

**Trend:** Up

**Target:** Stable to upward trends are desirable for this indicator.

**Need/Concern:** Manage idle funds aggressively.

**Corrective Action:** Monitor idle funds more closely to take advantage of improving market conditions.

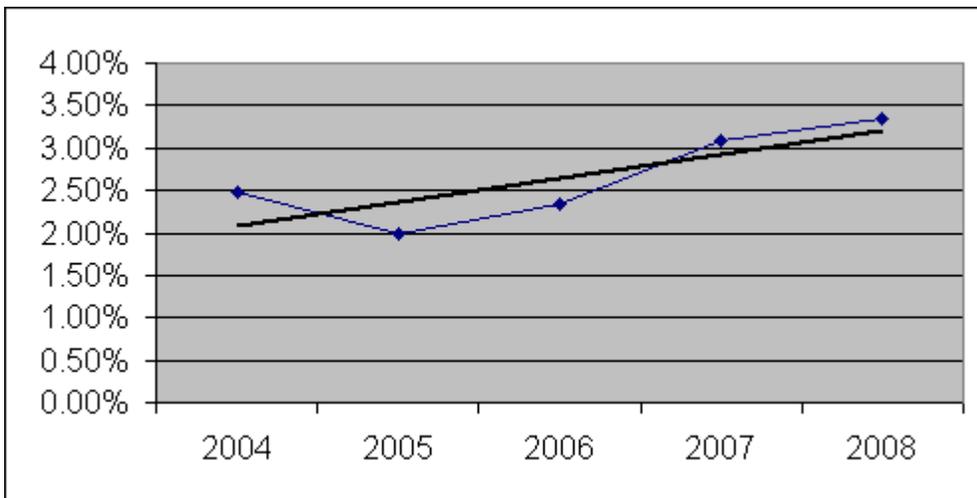
# Receivables & Inventory Ratio

**Formula:** 
$$\frac{\text{Receivables and Inventory}}{\text{Total Current Assets}}$$

**Financial Information and Computation:**

Year	Receivables & Inventory	Total Assets	Ratio
CAR reference	BalSheet C1L2-6	BalSheet C1L11	
2004	\$748,731	\$30,160,418	2.48%
2005	\$611,759	\$30,752,225	1.99%
2006	\$771,684	\$33,093,244	2.33%
2007	\$1,061,141	\$34,416,273	3.08%
2008	\$1,252,542	\$37,458,408	3.34%

Ratio explanation: What xx.xx% of total revenue does rec. / inv. represent.



**Purpose:** Measures movement and distribution of current assets

**Trend:** Up

**Target:** Stable to lower is desirable for this indicator.

Funds due Ankeny schools are being held longer by other governmental entities causing this indicator to

**Need/Concern:**

**Corrective Action:** Manage accounts receivables and inventory levels

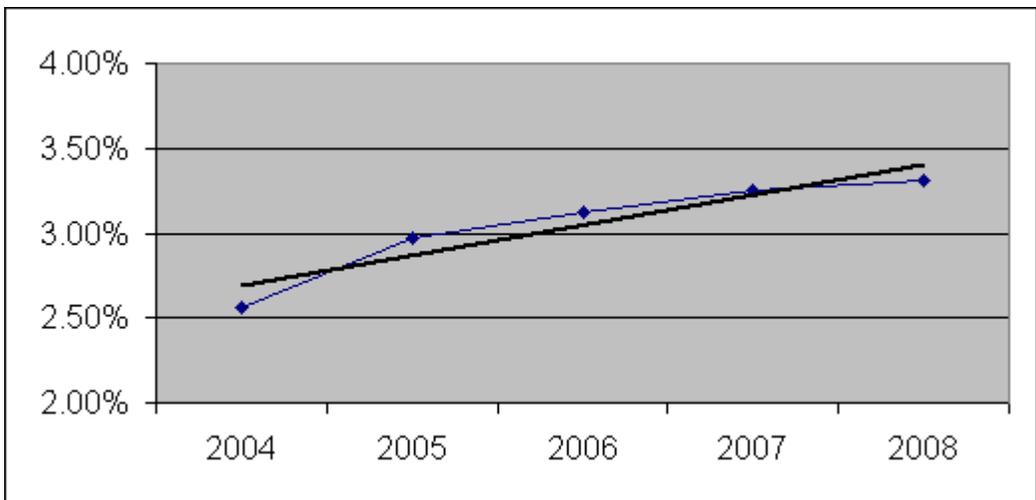
# Student Transportation Ratio

**Formula:** 
$$\frac{\text{Student Transportation Expense}}{\text{Total General Fund Expenditures}}$$

**Financial Information and Computation:**

Year	Transportation	Total Expenditures	Ratio
CAR reference	ExpGF C8L29	ExpGF C8L42	
2004	\$1,003,560	\$39,181,437	2.56%
2005	\$1,323,795	\$44,515,893	2.97%
2006	\$1,553,476	\$49,706,131	3.13%
2007	\$1,819,106	\$55,893,420	3.25%
2008	\$2,065,313	\$62,381,404	3.31%

Ratio explanation: What xx.xx% of total expenditures does std. transportation represent.



**Purpose:** Measures resource distribution results.

**Trend:** Up

**Target:** Stable to lower trends are desirable for this indicator.

**Need/Concern:** Fuel and trip costs continue to increase.

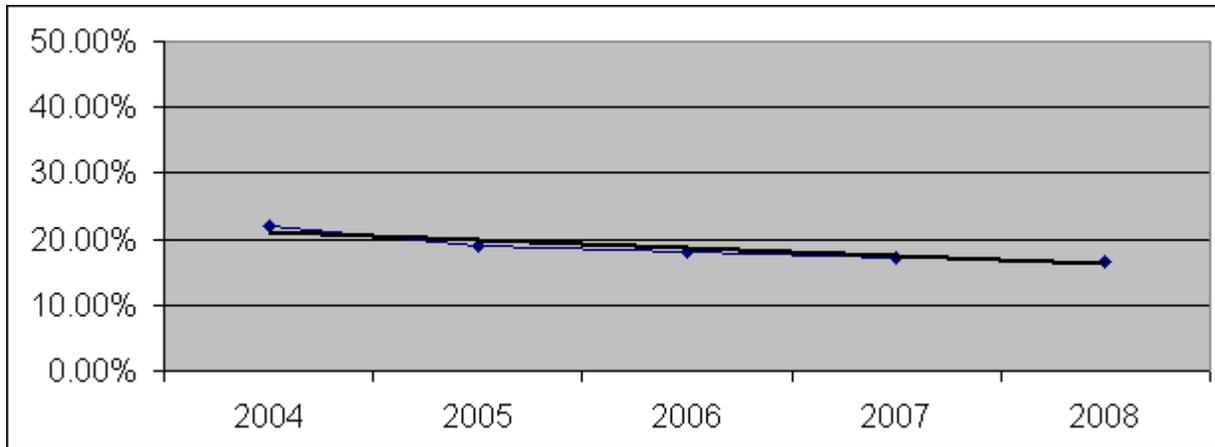
**Corrective Action:** Spend less for student transportation.

# Unspent Balance Ratio

**Formula:** 
$$\frac{\text{Unspent Spending Authority}}{\text{Maximum Budget Authority}}$$

**Financial Information and Computation:**

Year	Maximum Authorized	Regular Unspent Bal.	Unreserved Unspent Bal.	Regular UB Ratio	Unreserv. UB Ratio
2004	\$51,271,352	\$14,814,102	\$11,261,297	28.89%	21.96%
2005	\$65,068,333	\$16,124,988	\$12,442,334	24.78%	19.12%
2006	\$68,041,606	\$18,337,447	\$12,389,824	26.95%	18.21%
2007	\$74,937,944	\$18,921,217	\$12,962,032	25.25%	17.30%
2008	\$81,500,790	\$19,119,386	\$13,560,132	23.46%	16.64%



\*Estimated

**Purpose:** Measures the District's unbudgeted spending reserves

**Trend:** Down

**Target:** Unreserved unspent for short-term at 5-10 percent  
Long-term 5 percent above accrued payroll liabilities

**Need/Concern:** An adequate level of budget reserves are important so the District can respond to emergencies. Conventional wisdom, when engaged in construction projects, suggests a minimum of 5% to 10% of the total project for contingency expenditures. The Operating Fund is no different.

**Corrective Action:** Spend less than allowed each budget year.