

West Des Moines Community School District

West Des Moines, Iowa

Comprehensive Annual Financial Report

Year Ended June 30, 2015

Comprehensive Annual Financial Report of the

West Des Moines Community School District
West Des Moines, Iowa

For the Fiscal Year Ended June 30, 2015

Official Issuing Report

Paul Bobek, CPA, Chief Financial Officer

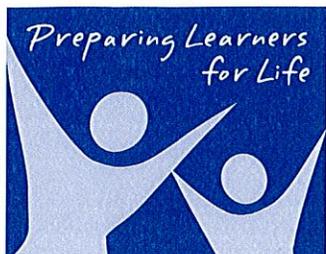
Office Issuing Report

Administrative Services Division

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WEST DES MOINES
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Dr. Lisa Remy,
Superintendent

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The West Des Moines
Community School District
will be a caring community
of learners that knows
and lifts every child.
We will inspire joy in learning.
Our schools will excel
at preparing each student
for his or her life journey.

November 30, 2015

The Board of Education and Residents
West Des Moines Community School District

Ladies and Gentlemen:

The following report is a comprehensive financial record of the District for the fiscal year ended June 30, 2015. The report is a reflection of the conditions which have enabled the West Des Moines Community School District to maintain a favorable financial position despite state and federal budget constraints and the related impact on local school districts across our state. In addition, the District took action to reduce \$2.7 million from the 2014-15 fiscal budget including the closing of Phenix Elementary School.

The shared vision of the District states, "The West Des Moines Community School District will be a caring community of learners that knows and lifts every child. We will inspire joy in learning. Our schools will excel at preparing each student for his or her life journey."

This shared vision provides the foundation of our District's financial planning. Meeting the educational needs of our students despite state and federal budget constraints is no simple task. The educational success of the West Des Moines Community School District is due to many factors including:

- An outstanding and effective Board of Education.
- A very supportive community with high expectations for outstanding schools.
- Supportive parents who have high expectations for their children.
- A team of outstanding and dedicated teachers, staff and administrators.
- Students who understand the importance of obtaining a quality education.

As you review the information included in this report, please be sure to contact us if you have any questions or suggestions. Our focus is upon the learning needs of all of our students. With your help and support, we will continue to be an excellent system of schools. We can all take pride in the outstanding success of our students as they graduate as learners prepared for life.

Sincerely,

Lisa Remy, Ed.D.
Superintendent



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November 30, 2015

The Board of Education and Residents
West Des Moines Community School District

The Comprehensive Annual Financial Report of the West Des Moines Community School District (the District) for the fiscal year ended June 30, 2015 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 officials of the District's Administrative Services Division. We believe that the data is accurately presented, in all material respects; that the data is presented to fairly set forth the financial position and results of operations of the District as measured by the financial activity of the various funds; and that all necessary disclosures have been included in order to enable the reader to gain the maximum understanding of the District's financial affairs.

The District was required to undergo a single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, Audits of States and Local Governments and Nonprofit Organizations. Information related to this single audit, including a schedule of expenditures of federal awards, the independent auditor's report on internal control over financial reporting and on compliance and other matters, independent auditor's report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance, and a schedule of findings are included in the single audit compliance section of this report.

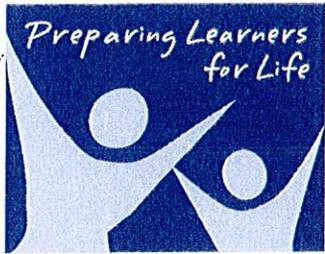
This report includes all funds of the West Des Moines Community School District. The District provides a full range of programs and services including instructional; administrative; transportation; food service; maintenance of sites and facilities; custodial; clerical; extra, co-curricular and athletic activities; and community education.

Management is responsible for preparing a Management's discussion and Analysis. This discussion follows the independent auditor's report and provides an assessment of the District's finances for 2015.

Profile of the Government

In Iowa, school districts operate with local control and have fiscal independence from other government entities. The District operates in compliance with the accounting principles generally accepted in the United States of America (GAAP) and currently prepares its financial statements per the Governmental Accounting Standards Board (GASB) Statement No. 34.

The West Des Moines Community School District serves more than 58,000 people who live in the western portion of Polk County-West Des Moines, Clive, parts of Urbandale and Windsor Heights and nearby rural areas. Covering 36.6 square miles, the District has grown up around a former railroad center, Valley Junction, and the



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farmland north and south of the Raccoon River. The District experienced rapid growth up until the fall of 1975 when enrollment reached 6,726 students. Enrollment gradually declined to 5,825 students in the fall of 1982, but increased annually (except for September 1999) through September 2002, to 8,776 students. Enrollment declined more than 200 students during fiscal years 2004 and 2005. The District's enrollment projections estimate stable to slightly declining enrollments. In October 2015, the District's Official Enrollment decreased by 134 students with an enrollment of 9,013.

The District operates thirteen schools, a maintenance/transportation/warehouse facility, a stadium and the Learning Resource Center (administrative offices). Phenix Elementary School was closed starting in fiscal year 2014-15 as part of the District's budget reductions and subsequently sold during the year. The West Des Moines Community School District provides a comprehensive Pre K-12 educational program and an extensive Community Education program.

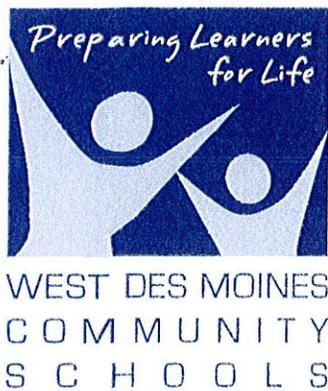
Economic Condition and Outlook

The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the state. The economic condition and outlook of the District have remained strong during the past ten years, following several years of very high economic growth and steady enrollment growth. This growth has had a positive effect on employment and the District's tax base. The District's tax base increased at an average annual rate of approximately 3.06% over the past 15 years. However, in fiscal year 2015, the District experienced a decrease in valuation of 1.84%.

The tax base is expected to grow more slowly in the next five years.

Retail sales, building permits and population increases in the western suburbs have generally exceeded that of any other location in the metropolitan area or in the state of Iowa. Growth in the Des Moines area suburbs is expected to exceed the state average. A large percentage of these increases are occurring outside the District's boundaries.

In recent years, the state of Iowa faced an economic downturn that severely hampered its ability to fund schools at the same level as in prior years. After two consecutive years of 4.5% declines in the state's net receipts, in 2011, the state's net receipts increased by 5.8%. In light of these challenging economic times, the District has publicly discussed operating budget concerns looking ahead to the next five years. In May 2014, the Board approved a plan to reduce \$2.7 million in General Fund Budget in the 2014-15 fiscal year including the closing of Phenix Elementary School. The Board of Education continues to implement the District's long range facilities plan, which was approved in March 2010. In addition, the Board has directed the Administration to review this plan so that additional Revenue Bonds are not necessary to finance the plan and the Administration has since presented a plan to make \$12.3 million in scope reductions to this plan.



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The 2014-15 school year included many stories of success. The shared vision and five guiding principles continue to be the foundation for curriculum development, integration of technology, community involvement and the learning process.

The shared vision is carefully considered in all District efforts: "The West Des Moines Community School District will be a caring community of learners that knows and lifts every child. We will inspire joy in learning. Our schools will excel at preparing each student for his or her life journey."

Renovation and remodeling slowed significantly for the District in 2014-15. The District completed and placed into service the final phase of the Valley High School Performing Arts Center addition. Other renovations projects included completing the flooring replacement at Clive Elementary School and roofing projects at various buildings.

The Stretching Minds program continued serving many elementary and junior high students during the summer. The program targets students most likely to benefit from additional opportunities in reading, mathematics and community learning.

Athletic Report for 2014-15 School Year

Rich in tradition and talented students, The Valley Tigers again enjoyed a tremendous year in Athletics during the 2014-15 school year. Fifteen teams represented West Des Moines Community Schools in the Iowa High School State Tournaments. Nine of those teams finished in the top eight for the large class in Iowa.

The students at Valley High School involved in Athletics were again leaders in the classroom with over a 3.0 combined GPA. The Tigers were honored with multiple Academic All State individuals as well.

Valley High Schools overall sportsmanship ratings were very high in all three areas, fans, players and coaches.

Here is a sport team breakdown:

<u>Sport</u>	<u>State Results</u>
Boys XCC	– State Qualifier, Individual State Champ
Girls XCC	– State Qualifier
Football	– District Champs, State Semifinals Quarterfinals
Volleyball	– Did not qualify
Boys Golf	– State Qualifier (17th year in a row)
Girls Swimming	– 5th Place State
Girls Bowling	– State Qualifier
Boys Bowling	– Did not qualify
Wrestling	– Qualified, 8th place
Girls Basketball	– Conference Champ, Regional Champ, State Finals - 2nd.
Boys Basketball	– Did not qualify 17-6 record
Boys Swimming	– Qualified, 5 th Place State
Boys Soccer	– Sub State Champion, State Quarterfinalist (7th place)
Girls Soccer	– Regional Champion, State Semifinals (3rd place)
Boys Track	– District Champion, State Qualifier
Girls Track	– Individual qualifiers - no place
Girls Tennis	– Did not qualify, Individual 4th place, Co-Ed State Champions
Boys Tennis	– Did not qualify
Girls Golf	– State Qualifier - 6th place



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Softball – Regional Champion, State 3rd Place
Baseball – Did not qualify

The Central Iowa Conference will again change for 2015-16 with 3 divisions of 6 teams on a rotating basis.

Valley High School continues to be represented by the students, coaches, teachers and fans dedicated to high expectations and the pursuit of excellence. Participation numbers in all sports continues to increase. Leadership by students both in the classrooms and on the playing fields remain a highlight for the Valley Athletic Department

Other Financial Information

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

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

As a part of the District's audit, tests are made to determine the adequacy of the internal control over financial reporting and its compliance with applicable laws and regulations, including those related to major federal award programs. The results of the District's audit for the fiscal year ended June 30, 2015 noted no material weaknesses in the internal controls over financial reporting or for compliance issues.

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



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

In the 2014-15 fiscal year, the District implemented budgetary reductions totaling \$2.7 million. The District has again initiated a budgetary process to reduce up to \$850,000 for the 2016-17 fiscal year given the District's 134 student decrease in Official Enrollment, which generates 2016-17 funding.

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

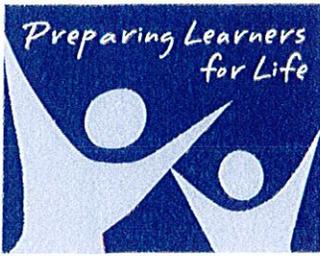
Relevant Financial Policies. Since the funding formula is pupil driven, an increase in total spending authority occurs by increasing the number of pupils or by increasing the cost per pupil. The cost per pupil is determined by the legislature in setting the amount of Supplemental State Aid, formerly known as allowable growth, each year. Under the law, the legislature has 30 days after receiving the governor's budget recommendation to set the state percent of growth for the year following the budget year. To illustrate, the 2011 legislature set the FY13 state percent of growth. The Supplemental State Aid becomes increasingly important because as a District, if we are faced with declining enrollment in a given year, the amount of Supplemental State Aid often will dictate budget reductions that will take place.

Awards and Acknowledgements

Independent Audits. The accounting firm of Bohnsack & Frommelt, LLP performed the annual audit. In addition to meeting requirements set forth in state statutes, the audit was designed to meet the requirements of federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements, required supplementary information, combining and individual fund statements and other schedules are included in the financial section of this report.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the West Des Moines Community School District for its comprehensive annual financial report for the fiscal year ended June 30, 2014. The Certificate of Achievement is the highest form of recognition for excellence in state and local financial reporting.

In order to be presented this award, the District must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The West Des Moines Community School District has received a Certificate of Achievement for twenty-seven consecutive years.



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The School District has also received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials (ASBO) for twenty-nine consecutive years. Upon recommendation of the Association's Panel and Review, which has judged that the report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program, we are submitting this report to ASBO to determine its eligibility for another certificate.

A certificate from both associations is valid for a period of one year. We believe that our current comprehensive annual financial report continues to meet the program requirements of GFOA and ASBO and we are submitting it to both associations to determine its eligibility for another certificate.

Acknowledgement

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated efforts of the accounting staff and our auditors, Bohnsack & Frommelt, LLP. We would like to express our appreciation to all staff members who assisted and contributed to this report. Also, appreciation is expressed for the interest and support of the Board of Education in conducting the financial operations of the District in a most responsible and progressive manner.

Respectively submitted,

Lisa Remy, Ed.D.
Superintendent

Paul Bobek, CPA
Chief Financial Officer

West Des Moines Community School District

**Board of Education
Year Ended June 30, 2015**

	Title	Term/Contract Expires
David J. Brown	President	September 2015
Andi Lipman	Vice President	September 2015
Elizabeth Brennan	Board Member	September 2017
Tali Greenspon	Board Member	September 2017
Dr. Kevin Carroll	Board Member	September 2015
Dr. Vicky Poole	Board Member	September 2017
Milton Cole-Duvall	Board Member	September 2015

West Des Moines Community School District

District Administration Year Ended June 30, 2015

Dr. Lisa Remy	Superintendent
Dr. Laurene Lanich	Associate Superintendent of Teaching and Learning
Carol Seid	Associate Superintendent of Human Resources
Janelle Green	Director of Human Resources
Paul Bobek, CPA	Chief Financial Officer
Donna Gregory	Director of Finance
Shane Scott	Director of Curriculum and Instruction
Steph Wilson	Director of Curriculum and Instruction
Shahna Janssen	Director of Community Education
Willow Dye	Director of Nutrition Services
Elaine Watkins-Miller	Director of School/Community Relations
Brian Abeling	Director of Technology
Kerry Ketcham	Director of Special Education
Tim Miller	Valley High School Principal
David Perrigo	Valley High School Associate Principal
Brad Rose	Valley High School Athletic Administrator
David Maxwell	Valley High School Team Associate Principal
Dr. Erika Cook	Valley High School Team Associate Principal
Shane Christensen	Indian Hills Junior High Principal
Zac Sinram	Indian Hills Junior High Assistant Principal
Eric Boyle	Stilwell Junior High Principal
Brady Weber	Stilwell Junior High Assistant Principal
Dr. Robert Davis	Hillside Elementary School Principal
Andrea Boyd	Clive Elementary School Principal
John Villotti	Crestview Elementary School Principal
Britt Cameron	Crossroads Park Elementary School Principal
Brandon Pierce	Fairmeadows Elementary School Principal
Mitch Kuhnert	Valley Southwoods Freshman High School Principal
Bryan Stearns	Valley Southwoods Freshman High School Associate Principal/Team Leader
Barbara Goetschel	Valley Southwoods Freshman High School Associate Principal/Team Leader
Beth Thornton	Western Hills Elementary School Principal
Graham Jones	Jordan Creek Elementary School Principal
Mary Jane Stites	Westridge Elementary School Principal
Dr. Kim Davis	Walnut Creek Campus Principal

West Des Moines Community Schools

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2015-16 TABLE OF ORGANIZATION

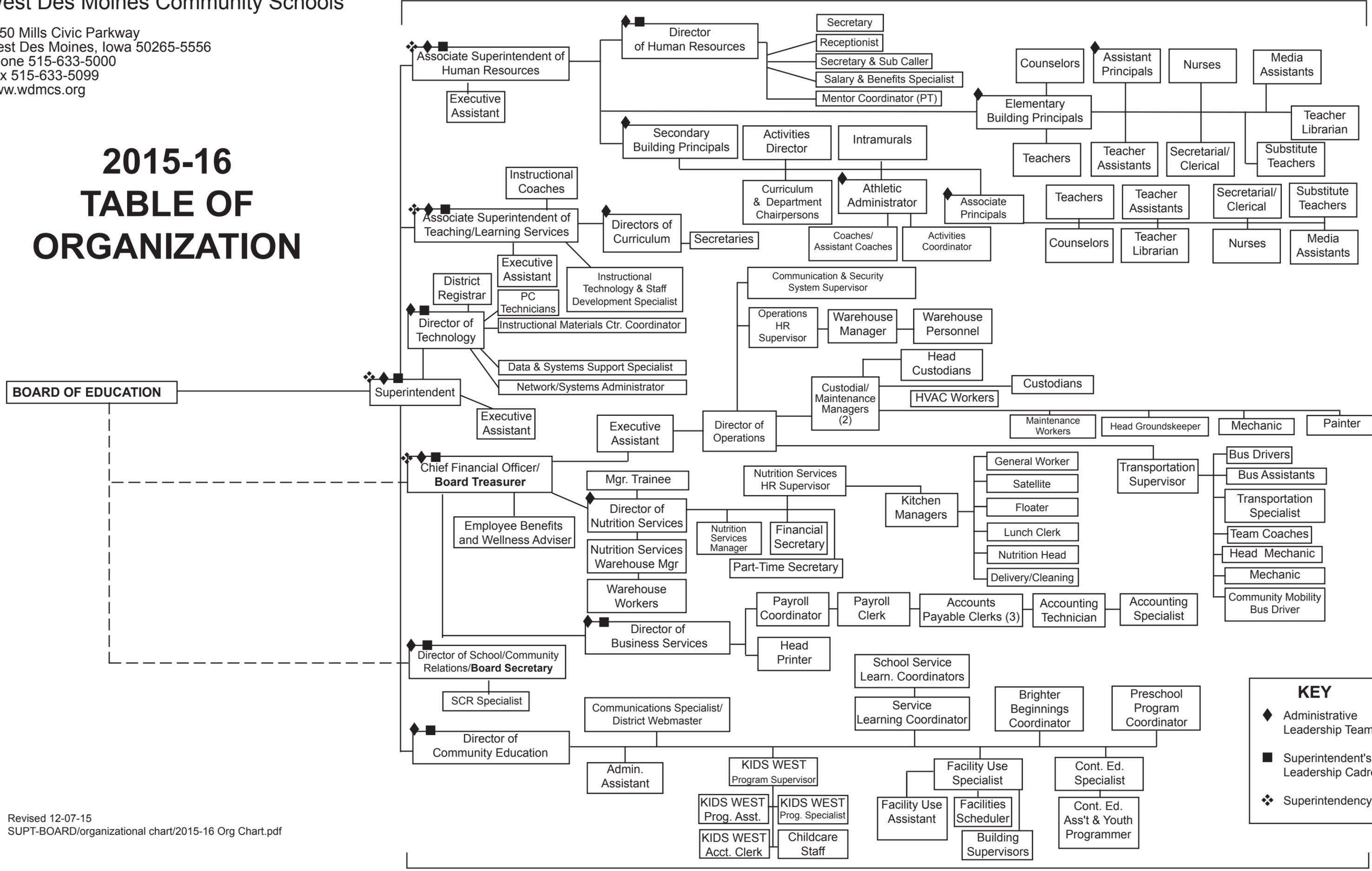
BOARD OF EDUCATION

Superintendent

STUDENTS

LEARNERS

ix



KEY

- ◆ Administrative Leadership Team
- Superintendent's Leadership Cadre
- ❖ Superintendency



Government Finance Officers Association

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

Presented to

**West Des Moines Community
School District, Iowa**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

Association of School Business Officials International



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

West Des Moines Community School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



Independent Auditor's Report

To the Board of Education
West Des Moines Community School District
West Des Moines, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the West Des Moines Community School District, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the West Des Moines Community School District, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 14 to the basic financial statements, the District implemented Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. As a result, the District's net position for governmental activities and business-type activities has been restated. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of funding progress, budgetary comparison information, schedule of the proportionate share of the net pension liability, and schedule of district contributions on pages 4-13 and 59-66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the other information, including the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information of the combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Bohnsack & Frommelt LLP

Taylor Ridge, Illinois
November 30, 2015



WEST DES MOINES
COMMUNITY
S C H O O L S

West Des Moines Community School District

Management's Discussion and Analysis Year Ended June 30, 2015

It is an honor to present to you the financial picture of West Des Moines Community School District. We offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the West Des Moines Community School District for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

The District showed an increase in net position of \$7,242,948 and \$4,189,340 during the years ended June 30, 2015 and 2014, respectively.

Total revenues for the fiscal year ended June 30, 2015 and 2014 of \$132,146,868 and \$124,633,881 were comprised of general revenues in the amount of \$96,521,459 and \$94,464,236 and program revenues totaling \$35,625,409 and \$30,169,645, respectively.

As of June 30, 2015, the District's governmental funds reported combined ending fund balances of \$51,312,414, an increase of \$5,049,163 in comparison with 2014. As of June 30, 2014, the District's governmental funds reported combined ending fund balances of \$46,263,251, an increase of \$14,590,620 in comparison with 2013. Of the total combined fund balance, \$9,218,538 represents unassigned fund balance.

As of June 30, 2014, unassigned fund balance of the General Fund was \$9,252,985 or 9.7 percent of total General Fund expenditures. As of June 30, 2015, unassigned fund balance of the General Fund was \$9,218,538 or 9.4 percent of total General Fund expenditures.

The West Des Moines Community School District's total long-term debt decreased by \$5,515,596 during fiscal year ended June 30, 2015 and increased \$29,770,024 during fiscal year ended June 30, 2014. The 2015 decrease was due to scheduled payments. The 2014 increase was due to the issuance of \$32,080,000 of revenue bonds net of scheduled payments.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the West Des Moines Community School District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements. This report also contains other 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 West Des Moines Community School District's finances in a manner similar to a private-sector business.

West Des Moines Community School District

Management's Discussion and Analysis Year Ended June 30, 2015

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

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the 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 vacation leave).

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

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

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The West Des Moines Community School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary 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, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financial requirements.

Because the focus of governmental fund 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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

West Des Moines Community School District

Management's Discussion and Analysis Year Ended June 30, 2015

The West Des Moines Community School District maintains six 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, Management Fund and Capital Projects 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 nonmajor 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 19 through 21 of this report.

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

The basic proprietary fund financial statements can be found on pages 22 through 27 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the West Des Moines Community School 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 28 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 and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the West Des Moines Community School District's budgetary comparison, funding progress for the retiree health plan and schedule of proportionate share of the net pension liability and schedule of contributions. Required supplementary information can be found on pages 59 through 66 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

West Des Moines Community School District

Management's Discussion and Analysis Year Ended June 30, 2015

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District implemented Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68*. As a result, the District's net position for governmental activities and business-type activities has been restated (\$41,379,038) and (\$2,100,040). The District's total net position has increased from a year ago from \$161,466,928 to \$168,709,876.

Table 1 - Net Position

	Governmental Activities		Business-Type Activities		Total District	
	June 30, 2015	June 30, 2014 (Restated)	June 30, 2015	June 30, 2014 (Restated)	June 30, 2015	June 30, 2014 (Restated)
Current and other assets	\$ 143,191,863	\$ 140,789,700	\$ 4,363,505	\$ 4,069,977	\$ 147,555,368	\$ 144,859,677
Capital assets	221,776,453	227,719,254	1,740,773	1,901,196	223,517,226	229,620,450
Total assets	364,968,316	368,508,954	6,104,278	5,971,173	371,072,594	374,480,127
Deferred outflows of resources, pension related deferred outflows	6,652,199	4,852,420	344,623	246,266	6,996,822	229,620,450
Noncurrent liabilities	110,904,552	130,530,482	2,221,781	2,806,310	113,126,333	133,336,792
Other liabilities	27,980,106	29,271,767	582,526	388,539	28,562,632	29,660,306
Total liabilities	138,884,658	159,802,249	2,804,307	3,194,849	141,688,965	162,997,098
Deferred revenue	54,473,359	55,114,787	-	-	54,473,359	55,114,787
Pension related deferred inflows	12,553,113	-	644,103	-	13,197,216	-
Total deferred inflows of resources	67,026,472	55,114,787	644,103	-	67,670,575	55,114,787
Net position:						
Net investment in capital assets	150,519,660	162,629,002	1,740,773	1,901,196	152,260,433	164,530,198
Restricted	34,014,409	18,089,610	-	-	34,014,409	18,089,610
Unrestricted	(18,824,684)	(22,274,274)	1,259,718	1,121,394	(17,564,966)	(21,152,880)
Total net position	\$ 165,709,385	\$ 158,444,338	\$ 3,000,491	\$ 3,022,590	\$ 168,709,876	\$ 161,466,928

A significant portion of the District's total assets reflects its investment in capital assets. The District uses these capital assets to provide educational services; consequently, these assets are not available for future spending. The District's net investment in capital assets-net position was \$152,260,433 for 2015 and \$164,530,198 for 2014. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net position (11.2 percent for 2014 and 20.2 percent for 2015) represents resources that are subject to external restrictions on how they may be used. These restrictions for 2015 include \$2,145,210 for categorical funding, \$3,761,738 for physical plant and equipment levy, \$2,432,190 for debt service, \$12,038,448 for statewide sales and services tax, \$12,316,432 for management levy, \$1,020,505 for student activities and \$299,886 for public education and recreation levy. The remaining balance of unrestricted net position, (\$21,152,880) for 2014 and (\$17,564,966) for 2015, may be used to meet the government's ongoing obligations to students and creditors.

At the end of the current and prior fiscal years, the West Des Moines Community School District is able to report positive balances in two categories of net position. Unrestricted net position is deficit in the current and prior fiscal year due to the net pension liability.

West Des Moines Community School District

Management's Discussion and Analysis Year Ended June 30, 2015

Table 2 highlights the District's revenues and expenses for the fiscal year ended June 30, 2015 and 2014. This table utilizes the full accrual method of accounting. Revenues less expenses yielded the change in net position. This change was anticipated and it enabled the District to acquire capital assets and to service its long-term debt.

	(Beginning Restated)		(Beginning Restated)		(Beginning Restated)	
	(Not Restated)		(Not Restated)		(Not Restated)	
	Governmental Activities	Business-Type Activities	Total District	Governmental Activities	Business-Type Activities	Total District
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Revenues:						
Program revenues:						
Charges for service and sales	\$ 8,796,639	\$ 8,901,226	\$ 5,357,413	\$ 5,018,167	\$ 14,154,052	\$ 13,919,393
Operating grants and contributions	17,472,369	14,192,480	1,998,988	2,057,772	19,471,357	16,250,252
Capital grants and contributions	2,000,000	-	-	-	2,000,000	-
General revenues:						
Property taxes and other taxes	63,575,707	62,610,719	-	-	63,575,707	62,610,719
Other local sources	-	71,058	-	-	-	71,058
State sources	32,747,900	31,598,458	-	-	32,747,900	31,598,458
Investment earnings	196,127	176,998	1,725	7,003	197,852	184,001
Total revenues	124,788,742	117,550,939	7,358,126	7,082,942	132,146,868	124,633,881
Program expenses:						
Instruction	79,526,445	74,101,225	-	-	79,526,445	74,101,225
Support services	31,693,679	33,104,411	-	-	31,693,679	33,104,411
Noninstructional programs	511,434	545,689	-	-	511,434	545,689
Other	3,741,994	3,596,211	-	-	3,741,994	3,596,211
Interest on long-term debt	2,175,143	1,711,719	-	-	2,175,143	1,711,719
School nutrition	-	-	4,630,609	4,603,634	4,630,609	4,603,634
Community education	-	-	2,623,649	2,680,646	2,623,649	2,680,646
Preschool regular education	-	-	967	101,006	967	101,006
Student construction	-	-	-	-	-	-
Total expenses	117,648,695	113,059,255	7,255,225	7,385,286	124,903,920	120,444,541
Excess of revenues over expenses before transfers						
	7,140,047	4,491,684	102,901	(302,344)	7,242,948	4,189,340
Transfers	125,000	125,000	(125,000)	(125,000)	-	-
Increase in net position	7,265,047	4,616,684	(22,099)	(427,344)	7,242,948	4,189,340
Net position, beginning	158,444,338	195,206,692	3,022,590	5,549,974	161,466,928	200,756,666
Net position, ending	\$ 165,709,385	\$ 199,823,376	\$ 3,000,491	\$ 5,122,630	\$ 168,709,876	\$ 204,946,006

The District's total net position increased by \$7,242,948 during the current fiscal year as compared to \$4,189,340 in 2014. The governmental activities net position increased by \$7,265,047 in 2015 and \$4,616,684 in 2014. The business-type activities, which include nutrition, community education, and preschool regular education decreased by \$22,099 in 2015 and decreased by \$427,344 in 2014. The preschool regular education fund was closed during fiscal year 2015 and all activity was recorded as a categorical program within the General Fund.

Revenue is further divided into two major components: program revenue and general revenue. Program revenue is defined as charges for services and sales, operating and capital grants and contributions. General revenue includes taxes and unrestricted grants such as state foundation support. Expenses are shown in programs including instruction, support services, noninstructional programs, other, interest on long-term debt, school nutrition, community education, and preschool regular education.

West Des Moines Community School District

Management's Discussion and Analysis Year Ended June 30, 2015

GOVERNMENTAL ACTIVITIES

Revenues for governmental activities were \$124,788,742 and expenses were \$117,648,695. Property taxes and other taxes such as sales tax and utility replacement tax and state sources including state foundation aid are the primary sources of revenue for the District. These sources represent 91 percent of total revenues. Instruction constitutes the largest portion of expenses at \$79,526,445 or 67.6 percent of total expenses.

Table 3 discloses cost of services for governmental and business-type activities. The total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Succinctly put, net costs are costs that must be covered by state aid or local taxes. The difference in these two columns would represent restricted grants and charges for services.

Table 3 - Governmental and Business-Type Activities

	Total Cost of Services		Net Cost of Services	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Instruction	\$ 79,526,445	\$ 74,101,225	\$ 56,289,018	\$ 56,190,699
Support services	31,693,679	33,104,411	30,377,739	31,514,942
Noninstructional programs	511,434	545,689	511,434	545,689
Other	3,741,994	3,596,211	26,353	2,500
Interest on long-term debt	2,175,143	1,711,719	2,175,143	1,711,719
School nutrition	4,630,609	4,603,634	241,949	333,671
Community education	2,623,649	2,680,646	(344,092)	(14,954)
Preschool regular education	967	101,006	967	(9,370)
Student construction	-	-	-	-
Total expenses	\$ 124,903,920	\$ 120,444,541	\$ 89,278,511	\$ 90,274,896

Net cost of services is 71.5 percent of total cost of services in 2015 and 75 percent in 2014. The cost of governmental activities financed by users of the District's programs was \$8,796,639 in 2015 and \$8,901,226 for 2014. Federal and state governments subsidized certain programs with grants and contributions totaling \$17,472,369 for 2015 and \$14,192,480 for 2014. Capital grants and contributions in 2015 of \$2,000,000 were from legal settlements over capital projects. The remaining net cost of the governmental activities was financed with property tax, state foundation aid and investment earnings.

Approximately 80 percent of the District's general fund budget is comprised of salary and benefit costs. Historically speaking, collective bargaining contracts have increased approximately four percent or more each year. Until 2010, District staffing had increased for several consecutive years due to gradual enrollment growth, changing student needs and demographics. More recently, the Board of Education has approved the administration's recommendation to reduce some teaching and staff positions in various education programs and support areas. These reductions were made in response to state funding cuts.

West Des Moines Community School District

Management's Discussion and Analysis Year Ended June 30, 2015

BUSINESS-TYPE ACTIVITIES

- The School Nutrition and Community Education programs constitute the majority of the business-type activities.
- The primary sources of income are charges for services and federal revenues.
- The School Nutrition Fund's primary expenses are staff and food. The District's free and reduced participation continued to increase during the fiscal year. The School Nutrition Fund had a decrease in net position of \$301,415. For fiscal year 2014 net position decreased \$425,480.
- The primary source of revenue for the Community Education fund is sales of services for educational programs. The Community Education fund had an increase in position of \$178,298 during the fiscal year. For fiscal year 2014 net position decreased \$164,292.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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

As of the end of the current fiscal year, the West Des Moines Community School District's governmental funds reported combined ending fund balances of \$51,312,414, an increase of \$5,049,163 in comparison with the prior year fund balance of \$46,263,251. Approximately 18 percent or \$9,218,538 for 2015 and \$9,252,985 or 20 percent for 2014, constitutes unassigned fund balance, which is available for spending at the government's discretion. The majority of the remaining fund balance for 2015 is restricted to indicate that it is not available for new spending because it has already been restricted for other purposes, \$37,448,775. The District committed \$4,587,716 and \$3,346,429 of fund balance for curriculum as of June 30, 2015 and 2014, respectively.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$9,218,538 and \$9,252,985 for 2014, while total fund balance reached \$16,008,849 and \$13,791,241 for 2014. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 9.4 percent of total General Fund expenditures, and total fund balance represents approximately 16.3 percent of that same amount for 2015. For 2014, unassigned fund balance represents 9.7 percent of total General Fund expenditures, while total fund balance represents approximately 14.5 percent of that same amount.

The Management Fund fund balance increased \$1,636,178 to \$12,316,432 in 2015 from \$10,680,254 in 2014. The increase is primarily due to maintaining the tax rate in anticipation of future benefit payments.

West Des Moines Community School District

Management's Discussion and Analysis Year Ended June 30, 2015

The Capital Projects Fund fund balance increased to \$21,666,742 in 2015 from \$20,358,970 in 2014. This increase is due to the \$2,000,000 legal settlements from capital projects.

The fund balance of the District's General Fund increased by \$2,217,608 during June 30, 2015 primarily due to the state one-time funding of Teacher Leadership and Compensation program.

For 2014, the fund balance of the District's General Fund decreased by \$3,760,287 from 2013 primarily due to a decrease in general property taxes due to a decrease in the rate pertaining to the fund.

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 which includes all funds except internal service and agency funds as described in the note to required supplementary information.

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

	Budget		Actual Expenditures/ Expenses	Variance
	Original	Final		
Instruction	\$ 72,933,110	\$ 75,577,409	\$ 73,155,111	\$ 2,422,298
Support services	33,519,624	33,821,163	29,332,355	4,488,808
Noninstructional programs	7,425,000	7,425,000	7,111,597	313,403
Other	32,509,312	32,509,312	18,312,767	14,196,545
Total	\$ 146,387,046	\$ 149,332,884	\$ 127,911,830	\$ 21,421,054

The original budget is published at least three months prior to the start of the fiscal year-often prior to settlement of collective bargaining agreements and before final legislative action on the state budget. In the latter portion of the fiscal year the amended budget is published with "not to exceed" amounts to satisfy Iowa's statutory reporting requirements.

The District expended less than budgeted by \$21,421,054 and received more than budgeted by \$4,387,777 due to anticipating more expenditures for capital outlay for the construction projects in process.

West Des Moines Community School District

**Management's Discussion and Analysis
Year Ended June 30, 2015**

CAPITAL ASSETS AND DEBT ADMINISTRATION

The following table shows ending balances of capital assets invested in various categories. The District recognized a total net decrease of \$6,103,224 for 2015. The decrease is due to depreciation exceeding current year additions and the sale of Phenix Elementary School. For 2014, the District recognized an increase of \$17,627,981 for various projects including the Valley High School remodel.

Table 4 - Capital Assets as of June 30 (Net of Depreciation)

	2015	2014
Land	\$ 4,188,998	\$ 4,188,998
Construction-in-progress	571,426	28,188,036
Buildings and improvements	214,231,333	192,660,721
Machinery and equipment	4,525,469	4,582,695
Total	\$ 223,517,226	\$ 229,620,450

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

Debt

As of June 30, 2015, the West Des Moines Community School District had bonds and capital loan notes outstanding totaling \$75,091,159 compared to \$80,606,755 as of June 30, 2014. In the current year, the District paid \$5,340,000 in principal and \$2,006,062 in interest on outstanding debt.

	2015	2014
Capital loan notes	\$ 32,131,794	\$ 37,064,593
Revenue bonds	42,959,365	43,542,162
	\$ 75,091,159	\$ 80,606,755

As of June 30, 2015, the District's available legal debt margin was \$242,480,076 compared to \$236,195,930 as of June 30, 2014.

Other long-term debt consists of:

	Outstanding Long-Term Obligations						Total Percentage Change 2014-15
	Governmental Activities		Business-Type Activities		Total District		
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	
Early retirement	\$ 2,228,681	\$ 3,760,106	\$ -	\$ -	\$ 2,228,681	\$ 3,760,106	-68.7%
Compensated absences	422,138	420,769	32,117	32,503	454,255	453,272	0.2%
Net pension liability	32,933,241	46,231,458	1,671,405	2,346,306	34,604,646	48,577,764	-40.4%
Net OPEB liability	8,304,979	7,373,996	502,021	460,004	8,807,000	7,834,000	11.0%
Total	\$ 43,889,039	\$ 57,786,329	\$ 2,205,543	\$ 2,838,813	\$ 46,094,582	\$ 60,625,142	-31.5%

Additional information about the District's long-term debt can be found in Note 6 and Note 7 to the financial statements.

West Des Moines Community School District

Management's Discussion and Analysis Year Ended June 30, 2015

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the state. The economic condition and outlook of the District have remained strong during the past ten years, following several years of very high economic growth and steady enrollment growth. This growth has had a positive effect on employment and the District's tax base. The District's tax base increased at an average annual rate of approximately 3.06% over the past 15 years. However, in fiscal year 2015, the District experienced a decrease in valuation of 1.84%.

The tax base is expected to grow more slowly in the next five years.

Retail sales, building permits and population increases in the western suburbs have generally exceeded that of any other location in the metropolitan area or in the state of Iowa. Growth in the Des Moines area suburbs is expected to exceed the state average. A large percentage of these increases are occurring outside the District's boundaries.

In recent years, the state of Iowa faced an economic downturn that severely hampered its ability to fund schools at the same level as in prior years. After two consecutive years of 4.5% declines in the state's net receipts, in 2011, the state's net receipts increased by 5.8%. In light of these challenging economic times, the District has publicly discussed operating budget concerns looking ahead to the next five years. In May 2014, the Board approved a plan to reduce \$2.7 million in General Fund Budget in the 2014-15 fiscal year including the closing of Phenix Elementary School. The Board of Education continues to implement the District's long range facilities plan, which was approved in March 2010. In addition, the Board has directed the Administration to review this plan so that additional Revenue Bonds are not necessary to finance the plan and the Administration has since presented a plan to make \$12.3 million in scope reductions to this plan.

Request for Information

These financial statements and discussions are designed to provide our students, citizens, taxpayers, investors and creditors with a complete disclosure of the District's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional information, please contact Mr. Paul Bobek, Chief Financial officer, West Des Moines Community School District, 3550 Mills Civic Parkway, West Des Moines, Iowa 50265-5556.



WEST DES MOINES
COMMUNITY
S C H O O L S

West Des Moines Community School District

**Statement of Net Position
June 30, 2015**

	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash, cash equivalents and investments	\$ 78,579,528	\$ 2,433,067	\$ 81,012,595
Restricted cash, cash equivalents and investments	6,266,556	-	6,266,556
Receivables:			
Property taxes	54,708,573	-	54,708,573
Other	5,006,561	203,339	5,209,900
Inventories	57,385	300,359	357,744
Internal balances	(1,426,740)	1,426,740	-
Total current assets	143,191,863	4,363,505	147,555,368
Noncurrent assets:			
Capital assets:			
Nondepreciable:			
Land	4,173,998	15,000	4,188,998
Construction-in-progress	571,426	-	571,426
Depreciable:			
Buildings and improvements	286,687,987	-	286,687,987
Machinery and equipment	13,478,787	3,740,359	17,219,146
Accumulated depreciation	(83,135,745)	(2,014,586)	(85,150,331)
Total noncurrent assets	221,776,453	1,740,773	223,517,226
Total assets	364,968,316	6,104,278	371,072,594
Deferred outflows of resources,			
Pension related deferred outflows	6,652,199	344,623	6,996,822

See Notes to Basic Financial Statements.

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current liabilities:			
Accounts payable	6,050,124	373,395	6,423,519
Claims payable	2,255,000	-	2,255,000
Accrued liabilities	9,331,548	-	9,331,548
Unearned revenue	1,494,295	177,014	1,671,309
Capital loan notes	4,960,000	-	4,960,000
Revenue bonds	1,760,000	-	1,760,000
Compensated absences	422,138	32,117	454,255
Liability for early retirement	885,153	-	885,153
Accrued interest payable	821,848	-	821,848
Total current liabilities	27,980,106	582,526	28,562,632
Noncurrent liabilities:			
Capital notes	27,171,794	-	27,171,794
Revenue bonds	41,199,365	-	41,199,365
Liability for early retirement	1,295,173	48,355	1,343,528
Net pension liability	32,933,241	1,671,405	34,604,646
Net OPEB liability	8,304,979	502,021	8,807,000
Total noncurrent liabilities	110,904,552	2,221,781	113,126,333
Total liabilities	138,884,658	2,804,307	141,688,965
Deferred inflows of resources			
Deferred revenue	54,473,359	-	54,473,359
Pension related deferred inflows	12,553,113	644,103	13,197,216
Total deferred inflows of resources	67,026,472	644,103	67,670,575
Net Position			
Net investment in capital assets	150,519,660	1,740,773	152,260,433
Restricted for:			
Categorical funding	2,145,210	-	2,145,210
Physical plant and equipment levy	3,761,738	-	3,761,738
Debt service	2,432,190	-	2,432,190
Statewide sales and services tax	12,038,448	-	12,038,448
Management levy	12,316,432	-	12,316,432
Public education and recreation levy	299,886	-	299,886
Student activities	1,020,505	-	1,020,505
Unrestricted	(18,824,684)	1,259,718	(17,564,966)
Total net position	\$ 165,709,385	\$ 3,000,491	\$ 168,709,876

West Des Moines Community School District

**Statement of Activities
Year Ended June 30, 2015**

	Functions/Programs	Expenses
Primary Government:		
Governmental activities:		
Instruction		\$ 79,526,445
Support services		31,693,679
Noninstructional programs		511,434
Other		3,741,994
Interest on long-term debt		2,175,143
Total governmental activities		<u>117,648,695</u>
Business-type activities:		
School nutrition		4,630,609
Community education		2,623,649
Preschool regular education		967
Total business-type activities		<u>7,255,225</u>
Total primary government		<u>\$ 124,903,920</u>

General revenues and transfers:
 General revenues:
 Property taxes for general purposes
 Property taxes for specific purposes
 Statewide sales and services tax
 Utility replacement tax
 State foundation aid, unrestricted
 Investment earnings
 Other
 Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year, as restated
 Net position, end of year

See Notes to Basic Financial Statements.

Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
\$ 7,480,699	\$ 13,756,728	\$ 2,000,000	\$ (56,289,018)	\$ -	\$ (56,289,018)
1,315,940	-	-	(30,377,739)	-	(30,377,739)
-	-	-	(511,434)	-	(511,434)
-	3,715,641	-	(26,353)	-	(26,353)
-	-	-	(2,175,143)	-	(2,175,143)
8,796,639	17,472,369	2,000,000	(89,379,687)	-	(89,379,687)
2,389,672	1,998,988	-	-	(241,949)	(241,949)
2,967,741	-	-	-	344,092	344,092
-	-	-	-	(967)	(967)
5,357,413	1,998,988	-	-	101,176	101,176
\$ 14,154,052	\$ 19,471,357	\$ 2,000,000	(89,379,687)	101,176	(89,278,511)
			42,493,757	-	42,493,757
			11,422,316	-	11,422,316
			8,601,194	-	8,601,194
			1,058,440	-	1,058,440
			32,747,900	-	32,747,900
			196,127	1,725	197,852
			-	-	-
			125,000	(125,000)	-
			96,644,734	(123,275)	96,521,459
			7,265,047	(22,099)	7,242,948
			158,444,338	3,022,590	161,466,928
			\$ 165,709,385	\$ 3,000,491	\$ 168,709,876



WEST DES MOINES
COMMUNITY
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West Des Moines Community School District

**Balance Sheet
Governmental Funds
June 30, 2015**

	General	Special Revenue Management	Capital Projects	Nonmajor Governmental Funds	Total
Assets					
Cash, cash equivalents and investments	\$ 26,531,266	\$ 13,717,817	\$ 15,115,698	\$ 1,438,302	\$ 56,803,083
Restricted cash, cash equivalents and investments	-	-	6,266,556	-	6,266,556
Receivables:					
Property taxes	46,040,518	1,016,293	7,098,359	553,403	54,708,573
Due from other governments	3,002,600	-	1,885,166	-	4,887,766
Other	50,364	3,358	-	-	53,722
Inventories	57,385	-	-	-	57,385
Total assets	\$ 75,682,133	\$ 14,737,468	\$ 30,365,779	\$ 1,991,705	\$ 122,777,085
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ 4,388,338	\$ 10,867	\$ 1,231,932	\$ 105,972	\$ 5,737,109
Accrued liabilities	9,331,548	-	-	-	9,331,548
Claims payable	-	525,000	-	-	525,000
Unearned revenue	98,189	-	-	14,313	112,502
Liability for early retirement	-	885,153	-	-	885,153
Total liabilities	13,818,075	1,421,020	1,231,932	120,285	16,591,312
Deferred inflows of resources,					
Unavailable revenue:					
Succeeding year property tax	45,855,209	1,000,016	7,067,105	551,029	54,473,359
Statewide sales and services tax	-	-	400,000	-	400,000
Total deferred inflows of resources	45,855,209	1,000,016	7,467,105	551,029	54,873,359
Fund balances:					
Nonspendable, inventories	57,385	-	-	-	57,385
Restricted for:					
Categorical funding	2,145,210	-	-	-	2,145,210
Physical plant and equipment	-	-	3,761,738	-	3,761,738
Debt service	-	-	6,266,556	-	6,266,556
School infrastructure	-	-	11,638,448	-	11,638,448
Management levy	-	12,316,432	-	-	12,316,432
Public education and recreation levy	-	-	-	299,886	299,886
Student activities	-	-	-	1,020,505	1,020,505
Committed for curriculum	4,587,716	-	-	-	4,587,716
Unassigned	9,218,538	-	-	-	9,218,538
Total fund balances	16,008,849	12,316,432	21,666,742	1,320,391	51,312,414
Total liabilities, deferred inflows of resources and fund balances	\$ 75,682,133	\$ 14,737,468	\$ 30,365,779	\$ 1,991,705	\$ 122,777,085

See Notes to Basic Financial Statements.

West Des Moines Community School District

**Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
June 30, 2015**

Total fund balances		\$ 51,312,414
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and, therefore, are not reported in the funds		221,776,453
Receivables not collected within 60 days of year-end are not available soon enough to pay for the current period's expenditures and, therefore, are unavailable in the funds		400,000
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position:		
Other current assets	21,841,518	
Other current liabilities	<u>(3,424,808)</u>	18,416,710
Internal Service Fund allocated to business-type activities		(1,426,740)
Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:		
Deferred outflows of resources	6,652,199	
Deferred inflows of resources	<u>(12,553,113)</u>	(5,900,914)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension liability	(32,933,241)	
Accrued interest payable	(821,848)	
Capital notes, current	(4,960,000)	
Capital notes, noncurrent	(26,705,000)	
Premium on capital notes	(466,794)	
Revenue bonds, current	(1,760,000)	
Revenue bonds, noncurrent	(39,835,000)	
Discount on revenue bonds	83,214	
Premium on revenue bonds	(1,447,579)	
Compensated absences, current	(422,138)	
Liability for early retirement, noncurrent	(1,295,173)	
Other postemployment benefits payable	<u>(8,304,979)</u>	(118,868,538)
Net position of governmental activities		<u><u>\$ 165,709,385</u></u>

See Notes to Basic Financial Statements.

West Des Moines Community School District

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended June 30, 2015

	General	Special Revenue Management	Capital Projects	Nonmajor Governmental Funds	Total
Revenues:					
Property taxes and other local sources:					
Property taxes	\$ 42,493,757	\$ 3,734,810	\$ 7,143,246	\$ 544,260	\$ 53,916,073
Utility replacement	837,640	73,839	136,190	10,771	1,058,440
Other local sources	848,902	81,056	2,153,280	395,652	3,478,890
Investment earnings	107,550	31,739	52,867	3,971	196,127
Student activities	179,557	-	-	1,400,437	1,579,994
Intermediary sources	125,543	-	-	-	125,543
Tuition/transportation	5,144,110	-	-	-	5,144,110
State sources:					
State foundation aid	32,747,900	-	-	-	32,747,900
Statewide sales and services tax	-	-	8,601,194	-	8,601,194
Other state sources	15,014,780	94,054	173,473	13,720	15,296,027
Federal sources	2,644,444	-	-	-	2,644,444
Total revenues	100,144,183	4,015,498	18,260,250	2,368,811	124,788,742
Expenditures:					
Current:					
Instruction	68,770,853	71,252	2,199,070	1,950,529	72,991,704
Support services:					
Student	3,283,185	-	-	804	3,283,989
Instructional staff	4,083,884	-	-	12,043	4,095,927
General administration	779,333	816,666	158,296	11,514	1,765,809
School building administration	4,527,104	-	-	9,545	4,536,649
Business administration	2,661,946	-	184,132	32,303	2,878,381
Plant operation and maintenance	6,601,302	1,491,402	104,794	-	8,197,498
Student transportation	3,590,173	-	392,608	2,667	3,985,448
Noninstructional programs	-	-	-	506,448	506,448
Other:					
Other	-	-	-	26,353	26,353
AEA support - direct to AEA	3,715,641	-	-	-	3,715,641
Capital outlay	-	-	7,224,711	-	7,224,711
Debt service:					
Principal	-	-	-	5,340,000	5,340,000
Interest	-	-	-	2,006,062	2,006,062
Total expenditures	98,013,421	2,379,320	10,263,611	9,898,268	120,554,620
Excess (deficiency) of revenues under (over) expenditures	2,130,762	1,636,178	7,996,639	(7,529,457)	4,234,122
Other financing sources (uses):					
Transfers in	135,000	-	-	7,427,062	7,562,062
Transfers (out)	(75,500)	-	(7,351,562)	(10,000)	(7,437,062)
Proceeds from sale of capital assets	27,346	-	662,695	-	690,041
Total other financing sources (uses)	86,846	-	(6,688,867)	7,417,062	815,041
Net change in fund balance	2,217,608	1,636,178	1,307,772	(112,395)	5,049,163
Fund balances, beginning of year	13,791,241	10,680,254	20,358,970	1,432,786	46,263,251
Fund balances, end of year	\$ 16,008,849	\$ 12,316,432	\$ 21,666,742	\$ 1,320,391	\$ 51,312,414

See Notes to Basic Financial Statements.

West Des Moines Community School District

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2015

Net change in fund balances - total governmental funds		\$	5,049,163
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:			
Capital outlay	7,384,982		
Depreciation expense by function:			
Instruction	(4,803,815)		
Support services	(3,584,882)		
Proceeds from sale of capital assets	(690,041)		
Loss on sale of capital assets	<u>(4,249,045)</u>		(5,942,801)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. The issuance of long-term debt increases liabilities in the statement of net assets, while the repayment of long-term debt reduces long-term liabilities.			
In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:			
Repayment of bond principal	5,340,000		
Accretion of premium	181,760		
Amortization of discount	(6,164)		
Interest	<u>(344,677)</u>		5,170,919
The current year District employer share of IPERS contributions are reported as expenditures in the governmental funds, but are reported as a deferred outflow of resources in the statement of net position.			126,692
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the Internal Service Fund is reported with governmental activities.			1,114,120
Change in Internal Service Fund allocation to business-type activities.			(101,985)
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 governmental funds:			
Change in compensated absences, support services	(1,369)		
Change in net pension liability:			
Instruction	1,862,007		
Support	556,184		
Change in liability for early retirement:			
Instruction	207,422		
Support	151,354		
Noninstructional programs	4,324		
Change in liability for other postemployment benefits:			
Instruction	(660,998)		
Support	(260,675)		
Noninstructional programs	<u>(9,310)</u>		1,848,939
Change in net position of governmental activities		<u>\$</u>	<u>7,265,047</u>

See Notes to Basic Financial Statements.

West Des Moines Community School District

Statement of Net Position
 Proprietary Funds
 June 30, 2015

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Service Fund
Assets		
Current assets:		
Cash, cash equivalents and investments	\$ 2,433,067	\$ 21,776,445
Other receivables	140,688	65,073
Due from other governments	62,651	-
Inventories	300,359	-
Total current assets	2,936,765	21,841,518
Noncurrent assets:		
Capital assets:		
Land	15,000	-
Machinery and equipments	3,740,359	-
Less accumulated depreciation	(2,014,586)	-
Total noncurrent assets	1,740,773	-
Total assets	4,677,538	21,841,518
Deferred outflows of resources, pension related deferred outflows	344,623	-
Liabilities		
Current liabilities:		
Accounts payable	373,395	313,015
Compensated absences	32,117	-
Claims payable	-	1,730,000
Unearned revenue	177,014	1,381,793
Total current liabilities	582,526	3,424,808
Long-term liabilities:		
Liability for early retirement	48,355	-
Net pension liability	1,671,405	-
Net OPEB liability	502,021	-
Total long-term liabilities	2,221,781	-
Total liabilities	2,804,307	3,424,808
Deferred inflows of resources, pension related deferred inflows	644,103	-
Net Position		
Net investment in capital assets	1,740,773	-
Unrestricted	(167,022)	18,416,710
Total net position	\$ 1,573,751	\$ 18,416,710

See Notes to Basic Financial Statements.

West Des Moines Community School District

**Reconciliation of Enterprise Funds Net Position to the Net Position of
Business-Type Activities**

June 30, 2015

Total enterprise funds net position \$ 1,573,751

Amounts reported for business-type activities in the statement of net position are different because internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the Internal Service Fund is included in governmental activities in the statement of net position.

1,426,740

Net position of business-type activities

\$ 3,000,491

See Notes to Basic Financial Statements.

West Des Moines Community School District

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2015

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Service Fund
Operating revenues:		
Food sales	\$ 2,389,672	\$ -
Sale of services	2,967,741	-
Charges for services	-	14,784,181
Total operating revenues	5,357,413	14,784,181
Operating expenses:		
Salaries	3,211,018	-
Employee benefits	1,071,929	-
Purchased services	288,494	1,496,253
Food consumed	2,039,306	-
Supplies	436,638	8,272
Depreciation	228,793	-
Claims and administration	-	12,165,536
Other	75,837	-
Total operating expenses	7,352,015	13,670,061
Operating income (loss)	(1,994,602)	1,114,120
Nonoperating revenues (expenses):		
Federal food commodities	296,441	-
Federal appropriations	1,628,035	-
State appropriations	29,772	-
Interest	1,725	-
Loss on disposal of capital assets and assets held for resale	(5,195)	-
Other	44,740	-
Total nonoperating revenues (expenses)	1,995,518	-
Income (loss) before transfers	916	1,114,120
Transfers (out)	(125,000)	-
Change in net position	(124,084)	1,114,120
Net position, beginning of year, as restated	1,697,835	17,302,590
Net position, end of year	\$ 1,573,751	\$ 18,416,710

See Notes to Basic Financial Statements.

West Des Moines Community School District

**Reconciliation of the Change in Net Position of Enterprise Funds to the
Statement of Activities
Year Ended June 30, 2015**

Net changes in net position in enterprise funds (124,084)

Amounts reported for proprietary activities in the statement of activities are different because internal service funds are used by management to charge the costs of various activities internally to individual funds. The net revenue of certain activities of the Internal Service Fund is reported with business-type activities.

101,985

Change in net position of business-type activities

\$ (22,099)

See Notes to Basic Financial Statements.

West Des Moines Community School District

**Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2015**

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Internal Service Fund
Cash flows from financing activities:		
Receipts from customers and users	\$ 5,373,552	14,783,590
Payments to suppliers	(2,397,940)	(1,585,023)
Payments to employees	(4,322,116)	-
Claims paid	-	(12,165,536)
Net cash provided by (used in) operating activities	(1,346,504)	1,033,031
Cash flows from noncapital financial activities:		
Federal and state appropriations received	1,663,642	-
Transfers (out)	(125,000)	-
Other, local donations and grants	44,740	-
Net cash provided by noncapital financing activities	1,583,382	-
Cash flows from capital and related financing activities:		
Purchase of capital assets	(73,565)	-
Net cash (used in) capital and related financing activities	(73,565)	-
Cash flows from investing activities, interest received	1,725	-
Net increase in cash and cash equivalents	165,038	1,033,031
Cash and cash equivalents, beginning of year	2,268,029	20,743,414
Cash and cash equivalents, end of year	\$ 2,433,067	\$ 21,776,445

(Continued)

West Des Moines Community School District

Statement of Cash Flows (Continued)
Proprietary Funds
Year Ended June 30, 2015

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	(1,994,602)	1,114,120
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	228,793	-
Federal food commodities used	296,441	-
Change in assets and liabilities:		
Receivables	16,305	(65,073)
Inventories	(48,645)	-
Deferred outflows of resources	(98,357)	-
Accounts payable	194,539	(80,498)
Compensated absences	(386)	-
Unearned revenue	(166)	64,482
Early retirement	48,355	-
Net pension liability	(674,901)	-
Deferred inflows of resources	644,103	-
Net OPEB liability	42,017	-
Net cash provided by (used in) operating activities	\$ (1,346,504)	\$ 1,033,031
Schedule of noncash items:		
Noncapital financing activities, federal commodities	\$ 296,441	\$ -

See Notes to Financial Statements.

West Des Moines Community School District

Statement of Fiduciary Assets and Liabilities

Agency Fund

June 30, 2015

	<u>Flower</u>
Assets	
Cash, cash equivalents and investments	<u>\$ 7,158</u>
Liabilities and Fund Equity	
Due to private individuals	<u>\$ 7,158</u>

See Notes to Financial Statements.



WEST DES MOINES
COMMUNITY
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West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies

Nature of operations:

The West Des Moines Community School District (the District) was incorporated under Chapter 274 of the State Code of Iowa. The District has the power to make rules and regulations for its own government consistent with the laws of the state of Iowa and the regulations of the Iowa State Board of Education. The District is governed by the elected West Des Moines Community School Board of Education (the Board). The District is composed of one high school, one ninth grade school, two junior high schools, eight elementary schools and one alternative high school. Student enrollment (kindergarten through high school) for the 2014-2015 school year was 9146 regular and special education students. The District employs approximately 1,200 full-time equivalent personnel.

Reporting entity:

In accordance with Governmental Accounting and Financial Reporting Standards, the basic financial statements include all funds, organizations, agencies, boards, commissions and authorities for which the District is financially accountable. The District has also considered all other potential organizations for which the nature and significance of their relationships with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a 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. In addition, the GASB Statement No. 39, sets forth additional criteria to determine whether certain organizations for which the District is not financially accountable should be reported as component units based on the nature and significance of their relationship with the District. These criteria include 1) the economic resources being received or held by the separate organization being entirely or almost entirely for the direct benefit of the District, its component units, or its constituents, 2) the District being entitled to, or having the ability to otherwise access, a majority of the economic resources received or held by the organization and 3) the economic resources received or held by an individual organization that the District is entitled to, or has the ability to otherwise access, are significant to the District. Based on these criteria, there are no other organizations which should be included in these basic financial statements.

Basis of presentation: The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements which provide a more detailed level of financial information.

Government-wide and fund financial statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. Interfund services provided and used are not eliminated in the process of consolidation for these statements.

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

The statement of net position presents the District's nonfiduciary assets and liabilities, with the difference reported as net position. Net position is reported in the following categories:

Net investment in capital assets: Consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

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

Unrestricted net position: Consist of net position that does not meet the definition of the preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

The statement of activities demonstrates the degree to which the direct expenses of a given function 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 and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of fund financial statements is on major funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

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

General Fund: The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund accounts for the instructional and most of the support service programs of the District's operations. Revenue of the fund consists primarily of local property taxes and state governmental aid.

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Management Fund, a special revenue fund: Accounts for the resources from a specific tax levy for tort liability insurance premiums, unemployment compensation insurance claims and early retirement incentive payments.

Capital Projects Fund: Accounts for the resources used to pay for the purchase and improvement of sites, demolition work, special assessments and major building repairs, physical plant and equipment levy (PPEL) as well as the statewide sales and services tax for school infrastructure.

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

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

Playground Fund: Accounts for the resources used to establish and maintain public recreation places and playgrounds and necessary accommodations for children and adults.

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 to extracurricular activities of the District.

Debt Service Fund: Accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Revenue of the fund primarily consists of local property taxes.

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

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

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

The following enterprise funds of the District are considered nonmajor:

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

Community Education Fund: Accounts for the educational programs available to the general public on a fee basis.

Preschool Regular Education Fund: To account for the resources, including registration and tuition fees as well as funding from the Polk County Empowerment, used to service the children eligible to attend one of the eleven preschool centers in the West Des Moines area. During fiscal year 2015, this fund was closed and all activity recorded as a categorical program in the General Fund.

Internal Service Fund: The Internal Service Fund is used to account for goods or services provided by one department to other departments of the District on a cost reimbursement basis. The District's Internal Service Fund is used to account for the premium and claim payments for the self-insured health insurance and dental insurance plans for District employees.

Fiduciary Fund Types: Fiduciary fund types are used to account for net position and changes in net position. The District has one fiduciary fund which is considered an Agency Fund:

Flower Fund: To account for donations to be used for flower purchases for memorials or illnesses of District employees.

Measurement Focus and Basis of Accounting: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied. The District also reports fiduciary funds which focus on net position and changes in net position. The fiduciary funds report on the accrual basis of accounting.

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 District considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded 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.

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Revenues – exchange and nonexchange transactions: Property taxes, other taxes, grants, entitlements and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which it is budgeted. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Property taxes are recognized as a receivable at the time they become an enforceable legal claim. This is determined to occur when the budget is certified and approved by the state of Iowa. The current tax levy recognized in revenue was certified in April 2014 based on 2013 assessed valuations. The current property tax receivable was certified in April 2015 based on 2014 assessed valuations. These taxes are due in two installments on September 30 and March 31, with a 1.5 percent per month penalty for delinquent payment.

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 revenue of the District's proprietary funds are charges for food sales or tuition and fees. Operating expenses for proprietary funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

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

Significant Accounting Policies:

The significant accounting policies followed by the District include the following:

Cash, cash equivalents and investment accounts: Separate bank accounts and investments are not maintained for all District funds, as certain funds maintain their cash and investment balances in a pooled account. Accounting records are maintained to show the portion of the pooled account attributable to each participating fund.

Inventories: Inventories are valued at cost (first-in, first-out), which approximates market. The consumption method of accounting is applied to the governmental fund type inventories. Unused commodities at balance sheet date are reported as inventory in the statement of net position.

Capital assets: General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirement during the year. Donated capital assets are recorded at their fair values as of the date received. The District maintains a capitalization threshold of \$5,000 (\$500 for the School Nutrition Fund). The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported assets except land and construction-in-progress are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Useful Lives
Buildings and improvements	20 - 50 years
Machinery and equipment	5 - 20 years
Intangibles	15 years

The District's collection of library books and other similar assets are not capitalized due to the individual assets not meeting the District's capitalization threshold. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to District policy that requires proceeds from the sale of these items, if any, to be used to acquire other collection items.

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Unearned revenue: Proprietary funds defer revenue recognition in connection with resources that have been received, but not earned. Unearned revenue in governmental funds arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue. Unearned revenue consists primarily of school registration fees and meal revenues collected for the programs and services in the next school year.

Accrued payroll: Payroll and the related payroll taxes and benefits for teachers with annual contracts corresponding to the school year, but have balances payable in July and August, have been accrued as a liability as they are applicable to services provided during the respective fiscal years and will be paid with available resources.

Compensated absences: Vacation benefits are provided to twelve month employees. The eligibility date is July 1 with vacation days accruing and prorated throughout the year. Vacation days accrued during one fiscal year are required to be used before the end of the next fiscal year. Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. No amount is expected to be liquidated with available resources as of year-end. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as an expense in the statement of activities and a current liability in the statement of net position as vacation must be used within one year. Compensated absences are only reported in the governmental funds if they have matured. In accordance with the provisions of Governmental Accounting Standards Board Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

Self-insurance: The District is self-insured for health and dental benefits. The District's premiums and claims are accounted for in the Internal Service Fund. Premiums are charged by the Internal Service Fund to operating funds based upon number of employees and selected coverage in each fund.

There have been no significant reductions in insurance coverage for the District from the prior year.

Cash flows: For the purpose of cash flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

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

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

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

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

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

Assigned: Amounts the Board of Education intend to use for specific purposes. The authority to assign fund balances has been delegated to the Chief Financial Officer through the Board approved budget of the District.

Unassigned: All amounts not included in other spendable classifications as well as any deficit fund balance of any other governmental fund is reported as unassigned.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the District considers committed funds to be expended first followed by assigned funds and then unassigned.

Deferred outflows/inflows of resources: In addition to assets, the balance sheet and/or statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of fund balance or net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. Deferred outflows of resources in the proprietary funds and government-wide statement of net position consist of unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

In addition to liabilities, the balance sheet and/or statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance or net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports unavailable revenue in the governmental funds balance sheet from the statewide sales and services tax and property tax. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. In the District's government-wide statements, only the succeeding year property tax revenues remain as a deferred inflow of resources under the full accrual basis of accounting and will become an inflow in the year for which levied. Deferred inflows of resources in the proprietary funds and government-wide statements also include the unamortized portion of the net difference between projected and actual earnings on pension plan investments.

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported as fair value.

Net position: In proprietary funds, fiduciary funds, and government-wide financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent bond proceeds of \$3,834,366.

Net position is reported as restricted when there are limitations imposed on their use through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Net position restricted through enabling legislation consists of \$3,761,738 for physical plant and equipment levy, \$2,432,190 for debt service, \$12,038,448 for statewide sales and services tax, \$12,316,432 for management levy and \$299,886 for public education and recreation levy. All other restricted net position consists of \$2,145,210 for categorical funding and \$1,020,505 for student activities and are restricted by grantors and donors.

Net position flow assumption: Sometimes the District will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Interfund activity: Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 2. Budgetary and Budgetary Control

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.

Note 3. Cash and Cash Equivalents and Investments

The District's deposits in banks as of June 30, 2015 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; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts and warrants or improvements certificates of a drainage district.

As of June 30, 2015, the District had investments in the Iowa Schools Joint Investment Trust Direct Government Obligations Portfolio which are valued at an amortized cost of \$3,166,486 pursuant to Rule 2a-7 under the Investment Company Act of 1940.

Credit risk: The investment in the Iowa Schools Joint Investment Trust was rated AAAM by Standard & Poor's Rating Service. The District does not have a separate credit risk policy from state statutes.

Note 4. Interfund Balances

The following is a schedule of transfers as included in the basic financial statements of the District:

	Transfers In	Transfers Out
Major funds:		
General	\$ 135,000	\$ 75,500
Capital Projects Fund	-	7,351,562
Other nonmajor governmental funds	7,427,062	10,000
Other nonmajor enterprise fund	-	125,000
	<u>\$ 7,562,062</u>	<u>\$ 7,562,062</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

West Des Moines Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2015**

Note 4. Interfund Balances (Continued)

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. There were no individual interfund receivable and payable balances as of June 30, 2015.

Note 5. Capital Assets

Capital asset activity for the governmental activities for the year ended June 30, 2015 was as follows:

	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 4,173,998	\$ -	\$ -	\$ 4,173,998
Construction-in-progress	28,188,036	6,001,862	33,618,472	571,426
Total capital assets, not being depreciated	32,362,034	6,001,862	33,618,472	4,745,424
Capital assets, being depreciated:				
Buildings and improvements	260,828,705	33,728,312	7,869,030	286,687,987
Machinery and equipment	12,654,813	1,273,280	449,306	13,478,787
Total capital assets, being depreciated	273,483,518	35,001,592	8,318,336	300,166,774
Accumulated depreciation:				
Buildings and improvements	68,167,984	7,220,360	2,931,690	72,456,654
Machinery and equipment	9,958,314	1,168,337	447,560	10,679,091
Total accumulated depreciation	78,126,298	8,388,697	3,379,250	83,135,745
Total capital assets, being depreciated, net	195,357,220	26,612,895	4,939,086	217,031,029
Governmental activities capital assets, net	\$ 227,719,254	\$ 32,614,757	\$ 38,557,558	\$ 221,776,453

West Des Moines Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2015**

Note 5. Capital Assets (Continued)

Capital asset activity for the business-type activities for the year ended June 30, 2015 was as follows:

	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015
Business-type activities:				
Capital assets, not being depreciated, land	\$ 15,000	\$ -	\$ -	\$ 15,000
Capital assets, being depreciated, machinery and equipment	3,748,828	73,565	82,034	3,740,359
Accumulated depreciation, machinery and equipment	1,862,632	228,793	76,839	2,014,586
Total capital assets, being depreciated, net	1,886,196	(155,228)	5,195	1,725,773
Business-type activities capital assets, net	\$ 1,901,196	\$ (155,228)	\$ 5,195	\$ 1,740,773

Depreciation expense was charged to the functions as follows:

Governmental activities:	
Instruction	\$ 4,803,815
Support services	3,584,882
Total depreciation expense, governmental activities	\$ 8,388,697
Business-type activities, nutrition	\$ 228,793

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 6. Long-Term Debt

The following is a summary of changes in long-term debt of the District:

	Balance June 30, 2014	Additions	Reductions	Balance June 30, 2015	Balances Due Within One Year
Governmental activities:					
Capital loan notes, Series 2010	\$ 10,200,000	\$ -	\$ 1,290,000	\$ 8,910,000	\$ 1,345,000
Capital loan notes, Series 2011	26,320,000	-	3,565,000	22,755,000	3,615,000
Premium on capital loan notes, Series 2011	544,593	-	77,799	466,794	-
Revenue bonds, Series 2012	10,000,000	-	-	10,000,000	-
Discount on revenue bonds, Series 2012	(89,378)	-	(6,164)	(83,214)	-
Revenue bonds, Series 2013	9,760,000	-	485,000	9,275,000	495,000
Premium on revenue bonds, Series 2013	228,148	-	15,734	212,414	-
Revenue bonds, Series 2014	22,320,000	-	-	22,320,000	1,265,000
Premium on revenue bonds, Series 2014	1,323,392	-	88,227	1,235,165	-
Compensated absences	420,769	512,344	510,975	422,138	422,138
Net pension liability	46,231,458	-	13,298,217	32,933,241	-
Net OPEB liability	7,373,996	1,705,403	774,420	8,304,979	-
Total	\$ 134,632,978	\$ 2,217,747	\$ 20,099,208	\$ 116,751,517	\$ 7,142,138
Business-type activities,					
Compensated absences	\$ 32,503	\$ 41,990	\$ 42,376	\$ 32,117	\$ 32,117
Net pension liability	2,346,306	-	674,901	1,671,405	-
Net OPEB liability	460,004	88,829	46,812	502,021	-
	\$ 2,838,813	\$ 130,819	\$ 764,089	\$ 2,205,543	\$ 32,117

Compensated absences are generally liquidated by the General Fund.

Net OPEB liability is generally liquidated by the General Fund for Governmental Activities and the respective funds for business-type activities.

The District's general obligation and revenue debt is as follows:

Capital loan notes:

- On June 29, 2010, the District issued \$15,000,000 in Capital Loan notes to provide funds for District construction projects and the purchase of equipment. The notes bear interest at 2.45 percent and had an unpaid balance of \$8,910,000 as of June 30, 2015. The notes are payable from the physical plant and equipment levy fund, through 2021. The notes are a general obligation of the District.
- On June 29, 2011, the District issued \$36,825,000 in Capital Loan notes to provide funds for District construction projects and the purchase of equipment. The notes bear interest at 2.64 percent and had an unpaid balance of \$22,755,000 as of June 30, 2015. The notes are payable from the physical plant and equipment levy fund through 2021. The notes are a general obligation of the District.

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 6. Long-Term Debt (Continued)

Revenue bonds:

- On April 5, 2012, The District issued \$10,000,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds to finance school infrastructure projects. The bonds bear interest at rates ranging from 2.10 percent to 3.00 percent and had an unpaid balance of \$10,000,000. The revenue bonds will be repaid using statewide sales, services and use tax collected in the Capital Project Fund. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District. The bonds are not general obligations of the District. The total principal and interest remaining to be paid on the 2012 bonds is \$12,802,969. During the year ended June 30, 2015, no principal was paid on the 2012 bonds and \$255,390 of interest was paid on the bonds.
- On December 23, 2013, the District issued \$9,760,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2013 to finance school infrastructure projects. The bonds bear interest at rates ranging from 3.00 percent to 4.00 percent and had an unpaid balance of \$9,275,000. The revenue bonds will be repaid using statewide sales, services and use tax collected in the Capital Projects Fund. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District. The bonds are not general obligations of the District. The total principal and interest remaining to be paid on the 2013 bonds is \$11,798,403. During the year ended June 30, 2015, \$485,000 of principal and \$313,647 of interest was paid on the 2013 bonds.
- On June 24, 2014, the District issued \$22,320,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2014 to finance school infrastructure projects. The bonds bear interest at rates ranging from 2.00 percent to 5.00 percent and had an unpaid balance of \$22,320,000. The revenue bonds will be repaid using statewide sales, services and use tax collected in the Capital Projects Fund. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District. The bonds are not general obligations of the District. The total principal and interest remaining to be paid on the 2014 bonds is \$28,646,382. During the year ended June 30, 2015, no principal and \$404,836 of interest was paid on the 2014 bonds.

The statewide sales, services and use tax revenues were \$8,601,194 for the year ended June 30, 2015.

West Des Moines Community School District

Notes to Basic Financial Statements
Year Ended June 30, 2015

Note 6. Long-Term Debt (Continued)

The resolution providing for the issuance of the revenue bonds included the following provisions:

- All proceeds from the statewide sales, service and use tax shall be deposited into the revenue account.
- Monies in the revenue account shall first be disbursed to make deposits into the sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year. At June 30, 2015, there was \$127,695, \$644,698, and \$1,654,682 deposited in the sinking account for the 2012, 2013 and 2014 bonds respectively.
- Monies in the revenue account shall next be disbursed to maintain a reserve account to be used solely for the purpose of paying principal and interest on the bonds if insufficient money is available in the sinking account. At June 30, 2015, there was \$979,086, \$798,495 and \$2,056,785 deposited in the reserve account for the 2012, 2013 and 2014 bonds respectively.
- If monies in the sinking fund exceed the required amount, the excess shall be transferred to the revenue account. At June 30, 2015, there was \$2,920, \$1,625 and \$570 deposited in the revenue account for the 2012, 2013 and 2014 bonds respectively.

Annual debt service requirements on all outstanding indebtedness as of June 30, 2015, are as follows:

Year ending June 30:	Capital Loan Notes, Series 2010		
	Principal	Interest	Total
2016	1,345,000	239,765	1,584,765
2017	1,395,000	212,192	1,607,192
2018	1,455,000	178,713	1,633,713
2019	1,510,000	140,883	1,650,883
2020	1,570,000	98,603	1,668,603
2021	1,635,000	51,503	1,686,503
Totals	\$ 8,910,000	\$ 921,659	\$ 9,831,659

Year ending June 30:	Capital Loan Notes, Series 2011		
	Principal	Interest	Total
2016	3,615,000	688,875	4,303,875
2017	3,665,000	616,575	4,281,575
2018	3,710,000	543,275	4,253,275
2019	3,805,000	431,975	4,236,975
2020	3,920,000	298,800	4,218,800
2021	4,040,000	161,600	4,201,600
Subtotal	22,755,000	2,741,100	25,496,100
Plus unamortized premium	466,794	-	466,794
Totals	\$ 23,221,794	\$ 2,741,100	\$ 25,962,894

West Des Moines Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2015**

Note 6. Long-Term Debt (Continued)

Year ending June 30:	Revenue Bonds, Series 2012		
	Principal	Interest	Total
2016	-	255,390	255,390
2017	-	255,390	255,390
2018	-	255,390	255,390
2019	-	255,390	255,390
2020	-	255,390	255,390
2021-2025	4,140,000	1,097,122	5,237,122
2026-2030	5,860,000	428,897	6,288,897
Subtotal	10,000,000	2,802,969	12,802,969
Less unamortized discount	(83,214)	-	(83,214)
Totals	\$ 9,916,786	\$ 2,802,969	\$ 12,719,755

Year ending June 30:	Revenue Bonds, Series 2013		
	Principal	Interest	Total
2016	495,000	291,970	786,970
2017	510,000	276,895	786,895
2018	525,000	261,370	786,370
2019	545,000	245,320	790,320
2020	560,000	228,745	788,745
2021-2025	3,060,000	877,450	3,937,450
2026-2030	3,580,000	341,653	3,921,653
Subtotal	9,275,000	2,523,403	11,798,403
Plus unamortized premium	212,414	-	212,414
Totals	\$ 9,487,414	\$ 2,523,403	\$ 12,010,817

West Des Moines Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2015**

Note 6. Long-Term Debt (Continued)

Year ending June 30:	Revenue Bonds, Series 2014		
	Principal	Interest	Total
2016	1,265,000	766,713	2,031,713
2017	1,280,000	728,463	2,008,463
2018	1,295,000	683,438	1,978,438
2019	1,315,000	650,863	1,965,863
2020	1,340,000	624,313	1,964,313
2021-2025	7,235,000	2,179,888	9,414,888
2026-2030	8,590,000	692,706	9,282,706
Subtotal	22,320,000	6,326,382	28,646,382
Plus unamortized premium	1,235,165	-	1,235,165
Totals	\$ 23,555,165	\$ 6,326,382	\$ 29,881,547

As of June 30, 2015, the District did not exceed its legal debt margin computed as follows:

Total assessed valuation	\$ 6,314,801,511
Debt limit, 5% of total assessed valuation	\$ 315,740,076
Amount of debt applicable to debt limit, total indebtedness	<u>73,260,000</u>
Excess of debt limit over debt outstanding, legal debt margin	<u>\$ 242,480,076</u>

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 7. Early Retirement

In order to hasten early retirement, the District offered an early retirement plan benefit to its employees. The Board reserves the right to amend or revoke this Early Retirement Plan or any provision of this plan at any time, with or without notice.

To be eligible to participate in this Plan, an employee must (1) have worked a minimum of 30 hours per week, or 70 percent of contract, during each of the last ten full years of service; (2) a year of service refers to a school year. Thus, in order to count as a school year, the employee must be employed by the first student contact day in order for that year to count towards a full year of service; (3) have a minimum of ten full years of continuous service in the District; (4) have obtained the age of 55 as of June 30, 2015; (5) an employee terminated for just cause, or receiving payments or benefits from or on behalf of the District that are not tied to the performance of current duties, is not eligible (6) an employee is eligible to participate in the plan only at the end of the current school year for certified employees or nine month employees or June 30th for all other employees.

Benefits to eligible employees include a lump sum payment into a tax sheltered annuity benefit in December following retirement equal to the number of sick leave days accumulated as of retirement (125 maximum for nine- and ten-month employees or 135 maximum for 11- and 12-month employees) multiplied by \$50 per day. In addition, eligible employees will receive single District/major medical insurance capped at the 2015-2016 premiums for the District's lowest cost plan. The District's contribution to an early retiree's health insurance will end the earlier of 1) six years from the retirement date, or 2) the month prior to the early retiree's 65th birthday.

As of June 30, 2015, the District has \$885,153 accrued in the Management Fund, \$48,355 accrued in the Nutrition Fund and an additional \$1,295,173 recorded in the government-wide financial statements. The current year cost to the District was \$2,124,110 which consisted of 168 participants in the plan. A summary of changes in liability for early retirement is shown as follows:

Balance, June 30, 2014	\$ 3,760,106
Additions	592,685
Reductions	<u>2,124,110</u>
Balance, June 30, 2015	<u>\$ 2,228,681</u>

Note 8. Other Postemployment Benefits

The District operates a single-employer retiree benefit plan which provides medical benefits, including prescription drugs for retirees and their spouses and dependents. There are 2382 active and 138 retired members in the plan. Participants must be age 55 or older at retirement.

The medical benefit plans are self-insured and are administered by a third-party. Retirees under age 55 pay a monthly contribution equal to the current monthly premium equivalent by plan/rate tier less a subsidy provided by the District. The District's subsidy is equal to the single premium for the lowest cost plan. The retiree must pay the premium cost due to inflation for the Alliance Select PPO and the full additional cost for any dependents, regardless of plan selected. This results in an implicit subsidy and an Other Postemployment Benefit, OPEB, liability. The contribution requirements of plan members are

West Des Moines Community School District

Notes to Basic Financial Statements
Year Ended June 30, 2015

Note 8. Other Postemployment Benefits (Continued)

established and may be amended by the District. The District currently finances the retiree benefit plan on a pay-as-you-go basis.

The District’s annual OPEB cost is calculated based on the annual required contribution, ARC, of the District, an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the District’s annual OPEB cost for June 30, 2015, the amount actually contributed to the plan and changes in the District’s net OPEB obligation:

Annual required contribution, ARC	\$ 1,704,000
Interest on net OPEB obligation	352,530
Adjustment to annual required contribution	(262,000)
Annual OPEB cost	<u>1,794,530</u>
Contributions made	<u>821,530</u>
Increase in net OPEB obligation	973,000
Net OPEB obligation beginning of year	<u>7,834,000</u>
Net OPEB obligation end of year	<u><u>\$ 8,807,000</u></u>

For calculation of the net OPEB obligation, the actuary has set the transition day as of July 1, 2009. The end of year net OPEB obligation was calculated by the actuary as the cumulative difference between the actuarially determined funding requirements and the actual contributions for the year ended June 30, 2015.

For the year ended June 30, 2015, the District contributed \$821,530 to the plan. The District’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of June 30, 2015 are summarized as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2013	2,385,000	50.0%	6,874,000
June 30, 2014	1,751,000	45.2%	7,834,000
June 30, 2015	1,794,530	45.8%	8,807,000

As of July 1, 2013, the most recent actuarial valuation date, the actuarial accrued liability was \$13,437,000 with no actuarial value of assets, resulting in an unfunded actuarial accrued liability, UAAL, of \$13,437,000. The covered payroll (annual payroll of active employees covered by the plan) was approximately \$58,587,000, and the ratio of the UAAL to the covered payroll was 22.94 percent. As of June 30, 2015, there were no trust fund assets.

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 8. Other Postemployment Benefits (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information in the section following the notes to basic financial statements, will present multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of the July 1, 2013 actuarial valuation date, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.5 percent discount rate based on the District's funding policy. The projected annual medical trend rate is 9 percent. The ultimate medical trend rate is 5 percent. The medical trend rate is reduced .5 percent each year until reaching the 5 percent ultimate trend rate.

Mortality rates are from the RP2000 Group Annuity Mortality Table, applied on a gender-specific basis. Annual retirement and termination probabilities were developed from the Iowa Public Employees' Retirement System Actuarial Valuation Report as of June 30, 2013.

The salary increase rate was assumed to be 3.5 percent per year. The inflation rate is assumed to be 3.0% each year. The UAAL is being amortized as a level dollar amount on an open basis over a period of 30 years.

Note 9. Retirement System

Plan Description – IPERS membership is mandatory for employees of the District, except for those covered by another retirement system. Employees of the District are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

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

Pension Benefits – A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, anytime after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. (These qualifications

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 9. Retirement System (Continued)

must be met on the member's first month of entitlement to benefits.) Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

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

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25 percent for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50 percent for each month that the member receives benefits before 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits – A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions – Effective July 1, 2012, as a result of a 2010 law change, the contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. Statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2015, pursuant to the required rate, Regular members contributed 5.95 percent of pay and the District contributed 8.93 percent for a total rate of 14.88 percent.

The District's contributions to IPERS for the year ended June 30, 2015 were \$5,231,808.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2015, the District reported a liability of \$34,604,646 for its proportionate share of the net pension liability. The net pension liability was measured as of

West Des Moines Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2015**

Note 9. Retirement System (Continued)

June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2014, the District's proportion was .855051 percent, which was a decrease of .000029093 from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the District recognized pension expense of \$2,557,769. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 376,085	\$ -
Changes of assumptions	1,527,181	-
Net difference between projected and actual earnings on pension plan investments	-	13,197,216
Changes in proportion and differences between District contributions and proportionate share of contributions	(138,252)	-
District contributions subsequent to the measurement date	5,231,808	-
Total	<u>\$ 6,996,822</u>	<u>\$ 13,197,216</u>

\$5,231,808 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2016	\$ (2,886,918)
2017	(2,886,918)
2018	(2,886,918)
2019	(2,886,918)
2020	115,470
Total	<u>\$ (11,432,202)</u>

West Des Moines Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2015**

Note 9. Retirement System (Continued)

Actuarial Assumptions – The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of Inflation (effective June 30, 2014)	3.00 percent
Salary Increases (effective June 30, 2010)	4.00 to 17.00 percent, including inflation. Rates vary by membership group.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of actuarial experience studies with dates corresponding to those listed above.

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

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

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
US Equity	23%	6.31%
Non US Equity	15%	6.76%
Private Equity	13%	11.34%
Real Estate	8%	3.52%
Core Plus Fixed Income	28%	2.06%
Credit Opportunities	5%	3.67%
TIPS	5%	1.92%
Other Real Assets	2%	6.27%
Cash	1%	-0.69%
Total	100%	

West Des Moines Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2015**

Note 9. Retirement System (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate.

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
District's proportionate share of the net pension liability	\$ 65,384,507	\$ 34,604,646	\$ 8,623,255

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS’ website at www.ipers.org.

Payables to the Pension Plan – At June 30, 2015, the District reported payables to the defined benefit pension plan of \$467,444 for legally required employer contributions and \$311,455 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

Risk and Uncertainty- IPERS invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the District’s statement of net position.

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

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; and natural disasters. These risks, except injuries to employees and claim payments for health, prescriptions and dental insurance, are covered by the purchase of commercial insurance. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District has established an internal service fund to account for premium and claim payments for a self-insured group health insurance plan for the District's employees to meet potential losses from medical claims. Self-insurance is in effect up to an individual stop loss amount of \$100,000 and aggregate amount of 125 percent of expected claims. The District also self-insures for its dental plan. The dental plan includes no aggregate reinsurance.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims payable include all known claims and an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are estimated by considering the effects of inflation, recent claim settlement trends, including frequency and amount of pay-outs and other economic and social factors. Changes in the balances of claims payable during the years ended June 30, 2015 and 2014 are as follows:

	Self-Insurance Fund	
	2015	2014
Claims payable, beginning of year	\$ 1,730,000	\$ 1,730,000
Incurred claims (including IBNR and changes in estimates)	12,047,348	10,251,963
Claim payments	12,047,348	10,251,963
Claims payable, end of year	<u>\$ 1,730,000</u>	<u>\$ 1,730,000</u>

The District had approximately \$388,000 in re-insurance during the fiscal year. Each participating fund makes payments to the self-insurance fund for amounts which are determined based on historical claims experience. Such payments are displayed on the financial statements as revenues and expenditures/expenses. There have been no significant reductions in insurance coverage from the prior year.

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 10. Risk Management (Continued)

The District became self-insured for its workers' compensation exposures beginning in September 2005. Claims which are due and payable are recorded in the Management Fund, a nonmajor governmental fund. Losses on workers' compensation claims are limited through the purchase of stop-loss insurance to \$350,000 per individual and an aggregate amount of \$1,000,000. Changes in the balances of claims liabilities for the years ended June 30, 2015 and 2014 are as follows:

	Workers Compensation	
	2015	2014
Claims payable, beginning of year	\$ 525,000	\$ 525,000
Incurred claims (including IBNR)	337,510	352,410
Claim payments	337,510	352,410
Claims payable, end of year	<u>\$ 525,000</u>	<u>\$ 525,000</u>

Note 11. 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 local area education agency. The District's actual amount for this purpose totaled \$3,715,641 for the year ended June 30, 2015 and is recorded in the General Fund by making a memorandum adjusting entry to the financial statements.

Note 12. Contingencies

As of June 30, 2015, the District is involved in various claims against the District that arise in the normal course of operations, which are covered by insurance. The outcome and eventual liability of the District, if any, from these claims and any unasserted claims is not known at this time; however, management does not believe they will be material to the basic financial statements.

Note 13. New Governmental Accounting Standards Board (GASB) Statements

The District adopted the following statements during the year ended June 30, 2015:

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, issued June 2012. This Statement revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits. Statement No. 68 replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement No. 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI).

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 13. New Governmental Accounting Standards Board (GASB) Statements (continued)

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, issued January 2013. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB Statement No. 68*, issued November 2013. This Statement amends GASB Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement No. 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

The implementation of the above statements did not have a material impact to the District's financial statements except for GASB Statement No. 68 and No. 71 which required the District to change the accounting and reporting of pension expense, net pension liability, and the related deferred inflows of resources and deferred outflows of resources. As a result, the District's financial statements required a restatement as stated in Note 14. In addition, the new standards required new required supplementary information schedules.

As of June 30, 2015, GASB had issued several statements not yet required to be implemented by the District. The Statements which might impact the District are as follows:

GASB Statement No. 72, *Fair Value Measurement and Application*, issued February 2015, will be effective for the District beginning with its year ending June 30, 2016. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, issued June 2015, will be effective for the District beginning with its year ending June 30, 2016. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes.

West Des Moines Community School District

Notes to Basic Financial Statements Year Ended June 30, 2015

Note 13. New Governmental Accounting Standards Board (GASB) Statements (continued)

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, issued June 2015, will be effective for the District beginning with its year ending June 30, 2017. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, issued June 2015, will be effective for the District beginning with its year ending June 30, 2018. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, issued June 2015, will be effective for the District beginning with its year ending June 30, 2016. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

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

West Des Moines Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2015**

Note 14. Accounting Change and Restatement

Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions-an Amendment of GASB No. 27*, was implemented during fiscal year 2015. The revised requirements establish new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplementary information. In addition, GASB 68 requires a state or local government employer to recognize a net pension liability and changes in the net pension liability, deferred outflows of resources and deferred inflows of resources which arise from other types of events related to pensions. During the transition year, as permitted, beginning balances for deferred outflows of resources and deferred inflows of resources will not be reported, except for deferred outflows of resources related to contributions made after the measurement date of the beginning net pension liability which is required to be reported by Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Beginning net position for governmental and business-type activities were restated to retroactively report the beginning net pension liability and deferred outflows of resources related to contributions made after the measurement date, as follows:

	Governmental Activities	Business-type Activities	Nonmajor Enterprise Funds	
			School Nutrition	Community Education
Net position June 30, 2014, as previously reported	\$ 199,823,376	\$ 5,122,630	\$ 2,339,580	\$ 1,457,328
Net pension liability at June 30, 2014	(46,231,458)	(2,346,306)	(1,267,880)	(1,078,426)
Deferred outflows of resources related to contributions made after the June 30, 2013 measurement date	4,852,420	246,266	133,076	113,190
Net position July 1, 2014, as restated	\$ 158,444,338	\$ 3,022,590	\$ 1,204,776	\$ 492,092



WEST DES MOINES
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REQUIRED SUPPLEMENTARY INFORMATION

West Des Moines Community School District

**Budgetary Comparison Schedule of Revenues, Expenditures/Expenses and Changes in Balances -
Budget and Actual - All Governmental and Enterprise Funds
Required Supplementary Information
Year Ended June 30, 2015**

	Governmental Funds - Actual	Proprietary Fund - Actual
Revenues:		
Local sources	\$ 74,100,371	\$ 5,403,878
State sources	48,043,927	29,772
Federal sources	2,644,444	1,924,476
Total revenues	124,788,742	7,358,126
Expenditures/expenses:		
Instruction	72,991,704	163,407
Support services	28,743,701	588,654
Noninstructional programs	506,448	6,605,149
Other expenditures	18,312,767	-
Total expenditures/expenses	120,554,620	7,357,210
Excess (deficiency) of revenues over (under) expenditures/expenses	4,234,122	916
Other financing sources (uses):		
Transfers in	7,562,062	-
Transfers (out)	(7,437,062)	(125,000)
Proceeds from sale of capital assets	690,041	-
Total other financing sources (uses)	815,041	(125,000)
Net change in fund balance	5,049,163	(124,084)
Balance, beginning of year	46,263,251	1,697,835
Balance, end of year	\$ 51,312,414	\$ 1,573,751

See Note to Required Supplementary Information.

Total Actual	Budgeted Amounts		Final to Actual Variance
	Original	Final	
\$ 79,504,249	\$ 77,162,816	\$ 77,162,816	\$ 2,341,433
48,073,699	45,625,833	45,625,833	2,447,866
4,568,920	4,970,442	4,970,442	(401,522)
<u>132,146,868</u>	<u>127,759,091</u>	<u>127,759,091</u>	<u>4,387,777</u>
73,155,111	72,933,110	75,577,409	2,422,298
29,332,355	33,519,624	33,821,163	4,488,808
7,111,597	7,425,000	7,425,000	313,403
18,312,767	32,509,312	32,509,312	14,196,545
<u>127,911,830</u>	<u>146,387,046</u>	<u>149,332,884</u>	<u>21,421,054</u>
4,235,038	(18,627,955)	(21,573,793)	25,808,831
7,562,062	7,154,561	7,154,561	407,501
(7,562,062)	(182,267)	(182,267)	(7,379,795)
690,041	49,913	49,913	640,128
<u>690,041</u>	<u>7,022,207</u>	<u>7,022,207</u>	<u>(6,332,166)</u>
4,925,079	(11,605,748)	(14,551,586)	19,476,665
47,961,086	47,961,086	47,961,086	-
<u>\$ 52,886,165</u>	<u>\$ 36,355,338</u>	<u>\$ 33,409,500</u>	<u>\$ 19,476,665</u>

West Des Moines Community School District

Note to Required Supplementary Information – Budgetary Reporting Year Ended June 30, 2015

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 internal service and agency funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functional areas, not by fund or fund type. These four functional areas are instruction, support services, noninstructional programs and other expenditures. The legal level of control is at the aggregated functional level, not at the fund or fund type level.

During the year ended June 30, 2015, the District amended the budgeted expenditures to increase the budget by \$2,945,838 primarily for capital projects.

West Des Moines Community School District

Required Supplementary Information

Schedule of Funding Progress for the Retiree Health Plan (In Thousands)

Year Ended June 30:	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2010	7/1/2009	-	23,729	23,729	0.00%	52,689	45.04%
2011	7/1/2009	-	23,729	23,729	0.00%	52,578	45.13%
2012	7/1/2011	-	18,496	18,496	0.00%	51,783	35.72%
2013	7/1/2011	-	18,496	18,496	0.00%	51,783	35.72%
2014	7/1/2013	-	13,437	13,437	0.00%	57,149	23.51%
2015	7/1/2013	-	13,437	13,437	0.00%	58,587	22.94%

See Note 8 in the accompanying notes to financial statements for the plan description, funding policy, annual OPEB cost and net OPEB obligation, funded status and funding progress.



WEST DES MOINES
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West Des Moines Community School District

Required Supplementary Information

Schedule of the District's Proportionate Share of the Net Pension Liability

Iowa Public Employees' Retirement System

Last Fiscal Year*

	<u>2015</u>
District's proportion of the net pension liability	0.855051%
District's proportionate share of the net pension liability	\$ 34,604,646
District's covered-employee payroll	\$ 58,586,855
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	59.07%
Plan fiduciary net pension as a percentage of the total pension liability	87.61%

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

Note 1: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

See Note to Required Supplementary Information-Pension Liability.

West Des Moines Community School District

**Required Supplementary Information
Schedule of District Contributions
Iowa Public Employees' Retirement System
Last Ten Fiscal Years**

	2015	2014	2013	2012
Statutorily required contribution	\$ 5,232	\$ 5,103	\$ 4,817	\$ 4,366
Contributions in relation to the statutorily required contribution	\$ (5,232)	\$ (5,103)	\$ (4,817)	\$ (4,366)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 58,587	\$ 57,149	\$ 55,519	\$ 54,198
Contributions as a percentage of covered-employee payroll	8.93%	8.93%	8.68%	8.06%

See Note to Required Supplementary Information-Pension Liability.

2011	2010	2009	2008	2007	2006
\$ 3,654	\$ 3,503	\$ 4,474	\$ 2,890	\$ 2,558	\$ 2,488
\$ (3,654)	\$ (3,503)	\$ (4,474)	\$ (2,890)	\$ (2,558)	\$ (2,488)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 52,578	\$ 52,689	\$ 63,425	\$ 52,998	\$ 44,482	\$ 43,270
6.95%	6.65%	7.05%	5.45%	5.75%	5.75%

West Des Moines Community School District

Note to Required Supplementary Information – Pension Liability Year Ended June 30, 2015

Changes of benefit terms:

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

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

Benefit provisions for sheriffs and deputies were changed in the 2004 legislative session. The eligibility for unreduced retirement benefits was lowered from age 55 by one year each July 1 (beginning in 2004) until it reached age 50 on July 1, 2008. The years of service requirement remained at 22 or more. Their contribution rates were also changed to be shared 50-50 by the employee and employer, instead of the previous 40-60 split.

Changes of assumptions:

The 2014 valuation implemented the following refinements as a result of quadrennial experience study:

- Decreased the inflation assumption from 3.25 percent to 3.00 percent.
- Decreased the assumed rate of interest on member accounts from 4.00 percent to 3.75 percent per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Reduced retirement rates for sheriffs and deputies between the ages of 55 and 64.
- Moved from an open 30 year amortization period to a closed 30 year amortization period for the UAL beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20 year period.

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

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

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

The 2006 valuation implemented the following refinements as a result of a quadrennial experience study:

- Adjusted salary increase assumptions to service based assumptions.
- Decreased the assumed interest rate credited on employee contributions from 4.25 percent to 4.00 percent.
- Lowered the inflation assumption from 3.50 percent to 3.25 percent.
- Lowered disability rates for sheriffs and deputies and protection occupation members.

**OTHER COMBINING AND
INDIVIDUAL FUND FINANCIAL STATEMENTS**

West Des Moines Community School District

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

	Special Revenue			Total
	Playground	Student Activity	Debt Service	
Assets				
Cash, cash equivalents and investments	\$ 299,243	\$ 1,139,059	\$ -	\$ 1,438,302
Receivables:				
Property taxes	553,403	-	-	553,403
Total assets	\$ 852,646	\$ 1,139,059	\$ -	\$ 1,991,705
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 1,731	\$ 104,241	-	\$ 105,972
Unearned revenue	-	14,313	-	14,313
Total liabilities	1,731	118,554	-	120,285
Deferred inflows of resources, unavailable revenue:				
Succeeding year property tax	551,029	-	-	551,029
Fund balances, Restricted	299,886	1,020,505	-	1,320,391
Total liabilities, deferred inflows of resources and fund balances	\$ 852,646	\$ 1,139,059	\$ -	\$ 1,991,705

West Des Moines Community School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2015

	Special Revenue		Debt Service	Total
	Playground	Student Activity		
Revenues:				
Property taxes and other local sources:				
Property taxes	\$ 544,260	\$ -	\$ -	\$ 544,260
Utility replacement	10,771	-	-	10,771
Other local sources	-	395,652	-	395,652
Investment earnings	710	3,261	-	3,971
Student activities	-	1,400,437	-	1,400,437
State sources, other state sources	13,720	-	-	13,720
Total revenues	569,461	1,799,350	-	2,368,811
Expenditures:				
Current:				
Instruction	10,549	1,939,980	-	1,950,529
Support services:				
Student	804	-	-	804
Instructional staff	9,685	2,358	-	12,043
General administration	11,514	-	-	11,514
School building administration	-	9,545	-	9,545
Business administration	9,406	22,897	-	32,303
Student transportation	2,667	-	-	2,667
Noninstructional programs	506,448	-	-	506,448
Other	-	20,853	5,500	26,353
Debt service:				
Principal	-	-	5,340,000	5,340,000
Interest	-	-	2,006,062	2,006,062
Total expenditures	551,073	1,995,633	7,351,562	9,898,268
Excess (deficiency) of revenues over (under) expenditures	18,388	(196,283)	(7,351,562)	(7,529,457)
Other financing sources (uses):				
Transfer in	-	75,500	7,351,562	7,427,062
Transfers out	(10,000)	-	-	(10,000)
	(10,000)	75,500	7,351,562	7,417,062
Net change in fund balances	8,388	(120,783)	-	(112,395)
Fund balances, beginning of year	291,498	1,141,288	-	1,432,786
Fund balances, end of year	\$ 299,886	\$ 1,020,505	\$ -	\$ 1,320,391

West Des Moines Community School District

Schedule of Combining Balance Sheet-
Capital Projects Fund, By Account
June 30, 2015

	Capital Projects Fund Accounts		
	Physical Plant and Equipment	Statewide Sales and Services Tax	Total
Assets			
Cash, cash equivalents and investments	\$ 3,633,913	\$ 11,481,785	\$ 15,115,698
Restricted cash, cash equivalents and investments	-	6,266,556	6,266,556
Receivables:			
Property taxes	7,098,359	-	7,098,359
Due from other governments	153,310	1,731,856	1,885,166
Total assets	\$ 10,885,582	\$ 19,480,197	\$ 30,365,779
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities,			
Accounts payable	\$ 56,739	\$ 1,175,193	\$ 1,231,932
Deferred inflows of resources, unavailable revenue:			
Succeeding year property tax	7,067,105	-	7,067,105
Sales and services tax	-	400,000	400,000
Total deferred inflows of resources	7,067,105	400,000	7,467,105
Fund balances:			
Restricted for:			
Physical plant and equipment	3,761,738	-	3,761,738
Debt service	-	6,266,556	6,266,556
School infrastructure	-	11,638,448	11,638,448
Total fund balances	3,761,738	17,905,004	21,666,742
Total liabilities, deferred inflows of resources and fund balances	\$ 10,885,582	\$ 19,480,197	\$ 30,365,779

West Des Moines Community School District

**Schedule of Combining Statement of Revenues, Expenditures
and Changes in Fund Balance-Capital Projects Fund, By Account
Year Ended June 30, 2015**

	Capital Projects Fund Accounts		
	Physical	Statewide	Total
	Plant and Equipment	Sales and Services Tax	
Revenues:			
Property taxes and other local sources:			
Property taxes	\$ 7,143,246	\$ -	\$ 7,143,246
Utility replacement	136,190	-	136,190
Other local sources	153,280	2,000,000	2,153,280
Investment earnings	10,998	41,869	52,867
State sources:			
Statewide sales and services tax	-	8,601,194	8,601,194
State sources, Other state sources	173,473	-	173,473
Total revenues	7,617,187	10,643,063	18,260,250
Expenditures:			
Current:			
Instruction	266,673	1,932,397	2,199,070
Support services:			
General administration	-	158,296	158,296
Business administration	178,632	5,500	184,132
Plant operation and maintenance	58,047	46,747	104,794
Student transportation	-	392,608	392,608
Capital outlay	658,494	6,566,217	7,224,711
Total expenditures	1,161,846	9,101,765	10,263,611
Excess (deficiency) of revenues under (over) expenditures	6,455,341	1,541,298	7,996,639
Other financing sources (uses):			
Sale of property	662,695	-	662,695
Transfers in	-	280,000	280,000
Transfers (out)	(6,168,190)	(1,463,372)	(7,631,562)
Total other financing sources (uses)	(5,505,495)	(1,183,372)	(6,688,867)
Net change in fund balance	949,846	357,926	1,307,772
Fund balances, beginning of year	2,811,892	17,547,078	20,358,970
Fund balances, end of year	\$ 3,761,738	\$ 17,905,004	\$ 21,666,742

West Des Moines Community School District

Combining Statement of Net Position

Nonmajor Enterprise Funds

June 30, 2015

	School Nutrition	Community Education	Preschool Regular Education	Total
Assets				
Current assets:				
Cash, cash equivalents and investments	\$ 617,886	\$ 1,815,181	-	\$ 2,433,067
Other receivables	8,088	132,600	-	140,688
Due from other governments	62,651	-	-	62,651
Inventories	300,359	-	-	300,359
Total current assets	988,984	1,947,781	-	2,936,765
Noncurrent assets, capital assets:				
Land	-	15,000	-	15,000
Machinery and equipment	3,740,359	-	-	3,740,359
Less accumulated depreciation	(2,014,586)	-	-	(2,014,586)
Total noncurrent assets	1,725,773	15,000	-	1,740,773
Total assets	2,714,757	1,962,781	-	4,677,538
Deferred outflows of resources, pension related deferred outflows	186,225	158,398	-	344,623
Liabilities				
Current liabilities:				
Accounts payable	268,314	105,081	-	373,395
Compensated absences	12,614	19,503	-	32,117
Unearned revenue	102,863	74,151	-	177,014
Long-term liabilities:				
Liability for early retirement	48,355	-	-	48,355
Net pension liability	903,182	768,223	-	1,671,405
Net OPEB liability	314,238	187,783	-	502,021
Total liabilities	1,649,566	1,154,741	-	2,804,307
Deferred inflows of resources, pension related deferred inflows	348,055	296,048	-	644,103
Net Position (Deficit)				
Net investment in capital assets	1,725,773	15,000	-	1,740,773
Unrestricted	(822,412)	655,390	-	(167,022)
Total net position (deficit)	\$ 903,361	\$ 670,390	\$ -	\$ 1,573,751

West Des Moines Community School District

Combining Statement of Revenues, Expenses and Changes in Net Position

Nonmajor Enterprise Funds

Year Ended June 30, 2015

	School Nutrition	Community Education	Preschool Regular Education	Total
Operating revenues:				
Food sales	2,389,672	-	-	2,389,672
Sale of services	-	2,967,741	-	2,967,741
Total operating revenues	2,389,672	2,967,741	-	5,357,413
Operating expenses:				
Salaries	1,546,773	1,664,245	-	3,211,018
Employee benefits	619,496	452,433	-	1,071,929
Purchased services	106,649	181,845	-	288,494
Food consumed	2,039,306	-	-	2,039,306
Supplies	81,384	355,254	-	436,638
Depreciation	228,793	-	-	228,793
Other	64,204	10,666	967	75,837
Total operating expenses	4,686,605	2,664,443	967	7,352,015
Operating income (loss)	(2,296,933)	303,298	(967)	(1,994,602)
Nonoperating revenues (expenses):				
Federal food commodities	296,441	-	-	296,441
Federal appropriations	1,628,035	-	-	1,628,035
State appropriations	29,772	-	-	29,772
Interest	1,725	-	-	1,725
Loss on disposal of capital assets	(5,195)	-	-	(5,195)
Other	44,740	-	-	44,740
Total nonoperating revenues and (expenses)	1,995,518	-	-	1,995,518
Income (loss) before transfers	(301,415)	303,298	(967)	916
Transfers (out)	-	(125,000)	-	(125,000)
Changes in net position	(301,415)	178,298	(967)	(124,084)
Net position, beginning, as restated	1,204,776	492,092	967	1,697,835
Net position, end of year	\$ 903,361	\$ 670,390	\$ -	\$ 1,573,751

West Des Moines Community School District

**Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2015**

	School Nutrition	Community Education	Preschool Regular Education	Total
Cash Flows From Operating Activities:				
Receipts from customers and users	\$ 2,389,772	\$ 2,977,694	\$ 6,086	\$ 5,373,552
Payments to suppliers	(1,867,725)	(527,236)	(2,979)	(2,397,940)
Payments to employees	(2,159,725)	(2,153,391)	(9,000)	(4,322,116)
Net cash provided by (used in) operating activities	(1,637,678)	297,067	(5,893)	(1,346,504)
Cash Flows From Noncapital Financing Activities:				
Federal and state appropriations received	1,663,642	-	-	1,663,642
Transfers (out)	-	(125,000)	-	(125,000)
Other, local donations and grants	44,740	-	-	44,740
Net cash provided by (used in) noncapital financing activities	1,708,382	(125,000)	-	1,583,382
Cash Flows From Capital and Purchases of capital assets	(73,565)	-	-	(73,565)
Net cash provided by (used in) capital and related financing activities	(73,565)	-	-	(73,565)
Cash Flows From Investing Activities, interest received	1,725	-	-	1,725
Net change in cash and cash equivalents	(1,136)	172,067	(5,893)	165,038
Cash and Cash Equivalents:				
Beginning of year	619,022	1,643,114	5,893	2,268,029
End of year	\$ 617,886	\$ 1,815,181	\$ -	\$ 2,433,067

(Continued)

West Des Moines Community School District

Combining Statement of Cash Flows (Continued)

Nonmajor Enterprise Funds

Year Ended June 30, 2015

	School Nutrition	Community Education	Preschool Regular Education	Total
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities:				
Operating (loss)	\$ (2,296,933)	\$ 303,298	\$ (967)	\$ (1,994,602)
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:				
Depreciation	228,793	-	-	228,793
Federal food commodities used	296,441	-	-	296,441
Change in assets and liabilities:				
Receivables	(8,088)	18,307	6,086	16,305
Inventories	(48,645)	-	-	(48,645)
Deferred outflows of resources	(53,149)	(45,208)	-	(98,357)
Accounts payable	176,022	20,529	(2,012)	194,539
Compensated absences	(3,058)	3,287	(615)	(386)
Unearned revenue	8,188	(8,354)	-	(166)
Early retirement	48,355	-	-	48,355
Net pension liability	(364,698)	(310,203)	-	(674,901)
Deferred inflows of resources	348,055	296,048	-	644,103
Net OPEB liability	31,039	19,363	(8,385)	42,017
Net cash provided by (used in) operating activities	\$ (1,637,678)	\$ 297,067	\$ (5,893)	\$ (1,346,504)
Schedule of Noncash Items:				
Noncapital financing activities, Federal commodities	\$ 296,441	\$ -	\$ -	\$ 296,441

West Des Moines Community School District

Statement of Changes in Assets and Liabilities

Agency Fund

Year Ended June 30, 2015

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Flower Fund				
Assets, cash, cash equivalents and investments	\$ 93,127	\$ -	\$ 85,969	\$ 7,158
Liabilities , due to private individuals	\$ 93,127	\$ -	\$ 85,969	\$ 7,158

West Des Moines Community School District

Statistical Section Contents

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

Contents	Page
Financial Trends	
These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	78
Revenue Capacity	
These schedules contain information to help the reader assess the District's most significant local revenue sources, the property tax (or sales tax).	92
Debt Capacity	
These schedules present information to help the reader assess the affordability of the District's current level of outstanding debt and the District's ability to issue additional debt in the future.	98
Demographic and Economic Information	109
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	112
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

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

West Des Moines Community School District

**Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)**

	2006	2007	2008	2009
Governmental activities:				
Net investment in capital assets	\$ 102,257,687	\$ 111,318,597	\$ 119,538,177	\$ 139,058,201
Restricted	12,250,659	14,597,752	17,078,354	15,883,427
Unrestricted	7,586,863	11,246,550	10,302,534	2,173,420
Total governmental activities net position	\$ 122,095,209	\$ 137,162,899	\$ 146,919,065	\$ 157,115,048
Business-type activities				
Net investment in capital assets	\$ 899,710	\$ 736,682	\$ 770,344	\$ 654,241
Unrestricted	1,727,417	2,032,412	2,080,283	2,127,643
Total business-type activities net position	\$ 2,627,127	\$ 2,769,094	\$ 2,850,627	\$ 2,781,884
Primary government:				
Net investment in capital assets	\$ 103,157,397	\$ 112,055,279	\$ 120,308,521	\$ 139,712,442
Restricted	12,250,659	14,597,752	17,078,354	15,883,427
Unrestricted	9,314,280	13,278,962	12,382,817	4,301,063
Total primary government net position	\$ 124,722,336	\$ 139,931,993	\$ 149,769,692	\$ 159,896,932

Fiscal Year						
2010	2011	2012	2013	2014	2015	
\$ 133,613,854	\$ 147,846,051	\$ 158,150,471	\$ 162,317,475	\$ 162,629,002	\$ 150,519,660	
21,353,146	14,014,432	12,748,833	17,384,787	18,089,610	34,014,409	
8,590,265	12,371,586	22,003,113	15,504,430	19,104,764	(18,824,684)	
<u>\$ 163,557,265</u>	<u>\$ 174,232,069</u>	<u>\$ 192,902,417</u>	<u>\$ 195,206,692</u>	<u>\$ 199,823,376</u>	<u>\$ 165,709,385</u>	
\$ 737,376	\$ 641,315	\$ 593,670	\$ 2,130,339	\$ 1,901,196	\$ 1,740,773	
2,298,336	2,757,854	3,611,829	3,419,635	3,221,434	1,259,718	
<u>\$ 3,035,712</u>	<u>\$ 3,399,169</u>	<u>\$ 4,205,499</u>	<u>\$ 5,549,974</u>	<u>\$ 5,122,630</u>	<u>\$ 3,000,491</u>	
\$ 134,351,230	\$ 148,487,366	\$ 158,744,141	\$ 164,447,814	\$ 164,530,198	\$ 152,260,433	
21,353,146	14,014,432	12,748,833	17,384,787	18,089,610	34,014,409	
10,888,601	15,129,440	25,614,942	18,924,065	22,326,198	(17,564,966)	
<u>\$ 166,592,977</u>	<u>\$ 177,631,238</u>	<u>\$ 197,107,916</u>	<u>\$ 200,756,666</u>	<u>\$ 204,946,006</u>	<u>\$ 168,709,876</u>	

West Des Moines Community School District

Expenses, Program Revenues and Net (Expense) Revenue

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2006	2007	2008	2009
Expenses:				
Governmental activities:				
Instruction	\$ 48,369,475	\$ 51,159,998	\$ 59,878,678	\$ 64,340,540
Support services	23,988,291	28,042,111	28,015,793	28,852,848
Noninstructional programs	429,508	414,066	422,971	452,155
Other	8,166,432	2,328,250	2,967,752	3,155,688
Interest on long-term debt	1,308,279	1,034,964	798,397	545,910
Total governmental activities	82,261,985	82,979,389	92,083,591	97,347,141
Business-type activities:				
Nutrition	3,360,467	3,795,831	3,837,138	4,139,227
Community education	2,187,360	2,296,115	2,279,690	2,641,371
Preschool regular education	106,262	192,271	194,719	210,280
Student construction	4,336	-	-	80,000
Total business-type activities	5,658,425	6,284,217	6,311,547	7,070,878
Total primary government expenses	87,920,410	89,263,606	98,395,138	104,418,019
Program revenues:				
Governmental activities:				
Charges for services:				
Instruction	4,600,966	4,377,162	4,707,977	5,910,224
Support services	499,453	-	-	-
Operating grants and contributions	7,133,032	8,494,738	9,853,839	12,116,212
Capital grants and contributions	-	-	-	-
Total governmental activities	12,233,451	12,871,900	14,561,816	18,026,436
Business-type activities:				
Charges for services:				
Nutrition	2,423,275	2,493,675	2,581,637	2,761,252
Community education	2,410,950	2,620,447	2,538,740	2,918,819
Preschool regular education	1,560	-	-	-
Student construction	130,464	63,688	-	-
Operating grants and contributions	895,014	1,111,885	1,150,607	1,355,728
Capital grants and contributions	-	-	-	-
Total business-type activities	5,861,263	6,289,695	6,270,984	7,035,799
Total primary government revenues	18,094,714	19,161,595	20,832,800	25,062,235
Net (expense) revenues:				
Governmental activities	(70,028,534)	(70,107,489)	(77,521,775)	(79,320,705)
Business-type activities	202,838	5,478	(40,563)	(35,079)
Total primary government revenues	\$ (69,825,696)	\$ (70,102,011)	\$ (77,562,338)	\$ (79,355,784)

	2010	2011	2012	2013	2014	2015
\$	66,474,308	\$ 66,020,971	\$ 64,031,921	\$ 72,787,048	\$ 74,101,225	\$ 79,526,445
	29,193,099	28,725,290	30,460,006	33,543,019	33,104,411	31,693,679
	434,290	119,681	504,947	514,568	545,689	511,434
	3,456,794	3,548,218	3,310,851	3,414,456	3,596,211	3,741,994
	265,043	357,099	1,322,932	1,387,760	1,711,719	2,175,143
	99,823,534	98,771,259	99,630,657	111,646,851	113,059,255	117,648,695
	4,134,856	4,051,189	3,837,098	4,412,926	4,603,634	4,630,609
	2,368,775	2,478,636	2,484,504	2,801,078	2,680,646	2,623,649
	213,536	162,440	162,529	174,674	101,006	967
	56,937	53,218	24,670	-	-	-
	6,774,104	6,745,483	6,508,801	7,388,678	7,385,286	7,255,225
	106,597,638	105,516,742	106,139,458	119,035,529	120,444,541	124,903,920
	6,031,974	5,656,757	6,398,639	7,215,947	7,317,855	7,480,699
	-	-	678,630	1,626,797	1,583,371	1,315,940
	16,109,619	13,977,744	15,985,636	12,830,255	14,192,480	17,472,369
	-	-	1,509,864	118,493	-	2,000,000
	22,141,593	19,634,501	24,572,769	21,791,492	23,093,706	28,269,008
	2,763,619	2,718,971	2,638,472	2,438,304	2,322,567	2,389,672
	2,618,972	2,589,715	2,777,207	2,796,728	2,695,600	2,967,741
	-	-	-	-	-	-
	-	-	-	-	-	-
	1,472,831	1,657,077	1,967,784	1,937,963	2,057,772	1,998,988
	-	-	15,000	1,674,887	-	-
	6,855,422	6,965,763	7,398,463	8,847,882	7,075,939	7,356,401
	28,997,015	26,600,264	31,971,232	30,639,374	30,169,645	35,625,409
	(77,681,941)	(79,136,758)	(75,057,888)	(89,855,359)	(89,965,549)	(89,379,687)
	81,318	220,280	889,662	1,459,204	(309,347)	101,176
\$	(77,600,623)	\$ (78,916,478)	\$ (74,168,226)	\$ (88,396,155)	\$ (90,274,896)	\$ (89,278,511)

West Des Moines Community School District

General Revenues and Total Change in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	2006	2007	2008	2009
Net (expense) revenues:				
Governmental activities	\$ (70,028,534)	\$ (70,107,489)	\$ (77,521,775)	\$ (79,320,705)
Business-type activities	202,838	5,478	(40,563)	(35,079)
Total primary government net expense	(69,825,696)	(70,102,011)	(77,562,338)	(79,355,784)
General revenues and other changes in net assets:				
Governmental activities:				
General revenues:				
Taxes:				
Property taxes	44,492,182	47,730,903	49,505,540	51,501,548
Statewide sales and services tax	8,914,205	8,908,267	8,598,401	8,818,452
Utility replacement tax	905,019	925,977	892,235	911,443
Other local sources	283,958	1,556,956	1,679,757	2,152,257
State foundation aid, unrestricted	22,933,675	24,031,009	24,999,763	25,330,713
Other state sources, unrestricted	176,026	-	-	-
Investment earnings	1,739,251	1,904,767	1,596,395	665,647
Gain on disposal of capital assets	-	-	-	-
Miscellaneous	403,213	-	-	-
Transfers	110,725	117,300	5,850	136,628
Total governmental activities	79,958,254	85,175,179	87,277,941	89,516,688
Business-type activities:				
Other local sources	-	96,686	57,802	79,290
Investment earnings	65,682	94,273	70,144	23,674
Miscellaneous	30,566	62,830	-	-
Transfers	(110,725)	(117,300)	(5,850)	(136,628)
Total business-type activities	(14,477)	136,489	122,096	(33,664)
Total primary government	79,943,777	85,311,668	87,400,037	89,483,024
Change in net position:				
Governmental activities	9,929,720	15,067,690	9,756,166	10,195,983
Business-type activities	188,361	141,967	81,533	(68,743)
Total primary government	\$ 10,118,081	\$ 15,209,657	\$ 9,837,699	\$ 10,127,240

		Fiscal Year									
		2010	2011	2012	2013	2014	2015				
\$	(77,381,941)	\$	(79,136,758)	\$	(75,057,888)	\$	(89,855,359)	\$	(89,965,549)	\$	(89,379,687)
	81,318		220,280		889,662		1,459,204		(309,347)		101,176
	(77,300,623)		(78,916,478)		(74,168,226)		(88,396,155)		(90,274,896)		(89,278,511)
	53,550,085		56,142,287		56,399,367		52,951,824		53,787,935		53,916,073
	8,485,639		7,087,894		7,579,856		7,881,340		7,927,921		8,601,194
	923,850		898,786		950,942		907,497		894,863		1,058,440
	1,800,349		1,409,137		49,880		-		-		-
	18,771,477		23,888,724		28,223,794		30,002,209		31,598,458		32,747,900
	-		-		-		-		-		-
	497,572		359,734		421,064		289,536		176,998		196,127
	-		-		-		-		-		-
	-		-		-		-		71,058		-
	95,186		25,000		103,333		127,228		125,000		125,000
	84,124,158		89,811,562		93,728,236		92,159,634		94,582,233		96,644,734
	253,444		150,117		-		-		-		-
	14,252		18,060		20,001		12,499		7,003		1,725
	-		-		-		-		-		-
	(95,186)		(25,000)		(103,333)		(127,228)		(125,000)		(125,000)
	172,510		143,177		(83,332)		(114,729)		(117,997)		(123,275)
	84,296,668		89,954,739		93,644,904		92,044,905		94,464,236		96,521,459
	6,442,217		10,674,804		18,670,348		2,304,275		4,616,684		7,265,047
	253,828		363,457		806,330		1,344,475		(427,344)		(22,099)
\$	6,696,045	\$	11,038,261	\$	19,476,678	\$	3,648,750	\$	4,189,340	\$	7,242,948

West Des Moines Community School District

**Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)**

	2006	2007	2008	2009
General Fund:				
Reserved	\$ 137,097	\$ 67,672	\$ 55,967	\$ 63,571
Unreserved	9,565,091	12,703,283	13,059,705	11,550,393
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	9,702,188	12,770,955	13,115,672	11,613,964
All other governmental funds:				
Reserved	641,614	333,516	361,696	366,705
Restricted	-	-	-	-
Unassigned	-	-	-	-
Unreserved, reported in:				
Special revenue funds	4,847,589	6,613,390	6,977,125	9,416,232
Capital projects funds	7,674,328	8,362,370	10,414,806	6,759,589
Total all other governmental funds	13,163,531	15,309,276	17,753,627	16,542,526
Total governmental funds	\$ 22,865,719	\$ 28,080,231	\$ 30,869,299	\$ 28,156,490

NOTE: The District implemented GASB Statement No. 54 in fiscal year 2011.

		Fiscal Year					
		2010	2011	2012	2013	2014	2015
\$	47,441	\$	-	\$	-	\$	-
	10,132,152		-		-		-
	-		48,109		62,518		56,188
	-		-		1,176,520		1,301,007
	-		-		-		1,770,000
	-		13,896,876		17,459,849		14,424,333
	10,179,593		13,944,985		18,698,887		17,551,528
	-		-		-		-
	-		52,594,203		41,111,332		15,933,068
	-		-		-		(1,811,965)
	21,863,694		-		-		-
	208,286		-		-		-
	22,071,980		52,594,203		41,111,332		14,121,103
							32,472,010
							35,303,565
\$	32,251,573	\$	66,539,188	\$	59,810,219	\$	31,672,631
							46,263,251
							51,312,414

West Des Moines Community School District

Governmental Funds Revenues

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

	2006	2007	2008	2009
Local sources:				
Property taxes	\$ 44,492,182	\$ 47,730,903	\$ 49,505,540	\$ 51,501,548
Statewide sales and services tax	8,924,205	8,908,267	8,598,401	8,818,452
Utility replacement	905,019	925,977	892,235	911,443
Other local sources	3,929,720	1,875,703	1,931,651	2,304,699
Investment earnings (loss)	1,739,251	1,904,767	1,596,395	665,647
Student activities	1,174,136	4,377,162	4,549,495	5,765,422
Total local sources	61,164,513	65,722,779	67,073,717	69,967,211
State sources:				
State foundation aid	22,933,675	24,031,009	27,966,365	28,485,951
Statewide sales and services tax	-	-	-	-
Other state sources	5,489,229	7,210,660	4,779,621	5,956,369
Total state sources	28,422,904	31,241,669	32,745,986	34,442,320
Federal sources	1,845,064	1,684,078	2,107,616	3,004,605
Total revenues	\$ 91,432,481	\$ 98,648,526	\$ 101,927,319	\$ 107,414,136

		Fiscal Year									
		2010	2011	2012	2013	2014	2015				
\$	53,550,085	\$	56,142,287	\$	56,399,367	\$	52,951,824	\$	53,787,935	\$	53,916,073
	7,138,043		8,083,690		7,556,656		7,858,340		-		-
	923,850		898,786		950,942		907,497		894,863		1,058,440
	1,935,318		1,635,937		6,530,960		7,215,717		6,885,922		8,748,543
	497,572		359,734		421,064		289,536		176,998		196,127
	5,894,502		5,521,807		1,447,701		1,911,051		1,680,020		1,579,994
	69,939,370		72,642,241		73,306,690		71,133,965		63,425,738		65,499,177
	22,225,013		27,433,861		31,532,435		30,002,209		31,598,458		32,747,900
	-		-		-		-		7,925,921		8,601,194
	5,778,341		6,765,116		7,173,902		10,272,979		11,737,750		15,296,027
	28,003,354		34,198,977		38,706,337		40,275,188		51,262,129		56,645,121
	6,877,742		3,667,491		5,624,164		2,888,935		2,793,147		2,644,444
\$	104,820,466	\$	110,508,709	\$	117,637,191	\$	114,298,088	\$	117,481,014	\$	124,788,742

West Des Moines Community School District

Governmental Funds Expenditures and Debt Service Ratio

Last Ten Fiscal Years*

(modified accrual basis of accounting)

(Unaudited)

	2006	2007	2008	2009
Instruction	\$ 46,207,978	\$ 49,132,719	\$ 54,594,512	\$ 59,824,159
Support services:				
Student support services	2,244,901	2,540,872	2,696,984	2,914,955
Instructional staff support services	2,757,027	3,730,666	4,248,509	3,819,415
General administration	881,007	2,902,980	1,843,941	1,656,342
School/building administration	3,778,110	3,896,851	3,962,645	4,321,535
Business administration	2,901,380	2,669,207	2,832,788	3,033,593
Plant operation and maintenance	7,569,820	8,453,862	8,008,586	8,591,118
Student transportation	2,768,778	3,131,766	3,152,857	3,641,335
Noninstructional programs	406,229	417,925	407,431	455,637
Other	6,297,320	2,122,629	2,967,752	3,155,688
Capital outlay	23,785,848	8,568,049	7,605,646	12,018,829
Debt service:				
Principal	5,950,000	5,960,000	6,010,000	6,275,000
Interest	1,348,867	1,057,038	821,688	571,713
Bond issuance costs	32,275	-	-	-
Total expenditures	\$ 106,929,540	\$ 94,584,564	\$ 99,153,339	\$ 110,279,319
Debt service as a percentage of noncapital expenditures	8.80%	8.20%	7.50%	7.00%

* Support service expenditures were not broken down into further functional detail for three years. Therefore, only total support services are shown.

							Fiscal Year				
2010		2011		2012		2013		2014		2015	
\$	61,925,969	\$	60,505,485	\$	63,208,763	\$	68,764,247	\$	69,137,320	\$	72,991,704
	2,894,430		3,084,473		3,288,569		3,280,527		3,435,195		3,283,989
	4,081,780		4,347,578		4,310,078		4,763,412		4,593,121		4,095,927
	1,748,749		1,907,523		4,086,991		2,022,910		3,921,230		1,765,809
	4,391,135		4,471,741		4,553,847		4,617,999		4,517,735		4,536,649
	3,599,677		2,987,958		3,097,271		3,047,268		3,160,543		2,878,381
	7,862,209		8,079,892		8,105,239		8,756,072		8,945,443		8,197,498
	3,468,246		3,697,114		3,985,699		4,018,546		4,145,312		3,985,448
	470,486		479,502		506,046		511,282		534,005		506,448
	3,456,794		3,548,218		3,310,851		3,414,456		3,596,211		3,741,994
	15,124,523		19,305,367		30,064,119		33,341,453		24,355,046		7,224,711
	6,530,000		1,150,000		4,735,000		4,665,000		4,755,000		5,340,000
	291,600		294,211		1,194,187		1,409,645		1,385,818		2,006,062
	-		-		-		-		244,332		-
\$	115,845,598	\$	113,859,062	\$	134,446,660	\$	142,612,817	\$	136,726,311	\$	120,554,620
	6.80%		1.50%		5.68%		5.40%		5.75%		6.50%

West Des Moines Community School District

Other Financing Sources and Uses and Net Change in Fund Balances

Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

	2006	2007	2008	2009
Excess (deficiency) of revenues over (under) expenditures	\$ (15,497,059)	\$ 4,063,962	\$ 2,773,980	\$ (2,865,183)
Other financing sources (uses):				
Proceeds from the sale of capital assets	12,310	1,033,250	9,238	15,746
Transfers in	9,197,860	9,920,174	9,689,101	9,703,929
Transfers out	(9,087,135)	(9,802,874)	(9,683,251)	(9,567,301)
Capital loan notes issued	-	-	-	-
Premiums on bonds	42,734	-	-	-
Discounts on bonds	-	-	-	-
Revenue bonds issued	-	-	-	-
General obligation bonds issued	6,025,000	-	-	-
Payments to escrow agent to refund bond:	(5,985,000)	-	-	-
Total other financing sources (uses)	205,769	1,150,550	15,088	152,374
Net change in fund balances	\$ (15,291,290)	\$ 5,214,512	\$ 2,789,068	\$ (2,712,809)

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ (11,025,132)	\$ (3,350,353)	\$ (16,809,469)	\$ (28,314,729)	\$ (19,245,297)	4,234,122
25,029	9,978	81,955	49,913	71,510	690,041
10,874,263	12,644,611	28,109,224	6,310,959	6,353,818	7,562,062
(10,779,077)	(12,619,611)	(28,005,891)	(6,183,731)	(6,228,818)	(7,437,062)
15,000,000	36,825,000	-	-	-	-
-	777,990	-	-	1,559,407	-
-	-	(104,788)	-	-	-
-	-	10,000,000	-	32,080,000	-
-	-	-	-	-	-
-	-	-	-	-	-
15,120,215	37,637,968	10,080,500	177,141	33,835,917	815,041
\$ 4,095,083	\$ 34,287,615	\$ (6,728,969)	\$ (28,137,588)	\$ 14,590,620	5,049,163



WEST DES MOINES
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West Des Moines Community School District

**Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Assessed Value					Total Assessed Value	Total Taxable Value	Total Direct Rate (a)
	Real Property	Personal Property	Railroad and Utilities Without Gas & Electric	Gas and Electric				
2006	\$ 5,019,942,550	\$ -	\$ 19,142,992	\$ 74,676,868	\$ 5,113,762,410	\$ 3,336,798,349	13.50341	
2007	5,458,058,380	-	19,524,282	80,623,359	5,558,206,021	3,520,173,049	13.70060	
2008	5,619,764,780	-	16,896,120	87,446,791	5,724,107,691	3,644,466,820	13.70031	
2009	5,917,712,535	-	16,985,989	67,996,345	6,002,694,869	3,727,115,928	13.69179	
2010	6,054,875,121	-	17,067,588	68,453,109	6,140,395,818	3,896,794,378	13.64410	
2011	6,245,066,680	-	22,221,322	64,984,529	6,332,272,531	4,073,324,916	13.94266	
2012	6,017,878,720	-	23,181,069	69,061,377	6,110,121,166	3,979,089,714	13.89454	
2013	6,180,263,119	-	23,181,069	68,129,330	6,271,573,518	3,974,375,658	13.30184	
2014	6,242,182,454	-	23,446,169	104,646,454	6,370,275,077	4,355,728,442	13.26452	
2015	6,205,132,155	-	24,716,450	84,952,906	6,314,801,511	4,275,650,297	13.26572	

Note: The assessed values are determined as of January 1, of the prior fiscal year indicated. These assessed values are used to calculate the taxable values for the second budget following assessment date. For example the total assessed value of \$5,113,767,410 from January 1, 2006 is used for the taxable values for fiscal year 2008.

Gas and electric is not subject to property tax, but instead pay utility replacement taxes.

Source: Polk County Auditor and/or Iowa Department of Management

West Des Moines Community School District

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per \$1,000 of assessed value)

(Unaudited)

Fiscal Year	District Direct Rates				Overlapping Rates			
	General Purposes	Capital Purposes	Debt Service	Total	County	City of Clive	City of Urbandale	City of West Des Moines
2006	11.32466	1.80500	0.37375	13.50341	9.94718	9.11072	9.07010	11.72540
2007	11.53627	1.80500	0.35933	13.70060	10.17911	9.24927	9.07393	11.95000
2008	11.58739	1.80500	0.30792	13.70031	10.16618	9.53783	9.22000	12.04990
2009	11.58672	1.80500	0.30007	13.69179	10.69268	9.53762	9.22000	12.05000
2010	11.61960	1.80500	0.21950	13.64410	10.54212	9.53764	9.22000	12.05000
2011	12.13766	1.80500	-	13.94266	10.61771	9.53866	9.32000	12.05000
2012	12.04454	1.80500	-	13.84954	10.60847	9.54485	9.52000	12.05000
2013	11.46603	1.83581	-	13.30184	10.65855	9.98810	9.62000	12.05000
2014	11.44810	1.81642	-	13.26452	11.49540	9.98809	9.57000	12.05000
2015	11.55881	1.70691	-	13.26572	11.72039	9.98952	9.72000	12.05000

Source: Polk County Auditor's Office.

Note:

* Includes levies for operating and debt service costs.

The District has certain restrictions on raising the property tax rate.

General Fund - the District's enrollment as well as District property value and state aid is formula calculated to determine the maximum amount of allowable funding.

Special Revenue Funds - The Special Revenue Fund, PPEL has a restriction from voters of \$1.00 and board imposed levy up to \$0.33.

Overlapping Rates

City of Windsor Heights	Area XI Community College	Special Rates for City of:			
		Clive	Urbandale	West Des Moines	Windsor Heights
12.62896	0.68048	-	0.40073	0.17530	0.17530
12.21843	0.68688	-	0.38507	0.16805	0.16805
12.40322	0.60276	-	0.35918	0.16848	0.16848
14.79484	0.56386	-	0.33994	0.16550	0.16550
13.76398	0.56778	-	0.33537	0.24131	0.24131
13.31499	0.56008	-	0.08005	0.28411	0.28411
13.31486	0.59018	-	0.08531	0.38435	0.38435
13.31499	0.58466	-	0.06011	0.47069	0.47069
13.89892	0.69120	-	0.06911	0.47163	0.47163
15.34886	0.65724	-	0.05699	0.49915	0.49915

West Des Moines Community School District

**Principal Property Taxpayers
Current Year and Nine Years Ago
(Unaudited)**

Taxpayer	2015			2006		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Valley West Mall	\$ 60,885,000	1	1.42%	\$ 81,900,000	1	2.45%
Regency West Office Partners LLC	37,504,800	2	0.88%			
IFBF Property Management Inc	36,225,630	3	0.85%	44,061,100	3	1.32%
MRES West Glen Holdings LP	29,721,164	4	0.70%			
Water Tower Place Shopping Center LP	26,330,670	5	0.62%			
1776 Westlakes Parkway LC	25,902,130	6	0.61%	31,000,000	6	0.93%
Three Fountains II LLC	23,395,500	7	0.55%			
Mid-America Investment Company	20,905,200	8	0.49%	61,536,000	2	1.84%
Colby West Univ Trust	17,764,200	9	0.42%	20,539,830	8	0.62%
Mercy Properties	17,189,010	10	0.40%	20,539,830	9	0.62%
Deerfield Retirement Community Inc				40,000,000	4	1.20%
Hy-Vee Food Store, Inc				36,896,200	5	1.11%
William C Knapp, LC				25,287,000	7	0.76%
Twenty-three Hundred Ltd				19,349,100	10	0.58%
Total	\$ 295,823,304		6.92%	\$ 381,109,060		11.42%
Total taxable value	4,275,650,297			3,336,798,349		

Source: Polk County Auditor.

West Des Moines Community School District

**Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date*	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 44,670,240	\$ 44,537,466	99.70%	\$ 4,797	\$ 44,542,263	99.91%
2007	48,962,346	48,627,453	99.31%	29,427	48,656,880	99.37%
2008	50,488,661	50,397,775	99.82%	19,186	50,416,961	99.86%
2009	52,585,141	52,443,349	99.73%	85	52,443,434	99.73%
2010	54,596,491	53,550,085	98.08%	4,796	53,554,881	98.09%
2011	56,344,110	56,142,286	99.64%	3,276	56,145,562	99.65%
2012	57,734,021	57,379,916	99.39%	8,603	57,388,518	99.40%
2013	53,294,789	52,935,461	99.33%	323,440	53,258,901	99.93%
2014	55,235,446	54,696,827	99.02%	506,156	55,202,983	99.94%
2015	55,114,810	54,985,578	99.77%	-	54,985,578	99.77%

Source: Polk County Auditor and School District financial records.

Note: Information regarding subsequent years collections of prior tax levies is not available.

West Des Moines Community School District

Actual Historic Sales, Services and Use Tax Collections

Last Ten Fiscal Years

(Unaudited)

Presented below is a table illustrating the actual sales, services and use tax collections of the District for the period indicated, on an accrual basis.

Fiscal year	Dallas Co. Revenue	Polk Co. Revenue	Total Revenue
2015	\$ 65,427	\$ 8,535,767	\$ 8,601,194
2014	72,307	7,853,614	7,925,921
2013	83,950	7,774,390	7,858,340
2012	79,765	7,476,891	7,556,656
2011	75,600	8,008,090	8,083,690
2010	53,267	7,084,776	7,138,043
2009	78,285	8,009,537	8,087,822
2008	83,957	8,760,395	8,844,352
2007	88,815	8,537,214	8,626,029
2006	124,320	8,552,416	8,676,736

Source: District records.

West Des Moines Community School District

**Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	General Obligation Bonds	Sales Tax Revenue Bonds	Capital Loan Notes	Total	G.O. Bonds as a Percent of Actual Taxable Value of Property	G.O. Bonds Per Capita Personal Income	G.O. Bonds as a Percent of Personal Income
2006	\$ 4,655,000	\$ 20,120,000	\$ -	\$ 24,775,000	0.09	114.19	0.028%
2007	3,435,000	15,380,000	-	18,815,000	0.06	81.80	0.020%
2008	2,345,000	10,460,000	-	12,805,000	0.04	*	*
2009	1,190,000	5,340,000	-	6,530,000	0.03	*	*
2010	-	-	15,000,000	15,000,000	-	*	*
2011	-	-	50,675,000	50,675,000	-	*	*
2012	-	10,000,000	45,940,000	55,940,000	-	*	*
2013	-	10,000,000	41,275,000	51,275,000	-	*	*
2014	-	43,542,162	37,064,593	80,606,755	-	*	*
2015	-	42,959,365	32,131,794	75,091,159	-	*	*

Source: District records.

* Information not available

N/A = not available.



WEST DES MOINES
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West Des Moines Community School District

**Direct and Overlapping Governmental Activities Debt
As of June 30, 2015
(Unaudited)**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Direct and Overlapping Debt
Polk County	\$ 312,838,946	22.24%	\$ 69,575,382
City of West Des Moines	110,786,349	99.94%	110,719,877
City of Des Moines	455,740,321	0.20%	911,481
City of Clive	39,680,000	100.00%	39,680,000
City of Urbandale	45,800,000	19.61%	8,981,380
City of Windsor Heights	3,659,068	50.05%	1,831,364
Subtotal, overlapping debt	\$ 968,504,684		231,699,483
District direct debt, capital loan notes	32,131,794	100.00%	32,131,794
Total direct and overlapping debt	\$ 1,000,636,478		\$ 263,831,277

Source: Polk County Auditor.

Source: Treasurer of State of Iowa.

* Compares the taxable valuation of the West Des Moines Community School District to the taxable valuation of each taxing district located within the District. Includes TIF incremental values. Does not include ag land.

West Des Moines Community School District

Legal Debt Margin Information Last Ten Fiscal Years (Unaudited)

	2006	2007	2008	2009
Debt limit	\$ 269,465,406	\$ 293,267,008	\$ 299,340,175	\$ 327,397,075
Total net debt applicable to limit	24,775,000	18,815,000	12,805,000	6,530,000
Legal debt margin	<u>\$ 244,690,406</u>	<u>\$ 274,452,008</u>	<u>\$ 286,535,175</u>	<u>\$ 320,867,075</u>
Total net debt applicable to the limit as a percentage of debt limit	9.19%	6.42%	4.28%	1.99%

Source: Polk County Auditor and District records.

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed value						<u><u>\$ 6,314,801,511</u></u>
Debt limit (5% of assessed value)						<u><u>\$ 315,740,076</u></u>
Debt applicable to limit						<u><u>73,260,000</u></u>
Legal debt margin						<u><u>\$ 242,480,076</u></u>
	2010	2011	2012	2013	2014	2015
\$	329,837,128	\$ 330,961,855	\$ 319,508,048	\$ 313,578,676	\$ 314,795,930	\$ 315,740,076
	15,000,000	50,675,000	55,940,000	51,275,000	78,600,000	73,260,000
\$	<u><u>314,837,128</u></u>	<u><u>\$ 280,286,855</u></u>	<u><u>\$ 263,568,048</u></u>	<u><u>\$ 262,303,676</u></u>	<u><u>\$ 236,195,930</u></u>	<u><u>\$ 242,480,076</u></u>
	4.55%	15.31%	17.51%	16.35%	24.97%	23.20%

West Des Moines Community School District

Pledged Revenue Coverage

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Local Option Sales Tax Revenue Bonds				Coverage
	Revenue	Principal	Debt Service Interest	Total	
2006	\$ 10,160,547	\$ 4,580,000	\$ 1,065,675	\$ 5,645,675	1.80
2007	13,644,184	4,740,000	882,625	5,622,625	2.43
2008	9,783,186	4,920,000	692,875	5,612,875	1.74
2009	8,818,452	5,120,000	483,775	5,603,775	1.57
2010	12,296,701	5,340,000	246,975	5,586,975	2.20
2011	8,083,690	1,150,000	294,211	1,444,211	5.60
2012	7,579,856	4,735,000	1,194,187	5,929,187	78.22
2013	7,858,340	4,665,000	1,409,645	6,074,645	77.30
2014	7,925,921	4,755,000	1,385,818	6,140,818	77.48
2015	8,601,194	5,340,000	2,006,062	7,346,062	85.41

Source: District records.

West Des Moines Community School District

**Current Statewide Receipts of the SAVE Tax - Average Per Pupil
Last Six Fiscal Years
(Unaudited)**

Fiscal Year	Statewide Disbursements (1)	Statewide Enrollment (Prior October Count)	Statewide Average Revenue Per Student (2)
2015	441,852,491	478,921	\$ 922.60
2014	430,107,790	476,245	\$ 903.12
2013	410,948,081	473,504	\$ 867.89
2012	410,776,902	473,493	\$ 867.55
2011	384,322,447	474,227	\$ 810.42
2010	369,325,651	477,019	\$ 774.24
2009	361,434,007	480,609	\$ 752.03
2008	365,285,582	482,584	\$ 756.94

(1) Fiscal year 2008 through 2015 Statewide disbursements are final receipts.

(2) Statewide Average Revenue Per Student is based on the State's projected statewide receipts for each year.

Source: Department of Revenue, State of Iowa and District records.

West Des Moines Community School District

**Estimated Receipts of the Tax Available for Distribution
(Unaudited)**

Table I: Assuming no growth in statewide revenues and no enrollment changes

Fiscal Year June 30:	Total Revenues (1)	Total Enrollment	Average Per Student
2015	\$ 440,128,399	478,921	919
2016	440,128,399	478,921	919
2017	440,128,399	478,921	919
2018	440,128,399	478,921	919
2019	440,128,399	478,921	919
2020	440,128,399	478,921	919
2021	440,128,399	478,921	919
2022	440,128,399	478,921	919
2023	440,128,399	478,921	919
2024	440,128,399	478,921	919
2025	440,128,399	478,921	919
2026	440,128,399	478,921	919
2027	440,128,399	478,921	919
2028	440,128,399	478,921	919
2029	440,128,399	478,921	919
2030	220,064,200	478,921	460

Table II: Assuming growth in statewide revenues at historical rates and enrollment changes at historic rates

Fiscal Year June 30:	Total Revenues (1)(2)	Total Enrollment	Average Per Student
2015	\$ 440,128,399	478,921	919
2016	448,930,967	480,720	934
2017	457,909,586	481,756	951
2018	467,067,778	482,293	968
2019	476,409,134	483,109	986
2020	476,409,134	483,641	985
2021	476,409,134	483,641	985
2022	476,409,134	483,641	985
2023	476,409,134	483,641	985
2024	476,409,134	483,641	985
2025	476,409,134	483,641	985
2026	476,409,134	483,641	985
2027	476,409,134	483,641	985
2028	476,409,134	483,641	985
2029	476,409,134	483,641	985
2030	238,204,567	483,641	493

(1) The tax expires December 31, 2029 for Dallas County and schools will receive revenues for only one-half of fiscal year 2030.

(2) The assumption for growth in retail sales is based on the 10 year growth of Taxable Sales of approximately 2.00%.

Fiscal Years 2015 through 2019 are projected by the Iowa Department of Education. Fiscal Year 2020-2030 assumes no growth.

Source: District records.

West Des Moines Community School District

**Estimated Future Tax Revenues
(Unaudited)**

Presented below is a table illustrating the estimated collections of the tax for the periods indicated, using the assumptions below:

Fiscal Year June 30:	Without Growth Estimated Collection (1)(3)	With Growth Estimated Collection (2)(3)
2015	\$ 7,910,206	\$ 8,320,626
2016	7,910,206	8,456,436
2017	7,910,206	8,610,354
2018	7,910,206	8,764,272
2019	7,910,206	8,927,244
2020	7,910,206	8,918,190
2021	7,910,206	8,918,190
2022	7,910,206	8,918,190
2023	7,910,206	8,918,190
2024	8,227,611	8,918,190
2025	8,227,611	8,918,190
2026	8,227,611	8,918,190
2027	8,227,611	8,918,190
2028	8,227,611	8,918,190
2029	8,227,611	8,918,190
2030	4,113,805	4,463,622

(1) FY2015 Tax Revenue is based on Iowa Department of Revenue estimates and includes a projection for the November 2014 reconciliation payment in the amount of \$400,551 which represents the remaining 5% of the collections estimated by the Iowa Department of Revenue.

(2) The District projects future enrollment to remain stable at 9,054. Estimated growth in District's Tax Revenue is reflective of the projected increase in the Statewide Average Revenue Per Student as previously stated.

(3) The Tax expires December 31, 2029 for Dallas County and schools will receive revenue for only one-half of the FY2030.

Source: District records.

West Des Moines Community School District

**Projected Debt Service Coverage
(Unaudited)**

Fiscal Year June 30:	Combined P&I Payments (1)	Tax Revenue (2)	Estimated Coverage
2015	\$ 3,109,302	\$ 7,910,206	2.54 x
2016	3,083,998	7,910,206	2.56 x
2017	3,047,498	7,910,206	2.60 x
2018	3,032,898	7,910,206	2.61 x
2019	3,030,248	7,910,206	2.61 x
2020	3,026,648	7,910,206	2.61 x
2021	3,996,148	7,910,206	1.98 x
2022	3,962,298	7,910,206	2.00 x
2023	3,944,048	7,910,206	2.01 x
2024	3,926,613	7,910,206	2.01 x
2025	3,919,063	7,910,206	2.02 x
2026	3,931,963	7,910,206	2.01 x
2027	3,954,838	7,910,206	2.00 x
2028	3,971,188	7,910,206	1.99 x
2029	3,993,238	7,910,206	1.98 x

(1) For parity test calculation requirements of a fiscal year, per resolution, shall exclude any payment of principal or interest falling due on the first day of the fiscal year and include any payment of principal or interest falling due on the first day of the succeeding fiscal year.

(2) FY2015 tax revenue is based on Iowa Department of Revenue estimates and includes a projection for the November 2014 reconciliation payment in the amount of \$400,551 which represents the remaining 5% of the collections estimated by the Iowa Department of Revenue.

Source: District records.

West Des Moines Community School District

Retail Sales Within District

Last Five Fiscal Years

(Unaudited)

Fiscal Year	City of Clive	City of Des Moines	City of Urbandale	City of Windsor Heights	City of * West Des Moines
2010	\$ 389,696,001	\$ 3,107,944,517	\$ 591,433,940	\$ 31,458,649	\$ 1,483,724,771
2011	408,432,413	3,195,128,388	605,922,097	33,944,113	1,541,230,798
2012	390,334,556	3,264,362,488	619,399,037	40,905,928	1,700,406,372
2013	401,957,952	3,325,445,763	630,794,708	56,851,765	1,636,714,660
2014	414,574,277	3,439,860,062	672,013,925	44,516,033	1,647,831,070
2015	440,106,813	3,661,238,466	732,119,796	36,494,864	1,723,946,833

Source: Iowa Department of Revenue website

* Includes Dallas County and Polk County

West Des Moines Community School District

Debt Ratios and Valuation Per Capita

Year Ended June 30, 2015

(Unaudited)

Debt Ratios:	General Obligation Debt	(1) Debt/Actual Market Value \$ (6,314,801,511)	(2) Debt/Taxable Value \$ (4,231,799,008)	(3) Debt Per Capita (64,104)
District's Total General Obligation Debt	\$ 32,131,794	0.51%	0.76%	\$ 501.24
District's Proportionate Share of Overlapping Debt	155,094,861	2.46%	3.63%	2,419.40
District's Net Overall Debt	<u>\$ 187,226,655</u>	<u>2.97%</u>	<u>4.39%</u>	<u>\$ 2,920.64</u>

(1) Based on the District's 1/1/14 Actual Valuation including Ag Land & Buildings, Taxable TIF Increment and all Utilities.

(2) Based on the District's 1/1/14 Taxable Valuation including Ag Land & Buildings, Taxable TIF Increment and all Utilities.

(3) Population based on the 2010 Census Demographic Summary, U.S. Census Bureau.

Valuation Per Capita:	Valuation 1/1/2014	Valuation Per Capita (64,104)
100% Actual Valuation	\$ 6,314,801,511	\$ 98,509
Taxable Valuation	\$ 4,231,799,008	\$ 66,015

(1) Based on the District's 1/1/14 Actual Valuation including Ag Land & Buildings, Taxable TIF Increment and all Utilities.

(2) Based on the District's 1/1/14 Taxable Valuation including Ag Land & Buildings, Taxable TIF Increment and all Utilities.

(3) Population based on the 2010 Census Demographic Summary, U.S. Census Bureau.

West Des Moines Community School District

**Demographic and Economic Statistics
Last Ten Calendar Years
(Unaudited)**

Calendar Year	Population *	Personal Income (Thousands of Dollars)	Margin of Error (+/-)	Per Capita Personal Income (1)	Margin of Error (+/-)	Unemployment Rate (2)
2006	58,275	2,400,083	254,257	36,168	3,618	2.20%
2007	58,275	2,447,399	285,299	38,578	4,156	2.10%
2008	58,275	2,512,130	236,945	39,717	3,243	2.80%
2009	58,275	2,857,592	299,645	41,567	4,095	4.40%
2010	58,275	2,121,073	169,040	34,193	2,454	4.20%
2011	64,104	2,755,794	345,111	38,490	4,180	4.10%
2012	64,104	2,419,733	209,880	37,134	2,868	3.60%
2013	64,104	3,072,263	380,488	44,854	5,566	3.40%
2014	64,104	2,917,044	304,681	42,707	4,723	3.20%
2015	64,104	N/A	N/A	N/A	N/A	N/A

* Population figures related to 2010 Census Demographic Summary, U.S. Census Bureau

(1) Source: Office of Social and Economic Trend Analysis www.seta.iastate.edu

(2) Source: Iowa Workforce

N/A - Information not available

Notes: N/A = not available.

* Based on a ten-month period, January through October.

West Des Moines Community School District

**Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

Employer	2015			2006		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Wells Fargo & Company	10,830	1	18%			
West Des Moines School District	1,214	2	2%	1,200	4	2%
Athene USA Corporation	1,161	3	2%			
Hy-Vee Inc.	986	4	2%	1,500	1	3%
FBL Financial Group Inc.	977	5	2%	1,117	5	2%
Sammons Financial Group	515	6	1%			
The Iowa Clinic	495	7	1%			
MetLife	490	8	1%			
GuideOne Insurance	445	9	1%	642	8	1%
Business Solvers	435	10	1%			
Wells Fargo Home Mortgage				1,469	2	3%
Wells Fargo Card Services				1,278	3	3%
Marsh Insurance				950	6	2%
Krause Gentle Corporation				712	7	1%
Iowa Foundation for Medical Care				623	9	1%
ITA Group				400	10	1%
All other employers	44,100		72%	39,197		80%
Total	61,648		100%	49,088		100.0%

Sources:

West Des Moines Chamber of Commerce
Iowa Workforce Development

West Des Moines Community School District

Population of Cities and Counties Within District Last Three U.S. Census Data Years (Unaudited)

Calendar Year	Polk County	City of Clive	City of Des Moines	City of Urbandale	City of Windsor Heights	City of West Des Moines
1990	327,140	7,462	193,187	23,500	5,190	31,702
2000	374,601	12,855	198,682	29,072	4,805	46,403
2010	430,640	15,447	203,433	39,463	4,860	56,609

Note 1: No information is reported for Dallas County as the District is served by 1% and it is made up of rural area.

Note 2: Populations for school districts are not calculated by the U.S. Census Bureau. The population of the city and county within which the District is located best illustrates school district population trends.

Source: U.S. Census Bureau

West Des Moines Community School District

**Full-Time Equivalent District Employees By Type
Last Ten Fiscal Years
(Unaudited)**

	Full-Time Equivalent Employees as of June 30			
	2006	2007	2008	2009
Administration:				
Superintendent	1.0	1.0	1.0	1.0
Principals	13.3	14.0	14.0	14.0
Assistant principals	11.0	10.5	10.5	10.5
Other	13.2	13.0	13.5	13.5
Other professionals	17.0	18.0	18.5	18.6
Total supervisory	55.5	56.5	57.5	57.6
Instruction:				
Teacher	554.9	561.9	579.3	600.0
Counselor	19.5	19.5	19.5	19.0
Title I	4.0	4.0	5.5	5.5
Librarian	10.0	9.5	10.0	9.5
Total instruction	588.4	594.9	614.3	634.0
Student services:				
Nurse	3.0	3.0	3.0	3.0
Other professionals	6.1	5.9	5.1	3.9
Total student services	9.1	8.9	8.1	6.9
Support and administration:				
Clerical/secretarial	55.2	49.0	57.7	63.9
Teacher assistant	162.8	202.9	211.6	220.4
Other support personnel	208.7	173.2	211.7	222.3
Crafts/trades	15.0	18.4	19.4	18.0
Total support and administration	441.7	443.5	500.4	524.6
Total	1,094.7	1,103.8	1,180.3	1,223.1

Source: District records

Full-Time Equivalent Employees as of June 30						Percentage
2010	2011	2012	2013	2014	2015	2006 - 2015
1.0	1.0	1.0	1.0	1.0	1.0	0.0%
14.0	14.0	14.0	13.0	14.0	13.0	-2.3%
10.5	10.0	11.0	9.0	8.0	8.0	-27.3%
13.5	13.0	13.0	13.0	14.0	14.0	6.1%
17.8	15.0	15.0	13.0	13.0	12.4	-27.1%
56.8	53.0	54.0	49.0	50.0	48.4	-12.8%
595.3	584.9	586.0	586.4	588.3	603.7	8.8%
19.0	19.6	19.6	19.6	18.6	19.0	-2.6%
5.0	4.5	5.0	4.5	4.0	5.0	25.0%
9.5	8.5	8.0	8.5	8.5	6.9	-31.0%
628.8	617.5	618.6	619.0	619.4	634.6	7.9%
3.0	2.0	2.0	2.0	2.0	2.0	-33.3%
4.4	4.9	4.1	3.1	3.1	2.4	-60.7%
7.4	6.9	6.1	5.1	5.1	4.4	-51.6%
63.3	63.3	62.9	63.2	66.4	58.9	6.7%
202.1	180.3	192.2	194.8	205.4	206.5	26.8%
215.6	210.3	210.1	207.6	216.1	207.7	-0.5%
16.0	15.0	15.0	16.0	20.0	17.0	13.3%
497.0	468.9	480.2	481.6	507.9	490.1	11.0%
1,190.0	1,146.3	1,159.0	1,154.7	1,182.4	1,177.5	7.6%



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West Des Moines Community School District

**Operating Statistics
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Dallas County	Polk County	Certified Enrollment	General Fund Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Percentage of Students Receiving Free or Reduced-Price Meals
2006	98	8,700	8,798	\$ 68,359,777	\$ 7,770	1.66	588.4	12.30
2007	92	8,755	8,847	72,739,399	8,221	5.80	594.9	16.60
2008	91	8,789	8,880	78,815,508	8,876	7.96	614.3	18.04
2009	85	8,757	8,842	84,710,364	9,580	7.94	634.0	20.90
2010	84	8,774	8,858	86,020,903	9,711	1.37	628.8	23.70
2011	104	8,890	8,994	87,922,521	9,776	0.67	617.5	26.44
2012	94	8,956	9,050	90,287,258	9,976	2.05	618.6	27.59
2013	73	9,030	9,103	94,997,978	10,436	4.61	619.0	27.94
2014	68	8,986	9,054	94,968,196	10,489	1.64	619.4	30.45
2015	65	9,081	9,146	98,089,800	10,725	2.25%	634.6	31.35

Source: District records.

West Des Moines Community School District

**School Building Information
Last Ten Fiscal Years
(Unaudited)**

School	Fiscal Year		
	2006	2007	2008
Elementary:			
Clive (1952, 1955, 1957, 1959, 1965, 1989, 1991, 2005):			
Square feet	67,802	67,802	67,802
Number of classrooms	21	21	21
Enrollment	426	401	464
Crestview (1961, 1966, 1969, 1976, 1991, 2009):			
Square feet	59,310	59,310	59,310
Number of classrooms	22	22	22
Enrollment	493	483	473
Crossroads Park (1977, 2010):			
Square feet	60,619	60,619	60,619
Number of classrooms	21	21	21
Enrollment	529	520	546
Fairmeadows (1957, 1962, 1976, 1987, 1992, 2006):			
Square feet	51,435	51,435	51,435
Number of classrooms	21	23	23
Enrollment	473	484	487
Hillside (2004):			
Square feet	81,222	81,222	81,222
Number of classrooms	45	45	45
Enrollment	564	586	595
Jordan Creek (1992):			
Square feet	82,000	82,000	82,000
Number of classrooms	35	35	35
Enrollment	770	760	728
Rex Mathes (1951, 1956, 1969, 1989, 1991):			
Square feet	20,600	20,600	20,600
Number of classrooms	3	3	3
Enrollment	-	-	-
Western Hills (1967, 1968, 1988, 1992, 2009):			
Square feet	73,689	73,689	73,689
Number of classrooms	25	25	25
Enrollment	392	403	477
Westridge (1990, 2013):			
Square feet	81,000	81,000	81,000
Number of classrooms	32	32	32
Enrollment	724	709	686

* Information not available

(Continued)

Fiscal Year						
2009	2010	2011	2012	2013	2014	2015
67,802	67,802	67,802	67,802	67,802	67,802	67,802
21	21	21	21	21	21	30
455	442	505	539	474	458	539
59,310	66,362	73,414	73,414	73,414	73,414	73,414
22	25	25	25	25	25	30
492	455	565	518	478	469	518
60,619	60,619	68,875	68,875	68,875	68,875	68,875
21	21	25	25	25	25	33
551	543	542	565	548	537	565
51,435	51,435	51,435	51,435	51,435	51,435	55,343
23	23	23	23	23	23	35
498	496	521	535	535	540	535
81,222	81,222	81,222	81,222	81,222	81,222	81,222
45	45	45	45	45	45	40
614	574	600	581	535	548	581
82,000	82,000	82,000	82,000	82,000	82,000	82,000
35	35	35	35	35	35	40
726	704	738	714	689	693	714
20,600	20,600	20,600	20,600	20,600	20,600	20,600
3	3	3	3	3	3	3
-	-	-	-	-	-	-
74,755	74,755	74,755	74,755	74,755	74,755	73,689
27	27	27	27	27	27	36
505	515	571	585	576	570	585
81,000	81,000	81,000	81,000	81,000	81,000	81,000
32	32	32	32	32	35	40
671	623	660	662	587	546	662

West Des Moines Community School District

School Building Information (Continued)

Last Ten Fiscal Years

(Unaudited)

School	Fiscal Year		
	2006	2007	2008
Middle:			
Indian Hills (1977,1992):			
Square feet	115,074	115,074	115,074
Number of classrooms	45	45	45
Enrollment	637	622	617
Stilwell (1960, 1962, 1968, 1984, 1988, 1992, 2002, 2010, 2012):			
Square feet	95,520	95,520	95,520
Number of classrooms	42	42	42
Enrollment	711	745	706
High:			
Valley Southwoods Freshman (1999):			
Square feet	162,500	162,500	162,500
Number of classrooms	44	44	44
Enrollment	650	685	725
Valley (1964, 1967, 1969, 1970, 1989, 1992, 2005, 2012, 2015):			
Square feet	310,196	312,599	312,599
Number of classrooms	101	107	107
Enrollment	1,859	1,890	1,870
Other:			
Walnut Creek Campus Alternative High School (1957, 1970, 1989, 1991, 2012):			
Square feet	18,052	18,052	18,052
Number of classrooms	16	16	16
Enrollment	(A)	(A)	(A)

* Information not available

Source: District record (Reflects Students served as of October 1st of each school year)

(A) Clegg Park Elementary was repurposed as the Alternative High School effective August 21, 2012 and renamed Walnut Creek Campus.

Fiscal Year						
2009	2010	2011	2012	2013	2014	2015
115,074	115,074	115,074	115,074	115,074	115,074	115,074
45	45	45	45	45	45	55
623	595	640	675	618	610	675
95,520	95,520	95,520	95,520	108,416	108,416	99,571
42	42	42	42	42	42	59
689	694	742	692	660	667	692
162,500	162,500	162,500	162,500	162,500	162,500	162,500
44	44	44	44	44	44	55
704	629	704	711	666	614	711
345,437	345,437	345,437	455,418	455,418	455,418	456,360
107	107	107	124	124	124	125
1,895	1,784	1,964	1,951	1,800	1,854	1,951
18,052	18,052	18,052	18,052	18,052	18,052	41,260
16	16	16	16	16	16	15
(A)	(A)	(A)	(A)	166	158	173

West Des Moines Community School District

**Open Enrollment
Last Six Fiscal Years
(Unaudited)**

Fiscal Year	Open Enrolled In	Open Enrolled Out	Net Open Enrollment
2011	488.3	507.0	(18.7)
2012	506.1	488.3	17.8
2013	565.5	548.3	17.2
2014	609.0	621.0	(12.0)
2015	614.5	638.9	(24.4)
2016	672.0	635.0	37.0

Note: Students in Iowa are allowed to choose to enroll into and out of the District. The District's revenues per pupil are adjusted for any net gains and/or losses in enrollment. Listed above are recent open enrollment numbers for the District.

Source: Certified enrollment from state as of October 1.

West Des Moines Community School District

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015**

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
<i>Passed through State Department of Agriculture and State of Iowa Department of Education:</i>			
Child Nutrition Cluster:			
National School Breakfast Program	10.553	77-1737	\$ 200,860
National School Lunch Program	10.555	77-1737	1,344,382
Commodities-Noncash, Department of Defense	10.555	77-1737	36,198
Commodities-Noncash	10.555	77-1737	260,243
Summer Food Service Program for Children	10.559	77-1737	82,794
Total Child Nutrition Cluster			<u>1,924,477</u>
Total U.S. Department of Agriculture			<u>1,924,477</u>
U.S. Department of Education			
<i>Passed Through State of Iowa Department of Education:</i>			
Title I - Grants to Local Educational Agencies	84.010A	42-6004525	1,015,283
Vocational Education Basic Grants to States - Carl Perkins Basic Grant	84.048A	42-6004525	87,714
Advanced Placement Program	84.330	42-6004525	2,055
Title II - Improving Teacher Quality State Grant	84.367	42-6004525	168,391
Grants for State Assessments and Related Activities	84.369	42-6004525	44,685
			<u>1,318,128</u>
<i>Passed Through Heartland Area Education Agency:</i>			
Special Education-Grants to States IDEA, Part B	84.027	N/A	475,834
Title III English Language Acquisition	84.365	4644	3,234
			<u>479,068</u>
Total U.S. Department of Education			<u>1,797,196</u>
Total expenditures of federal awards			<u>\$ 3,721,673</u>

See Notes to Schedule of Expenditures of Federal Awards.

West Des Moines Community School District

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2015

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of West Des Moines Community School District under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

Note 2. Significant Accounting Policies

Expenditures reported on the schedule of expenditures of federal awards are reported on the modified accrual or accrual basis of accounting based on the fund type of the program. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles of State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

West Des Moines Community School District

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2015**

Findings	Status	Corrective Action Plan or Other Explanation
Significant Deficiency over Financial Statements:		
2014-001 The District has insufficient information and processes to determine unearned revenues.	Corrected	
Other Findings Related to Statutory Reporting		
IV-A-14 Expenditures exceeded the certified budget amount in the other function.	Corrected	



WEST DES MOINES
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**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
West Des Moines Community School District
West Des Moines, Iowa

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of West Des Moines Community School District (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 30, 2015. Our report included an emphasis of matter paragraph for the implementation of Governmental Accounting Standard Board Statement No. 68.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of West Des Moines Community School District's internal control.

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

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

Compliance and Other Matters

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

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2015 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.

Purpose of this Report

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

Bohnsack & Frommelt LLP

Taylor Ridge, Illinois
November 30, 2015

**Independent Auditor's Report on Compliance For Each
Major Federal Program and On Internal Control
Over Compliance in Accordance with OMB Circular A-133**

To the Board of Education
West Des Moines Community School District
West Des Moines, Iowa

Report on Compliance for Each Major Federal Program

We have audited West Des Moines Community School District's (the District) compliance with the types of compliance requirements described in the OMB Circular A-133, *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments and Nonprofit 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 the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 the District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Bohnsack & Frommelt LLP

Taylor Ridge, Illinois
November 30, 2015

West Des Moines Community School District

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2015**

Part I: Summary of the Independent Auditor's Results

- a) Unmodified opinions were issued on the financial statements.
- b) No material weaknesses or 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 material weaknesses or significant deficiencies over internal control over major programs were identified by the audit of the financial statements.
- e) Type of auditor's reports issued on compliance for each major program: Unmodified
- f) The audit did not disclose 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:
 - Child Nutrition Program Cluster:
 - CFDA 10.553 School Breakfast Program
 - CFDA 10.555 National School Lunch Program
 - CFDA 10.559 Summer Food Service Program for Children
- h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- i) West Des Moines Community School District did qualify as a low-risk auditee.

(Continued)

West Des Moines Community School District

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2015**

Part II: Findings Related to the Basic Financial Statements

Instances of noncompliance:

No matters were reported.

Internal control deficiencies:

No matters were reported.

Part III: Findings and Questioned Costs for Federal Awards

Instances of noncompliance:

No matters were reported.

Internal control deficiencies:

No matters were reported.

Part IV: Other Findings Related to Statutory Reporting

IV-A-15 - Certified Budget: Expenditures for the year ended June 30, 2015 did not exceed the certified budget amounts.

IV-B-15 - Questionable Expenditures: There were no expenditures noted that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.

IV-C-15 - 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.

Finding: During our tests of state compliance, we selected five travel expenditures to test for proper compliance with District policy and proper documentation of public purpose. One of the expenditures included \$727 of tips in excess of automatic gratuity of 25% (\$435) on charges totaling \$1,860.

Recommendation: We recommend employees with access to credit cards for travel are trained on proper use of public funds. Items that do not meet the public purpose test should be reimbursed by the employee to the District.

Response: When the District received this charge on a procurement card, the District consulted with District legal counsel and counsel advised the District it was acceptable to pay.

Conclusion: Response accepted.

(Continued)

West Des Moines Community School District

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2015**

IV-D-15 - Business Transactions: No business transactions between the District and District officials or employees were noted except for the following:

<u>Name, Title, Business Connection</u>	<u>Description</u>	<u>Amount</u>
Board Member Tali Greenspan, spouse is owner of Competitive Edge	Products	\$8,033

In accordance with Attorney General’s opinion dated November 9, 1976, the above transaction does not appear to represent a conflict of interest.

IV-E-15- Bond Coverage: Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.

IV-F-15 - Board Minutes: No transactions requiring Board approval which had not been approved by the Board were noted.

Finding: Four meetings were selected to test if minutes were published after each meeting in accordance with Chapter 279.35 which states, “The secretary shall furnish a copy of the proceedings to be published within two weeks following the adjournment of the meeting.” All of the minutes selected were published; however, two of the minutes were not furnished to be published within two weeks.

Recommendation: We recommend the District submit meeting minutes to be published within the timeframe stipulated in the Chapter 279.35 of the Code of Iowa.

Response: This occurred primarily due to the person responsible for sending the minutes to be published was absent. The District has since changed its system to include one other employee to ensure minutes are submitted timely.

Conclusion: Response accepted.

IV-G-15 - Certified Enrollment:

Finding: Variances in the basic enrollment data certified to the Department of Education were noted.

Recommendation: We recommend the District review and verify enrollment before the October 1st process.

Response: The District will review enrollment figures prior to submission to ensure accuracy of the information certified to the Department of Education.

Conclusion: Response accepted.

IV-H-15 - Supplementary Weighting: No variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.

West Des Moines Community School District

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2015**

IV-I-15 - Deposits and Investments: No instances of non-compliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the District's investment policy were noted.

IV-J-15 - Certified Annual Report: The certified annual report was certified timely to the Iowa Department of Education.

IV-K-15 - Categorical Funding: No instances of categorical funding being used to supplant rather than supplement other funds were noted.

IV-L-15 - Statewide Sales and Services Tax: No instances of noncompliance with the use of the statewide sales and services tax revenue provisions of Chapter 423F.3 of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales and services tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2015, the District reported the following information regarding the statewide sales and services tax revenue in the District's CAR:

Beginning balance		\$	17,547,078
Revenues/other financing sources:			
Statewide sales and services tax revenue	\$	8,601,194	
Investment earnings		41,869	
Other local sources		2,000,000	
Physical plant and equipment for capital projects		280,000	10,923,063
			<hr/>
Expenditures/other financing uses:			
Instruction		1,932,397	
Support services		603,151	
Transfers out		1,463,372	
School infrastructure:			
Buildings		6,566,217	10,565,137
Ending balance			<hr/> <hr/>
			\$ 17,905,004

For the year ended June 30, 2015, the District reduced the tax levy by not having a debt service levy of \$2.01 per \$1000 of taxable valuation as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa.

West Des Moines Community School District

Corrective Action Plan
Year Ended June 30, 2015

	Findings	Corrective Action Plan	Anticipated Date of Completion
Other Findings Related to Required Statutory Reporting:			
IV-C-15	A travel expense included an excess gratuity that does not meet public purpose.	See response at IV-C-15	Fiscal Year 2016-Paul Bobek
IV-F-15	Two Board of Education minutes were not furnished to be published within two weeks.	See response at IV-F-15	Fiscal Year 2016-Paul Bobek
IV-G-15	Variances in enrollment data for certified enrollment were noted.	See response at IV-G-15	Fiscal Year 2016-Paul Bobek