



ANNUAL COMPREHENSIVE FINANCIAL REPORT
of the
DUBUQUE COMMUNITY SCHOOL DISTRICT
Dubuque, Iowa

For the Fiscal Year Ended June 30, 2021

2300 Chaney Road, Dubuque, Iowa 52001

In the Counties of Dubuque and Jackson, State of Iowa



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ANNUAL COMPREHENSIVE FINANCIAL REPORT
of the
DUBUQUE COMMUNITY SCHOOL DISTRICT
Dubuque, Iowa

For the Fiscal Year Ended June 30, 2021

OFFICIAL ISSUING REPORT
Kevin Kelleher
Chief Financial Officer

OFFICE ISSUING REPORT
Business Office



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INTRODUCTORY SECTION



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OUR MISSION is to develop world-class learners and citizens of character in a safe and inclusive learning community.

OUR VISION is to unfold the potential of every student by empowering the teacher/student relationship through:

- > Promoting the roles and responsibilities we all have in the 21st century learning process
 - > Removing barriers
 - > Creating an environment where character and citizenship count
 - > Leveraging content knowledge to become critical thinkers and problems solvers
 - > Providing multiple pathways to unlocking student potential
-

THE BOARD OF EDUCATION VALUES

- > Essential skills of digital-age literacy, inventive thinking, effective communication, and high productivity
- > Innovative programming options
- > Extra-curricular activities and character development
- > Building leadership capacity for all employees
- > Community engagement and multiple ways of communication
- > Being transparent, ethical, equitable, and using resources wisely



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Ms. Tamara L. Ryan, President
Members of the Board of Education, and
Residents of the Dubuque Community School District

We are pleased to submit the Annual Comprehensive Financial Report of the Dubuque Community School District (District) for the fiscal year ended June 30, 2021. This report has been prepared to conform to guidelines recommended by the Association of School Business Officials International. The responsibility for the accuracy and completeness of the presentation, including all disclosures, rests with the officials of the District's Business Office management staff. We believe 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.

Jim Kircher and Associates, P.C., have issued an unmodified ("clean") opinion on the District's basic financial statements for the year ended June 30, 2021. The Independent Auditor's Report is located at the front of the financial section of this report.

The Annual Comprehensive Financial Report is divided into four sections: introductory, financial, statistical, and single audit compliance. The introductory section includes this transmittal letter, the District's organizational chart, a list of principal District officials, consultants and advisors, and a Certificate of Excellence in Financial Reporting from the Association of School Business Officials International. The financial section includes the Independent Auditor's Report, the Management's Discussion and Analysis, the basic financial statements, notes to the financial statements and required supplementary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

The District was required to have 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, summary schedule of prior audit findings, 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 for each major program and on internal control over compliance, and a schedule of findings and questioned costs are included in the single audit compliance section of this report.

Reporting Entity and its Services

The Dubuque Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades pre-school through twelve.

The District was organized in 1856. The District is supported financially by legislatively appropriated state aid, property taxes, local option sales and services tax, state and federal grants for special projects and local revenue received in the form of tuition and other miscellaneous income items. The District is governed by a seven-member board of education. School board members are elected to four-year terms and elections are held only in odd-numbered years. All board members are elected at large.

The District provides a full range of educational services for residents of the Dubuque Community School District appropriate to students in early childhood and grades kindergarten through twelve. These services include basic, regular and enriched academic education, special education for identified children with qualifying special needs, vocational education and many individualized programs such as specialized instruction for students at-risk and students whose primary language is not English. The official enrollment of the District as of October 2020 (the official count date) was 10,310 students. This District is the ninth largest of Iowa's 327 public school systems. According to the Iowa Department of Education, projected enrollments decline slightly over the next few years. The District operates two regular high schools, three middle schools, and thirteen elementary schools.

The financial statements include all funds, agencies, boards, and commissions. The District has also considered all actual and potential component units for which it is financially accountable and all other organizations where the nature of significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading. The criteria considered in determining financial accountability of any entity to the District include appointing a voting majority of an organization's governing body, and (1) the ability of the District to impose its will on that organization; and/or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the District. The Dubuque Community School District has no component units that meet the Governmental Accounting Standards Board criteria.

Accounting System

In developing and evaluating the accounting system of the District, much consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the internal accounting controls of the District adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Relevant Financial Policies

The Dubuque Community School District operates under the laws as defined in Code of Iowa and policies as determined by the local Board of Education. A comprehensive accounting system is promulgated by the Iowa Department of Education including account numbers for revenues and expenditures by function and object. The District additionally tracks revenues by source of funds and expenditures by location, curricular program and funding source. Annual budgets are provided to the Department of Management and annual financial reports are provided to the Iowa Department of Education in their prescribed formats. Periodic financial reports are submitted to the Iowa Department of Education or other granting agencies for many federal and state grants.

The District takes its fiduciary responsibility to our students, parents and taxpayers very seriously. It has adopted policies defining the budget process, purchasing, insurance and cash management. It has also adopted a strategic plan which includes a ten-year facilities plan, a District technology plan and has three financial benchmarks that are used to measure the financial strength of the District's General Fund. These three benchmarks are Cash Balance, Solvency Ratio, and Unspent Balance (which is another term for Spending Authority). The District had the following goals for these three benchmarks:

1. Cash Balance – Three months' worth of cash expenditures
2. Solvency Ratio – Range of 5% to 15%
3. Unspent Balance – One month's worth of cash expenditures

For FY 2020-21, listed below are the District's benchmarks and actual amounts:

	<u>Benchmark</u>	<u>Actual</u>
Cash Balance	\$35,207,025	\$31,159,075
Solvency Ratio	5% - 15%	13.0%
Unspent Balance	\$11,532,814	\$13,969,257

The District did not meet the Cash Balance benchmark and met the Solvency Ratio and Unspent Balance benchmarks. There was a decrease in Cash Balance but an increase in Solvency Ratio and Unspent Balance for the year ended June 30, 2021. The District Cash Balance decreased because of a timing issue with a receipt of claims for ESSER funds. The expenditures were incurred before June 30, 2021, but the reimbursements for these expenditures from the Iowa Department of Education were received in August 2021. The Solvency Ratio and Unspent Balance calculations included these reimbursements as they are calculated on the accrual basis of accounting. The District is expecting increases in Cash Balance, Solvency Ratio and Unspent Balance in the FY 2021-22, but will need to monitor the financial benchmarks throughout the year to see what level of budget reduction plans for the FY 2023-24 are needed.

Budgeting

The District's Board of Education annually adopts and certifies a budget following a public hearing and approves the related appropriations for the general, special revenue, debt service, capital projects and enterprise funds in accordance with provisions outlined in the statutes of the State of Iowa. The budgets and financial statements for the governmental fund types are prepared on a modified accrual basis and the budget and financial statements for the proprietary funds are prepared on the accrual basis. A schedule comparing the original and amended budget to actual revenues and expenditures/expenses is included as required supplementary information.

For management control, the line-item budgets are reviewed for variances. However, since a budget is a plan, overage or underage on a line-item basis is allowed if sufficient funds are available on a major program basis. Iowa law requires the formal and legal budgetary control for the certified budget to be 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, non-instructional programs, and other expenditures.

Major Initiatives and Achievements

In September of 2002, local voters approved a one-cent local option sales and services tax for school infrastructure. With that sales tax funding, the District developed a plan for the future. Beginning in February 2003, a group of citizens made up a public planning task force, and worked with the School Board, to develop a plan which designed and chose locations for a new middle school, replacement downtown elementary school and a new west-end elementary school. Plans for construction were approved and bids taken for each project. Construction was completed in August 2005 on the new 206,000 square foot Eleanor Roosevelt Middle School. The new 66,000 square foot Prescott Elementary School has been completed and opened in August of 2006. The new 66,000 square foot George Washington Carver Elementary School was completed and opened in August of 2007. Also, extensive remodeling and additional classrooms were done at Stephen Hempstead High School during this period. The District issued revenue bonds in October 2004, January 2005, January 2006, and January 2007 to finance the new construction, with sales tax revenues paying off the bonds. These bonds have been subsequently paid-off.

The State of Iowa subsequently enacted legislation that extended the statewide sales tax to 2029. Because of this extension, the District has developed a long-term facilities plan and a long-term technology plan to strategically use these additional funds to complement the District Strategic Plan. In the spring of 2019, the State of Iowa enacted legislation again and renewed the statewide sales tax to January 1, 2051. The District will continue to use the long-term facilities plan and long-term technology plan to strategically use these additional funds.

The following projects were all funded with a combination of sales tax funds and sales tax revenue bonds;

<u>Completion date</u>	<u>School site</u>	<u>Approximate cost</u>
• FY 2013/14	Senior High – stadium renovation	\$ 10,100,000
• FY 2014/15	Kennedy Elementary – remodel/addition	\$ 6,000,000
• FY 2015/16	Hempstead High – remodel/addition	\$ 33,000,000
• FY 2019/20	Senior High – remodel/addition	\$ 29,500,000
• FY 2019/20	Hempstead High – District swimming pool	\$ 9,600,000
• FY 2019/20	Alta Vista Campus – addition	\$ 6,600,000
• FY 2020/21	Alta Vista Campus – Vocational addition	\$ 1,700,000

The following bonds were issued to fund the above list of projects;

<u>Date of Issuance</u>	<u>Amount issued</u>	<u>Current bond status</u>
• April 2012	\$ 10,000,000	Refinanced by 2019 bonds
• April 2013	\$ 10,000,000	Refinanced by 2019 bonds
• March 2014	\$ 13,033,000	Refinanced by 2020 bonds
• January 2015	\$ 15,960,000	Refinanced by 2020 bonds
• December 2016	\$ 10,000,000	Making payments
• December 2017	\$ 10,000,000	Making payments
• October 2018	\$ 9,455,000	Making payments
• December 2019	\$ 9,058,000	Making payments
• July 2020	\$ 24,085,000	Making payments

In FY 2020-21, the District completed construction on a vocational technology addition to the Alta Vista Campus. The cost of this project was about \$1,700,000. Also, the District began construction on another major remodel/addition project at Senior High School (Phase II). This project is to remodel areas that were not touched in the first phase as well as to add needed educational spaces that do not currently exist or need to be moved to improve educational programs. This project is budgeted to cost approximately \$33,900,000. The Senior High School (Phase II) project will be funded in two separate issues of sales tax revenue bonds. In July of 2020, the District sold \$24,085,000 of sales tax revenue bonds to refinance the 2014 and 2015 bonds, which will substantially reduce future year interest costs, and to generate approximately \$2,100,000 to pay for the architects on the Senior High School (Phase II) project. In July of 2021, the District sold \$30,185,000 of sales tax revenue bonds to finance the remaining architect and construction costs.

Economic Condition and Outlook

The City of Dubuque's location in the tri-state area of Iowa, Illinois, and Wisconsin provides the area with a regional economic importance. The city has been endorsed as an All-American City in 2007, 2012, 2013, 2017, and 2019. The regional tax base is steady; the property tax base of the Dubuque Community School District itself is below the state average. The per pupil property tax valuation ranks 217 out of 327 school districts in the state. The strong regional retail market continues to provide wealth to the community. The strong regional market is illustrated by various convention and tourism activities.

The State of Iowa's school funding formula projects a controlled budget based on October's enrollment for the current budget year multiplied by a legislatively approved cost per pupil for the subsequent budget year. The per pupil allowable cost for FY 2020-21 was \$7,048. The State Supplemental Aid rate for FY 2021-22 is at 2.4% which equates to a per pupil amount of \$7,227.

In light of these circumstances, the District must continue to operate in the most efficient manner possible during FY 2021-22 to help ensure adequate funding for staff, services, and supplies.

Independent Audit

The accounting firm of Jim Kircher & Associates, P.C., was selected to perform the annual audit in accordance with Chapter 11 of the Code of Iowa. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Compliance Supplement. The auditor's report on the basic financial statements, combining and individual fund statements, and other schedules is included in the financial section of this report. The auditors have issued an unmodified "clean" opinion on the Dubuque Community School District's financial statements for the year ended June 30, 2021. The Independent Auditor's Report is located in the financial section of this report.

Certificate of Achievement for Excellence in Financial Reporting

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence to the District for their Annual Comprehensive Financial Report. This Certificate is a prestigious national award, recognizing conformance with the highest standards for preparation of government financial reports. In order to be awarded this certificate, the District must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such reports must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

This certificate is valid for a period of one year only. The Dubuque Community School District has received these awards for the twelve previous fiscal years' Annual Comprehensive Financial Report. We believe our current report conforms to these requirements and we are submitting it to ASBO International to determine its eligibility for a certificate from this organization. The District had not applied for the Certificate in any years prior to 2009.

Other Matters

Also included in this report is a statistical section, including additional financial data, that will give the reader a better understanding of the school system. This section has been updated in conformity with the reporting requirements of GASB 44. This section provides information categorized as follows:

1. Financial trend schedules.
2. Revenue capacity schedules.
3. Debt capacity schedules.
4. Demographic and economic information schedules.
5. Operating information schedules.
6. Continuing disclosure information.

We wish to take this opportunity to thank the Business Department staff, in particular, Rick Till and Sarah Pfab, that assisted in obtaining and organizing data, the independent auditing firm of Jim Kircher & Associates, P.C., the Dubuque County Auditor and Treasurer Offices and the city and county officials who provided much needed information. Without all of the above groups' efforts, the report could not have been completed.

In summary, the objective of the Annual Comprehensive Financial Report is to provide the general public and other users of the District's financial information a better understanding of the operating activities and financial condition of the District.

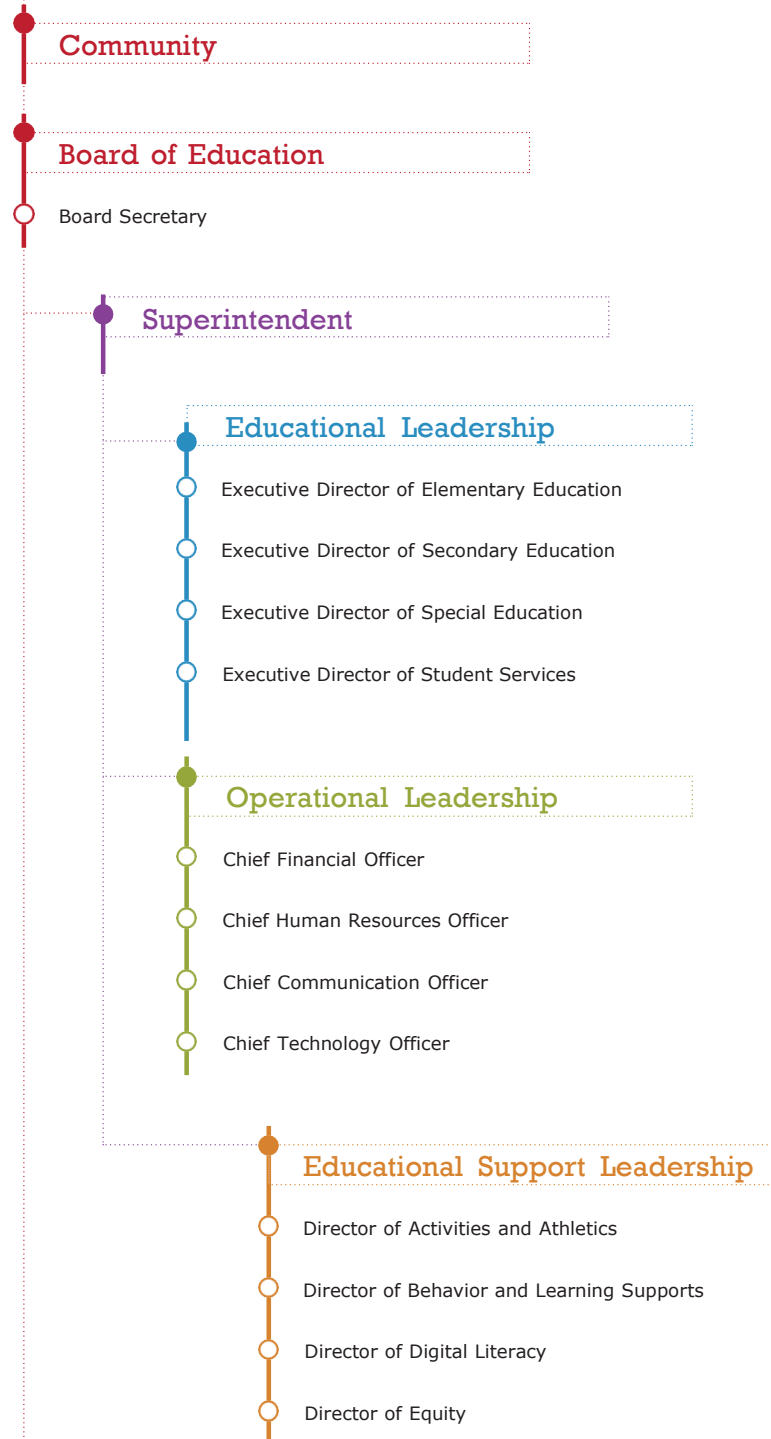
Very truly yours,



Kevin Kelleher
Chief Financial Officer



Stan Rheingans
Superintendent of Schools



Dubuque Community School District

Board of Education

Year Ended June 30, 2021

Term Expires:

Tami Ryan	President	December 2023
Jim Prochaska	Vice President	December 2021
Nancy Bradley	Board Member	December 2021
Anderson Sainci	Board Member	December 2021
Mike Donohue	Board Member	Resigned June 2021
Kate Parks	Board Member	December 2023
Lisa Wittman	Board Member	December 2023
Tom Barton (appointed June 2021)	Board Member	December 2021

Dubuque Community School District

School District Administration

Year Ended June 30, 2021

Stan Rheingans	Superintendent of Schools
Kevin Kelleher	Chief Financial Officer
Amy Hawkins	Chief Human Resources Officer
Coby Culbertson	Chief Technology Officer
Michael Cyze	Chief Communication Officer

Executive Directors

Mark Burns	Executive Director of Secondary Education
Cindy Steffens	Executive Director of Elementary Education
Brenda Duvel	Executive Director of Special Education
Shirley Horstman	Executive Director of Student Services

Business Office

Rick Till	Director of Finance
Amy VanderMeulen	Manager of Payroll and Benefits
Bill Burkhart	Manager of Buildings and Grounds
Rob Powers	Assistant Manager of Buildings and Grounds
Ernie Bolibaugh	Manager of Transportation
Sue Shaul	Assistant Manager of Transportation
Joann Franck	Manager of Food Services
Jackie Ament	Assistant Manager of Food Services

Dubuque Community School District

Consultants and Advisors

Year Ended June 30, 2021

Certified Public Accountants

Jim Kircher & Associates, P.C.
815 Century Drive
Dubuque, IA 52002

Bond Counsel

Ahlers & Cooney, PC
100 Court Avenue, Suite 600
Des Moines, IA 50309

General Counsel

Fuerste, Carew, Juergens & Sudmeier, P.C.
200 Security Building
151 West 8th Street
Dubuque, IA 52001

Insurance Consultants

The Friedman Group, Inc.
909 Main Street
Dubuque, IA 52001

Financial Advisors

Piper Sandler
3900 Ingersoll Avenue, Suite 110
Des Moines, IA 50312

Dubuque Community School District

Consultants and Advisors

Year Ended June 30, 2021

Official Depositories

Premier Bank
2625 NW Arterial
Dubuque, IA 52002

Midwest One
895 Main St.
Dubuque, IA 52001

Dubuque Bank & Trust
1398 Central
Dubuque, IA 52001

US Bank
270 W 7th St.
Dubuque, IA 52001

UMB
453 7th Street
Des Moines, IA 50309

Fidelity Bank & Trust
4250 Asbury Road
Dubuque, IA 52002

Collins Community Credit Union
1150 42nd Street NE
Cedar Rapids, IA 52410

Iowa Schools Joint Investment Trust
6000 Grand Avenue
Des Moines, IA 50312

Dupaco Community Credit Union
3299 Hillcrest Road
Dubuque, IA 52001

DuTrac Community Credit Union
3465 Asbury Road
Dubuque, IA 52002



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Dubuque Community School District

**for its Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2020.**

The report meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



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FINANCIAL SECTION



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Telephone 563/556-3392
FAX 563/556-3443

Jim Kircher & Associates, P.C.
Certified Public Accountants

*815 Century Drive
Dubuque, Iowa 52002*

Independent Auditor's Report

To the Board of Education of
Dubuque Community School District:

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 Dubuque Community School District, Dubuque, Iowa, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks and material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Dubuque Community School District as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of a Matter

As discussed in Note 14 to the financial statements, Dubuque Community School District adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the District's Proportionate Share of Net Pension Liability, the Schedule of District Contributions, and the Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes on pages 22 through 36 and 83 through 89 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Dubuque Community School District's basic financial statements. We previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the nine years ended June 30, 2020 (which are not presented herein) and expressed unmodified opinions on those financial statements. The combining nonmajor fund financial statements and other schedules, listed in the table of contents as other supplementary information, and the accompanying Schedule of Expenditures of Federal Awards required by Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 December 13, 2021 on our consideration of Dubuque Community School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dubuque Community School District's internal control over financial reporting and compliance.

JIM KIRCHER & ASSOCIATES, P.C.

Dubuque, Iowa
December 13, 2021



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Dubuque Community School District

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

Dubuque Community School District (the "District") provides this Management's Discussion and Analysis of its financial statements. The narrative overview and analysis focuses on the financial activities for the fiscal year ended June 30, 2021. Please read this information in conjunction with the District's financial statements, which immediately follow this section.

2021 FINANCIAL HIGHLIGHTS

- The District implemented Governmental Accounting Standards Board Statement (GASBS) No. 84, Fiduciary Activities, during FY 2020-21. The beginning net position/fund balance for Fiduciary funds and governmental funds - non-fiduciary scholarships was restated by \$146,015 to retroactively report fiduciary funds and governmental funds in accordance with the GASBS.
- Funding levels for Iowa K-12 school districts depend principally on two factors: first, changes in enrollment and second, changes in *per pupil district cost*. Of these two factors, changes in *per pupil district cost* normally have the larger impact on District funding. *Per pupil district cost* is an amount annually set by state government. This amount has historically been determined by applying a percentage increase to the prior year's amount. The percentage increase was 2.30% for FY 2020-21, 2.06% for FY 2019-20, 1.00% for FY 2018-19 and 1.11% for FY 2017-18. This percentage amount has a substantial impact on district-funding levels and has been very low in recent years.
- The District's enrollment is beginning to decline. From October 2019 to 2020, there was a decrease of 179 students. The Iowa Department of Education projects slightly declining enrollment over the next several years.
- General fund revenues increased by \$12.6 million (9.5%) in FY 2020-21. Major components of this change include a \$2.9 million increase in state aid, a \$2.0 million increase from real estate taxes and a \$7.7 million increase in miscellaneous income. The large increase in miscellaneous income was due to receiving Federal funds for COVID-19.
- General fund expenditures increased by \$5.7 million (4.3%) in this fiscal year. Salaries and benefits comprise 84.3% of general fund expenditures for FY 2020-21 as compared to 85.5% of general fund expenditures for FY 2019-20. The reason for the prior year's higher percentage of salaries and benefits is directly related to the COVID-19 pandemic. In mid-March of 2020, the school year was brought to an abrupt halt and the District closed all of the school buildings and no longer had in-person instruction which decreased the amount of expenses for things like supplies, services and utilities. The District decided to continue to pay salaries and benefits for all staff through the end of their contract. This created a shift of a larger portion of expenses going towards salaries and benefits as compared to a normal fiscal year.
- General fund net change in fund balance increased by \$6.8 million, cash/investments decreased by \$0.4 million, and estimated unspent balance increased by \$3.5 million.

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

2021 FINANCIAL HIGHLIGHTS, continued

- The District monitors the three primary school district general fund financial indicators of cash/investments, solvency ratio, and unspent balance. These indicators are measured at year-end and compared to prior-years' results, state standards, and other districts' results. For FY 2020-21 results please refer to Page 7, Introductory Section, Relevant Financial Policies.
- The District's total net position increased by \$10.3 million (12.2%) this fiscal year. Most of this increase was because the District was reimbursed \$9.1 million in COVID-19 Federal funds (ESSER I, II, III and GEER I).

USING THIS ANNUAL REPORT

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

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

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

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

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

Required Supplementary Information further explains and supports the financial statements with a comparison of the District's budget for the year, the District's proportionate share of the net pension liability and related contributions, as well as presenting the Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes.

Other Supplementary Information provides detailed information about the nonmajor governmental funds. In addition, the Schedule of Expenditures of Federal Awards provides details of various federal programs benefiting the District.

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

REPORTING THE DISTRICT'S FINANCIAL ACTIVITIES

Government-wide Financial Statements

The government-wide financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

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

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

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

Fund Financial Statements

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

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

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

REPORTING THE DISTRICT'S FINANCIAL ACTIVITIES, continued

The District has three kinds of funds:

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

The District's governmental funds include the general fund, special revenue funds, debt service fund, and capital projects funds.

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

2) *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The District's enterprise fund, one type of proprietary fund, is the same as its business-type activities but provides more detail and additional information, such as cash flows. The District currently has one enterprise fund, the school nutrition fund.

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

3) *Fiduciary funds*: The District is the trustee, or fiduciary, for assets that belong to others. The District currently has one type of fiduciary fund, the custodial funds.

- Custodial funds – These are funds through which the District administers and accounts for certain revenue collected for employee related expenditures.

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

The required financial statements for fiduciary funds include a statement of fiduciary net position and a statement of changes in fiduciary net position.

Reconciliations between the government-wide financial statements and the governmental fund financial statements follow the governmental fund financial statements.

Dubuque Community School District

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Figure A-1 below provides a summary of the District's net position at June 30, 2021, compared to June 30, 2020.

**Figure A-1:
Condensed Statement of Net Position
June 30,**

	Governmental Activities		Business-type Activities		Total District		Total Percent -age Change
	2021	2020	2021	2020	2021	2020	2020-21
Current and other assets	\$133,007,711	\$124,285,725	\$2,475,893	\$2,162,433	\$135,483,604	\$126,448,158	7.1%
Capital assets	166,410,388	167,086,349	477,692	327,476	166,888,080	167,413,825	(0.3)%
Total assets	\$299,418,099	\$291,372,074	\$2,953,585	\$2,489,909	\$302,371,684	\$293,861,983	2.9%
Deferred outflows of resources	\$ 20,915,508	\$ 21,330,151	\$ 684,183	\$ 560,853	\$ 21,599,691	\$ 21,891,004	(1.3)%
Current liabilities	\$ 19,310,638	\$ 19,366,860	\$ 618	\$ 26,457	\$ 19,311,256	\$ 19,393,317	(0.4)%
Long-term liabilities	143,672,686	135,484,133	2,177,833	1,863,683	145,850,519	137,347,816	6.2%
Total liabilities	\$162,983,324	\$154,850,993	\$2,178,451	\$1,890,140	\$165,161,775	\$156,741,133	5.4%
Deferred inflows of resources	\$ 63,840,167	\$ 74,337,778	\$ 508,893	\$ 637,881	\$ 64,349,060	\$ 74,975,659	(14.2)%
Net position:							
Net investment in capital assets	\$103,262,388	\$103,938,349	\$ 477,692	\$ 327,476	\$103,740,080	\$104,265,825	(0.5)%
Restricted	33,328,982	31,262,392	0	0	33,328,982	31,262,392	6.6%
Unrestricted	(43,081,254)	(51,541,272)	472,732	195,265	(42,608,522)	(51,346,007)	17.0%
Total net position	\$93,510,116	\$ 83,659,469	\$950,424	\$ 522,741	\$ 94,460,540	\$ 84,182,210	12.2%

The District's total net position increased 12.2%, or \$10,278,330, from the prior year. The largest portion of the District's net position is invested in capital assets (e.g., land, infrastructure, intangibles, buildings and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets. See the "2021 FINANCIAL HIGHLIGHTS" section for the reasons for the increase.

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS, continued

Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. The District's restricted net position increased \$2,066,590 or 6.6%, over the prior year. This increase comes from an increase in two restricted funds. The physical plant and equipment levy restricted net position increased because several school buses were delivered after July 1, 2021 which were originally planned to be delivered in May of 2021 and a small construction project got started later than expected so FY 2020-21 costs were lower. The debt service restricted net position increased due to the increase of bond reserve required by the issuance of the July 2020 bonds used for refinancing.

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – increased \$8,737,485 or 17.0%. This increase in unrestricted net position was primarily a result of bond principal payments of \$5,759,000.

(continued on the next page)

Dubuque Community School District

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS, continued

Figure A-2 shows the change in net position for the year ended June 30, 2021, compared to the year ended June 30, 2020.

Figure A-2:
Changes in Net Position

	Governmental Activities		Business-type Activities		Total District		Total Percentage Change 2020-21
	2021	2020	2021	2020	2021	2020	
Revenues:							
Program revenues:							
Charges for services	\$ 2,821,715	\$ 3,155,202	\$ 406,770	\$ 1,611,820	\$ 3,228,485	\$ 4,767,022	(32.3)%
Operating grants, contributions, and restricted interest	\$ 35,637,988	23,707,633	3,927,060	3,261,079	39,565,048	26,968,712	46.7%
Capital grants, contributions, and restricted interest	0	0	0	0	0	0	0.0%
General revenues:							
Property taxes and other taxes	68,191,686	66,183,867	0	0	68,191,686	66,183,867	3.0%
Unrestricted state grants	56,938,195	57,325,777	0	0	56,938,195	57,325,777	(0.7)%
Unrestricted investment earnings	184,228	879,823	1,441	45,165	185,669	924,988	(79.9)%
Miscellaneous	4,495,006	1,140,318	0	0	4,495,006	1,140,318	294.2%
Total revenues	\$168,268,818	\$152,392,620	\$4,335,271	\$4,918,064	\$172,604,089	\$157,310,684	9.7%
Expenses:							
Instruction	\$ 95,184,818	\$ 95,075,547	\$ 0	\$ 0	\$ 95,184,818	\$ 95,075,547	0.1%
Student services and instructional staff services	14,683,619	14,202,936	0	0	14,683,619	14,202,936	3.4%
Administrative Services	16,214,404	16,240,347	0	0	16,214,404	16,240,347	(0.2)%
Operation & maintenance of plant services	13,005,382	11,760,883	0	0	13,005,382	11,760,883	10.6%
Transportation Services	4,965,603	5,318,515	0	0	4,965,603	5,318,515	(6.6)%
Non-instructional	164,587	79,056	4,407,588	4,948,700	4,572,175	5,027,756	(9.1)%
Other	13,699,758	13,019,695	0	0	13,699,758	13,019,695	5.2%
Total expenses	\$157,918,171	\$155,696,979	\$4,407,588	\$4,948,700	\$162,325,759	\$160,645,679	1.0%
Change in net position before Transfers	10,350,647	(3,304,359)	(72,317)	(30,636)	10,278,330	(3,334,995)	408.2%
Transfers	(500,000)	281,827	500,000	(281,827)	0	0	0.0%
Change in net Position	\$ 9,850,647	\$ (3,022,532)	\$ 427,683	\$ (312,463)	\$ 10,278,330	\$ (3,334,995)	408.2%
Beginning net Position	83,659,469	86,682,001	522,741	835,204	84,182,210	87,517,205	(3.8)%
Ending net position	\$ 93,510,116	\$ 83,659,469	\$ 950,424	\$ 522,741	\$ 94,460,540	\$ 84,182,210	12.2%

Dubuque Community School District

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS, continued

In FY 2020-21, general revenues property taxes and other taxes and unrestricted state grants accounted for 74.4% of governmental activities revenue while program charges for service and operating grants, contributions, and restricted interest accounted for 98.8% of business-type activities revenue. The District's total revenues were approximately \$172.6 million, of which approximately \$168.3 million was for governmental activities and approximately \$4.3 million was for business-type activities.

As shown in Figure A-2, the District as a whole experienced a 9.7% increase in revenues and a 1.0% increase in expenses. Operating grants and contributions increased approximately \$12.6 million, unrestricted state grants decreased approximately \$0.4 million, property tax increased approximately \$2.0 million, and others increased \$3.4 million. The increase in expenses is mainly related to increases in negotiated salaries and benefits.

Governmental Activities

Revenues for governmental activities were \$168,268,818 and expenses were \$157,918,171 for the year ended June 30, 2021.

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

**Figure A-3:
Total and Net Cost of Governmental Activities
Years Ended June 30,**

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2021	2020	2020-21	2021	2020	2020-21
Instruction	\$ 95,184,818	\$ 95,075,547	0.1%	\$ 67,357,606	\$ 75,998,466	(11.4)%
Support services:						
Student services						
and instructional						
staff services	14,683,619	14,202,936	3.4%	11,950,020	12,103,292	(1.3)%
Administrative						
services	16,214,404	16,240,347	(0.2)%	14,989,680	16,239,413	(7.7)%
Operation &						
maintenance of						
plant services	13,005,382	11,760,883	10.6%	12,770,901	11,746,151	8.7%
Transportation						
services	4,965,603	5,318,515	(6.6)%	4,471,337	4,872,094	(8.2)%
Non-instructional	164,587	79,056	108.2%	(335,413)	79,056	(524.3)%
Other	13,699,758	13,019,695	5.2%	8,254,337	7,779,982	6.1%
Total expenses	\$157,918,171	\$155,696,979	1.4%	\$119,458,468	\$128,818,454	(7.3)%

Dubuque Community School District

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

Governmental Activities, continued

For the year ended June 30, 2021:

- The cost financed by users of the District's programs was \$2,821,715.
- Federal and state governments subsidized certain programs with grants and contributions totaling \$35,637,988.
- The net cost of governmental activities was financed with \$68,191,686 of property and other taxes and \$56,938,195 of unrestricted state grants.

Business-Type Activities

District maintains only one activity within the business-type activities classification, and this is its school nutrition fund. School nutrition fund revenues decreased by \$582,793 over the prior year which represents an 11.9% decrease. The school nutrition fund revenues decreased this year mainly due to the COVID-19 pandemic. Due to the pandemic, the District had over 20% of enrolled students online during FY 2020-21. The students who attended in person were in the buildings every other day until February 2021. Both of these items dramatically reduced the number of meals served during the year.

INDIVIDUAL FUND ANALYSIS

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

The financial performance of the District as a whole is reflected in its government funds, as well. As the District completed the year, its governmental funds reported combined fund balance of \$56,766,452, above last year's ending fund balance restated of \$48,128,518. The primary reason for the increase in combined fund balance at the end of the FY 2020-21 is because of an increase in the General Fund.

Governmental Fund Highlights

- The District's general fund cash/investment balance decreased in FY 2020-21. The District's fund balance and unspent balance increased in FY 2020-21. At June 30, 2021, the estimated unspent balance was \$13,969,257.
- Salaries and benefits comprise about 84.3% of the general fund expenditures. These expenditures increased \$3,159,516 due primarily to the negotiated settlements with the District's seven different bargaining units.

Dubuque Community School District

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

Governmental Fund Highlights, continued

- The physical plant and equipment levy (PPEL) fund balance increased by \$1,275,444 in FY 2020-21. The main reason for this increase was because two of the nine school buses that were ordered in FY 2020-21 were not delivered until after the end of the fiscal year. Those funds were expended in FY 2021-22 when the buses finally arrived. The District carefully monitors this fund to ensure balances are carried over from year-to-year in order to meet possible unexpected emergency costs and also to take advantage of property acquisition opportunities.
- Within the statewide sales, services, and use tax fund, revenues are generated by two main sources. They are the issuance of sales tax revenue bonds and sales taxes generated by statewide retail purchases. The statewide sales tax is now called Secure an Advanced Vision for Education (SAVE), formerly the Local Option Sales Tax (LOST). With regards to SAVE, the legislature recently passed legislation which extended the sunset date through January 1, 2051. For FY 2020-21, the District received \$10,470,364 in sales tax revenue and did not issue any revenue bonds in this fund. The statewide sales, services and use tax fund balance decreased by \$292,984.
- The debt service fund balance increased by \$1,165,385 in FY 2020-21. The District refinanced our 2014 and 2015 bonds during the year. The District was able to reduce future interest costs by approximately \$3.1 million.

Proprietary Fund Highlights

As stated previously, the school nutrition fund is the only proprietary fund maintained by the District. The nutrition fund change in net position increased in FY 2020-21. The increase of \$427,683 was directly related to a \$500,000 transfer from the general fund from COVID-19 federal funds. The federal program allowed for transfers to the nutrition fund to offset expenses due to the pandemic. In FY 2019-20 the nutrition fund net position decreased by \$312,463.

BUDGETARY HIGHLIGHTS

The District maintains two types of budgets. The first is the *certified budget* which must meet certain state publication and monitoring requirements and is filed in April for the following year. The second is a management budget (sometimes called *line-item* budget) which is used by District administration to control and monitor expenditures. The *certified budget* needs to be tabulated in the following four functional areas: instruction, total support services, non-instructional programs, and total other expenditures. The District amended its original budget in FY 2020-21 for an increase in expenditures from \$191,175,770 to \$192,675,770 to reflect an increase in expenses.

A schedule showing the original and amended budget amounts compared to the District's actual financial activity is provided in this report as required supplementary information.

Dubuque Community School District

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, the District had invested \$166.9 million, net of accumulated depreciation, in a broad range of capital assets, including land, buildings, athletic facilities, computers, infrastructure equipment, and transportation equipment. The year-end balance is a 0.3% decrease over the prior year. More detailed information about the District's capital assets is presented in its Note 4 to the Financial Statements. Depreciation expense for the year was \$7,740,596.

The original cost of the District's capital assets was approximately \$264.1 million. Governmental funds account for approximately \$262.5 million, with the remainder of approximately \$1.6 million accounted for in the Enterprise, School Nutrition Fund.

The District is collecting over \$10 million annually in sales tax revenue so it is anticipated capital assets will continue to increase over the course of sales tax collection.

Figure A-4
Capital Assets, Net of Depreciation
June 30, 2021

	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change 2020-21
	2021	2020	2021	2020	2021	2020	
Land	\$ 7,479,048	\$ 7,479,048	\$ 0	\$ 0	\$ 7,479,048	\$ 7,479,048	0.0%
Construction in progress	3,840,957	1,212,532	0	0	3,840,957	1,212,532	216.8%
Buildings and improvements	139,962,395	143,000,373	0	0	139,962,395	143,000,373	(2.1)%
Land improvements	9,519,637	9,851,703	0	0	9,519,637	9,851,703	(3.4)%
Furniture and equipment	5,608,351	5,542,693	477,692	327,476	6,086,043	5,870,169	3.7%
Total	\$166,410,388	\$167,086,349	\$477,692	\$327,476	\$166,888,080	\$167,413,825	(0.3)%

The District currently has a bus replacement plan whereby it normally purchases six to ten school buses each year. The Board's intent is to retain only school buses that are ten years old or newer.

The District started construction on a second remodel/addition project at Dubuque Senior High School (Phase II) with an estimated cost of \$33.9 million.

Dubuque Community School District

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

Long-term Debt

At June 30, 2021, the District had \$57,389,000 in revenue bond debt outstanding. This represents a decrease of approximately 9.1% from the prior year and results from bond principal paid during the year. The majority of the outstanding debt is secured by a first lien against sales tax collections. See Note 5 to the Financial Statements for additional information.

The Constitution of the State of Iowa limits the amount of general obligation debt districts can issue to 5% of the assessed value of all taxable property within the District. The District's outstanding general obligation debt is significantly below its constitutional debt limit of approximately \$351,679,012.

In July 2020, the District issued \$24,085,000 of School Infrastructure Sales, Services and Use Tax Revenue Bonds to refinance the 2014 and 2015 series revenue bonds. This refinancing will save the District approximately \$3.1 million in net interest over the life of the bonds. This issuance also provides approximately \$2.1 million to be used for the Senior Phase II remodel/addition project.

Figure A-5
Outstanding Long-term Bond Obligations
June 30, 2021

	Total District		Total Change
	2021	2020	2020-21
Revenue bonds	\$57,389,000	\$63,148,000	\$(5,759,000)

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of several existing circumstances that could significantly affect its future financial health:

- The level of *unspent balance* increased in FY 2020-21 and is projected to increase in FY 2021-22. The main reason for the increase is because of the federal funds allocated to the District for pandemic relief. The District will need to monitor expenditures and how they affect future years' unspent balance. The long-term budget planning for the District has become more difficult in recent years. In the past, the State legislature was legally required to set the State Supplemental Aid rate approximately sixteen months in advance of the start of the fiscal year. They had a difficult time meeting that requirement in recent years so in the spring of 2017, the State legislature changed the law to be four months before the start of the fiscal year. This reduced period makes it extremely difficult for districts to make long-term budget plans. The State legislature in 2017 also significantly changed the rules involving collective bargaining as a way to help districts budget more effectively. The results of this change have given the District some flexibility but are not sufficient to offset the repeated years of low State Supplemental Aid. Additions to *unspent balance* are controlled by the State of Iowa. The District continues to apply to the State School Budget Review Committee for *modified supplemental amount* (a direct addition to *unspent balance*) whenever possible. District administration will continue to work with the State of Iowa Department of Education to ascertain when requests for *modified supplemental amount* are appropriate.
- The Instructional Support Levy (ISL) is used to support a variety of education programs including the following:
 - ◆ Full-day, every day kindergarten in every elementary school.
 - ◆ Grades K-3 class-size reduction.
 - ◆ Upgrading outdated equipment in classrooms, science and industrial technology labs, print centers, and the transportation department.
 - ◆ Other general fund expenditures as identified.
- District employees are covered by the Iowa Public Employees Retirement System (IPERS). This system has experienced recent-year increases in its unfunded actuarial liability resulting in a change to both employer and employee contribution rates. Wage levels will likely rise due to inflation and negotiated settlements. The IPERS' rate for the upcoming fiscal years is scheduled to remain unchanged.

Dubuque Community School District

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE, continued

- The District created a 10-Year Facility Plan in FY 2012-13. The plan shows the upcoming 10 years of projects that are scheduled to be completed at each District location along with the source of funding used to pay for the project. The plan is updated, reviewed, and approved annually by the Board of Education. The plan allows for flexibility if circumstances change and an unexpected project needs to be accelerated or added. The plan includes a future project priorities list, which now can be funded because of passage, in spring 2019, of legislation extending the sunset of the SAVE funding through January 1, 2051; in combination with local District taxpayers passing the District's Revenue Purpose Statement in November 2019. The Revenue Purpose Statement received an 83% yes vote which shows strong community support of how the District has spent the SAVE funds in the past as well as how the funds will be spent in the future.
- In July 2021, the District issued \$30,185,000 of School Infrastructure Sales, Services and Use Tax Revenue Bonds to finance the second remodel/addition project of Senior High School (Phase II).
- In January 2022, the District is planning on issuing \$9,165,000 of School Infrastructure Sales, Services and Use Tax Revenue Bonds to refinance the 2016 series revenue bonds. This is projected to save the District approximately \$270,000 in future interest payments.
- Iowa school district funding faces many challenges in future years. Approximately \$88.1 million of District revenues (primarily state aid) come from sources that are funded by state income, sales, and use taxes. The state of the economy impacts Iowa general fund revenues. These revenues ultimately support state school aid. Recently, the Iowa Revenue Estimating Committee (REC) has projected a small increase in state revenues for the 2021-22 fiscal year. The State of Iowa finished with a \$1.2 billion surplus in its FY 2021 general fund. How these factors will be reflected in school funding is yet to be determined.
- The COVID-19 pandemic has affected the District in many ways, both from an instructional standpoint and an operations standpoint. The federal government has made available to the District over \$21 million in funding for pandemic relief. As of June 30, 2021, the District had spent around \$7 million of those funds leaving approximately \$14 million to be spent in FY 2021-22 and other future years. The District will continue to use these funds towards student unfinished learning and brain health needs along with other programs allowable by the grants.
- As the District moves through the FY 2021-22, supply chain issues are becoming more prevalent. Availability and/or substantial price increases are new challenges that the District has not had to consider in the past. Technology devices and parts, vehicles, food products, and paper are just examples of items that District is having difficulty in purchasing. The District will need to plan on how to minimize the effects of this condition and adapt current operations to the best of its ability to continue to serve our students.

Dubuque Community School District

Management's Discussion and Analysis

For Fiscal Year Ended June 30, 2021

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE, continued

- The federal COVID-19 funds have helped the District to continue to operate at its current levels. Once these federal funds have been depleted, the District will struggle to maintain operations at current levels. During FY 2021-22, the District must begin to look at how it can gain operational efficiencies to decrease annual spending. This will include reviewing all buildings from both a staffing level and operational level to see what spending adjustments need to be made to ensure the District continue to operate in a financially sound manner to maintain an acceptable unspent balance

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Kevin Kelleher, Chief Financial Officer, Dubuque Community School District, 2300 Chaney Road, Dubuque, Iowa 52001.



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Basic Financial Statements



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Dubuque Community School District
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-type Activities	Total
Assets:			
Current assets:			
Cash and cash equivalents and pooled investments	\$ 63,584,554	\$ 2,341,859	\$ 65,926,413
Receivables:			
Property tax:			
Delinquent	589,598	0	589,598
Succeeding year	58,150,004	0	58,150,004
Accounts	123,275	175	123,450
Interest	33,922	0	33,922
Due from other governments	10,143,911	8,905	10,152,816
Inventories	372,447	124,954	497,401
Security deposit	10,000	0	10,000
Total current assets	<u>\$ 133,007,711</u>	<u>\$ 2,475,893</u>	<u>\$ 135,483,604</u>
Non-current assets:			
Capital assets not being depreciated	\$ 11,320,005	\$ 0	\$ 11,320,005
Capital assets net of accumulated depreciation/amortization	155,090,383	477,692	155,568,075
Total non-current assets	<u>\$ 166,410,388</u>	<u>\$ 477,692</u>	<u>\$ 166,888,080</u>
Total assets	<u>\$ 299,418,099</u>	<u>\$ 2,953,585</u>	<u>\$ 302,371,684</u>
Deferred Outflows of Resources:			
Pension related deferred outflows	16,295,851	541,526	16,837,377
OPEB related deferred outflows	4,619,657	142,657	4,762,314
Total deferred outflows of resources	<u>\$ 20,915,508</u>	<u>\$ 684,183</u>	<u>\$ 21,599,691</u>
Liabilities:			
Current liabilities:			
Accounts payable	\$ 2,766,572	56	\$ 2,766,628
Salaries and benefits payable	14,120,942	562	14,121,504
Early retirement payable	694,655	0	694,655
Due to other governments	346,182	0	346,182
Unearned revenue	0	0	0
Security deposit payable	10,000	0	10,000
Accrued interest payable	1,372,287	0	1,372,287
Long-term liabilities:			
Portion due within one year:			
Revenue bonds	5,238,000	0	5,238,000
Compensated absences	787,823	0	787,823
Portion due after one year:			
Revenue bonds	52,151,000	0	52,151,000
Net pension liability	72,141,476	1,765,444	73,906,920
Net OPEB liability	13,354,387	412,389	13,766,776
Total liabilities	<u>\$ 162,983,324</u>	<u>\$ 2,178,451</u>	<u>\$ 165,161,775</u>
Deferred Inflows of Resources:			
Succeeding year property tax	\$ 58,150,004	\$ 0	\$ 58,150,004
Pension related deferred inflows	2,088,242	216,357	2,304,599
OPEB related deferred inflows	3,449,017	106,507	3,555,524
Other	152,904	186,029	338,933
Total deferred inflows of resources	<u>\$ 63,840,167</u>	<u>\$ 508,893</u>	<u>\$ 64,349,060</u>
Net position:			
Net investment in capital assets	\$ 103,262,388	\$ 477,692	\$ 103,740,080
Restricted for:			
Categorical funding	1,493,676	0	1,493,676
Scholarships	144,031	0	144,031
Student activities	817,330	0	817,330
Management levy	6,587,744	0	6,587,744
Physical plant and equipment levy	6,535,515	0	6,535,515
Capital projects	8,864,209	0	8,864,209
Debt service	8,886,477	0	8,886,477
Unrestricted	(43,081,254)	472,732	(42,608,522)
Total net position	<u>\$ 93,510,116</u>	<u>\$ 950,424</u>	<u>\$ 94,460,540</u>

See notes to financial statements.

Dubuque Community School District
Statement of Activities
Year Ended June 30, 2021

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Service	Operating Grants, Contributions, and Restricted Interest	Governmental Activities	Business-type Activities	Total
Functions/Programs						
Governmental activities:						
Instruction:						
Regular instruction	\$ 55,427,342	\$1,123,461	\$17,475,324	\$ (36,828,557)	\$ 0	\$ (36,828,557)
Special instruction	25,465,579	776,097	7,013,301	(17,676,181)	0	(17,676,181)
Other instruction	14,291,897	876,270	562,759	(12,852,868)	0	(12,852,868)
	<u>\$ 95,184,818</u>	<u>\$2,775,828</u>	<u>\$25,051,384</u>	<u>\$ (67,357,606)</u>	<u>\$ 0</u>	<u>\$ (67,357,606)</u>
Support services:						
Student services	\$ 7,557,114	\$ 0	\$ 497,071	\$ (7,060,043)	\$ 0	\$ (7,060,043)
Instructional staff services	7,126,505	0	2,236,528	(4,889,977)	0	(4,889,977)
Administrative Services	16,214,404	0	1,224,724	(14,989,680)	0	(14,989,680)
Operation & maintenance	13,005,382	0	234,481	(12,770,901)	0	(12,770,901)
Transportation services	4,965,603	45,887	448,379	(4,471,337)	0	(4,471,337)
	<u>\$ 48,869,008</u>	<u>\$ 45,887</u>	<u>\$ 4,641,183</u>	<u>\$ (44,181,938)</u>	<u>\$ 0</u>	<u>\$ (44,181,938)</u>
Non-instructional programs	<u>\$ 164,587</u>	<u>\$ 0</u>	<u>\$ 500,000</u>	<u>\$ 335,413</u>	<u>\$ 0</u>	<u>\$ 335,413</u>
Other expenses:						
Facilities acquisition	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
AEA flowthrough	5,445,421	0	5,445,421	0	0	0
Interest and other charges	2,098,402	0	0	(2,098,402)	0	(2,098,402)
Depreciation and other expenses (unallocated)*	6,155,935	0	0	(6,155,935)	0	(6,155,935)
	<u>\$ 13,699,758</u>	<u>\$ 0</u>	<u>\$ 5,445,421</u>	<u>\$ (8,254,337)</u>	<u>\$ 0</u>	<u>\$ (8,254,337)</u>
Total governmental activities	<u>\$157,918,171</u>	<u>\$2,821,715</u>	<u>\$35,637,988</u>	<u>\$ (119,458,468)</u>	<u>\$ 0</u>	<u>\$ (119,458,468)</u>
Business type activities:						
Non-instructional programs:						
Nutrition services	\$ 4,407,588	\$ 406,770	\$ 3,927,060	\$ 0	\$ (73,758)	\$ (73,758)
Total	<u>\$162,325,759</u>	<u>\$3,228,485</u>	<u>\$39,565,048</u>	<u>\$ (119,458,468)</u>	<u>\$ (73,758)</u>	<u>\$ (119,532,226)</u>
General Revenues:						
Property tax levied for:						
General purposes				\$ 53,406,245		\$ 53,406,245
Capital outlay				4,315,077		4,315,077
Local option sales tax				10,470,364		10,470,364
Unrestricted state grants				56,938,195		56,938,195
Unrestricted investment earnings				184,228	1,441	185,669
Miscellaneous				4,495,006		4,495,006
Total general revenues				<u>\$ 129,809,115</u>	<u>\$ 1,441</u>	<u>\$ 129,810,556</u>
Transfers				(500,000)	500,000	0
Total general revenues and transfers				<u>\$ 129,309,115</u>	<u>\$501,441</u>	<u>\$ 129,810,556</u>
Change in net position				<u>\$ 9,850,647</u>	<u>\$427,683</u>	<u>\$ 10,278,330</u>
Net position beginning of year, as restated				83,659,469	522,741	84,182,210
Net position end of year				<u>\$ 93,510,116</u>	<u>\$950,424</u>	<u>\$ 94,460,540</u>

*This amount excludes the depreciation that is included in the direct expense of the various programs.
See notes to financial statements

Dubuque Community School District
Balance Sheet
Governmental Funds
June 30, 2021

	General	Capital Projects	Debt Service Fund	Nonmajor	Total
Assets					
Cash, cash equivalents and pooled investments	\$31,159,075	\$15,297,722	\$8,875,618	\$ 8,252,139	\$ 63,584,554
Receivables:					
Property tax:					
Delinquent	506,448	47,546	0	35,604	589,598
Succeeding year	48,782,488	4,367,516	0	5,000,000	58,150,004
Accounts	120,275	3,000	0	0	123,275
Interest	12,054	8,344	10,859	2,665	33,922
Due from other governments	9,267,273	876,638	0	0	10,143,911
Inventories	372,447	0	0	0	372,447
Security deposit	10,000	0	0	0	10,000
Total assets	<u>\$90,230,060</u>	<u>\$20,600,766</u>	<u>\$8,886,477</u>	<u>\$13,290,408</u>	<u>\$133,007,711</u>
Liabilities, Deferred Inflows of Resources and Fund Balance					
Liabilities:					
Accounts payable	\$ 1,909,559	\$ 821,176	\$ 0	\$ 35,837	\$ 2,766,572
Salaries and benefits payable	14,119,361	0	0	1,581	14,120,942
Early retirement payable	0	0	0	694,655	694,655
Due to other governments	346,182	0	0	0	346,182
Security deposit payable	10,000	0	0	0	10,000
Total liabilities	<u>\$16,385,102</u>	<u>\$ 821,176</u>	<u>\$ 0</u>	<u>\$ 732,073</u>	<u>\$ 17,938,351</u>
Deferred inflows of resources:					
Unavailable revenues:					
Succeeding year property tax	48,782,488	4,367,516	0	5,000,000	58,150,004
Other	131,324	12,350	0	9,230	152,904
Total deferred inflows of resources	<u>\$48,913,812</u>	<u>\$ 4,379,866</u>	<u>\$ 0</u>	<u>\$ 5,009,230</u>	<u>\$ 58,302,908</u>
Fund balances:					
Non-spendable:					
Inventory	\$ 372,477	\$ 0	\$ 0	\$ 0	\$ 372,447
Restricted for:					
Categorical funding	1,493,676	0	0	0	1,493,676
Debt service	0	0	8,886,477	0	8,886,477
Scholarships	0	0	0	144,031	144,031
Student activities	0	0	0	817,330	817,330
Management Levy purposes	0	0	0	6,587,744	6,587,744
School infrastructure	0	8,864,209	0	0	8,864,209
Physical plant and equipment levy	0	6,535,515	0	0	6,535,515
Unassigned	23,065,023	0	0	0	23,065,023
Total fund balances	<u>\$24,931,146</u>	<u>\$15,399,724</u>	<u>\$8,886,477</u>	<u>\$ 7,549,105</u>	<u>\$ 56,766,452</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$90,230,060</u>	<u>\$20,600,766</u>	<u>\$8,886,477</u>	<u>\$13,290,408</u>	<u>\$133,007,711</u>

See notes to financial statements.

Dubuque Community School District
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
Year Ended June 30, 2021

Total fund balances of governmental funds (page 40)

Amounts reported for governmental activities in the statement of net position are different because: \$ 56,766,452

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 166,410,388

(1,372,287)

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

Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:

Deferred outflows of resources	\$ 20,915,508	
Deferred inflows of resources	<u>(5,537,259)</u>	
		15,378,249

Long-term liabilities, including bonds payable, compensated absences, and other post-employment benefits payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.

Compensated absences	\$ (787,823)	
Bonds payable	(57,389,000)	
Net OPEB liability	(13,354,387)	
Pension liability	<u>(72,141,476)</u>	
		<u>(143,672,686)</u>

Net position of governmental activities (page 38) **\$ 93,510,116**

See notes to financial statements.

Dubuque Community School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2021

	General	Capital Projects	Debt Service	Nonmajor	Total
Revenues:					
Local sources:					
Local tax	\$ 49,863,116	\$ 4,315,077	\$ 0	\$ 3,543,129	\$ 57,721,322
Tuition	1,140,325	0	0	0	1,140,325
Other	1,798,967	129,722	14,201	861,062	2,803,952
State sources	77,418,405	10,588,038	0	95,395	88,101,838
Federal sources	14,853,575	0	0	0	14,853,575
Total revenues	\$145,074,388	\$ 15,032,837	\$ 14,201	\$4,499,586	\$164,621,012
Expenditures:					
Current:					
Instruction:					
Regular instruction	\$ 52,452,964	\$ 270,058	\$ 0	\$ 1,025,006	\$ 53,748,028
Special instruction	25,116,968	0	0	0	25,116,968
Other instruction	13,246,400	11,624	0	876,048	14,134,072
	\$ 90,816,332	\$ 281,682	\$ 0	\$1,901,054	\$ 92,999,068
Support services:					
Student services	\$ 7,382,481	\$ 4,813	\$ 0	\$ 115,375	\$ 7,502,669
Instructional staff services	6,471,363	0	0	156,495	6,627,858
Administration services	13,458,210	1,409,325	0	463,498	15,331,033
Operation and maintenance of plant services	10,650,741	8,498	0	1,990,939	12,650,178
Transportation services	3,611,269	1,248,271	0	205,732	5,065,272
	\$ 41,574,064	\$ 2,670,907	\$ 0	\$2,932,039	\$ 47,177,010
Non-instructional programs	\$ 0	\$ 13,032	\$ 0	\$ 37,156	\$ 50,188
Other expenditures:					
Facilities acquisition	\$ 0	\$ 6,225,393	\$ 0	\$ 0	\$ 6,225,393
Debt service:					
Principal	0	0	29,844,000	0	29,844,000
Interest and other charges	0	34,851	1,574,664	0	1,609,515
AEA flowthrough	5,445,421	0	0	0	5,445,421
	\$ 5,445,421	\$ 6,260,244	\$ 31,418,664	\$ 0	\$ 43,124,329
Total expenditures	\$137,835,817	\$ 9,225,865	\$ 31,418,664	\$4,870,249	\$183,350,595
Excess (deficiency) of revenues over (under) expenditures	\$ 7,238,571	\$ 5,806,972	\$(31,404,463)	\$(370,663)	\$(18,729,583)
Other financing sources (uses):					
Revenue bonds issued	\$ 0	\$ 0	\$ 27,732,806	\$ 0	\$ 27,732,806
Compensation for loss of capital assets	1,499	12,980	0	0	14,479
Sales of property and equipment	120,232	0	0	0	120,232
Transfers in	3,634	2,101,835	6,939,327	57,944	9,102,740
Transfers out	(557,944)	(6,939,327)	(2,101,835)	(3,634)	(9,602,740)
Total other financing sources (uses):	\$ (432,579)	\$ (4,824,512)	\$ 32,570,298	\$ 54,310	\$ 27,367,517
Change in fund balances	\$ 6,805,992	\$ 982,460	\$ 1,165,835	\$(316,353)	\$ 8,637,934
Fund balances beginning of year, as restated	18,125,154	14,417,264	7,720,642	7,865,458	48,128,518
Fund balances end of year	\$ 24,931,146	\$ 15,399,724	\$ 8,886,477	\$7,549,105	\$ 56,766,452

See notes to financial statements.

Dubuque Community School District
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
to the Statement of Activities
Year Ended June 30, 2021

Net change in fund balances – total governmental funds (page 42) **\$ 8,637,934**

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

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

Expenditures for capital assets	\$ 7,125,200	
Depreciation expense	<u>(7,681,216)</u>	(556,016)

Proceeds from the sale of property and equipment are reported in the governmental funds, however, in the Statement of Activities, it is netted against the book value of the assets being deleted and only the gain portion is recognized.

Book value of assets retired this year. (119,945)

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

Issued	\$(24,085,000)	
Repaid	<u>29,844,000</u>	5,759,000

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

(488,887)

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.

8,248,183

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

Compensated absences	\$ (4,317)	
OPEB expense	(394,049)	
Pension expense	<u>(11,231,256)</u>	(11,629,622)

Change in net position of governmental activities (page 39) **\$ 9,850,647**

See notes to financial statements.

Dubuque Community School District
Statement of Net Position
Proprietary Fund
June 30, 2021

	<u>School Nutrition</u>
Assets:	
Current assets:	
Cash, cash equivalents and pooled investments	\$2,341,859
Accounts receivable	175
Due from other governments	8,905
Inventories	<u>124,954</u>
Total current assets	\$2,475,893
Non-current assets:	
Capital assets, net of accumulated depreciation	<u>477,692</u>
Total assets	<u>\$2,953,585</u>
Deferred Outflows of Resources:	
Pension related deferred outflows	\$ 541,526
OPEB related deferred outflows	<u>142,657</u>
Total deferred outflows of resources	<u>\$ 684,183</u>
Liabilities:	
Current liabilities:	
Accounts payable	\$ 56
Salaries and benefits payable	562
Long-term liabilities:	
Net pension liability	1,765,444
Net OPEB liability	<u>412,389</u>
Total liabilities	<u>\$2,178,451</u>
Deferred Inflows of Resources:	
Pension related deferred inflows	\$ 216,357
OPEB related deferred inflows	106,507
Other	<u>186,029</u>
Total deferred inflows of resources	<u>\$ 508,893</u>
Net Position:	
Investment in capital assets	\$ 477,692
Unrestricted	<u>472,732</u>
Total net position	<u>\$ 950,424</u>

See notes to financial statements.

Dubuque Community School District
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
Year Ended June 30, 2021

	<u>School Nutrition</u>
Operating revenue:	
Local sources:	
Charges for service	\$ 391,019
Other	<u>15,751</u>
Total operating revenue	\$ 406,770
Operating expenses:	
Non-instructional programs:	
Food service operations:	
Salaries	\$ 1,936,381
Benefits	867,988
Purchased services	404
Supplies	1,543,286
Depreciation	59,380
Loss on disposal of assets	<u>149</u>
Total operating expenses	<u>\$ 4,407,588</u>
Operating loss	<u>\$(4,000,818)</u>
Non-operating revenue:	
State sources	\$ 26,776
Federal sources	3,900,284
Interest on investments	<u>1,441</u>
Total non-operating revenue	<u>\$ 3,928,501</u>
Net income before transfers	\$ (72,317)
Transfers in	500,000
Transfers out	<u>0</u>
Change in net position	\$ 427,683
Net position beginning of year	<u>522,741</u>
Net position end of year	<u><u>\$ 950,424</u></u>

See notes to financial statements.

Dubuque Community School District
Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2021

	<u>School Nutrition</u>
Cash flows from operating activities:	
Cash received from sale of lunches and breakfasts	\$ 367,976
Cash received from miscellaneous operating activities	29,958
Cash payments to employees for services	(2,756,799)
Cash payments to suppliers for goods or services	<u>(1,281,268)</u>
Net cash used in operating activities	<u>\$(3,640,133)</u>
Cash flows from non-capital financing activities:	
State grants received	\$ 17,870
Federal grants received	3,768,722
Transfers from other funds	500,000
Transfers to other funds	<u>0</u>
Net cash provided by non-capital financing activities	<u>\$ 4,286,592</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	\$ (290,744)
Cash flows from investing activities:	
Interest on investments	<u>1,441</u>
Net increase in cash and cash equivalents	\$ 438,156
Cash and cash equivalents at beginning of year	<u>1,903,703</u>
Cash and cash equivalents at end of year	<u>\$ 2,341,859</u>

(continued)

See notes to financial statements.

Dubuque Community School District
Statement of Cash Flows (continued)
Proprietary Fund
Year Ended June 30, 2021

	<u>School Nutrition</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$(4,000,818)
Adjustments to reconcile operating loss to net cash used in operation activities:	
Commodities used	254,005
Depreciation	59,380
Loss on disposal of assets	149
Decrease in other receivables	(175)
Increase in inventories	11,333
Decrease in accounts payable	(3,256)
Decrease in salaries and benefits payable	(22,583)
Decrease in net pension liability	289,413
Decrease in deferred outflows of resources	(123,330)
Increase in deferred inflows of resources	128,988
Increase in net OPEB liability	<u>24,737</u>
Net cash used in operating activities	<u><u>\$(3,640,133)</u></u>

Non-cash investing, capital, and financial activities:

During the year ended June 30, 2021, the District received \$254,005 of Federal commodities.

See notes to financial statements.

Dubuque Community School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	<u>Private Purpose Trust</u>	
	<u>Scholarship</u>	<u>Custodial</u>
Assets		
Cash	\$ 0	\$ 31,842
Total assets		
Net position		
Restricted for scholarships	\$ 0	\$ 0
Restricted for other organizations	<u>0</u>	<u>31,842</u>
Total net position	<u>\$ 0</u>	<u>\$ 31,842</u>

See notes to financial statements.

Dubuque Community School District
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2021

	<u>Private Purpose Trust</u>	
	<u>Scholarship</u>	<u>Custodial</u>
Additions:		
Local sources:		
Gifts and contributions	\$ 0	\$ 37
Interest income	0	19,399
Total additions	<u>\$ 0</u>	<u>\$19,436</u>
Deductions:		
Scholarships awarded	\$ 0	\$ 0
Administrative	0	25,049
Total deductions	<u>\$ 0</u>	<u>\$25,049</u>
Change in net position	\$ 0	\$(5,613)
Net position beginning of year, as restated	<u>\$ 0</u>	<u>\$37,455</u>
Net position end of year	<u>\$ 0</u>	<u>\$31,842</u>

See notes to financial statements.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 1: Summary of Significant Accounting Policies

Dubuque Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades pre-kindergarten through twelve. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as vocational and recreational courses. The geographic area served includes the City of Dubuque, Iowa, portions of Dubuque County and Jackson County, Iowa. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

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

A. Reporting Entity

For financial reporting purposes, Dubuque Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the District. The Dubuque Community School District has no component units that meet the Governmental Accounting Standards Board criteria.

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

B. Basis of Presentation

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

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 1: Summary of Significant Accounting Policies: (continued)

B. Basis of Presentation: (continued)

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation/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. Enabling legislation did not result in any restricted net position.

Unrestricted net position consists of net position not meeting the definition of the preceding categories. Unrestricted net position often has constraints on resources that are imposed by management, which can be removed or modified.

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

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

The District reports the following major governmental funds:

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

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

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 1: Summary of Significant Accounting Policies: (continued)

B. Basis of Presentation: (continued)

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

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

The Special Revenue Funds account for and reports the proceeds to specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The District reports the following major proprietary fund:

The District's proprietary fund is the Enterprise, School Nutrition Fund. This fund is used to account for the food service operations of the District.

The District also reports fiduciary funds which focus on net position and changes in net position.

The District's fiduciary funds include the following:

The Custodial Fund is used to account for assets held by the District as an agent for individuals, private organizations, and other governments.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 1: Summary of Significant Accounting Policies: (continued)

C. Measurement Focus and Basis of Accounting: (continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty (60) days after year end.

Property tax, intergovernmental revenues (shared revenues, grants, and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the District.

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

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

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

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

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 1: Summary of Significant Accounting Policies: (continued)

C. Measurement Focus and Basis of Accounting: (continued)

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

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

The following accounting policies are followed in preparing the financial statements:

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

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

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

Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the Board of Education. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the District is required to certify its budget in April of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2019, assessed property valuations; is for the tax accrual period July 1, 2020, through June 30, 2021, and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2020.

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

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 1: Summary of Significant Accounting Policies: (continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Fund Equity: (continued)

Inventories – Inventories are valued at cost using the first-in, first-out method for purchased items and government commodities. The costs of governmental fund and proprietary fund inventories are recorded as expenses when consumed rather than when purchased or received.

Capital Assets – Capital assets, which include property, furniture, equipment, and intangibles are reported in the applicable governmental or business-type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost. Donated capital assets are recorded at their acquisition value as of the date received. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. District machinery and equipment with a cost of more than \$5,000 will be capitalized. The Nutrition Fund equipment is capitalized with a cost of more than \$500.

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

Buildings	50 years
Improvements to buildings and sites	20 years
Furniture and equipment	5-12 years
Intangibles	3-5 years

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense, the unamortized portion of the net difference between projected and actual earnings on pension plan investments and contributions from the District after the measurement date but before the end of the District's reporting period.

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

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

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 1: Summary of Significant Accounting Policies: (continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Fund Equity: (continued)

Compensated Absences – District employees accumulate a limited amount of earned but unused vacation for subsequent use or for payment upon termination, death, or retirement. A liability is recorded when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2021. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund.

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

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

Total OPEB Liability – For purposes of measuring the total OPEB liability, deferred outflows of resources related to OPEB and OPEB expense, information has been determined based on the District's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The total OPEB liability attributable to the governmental activities will be paid primarily by the General Fund and the Enterprise, School Nutrition Fund.

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources consist of unspent grant proceeds as well as property tax receivable and other receivables not collected within sixty (60) days after year end.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 1: Summary of Significant Accounting Policies: (continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Fund Equity: (continued)

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

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

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

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

Unassigned – All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the District's policy is to pay the expenditure from restricted fund balance and then from the unassigned fund balance.

E. Budgets and Budgetary Accounting

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

F. Subsequent Events

Management has evaluated for subsequent events through December 13, 2021, the date the financial statements were available to be issued. Based on that evaluation, there is one material subsequent event – See Note 12.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 2: Cash and Pooled Investments

The District's deposits in banks at June 30, 2021, were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds. The first \$250,000 in credit unions is covered by federal depository insurance and amounts over \$250,000 have a standby letter of credit that is pledged at the Federal Home Loan Bank (FHLB).

As of June 30, 2021, the book balance of the District's petty cash totaled \$12,470 and the cash deposit balances totaled \$38,680,947.

The District chooses to disclose its investments by specifically identifying each. The fair value of investments is based on quoted market prices and are not rated. As of June 30, 2021, the District had investments as follows:

<u>Investment</u>	<u>Type</u>	<u>Issue Date</u>	<u>Term</u>	<u>Maturity Date</u>	<u>Fair Value</u>
DuTrac Community Credit Union	Certificate of Deposit	07/15/20	12 months	07/15/21	\$2,264,838
DuTrac Community Credit Union	Certificate of Deposit	02/19/21	6 months	08/18/21	6,000,000
DuTrac Community Credit Union	Certificate of Deposit	02/19/21	6 months	08/18/21	6,000,000
DuTrac Community Credit Union	Certificate of Deposit	05/24/21	7 months	12/20/21	12,000,000
Dubuque Bank & Trust	Certificate of Deposit	05/22/12	134 months	07/01/23	1,000,000
					<u>\$27,264,838</u>

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

Credit Risk: The District is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Education; prime eligible bankers acceptances; certain high-rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district. The District has no investment policies that would further limit its investment choices.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 2: Cash and Pooled Investments: (continued)

Concentration of Credit Risk: The District's general investment policy is to apply the prudent-person rule: In making investments, the District will exercise the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use to meet the goals of the investment program.

Custodial Credit Risk: For deposits and investments, this is the risk that, in the event of bank failure, the District's deposits may not be returned to it. Chapter 12C of the Code of Iowa requires all District deposits in banks to be entirely covered by federal depository insurance or by the State Sinking Fund. As of June 30, 2021, the District had no deposits or investments subject to custodial credit risk.

The following is a reconciliation of cash and investments as shown on the financial statements:

Petty cash	\$ 12,470
Cash deposits	38,680,947
Investments	<u>27,264,838</u>
	<u>\$65,958,225</u>
Governmental activities	\$63,584,554
Business-type activities	2,341,859
Fiduciary funds:	
Custodial	<u>31,842</u>
	<u>\$65,958,255</u>

Note 3: Inter-fund Transfers

The detail of inter-fund transfers for the year ended June 30, 2021, is as follows:

Transfer to	Transfer from	Amount
General	Special Revenue: Student Activity	\$ 3,634
Debt Service	Capital Projects: SAVE	6,939,327
Proprietary	General	500,000
Special Revenue: Student Activity	General	57,944
Capital Projects: SAVE	Debt Service	<u>2,101,835</u>
Total		<u>\$9,602,740</u>

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

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 4: Capital Assets

Capital assets activity for the year ended June 30, 2021, is as follows:

	Balance Beginning of Year	Increases / Reclassi- fications	(Decreases)	Balance End of Year
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 7,479,048	\$ 0	\$ 0	\$ 7,479,048
Construction in progress	1,212,532	3,673,450	(1,045,025)	3,840,957
Total capital assets not being depreciated	\$ 8,691,580	\$ 3,673,450	\$(1,045,025)	\$ 11,320,005
Capital assets being depreciated:				
Buildings and improvements	\$205,794,453	\$ 1,936,634	\$ (5,972)	\$207,725,115
Land improvements	19,433,844	479,583	0	19,913,427
Furniture and equipment	23,432,448	2,080,558	(1,975,323)	23,537,683
Total capital assets being depreciated	\$248,660,745	\$ 4,496,775	\$(1,981,295)	\$251,176,225
Less accumulated depreciation for:				
Buildings and improvements	\$ 62,794,080	\$ 4,974,612	\$ (5,972)	\$ 67,762,720
Land improvements	9,582,141	811,649	0	10,393,790
Furniture and equipment	17,889,755	1,894,955	(1,855,378)	17,929,332
Total accumulated depreciation	\$ 90,265,976	\$ 7,681,216	\$(1,861,350)	\$ 96,085,842
Total capital assets being depreciated, net	\$158,394,769	\$(3,184,441)	\$ (119,945)	\$155,090,383
Governmental activities capital assets, net	\$167,086,349	\$ 489,009	\$(1,164,970)	\$166,410,388
Business-type Activities:				
Furniture and equipment	\$ 1,431,112	\$ 209,745	\$ (55,307)	\$ 1,585,550
Less accumulated depreciation	1,103,636	59,380	(57,158)	1,107,858
Business-type activities capital assets, net	\$ 327,476	\$ 150,365	\$ (149)	\$ 477,692

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 4: Capital Assets: (continued)

Depreciation expense was charged by the District as follows:

Governmental activities:

Instruction:

Regular	\$ 64,757
Special	6,992
Other	86,527

Support services:

Student services	0
Instructional staff	16,985
Administration	446,436
Operation and maintenance of plant	28,044
Transportation	861,136
Non-instructional programs	14,404
	<u>\$1,525,281</u>

Unallocated depreciation	<u>6,155,935</u>
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Total governmental activities depreciation expense	<u>\$7,681,216</u>
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Business-type activities:

Food services:

Regular depreciation	<u>\$ 59,380</u>
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Note 5: Long-term Liabilities

Changes in long-term liabilities for the year ended June 30, 2021, are summarized as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Governmental activities:					
Revenue bonds	\$ 63,148,000	\$24,085,000	\$29,844,000	\$ 57,389,000	\$5,238,000
Compensated absences	783,506	787,823	783,506	787,823	783,823
Net pension liability	59,510,658	72,141,476	59,510,658	72,141,476	0
Net OPEB liability	12,041,969	2,156,817	844,399	13,354,387	0
	<u>\$135,484,133</u>	<u>\$99,171,116</u>	<u>\$90,982,563</u>	<u>\$143,672,686</u>	<u>\$6,021,823</u>
Business type activities:					
Net pension liability	\$ 1,476,031	\$ 1,765,444	\$ 1,476,031	\$ 1,765,444	\$ 0
Net OPEB liability	387,652	66,603	41,866	412,389	0
	<u>\$ 1,863,683</u>	<u>\$ 1,832,047</u>	<u>\$ 1,517,897</u>	<u>\$ 2,177,833</u>	<u>\$ 0</u>

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 5: Long-term Liabilities: (continued)

Revenue Bonds Payable

Summary of debt service requirements to maturity on the outstanding bonded indebtedness and loans as of June 30, 2021, is as follows:

Summary – Debt Service Requirements to Maturity			
Year Ending June 30,	Principal	Interest	Total
2022	\$ 5,238,000	\$ 2,198,512	\$ 7,436,512
2023	5,420,000	1,573,536	6,993,536
2024	4,959,000	1,416,725	6,375,725
2025	5,861,000	1,251,712	7,112,712
2026	6,106,000	1,073,593	7,179,593
2027-2031	21,355,000	2,834,244	24,189,244
2032-2035	8,450,000	469,508	8,919,508
	\$57,389,000	\$10,817,830	\$68,206,830

Details of the District's June 30, 2021, school infrastructure sales, services and use tax revenue refunding bond indebtedness are as follows:

Series 2016 Bonds				
Year Ending June 30,	Interest Rate	Principal	Interest	Total
2022	2.17%	\$ 325,000	\$202,407	\$ 527,407
2023	2.17%	365,000	194,920	559,920
2024	2.17%	1,340,000	176,421	1,516,421
2025	2.17%	1,770,000	142,678	1,912,678
2026	2.17%	1,830,000	103,618	1,933,618
2027-2028	2.17%	3,860,000	84,521	3,944,521
		\$9,490,000	\$904,565	\$10,394,565

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 5: Long-term Liabilities: (continued)

Series 2017 Bonds

Year Ending June 30,	Interest Rate	Principal	Interest	Total
2022	2.25%	\$1,045,000	\$167,681	\$1,212,681
2023	2.25%	1,070,000	143,888	1,213,888
2024	2.25%	1,095,000	119,531	1,214,531
2025	2.25%	1,130,000	94,500	1,224,500
2026	2.25%	1,170,000	68,625	1,238,625
2027-2028	2.25%	2,465,000	55,968	2,520,968
		<u>\$7,975,000</u>	<u>\$650,193</u>	<u>\$8,625,193</u>

Series 2018A Bonds

Year Ending June 30,	Interest Rate	Principal	Interest	Total
2022	2.95%	\$ 412,515	\$142,669	\$ 555,184
2023	2.95%	424,053	130,329	554,382
2024	2.95%	637,522	114,671	752,193
2025	2.95%	484,632	98,119	582,751
2026	2.95%	519,249	83,312	602,561
2027-2030	2.95%	2,564,514	178,496	2,743,010
		<u>\$5,042,485</u>	<u>\$747,596</u>	<u>\$5,790,081</u>

Series 2018B Bonds

Year Ending June 30,	Interest Rate	Principal	Interest	Total
2022	2.95%	\$ 302,485	\$104,615	\$ 407,100
2023	2.95%	310,947	95,567	406,514
2024	2.95%	467,478	84,085	551,563
2025	2.95%	355,368	71,948	427,316
2026	2.95%	380,751	61,091	441,842
2027-2030	2.95%	1,880,486	130,886	2,011,372
		<u>\$3,697,515</u>	<u>\$548,192</u>	<u>\$4,245,707</u>

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 5: Long-term Liabilities: (continued)

Series 2019 Bonds

Year Ending June 30,	Interest Rate	Principal	Interest	Total
2022	2.00%	\$1,908,000	\$122,900	\$2,030,900
2023	2.00%	1,945,000	84,370	2,029,370
2024	2.00%	49,000	64,430	113,430
2025	2.00%	681,000	57,130	738,130
2026	2.00%	696,000	43,360	739,360
2027-2029	2.00%	1,820,000	48,160	1,868,160
		<u>\$7,099,000</u>	<u>\$420,350</u>	<u>\$7,519,350</u>

Series 2020 Bonds

Year Ending June 30,	Interest Rate	Principal	Interest	Total
2022	5.00%	\$ 1,245,000	\$1,458,240	\$ 2,703,240
2023	5.00%	1,305,000	924,462	2,229,462
2024	5.00%	1,370,000	857,587	2,227,587
2025	5.00%	1,440,000	787,337	2,227,337
2026	5.00%	1,510,000	713,587	2,223,587
2027-2031	4.00% - 5.00%	8,765,000	2,336,213	11,101,213
2032-2035	2.25% - 4.00%	8,450,000	469,508	8,919,508
		<u>\$24,085,000</u>	<u>\$7,546,934</u>	<u>\$31,631,934</u>

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 5: Long-term Liabilities: (continued)

The District has pledged future statewide sales, services and use tax revenues to repay the \$57,389,000 of bonds issued in December 2016, December 2017, October 2018, December 2019 and July 2020.

In December 2016, the District issued \$10,000,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2016 for the purpose of providing funds for renovations, improvements, and additions to Hempstead High School, renovations to Senior High School and/or other school infrastructure projects as authorized by the electors.

In December 2017, the District issued \$10,000,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017 for the purpose of providing funds for renovations, improvements to Senior High School as authorized by the electors.

In October 2018, the District issued \$9,455,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2018A and 2018B, for the purpose of providing funds for renovations and improvements to Senior High School and improvements to the Alta Vista Campus.

In December 2019, the District issued \$9,058,000 School Infrastructure Sales, Services and Use Tax Revenue Refunding Bonds, Series 2019, for the purpose of refunding the May 2012 and June 2013 School Infrastructure Sales, Services, and Use Tax Revenue Bonds in order to realize debt service savings due to lower interest rates payable on the refunding bonds.

In July 2020, the District issued \$24,085,000 School Infrastructure Sales, Services and Use Tax Revenue Refunding Bonds, for the purpose of providing funds to refund outstanding sales tax indebtedness dated March 31, 2014 and January 12, 2015, including costs of issuance and a debt service reserve fund. Any bond proceeds remaining after refunding will be used to pay the costs of providing funds for preliminary design work for renovation projects at Dubuque Senior High School (Phase II).

The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2035. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District. Annual principal and interest payments on the bonds are expected to require a large percentage of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the notes is \$68,206,830.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 5: Long-term Liabilities: (continued)

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

- a) \$2,264,838 of the proceeds from the issuance of the revenue bonds shall be deposited to a reserve account to be used solely for the purpose of paying principal and interest on the bonds if insufficient money is available in the sinking account. The balance of the proceeds shall be deposited to the project account.
- b) All proceeds from the statewide sales, services and use tax shall be placed in a revenue account.
- c) Monies in the revenue account shall be disbursed to make deposits into a sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year.
- d) Any monies remaining in the revenue account after the required transfer to the sinking account may be transferred to the project account to be used for any lawful purpose.

The District complied with all revenue-bond provisions during the year ended June 30, 2021.

During the year ended June 30, 2021, the District made interest payments totaling \$1,309,336.

Note 6: Pension Plan and Retirement Benefits

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 the Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at PO Box 9117, Des Moines, 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.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 6: Pension Plan and Retirement Benefits: (continued)

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

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

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

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

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

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and 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.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 6: Pension Plan and Retirement Benefits: (continued)

In FY 2020-21, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the District contributed 9.44% of covered payroll, for a total rate of 15.73%.

The District's contributions to IPERS for the year ended June 30, 2021, totaled \$8,099,123.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2021, the District reported a liability of \$73,906,920 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, 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 IPERS relative to the contributions of all IPERS participating employers. At June 30, 2020, the District's proportion was 1.059484%, which was a decrease of 0.013321% over its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$11,488,604. At June 30, 2021, 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	\$ 81,645	\$1,751,782
Changes of assumptions	3,793,618	0
Net difference between projected and actual earnings on IPERS' investments	4,154,743	0
Changes in proportion and differences between District contributions and the District's proportionate share of contributions	708,248	552,817
District contributions subsequent to the measurement date	8,099,123	0
	<u>\$16,837,377</u>	<u>\$2,304,599</u>
Total		

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 6: Pension Plan and Retirement Benefits: (continued)

\$8,099,123 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 ending June 30, 2022. 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 Ending June 30,	Amount
2022	\$ 827,301
2023	1,528,591
2024	1,520,693
2025	2,508,059
2026	<u>49,011</u>
Total	<u>\$6,433,655</u>

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement.

Rate of inflation (effective June 30, 2017)	2.60% per annum.
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an economic assumption study dated March 24, 2017 and a demographic assumption study dated June 28, 2018.

Mortality rates used in the 2020 valuation were based on the RP-2014 Employee and Healthy Annuitant Tables with MP-2017 generational adjustments.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 6: Pension Plan and Retirement Benefits: (continued)

The long-term expected rate of return on IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of 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 geometric 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
Domestic equity	22.0%	4.43%
International equity	17.5	5.15
Global smart beta equity	6.0	4.87
Core plus fixed income	28.0	(0.29)
Public credit	4.0	2.29
Cash	1.0	(0.78)
Private equity	11.0	6.54
Private real assets	7.5	4.48
Private credit	<u>3.0</u>	3.11
Total	<u>100.0%</u>	

Discount Rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' 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 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 6: Pension Plan and Retirement Benefits: (continued)

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$123,233,552	\$73,906,920	\$32,547,293

IPERS' Fiduciary Net Position – Detailed information about IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Payables to IPERS – At June 30, 2021, the District reported payables to IPERS of \$0 for legally required District contributions and \$0 for legally required employee contributions withheld from employee wages which had not yet been remitted to IPERS.

Voluntary Early Retirement Plan - The District offers voluntary early retirement plans to its certified, administrative, and classified employees. Eligible employees must be at least age fifty-five, must have completed either fifteen or twenty years of service, depending on the employee's classification, and the last five years must be consecutive or employed for thirty years, of which the last one year shall be consecutive full-time. Employees must complete an application which is required to be approved by the Board of Education.

The early retirement incentive for each eligible employee is up to 50% of the employee's base salary calculated by using different methods depending on the type of employee.

The cost of early retirements expected to be liquidated currently, are recorded as a liability of the special revenue – management levy fund. At June 30, 2021, the District has obligations to (46) participants with a total accrued liability of \$694,656. These early retirement benefits will be paid July 1, 2021.

Early retirement benefits paid during the year ended June 30, 2021, totaled \$252,910.

Note 7: Other Post-employment Benefits (OPEB)

Plan Description – The District administers a single-employer benefit plan which provides medical and prescription drug benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

OPEB Benefits – Individuals who are employed by the District and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical and prescription drug benefits as active employees, which results in an implicit rate subsidy and an OPEB liability.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 7: Other Post-employment Benefits (OPEB): (continued)

Retired participants must be age 55 or older at retirement. At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	54
Active employees	<u>1,515</u>
Total	<u>1,569</u>

Total OPEB Liability – The District’s total OPEB liability of \$13,766,776 was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The total OPEB liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation (effective June 30, 2021)	2.60% per annum.
Rates of salary increase (effective June 30, 2021)	3.25%-16.25% average depending upon years of service, including inflation.
Discount rate (effective June 30, 2021)	2.21% compounded annually, including inflation.
Healthcare cost trend rate (effective June 30, 2021)	5.90% initial rate. Medical inflation was based on the “Getzen” model published by the Society of Actuaries for purposes of evaluating long-term medical trend The following tables show the trend rates used in this valuation.

Year	Annual Medical Trend Rate Pre-65
2021	5.90
2022	5.40
2023	5.00
2024	4.90
2025	4.80
2026	4.70
2027	4.60
2030	4.40
2040	4.50
2050	4.60
2060	4.40
2070	4.00
Ultimate (2074)	3.70

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 7: Other Post-employment Benefits (OPEB): (continued)

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

Mortality rates are from the SOA RPH-2019 total dataset mortality table fully generational using Scale MP-2019. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Total OPEB liability beginning of year	<u>\$12,429,621</u>
Changes for the year:	
Service cost	731,559
Interest	445,266
Effect of liability gains or losses	100,290
Effect of assumption, changes or inputs	946,305
Benefit payments	<u>(886,265)</u>
Net changes	<u>1,337,155</u>
Total OPEB liability end of year	<u>\$13,766,776</u>

Changes of assumptions reflect a change in the discount rate from 3.50% in FY 2019-20 to 2.21% in FY 2020-21.

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.21%) or 1% higher (3.21%) than the current discount rate.

	<u>1% Decrease (1.21%)</u>	<u>Discount Rate (2.66%)</u>	<u>1% Increase (3.21%)</u>
Total OPEB liability	\$14,733,410	\$13,766,776	\$12,834,929

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 7: Other Post-employment Benefits (OPEB): (continued)

Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (4.90%) or 1% higher (6.90%) than the current healthcare cost trend rates.

	1% Decrease (4.90%)	Healthcare Cost Trend Rate (5.90%)	1% Increase (6.90%)
Total OPEB liability	\$12,535,741	\$13,766,776	\$15,223,650

OPEB Expense and Deferred Outflows of Resources Related to OPEB – For the year ended June 30, 2021, the District recognized OPEB expense of \$1,277,022. At June 30, 2021, the District reported deferred outflows of resources related to OPEB from the following resources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 0	\$3,904,449
Changes in assumptions	<u>(3,555,524)</u>	<u>857,865</u>
Total	<u>\$(3,555,524)</u>	<u>\$4,762,314</u>

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

Year ending June 30,	Amount
2022	\$ 100,197
2023	100,197
2024	100,197
2025	100,197
2026	<u>705,805</u>
Thereafter *	<u>\$1,206,790</u>

* Note that additional future deferred inflows and outflows of resources may impact these numbers.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 8: Risk Management

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

Note 9: Area Education Agency

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the area education agency. The District's actual amount for this purpose totaled \$5,445,421 for the year ended June 30, 2021, and is recorded in the general fund by making a memorandum adjusting entry to the financial statements.

Note 10: Tax Abatements

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

Tax Abatements of Other Entity

Other entities within the District provide tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa. Additionally, the City of Dubuque and City of Asbury offered an urban revitalization tax abatement program pursuant to Chapter 404 of the Code of Iowa. With prior approval by the governing body, this program provides for an exemption of taxes based on a percentage of the actual value added by improvements.

Property tax revenues of the District were reduced by the following amounts for the year ended June 30, 2021, under agreements entered into by the following entity:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Dubuque	Urban renewal and economic development projects	\$1,085,176
City of Asbury	Urban renewal and economic development projects	122,759

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 10: Tax Abatements: (continued)

The State of Iowa reimburses the district an amount equivalent to the increment of valuation on which property tax is divided times \$5.40 per \$1,000 of taxable valuation. For the year ended June 30, 2021, this reimbursement amounted to \$475,097.

Note 11: Construction Commitments

On March 9, 2020, the District signed a \$2,000,000 contract for architect services for Senior Phase II at Dubuque Senior High School. As of June 30, 2021, \$510,554 change orders have been added to the project. Funding will come from the sales tax fund. As of June 30, 2021, \$1,922,581 had been paid on the contract.

On June 15, 2021, the District signed a \$200,000 contract for administration architect services for Senior Phase II at Dubuque Senior High School. As of June 30, 2021, no change orders have been added to the project. Funding will come from the sales tax fund. As of June 30, 2021, \$0 had been paid on the contract.

On April 12, 2021, the District signed a \$27,490,000 contract for the renovations for Senior Phase II at Dubuque Senior High School. As of June 30, 2021, no change orders have been added to the project. Funding will come from the sales tax fund. As of June 30, 2021, \$997,017 had been paid on the contract.

On April 12, 2021, the District signed a \$253,000 contract for auditorium audio visual project for Senior Phase II at Dubuque Senior High School. As of June 30, 2021, no change orders have been added to the project. Funding will come from the sales tax fund. As of June 30, 2021, \$0 had been paid on the contract.

On February 8, 2021, the District signed a \$265,000 contract for the Central Kitchen Oven Replacement. As of June 30, 2021, no change orders have been added to the project. Funding will come from the physical plant and equipment levy fund. As of June 30, 2021, \$43,415 had been paid on the contract.

On April 12, 2021, the District signed a \$303,905 contract for the Hempstead Intercom Project. As of June 30, 2021, \$37,044 change orders have been added to the project. Funding will come from the physical plant and equipment levy fund. As of June 30, 2021, \$0 had been paid on the contract.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 12: Subsequent Event

In July 2021, the District issued \$30,185,000 School Infrastructure Sales, Services and Use Tax Revenue Refunding Bonds to provide cash for preliminary costs associated with the next phase of the Dubuque Senior High School renovation project, to fund the Reserve Fund, and provide for the costs of issuance associated with the Bonds.

In January 2022, the District will issue \$9,165,000 School Infrastructure Sales, Services and Use Tax Revenue Refunding Bonds, for the purpose of providing funds to refund outstanding sales tax indebtedness dated December 5, 2016.

Note 13: Categorical Funding

In accordance with Iowa Administrative Code Section 98.1, categorical funding is financial support from the state and federal governments targeted for particular categories of students, special programs, or special purposes. This support is in addition to school district or area education agency general purpose revenue, for purposes beyond the basic educational program and most often has restrictions on its use. Any portion of categorical funding provided by the state that is not expended by the end of the fiscal year must be carried forward as a restricted fund balance.

The following is a schedule of the categorical funding restricted in the General Fund at June 30, 2021.

Program	Amount
Professional development	\$ 435,658
Four-year-old preschool state aid	653,201
Successful progression for early readers	235,247
Professional development for model core curriculum	113,069
Textbook aid for non-public students	17,930
Talented and gifted	36,715
Market factor incentives	<u>1,856</u>
Total	<u>\$1,493,676</u>

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 14: Accounting Change/Restatement

Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities, was implemented during FY 2020-21. The new requirements change the definition of fiduciary activity and establish new financial reporting requirements for state and local governments which report fiduciary activity. Beginning net position/fund balance was restated to retroactively report the change in net position/fund balance, as follows:

	Statement of Activities - Governmental Activities	Governmental Funds - Nonmajor	Fiduciary Funds	Nonmajor Governmental Funds - Non- Fiduciary Scholarships
Net position/fund balance June 30, 2020, as previously reported	\$53,513,454	\$7,719,443	\$ 146,015	\$ 0
Change to implement GASBS No. 84	<u>146,015</u>	<u>146,015</u>	<u>(146,015)</u>	<u>146,015</u>
Net position/fund balance July 1, 2021, as restated	<u>\$83,659,469</u>	<u>\$7,865,458</u>	<u>\$ 0</u>	<u>\$146,015</u>

Note 15: COVID-19

In March 2020, the COVID-19 outbreak was declared a global pandemic. The disruption to businesses across a range of industries in the United States continues to evolve. The full impact to local, regional and national economies, including that of Dubuque Community School District, remains uncertain.

To date, the outbreak has not created a material disruption to the operations of Dubuque Community School District. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, duration and timing of the economic recovery. Due to these uncertainties, management cannot reasonably estimate the potential impact to Dubuque Community School District.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 16: New Governmental Accounting Standards Board (GASB) Statements

The District implemented the following statements:

- The GASB issued Statement 84, *Fiduciary Activities* in January 2017. This Statement establishes standards of accounting and financial reporting for fiduciary activities. The requirements of this Statement are effective for periods beginning after December 15, 2018. See Note 14, Accounting Change/Restatement.
- The GASB issued Statement No. 95, *Postponements of Effective Dates of Certain Authoritative Guidance* in May 2020. The Statement was issued to provide temporary relief to governments and other stakeholders in light of the Covid-19 pandemic. See references to GASB Statement No. 95 within the various pronouncements to determine the impact on each individual statement. The requirements of this Statement are effective immediately.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. This new term and acronym replaces instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments. This statement was development in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectional racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. The requirements of this Statement are effective for fiscal years ending after December 15, 2021 Earlier application is encouraged.

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

- The GASB issued Statement 87, *Leases* in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement are effective for periods beginning after December 15, 2019 as originally established, however GASB Statement No. 95 allows governments to postpone implementation for 18 months.
- The GASB issued Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* in June 2018. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for periods beginning after December 15, 2019 as originally established, however GASB Statement No. 95 allows governments to postpone implementation for one year.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 16: New Governmental Accounting Standards Board (GASB) Statements: (continued)

- The GASB issued Statement 90, *Majority Equity Interests – an Amendment of GASB Statements 14 and 61* in August 2018. This Statement modifies previous guidance for reporting a government's majority equity interest in a legally separate organization. This Statement also provides guidance for reporting a component unit if a government acquires a 100 percent equity interest in that component unit. The requirements of this Statement are effective for periods beginning after December 15, 2018 as originally established, however GASB Statement No. 95 allows governments to postpone implementation for one year.
- The GASB issued Statement No. 91, *Conduit Debt Obligations*, in May 2019. This Statement establishes a single method of reporting conduit debt obligations by issuers to eliminate diversity in practice. The requirements of this Statement are effective for periods beginning after December 15, 2021 as originally established, however GASB Statement No. 95 allows governments to postpone implementation for one year.
- The GASB issued Statement No. 92, *Omnibus 2020* in January 2020. This Statement addresses a variety of topics to enhance comparability in accounting and financial reporting and improve consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for periods beginning after June 15, 2021 as originally established, however GASB Statement No. 95 allows governments to postpone implementation for one year.
- The GASB issued Statement No. 93, *Replacement of Interbank Offered Rates* in March 2020. This Statement will address accounting and financial reporting issues and implications that result from the replacement of an interbank offered rates. The requirements of this Statement are effective for periods beginning after June 15, 2020, June 15, 2021 and December 31, 2021, depending on the paragraph, as originally established, however GASB Statement No. 95 allows governments to postpone implementation for one year.
- The GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* in March 2020. This Statement addresses issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this Statement are effective for periods beginning after June 15, 2022.
- The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* in May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements. The requirements of this Statement are effective for periods beginning after June 15, 2022.

Dubuque Community School District

Notes to Financial Statements

June 30, 2021

Note 16: New Governmental Accounting Standards Board (GASB) Statements: (continued)

- The GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32* in June 2020. This Statement provides guidance regarding the financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. The Statement will also enhance (1) information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans. Paragraphs 4 and 5 of the Statement were effective immediately whereas the remaining requirements of this Statement are effective for periods beginning after June 15, 2021.

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

Required Supplementary Information



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Dubuque Community School District

**Budgetary Comparison Schedule of Revenues, Expenditures/Expenses,
and Changes in Balances – Budget and Actual**

All Governmental Funds and Proprietary Fund

Required Supplementary Information

Year Ended June 30, 2021

	Actual Amounts			Budgeted Amounts		
	Governmental Funds	Proprietary Fund	Total	Original	Amended	Final to Actual Variance
Revenues:						
Local sources	\$ 61,665,599	\$ 408,211	\$ 62,073,810	\$ 65,207,079	\$ 65,207,079	\$(3,133,269)
State sources	88,101,838	26,776	88,128,614	90,089,842	90,089,842	(1,961,228)
Federal sources	14,853,575	3,900,284	18,753,859	11,241,500	11,241,500	7,512,359
Total revenues	\$164,621,012	\$4,335,271	\$168,956,283	\$166,538,421	\$166,538,421	\$ 2,417,862
Expenditures:						
Instruction	\$ 92,999,068	\$ 0	\$ 92,999,068	\$ 94,841,885	\$ 94,841,885	\$ 1,842,817
Support services	47,177,010	0	47,177,010	45,702,000	47,202,000	24,990
Non-instructional programs	50,188	4,407,588	4,457,776	6,096,800	6,096,800	1,639,024
Other expenditures	43,124,329	0	43,124,329	44,535,085	44,535,085	1,410,756
Total expenditures	\$183,350,595	\$4,407,588	\$187,758,183	\$191,175,770	\$192,675,770	\$ 4,917,587
Excess (deficiency) of revenues over expenditures	\$ (18,729,583)	\$ (72,317)	\$(18,801,900)	\$(24,637,349)	\$ (26,137,349)	\$ 7,335,449
Other financing sources, net	27,367,517	500,000	27,867,517	24,070,000	24,070,000	3,797,517
Excess (deficiency) of revenues and other financing sources over expenditures	\$ 8,637,934	\$ 427,683	\$ 9,065,617	\$ (567,349)	\$ (2,067,349)	\$11,132,966
Balances beginning of year	48,128,518	522,741	48,651,259	45,905,212	45,905,212	2,746,047
Balances end of year	\$ 56,766,452	\$ 950,424	\$ 57,716,876	\$ 45,337,863	\$ 43,837,863	\$13,879,013

See accompanying independent auditor's report.

Dubuque Community School District

Notes to Required Supplementary Information – Budgetary Reporting

Year Ended June 30, 2021

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

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

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functions, not by fund. These four functions are instruction, support services, non-instructional programs, and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated function level, not by fund. The Code of Iowa also provides that District expenditures in the general fund may not exceed the amount authorized by the school finance formula. During the year, the District adopted one budget amendment, increasing budgeted expenditures by \$1,500,000.

Dubuque Community School District
Schedule of the District's Proportionate Share of the Net Pension Liability
Iowa Public Employees' Retirement System
Last Seven Fiscal Years *
Required Supplementary Information

	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	1.059484%	1.046163%	1.050647%	1.048999%	1.075217%	1.093194%	1.044018%
District's proportionate share of the net pension liability	\$73,906,920	\$60,986,689	\$66,466,613	\$69,251,718	\$67,053,235	\$54,347,570	\$42,252,286
District's covered-employee payroll	\$83,496,410	\$80,151,805	\$78,941,118	\$77,602,466	\$76,461,891	\$75,363,092	\$69,715,216
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	88.52%	76.09%	84.20%	89.24%	87.66%	72.11%	60.61%
Plan fiduciary net position as a percentage of the total pension liability	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

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

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

See accompanying independent auditor's report.

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

	2021	2020	2019	2018
Statutorily required contribution	\$ 8,099,123	\$ 7,882,061	\$ 7,566,330	\$ 7,049,442
Contributions in relation to the statutorily required contribution	(8,099,123)	(7,882,061)	(7,566,330)	(7,049,442)
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0
District's covered-employee payroll	\$85,795,793	\$83,496,410	\$80,151,805	\$78,941,118
Contributions as a percentage of covered-employee payroll	9.44%	9.44%	9.44%	8.93%

See accompanying independent auditor's report.

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

2017	2016	2015	2014	2013	2012
\$ 6,929,900	\$ 6,830,726	\$ 6,729,926	\$ 6,225,569	\$ 5,734,626	\$ 5,218,342
(6,929,900)	(6,830,726)	(6,729,926)	(6,225,569)	(5,734,626)	(5,218,342)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$77,602,466	\$76,461,891	\$75,363,092	\$69,715,216	\$66,143,315	\$64,684,349
8.93%	8.93%	8.93%	8.93%	8.67%	8.07%

Dubuque Community School District
Notes to Required Supplementary Information – Pension Liability
Year Ended June 30, 2021

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

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

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

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

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

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL (unfunded actuarial liability) beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

Dubuque Community School District

Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes for the Last Four Years

Required Supplementary Information

June 30, 2021

	2021	2020	2019	2018
Service cost	\$ 731,559	\$ 770,622	\$ 850,081	\$ 920,864
Interest cost	445,266	411,593	387,720	317,249
Effect of plan changes	0	519,357	0	0
Effect of economic/demographic gains or losses	100,290	4,667,626	0	0
Effect of assumptions changes or inputs	946,305	(3,382,798)	(545,824)	(654,577)
Benefit payments	(886,265)	(835,340)	(780,136)	(849,000)
Net change in total OPEB liability	\$ 1,337,155	\$ 2,151,060	\$ (88,159)	\$ (265,464)
Total OPEB liability beginning of year	\$12,429,621	\$10,278,561	\$10,366,720	\$10,632,184
Total OPEB liability end of year	\$13,766,776	\$12,429,621	\$10,278,561	\$10,366,720
Covered employee payroll	\$85,795,793	\$83,496,410	\$80,151,805	\$78,941,118
Total OPEB liability as a percentage of covered-employee payroll	16.05%	14.89%	12.82%	13.13%

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

Changes in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

Year ended June 30, 2021	2.21%
Year ended June 30, 2020	3.50%
Year ended June 30, 2019	3.87%
Year ended June 30, 2018	3.58%
Year ended June 30, 2017	2.85%

Note: GASB Statement No. 75 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 accompanying independent auditor's report.



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Other Supplementary Information



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Dubuque Community School District

Nonmajor Governmental Funds

June 30, 2021

Nonmajor Governmental Funds

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

The special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service. A brief description of each of the District's nonmajor governmental funds follows:

Non-Fiduciary Scholarship Funds	Accounts for funds to provide scholarships to students who meet specific criteria as determined by the donor. The scholarship fund does not meet the criteria for a trust or custodial fund, but the district does have administrative involvement.
Student Activity	Accounts for funds raised by student groups. Under state law the Board retains responsibility for the Student Activity Fund's ultimate disposition.
Management	Accounts for resources accumulated and payments made for property insurance, fidelity bonds, worker compensation, liability premiums, unemployment insurance claims and early retirement incentives.

Dubuque Community School District

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2021

	Special Revenue			
	Non-Fiduciary Scholarships	Student Activity	Management Levy	Total
Assets				
Cash, cash equivalents and pooled investments	\$144,031	\$852,500	\$ 7,255,608	\$ 8,252,139
Receivables:				
Property tax:				
Delinquent	0	0	35,604	35,604
Succeeding year	0	0	5,000,000	5,000,000
Interest	0	0	2,665	2,665
Total assets	\$144,031	\$852,500	\$12,293,877	\$13,290,408
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 0	\$ 33,589	\$ 2,248	\$ 35,837
Salaries and Benefits Payable	0	1,581	0	1,581
Early retirement payable	0	0	694,655	694,655
Total liabilities	\$ 0	\$ 35,170	\$ 696,903	\$ 732,073
Deferred inflows of resources:				
Unavailable revenues:				
Succeeding year property tax	\$ 0	\$ 0	\$ 5,000,000	\$ 5,000,000
Other	0	0	9,230	9,230
Total deferred inflows of resources	\$ 0	\$ 0	\$ 5,009,230	\$ 5,009,230
Fund balances:				
Restricted for:				
Scholarships	\$144,031	\$ 0	\$ 0	\$ 144,031
Student activities	0	817,330	0	817,330
Management levy purposes	0	0	6,587,744	6,587,744
Total fund balances	\$144,031	\$817,330	\$ 6,587,744	\$ 7,549,105
Total liabilities, deferred inflows of resources and fund balances	\$144,031	\$852,500	\$12,293,877	\$13,290,408

See accompanying independent auditor's report.

Dubuque Community School District

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2021

	Special Revenue			
	Non-Fiduciary Scholarships	Student Activity	Management Levy	Total
Revenues:				
Local sources:				
Local tax	\$ 0	\$ 0	\$3,543,129	\$3,543,129
Other	10,097	791,473	59,492	861,062
State sources	0	0	95,395	95,395
Total revenues	\$ 10,097	\$791,473	\$3,698,016	\$4,499,586
Expenditures:				
Current:				
Instruction:				
Regular instruction	\$ 12,081	\$ 0	\$1,012,925	\$1,025,006
Other instruction	0	830,433	45,615	876,048
	\$ 12,081	\$830,433	\$1,058,540	\$1,901,054
Support services:				
Student services	\$ 0	\$ 0	\$ 115,375	\$ 115,375
Instructional staff services	0	0	156,495	156,495
Administration services	0	2,842	460,656	463,498
Operation and maintenance of plant services	0	1,942	1,988,997	1,990,939
Transportation services	0	4,200	201,532	205,732
	\$ 0	\$ 8,984	\$2,923,055	\$2,932,039
Non-instructional programs	\$ 0	\$ 0	\$ 37,156	\$ 37,156
Total expenditures	\$ 12,081	\$839,417	\$4,018,751	\$4,870,249
Excess (deficiency) of revenues over (under) expenditures	\$ (1,984)	\$(47,944)	\$(320,735)	\$ (370,663)
Other financing sources (uses):				
Transfers in	\$ 0	\$ 57,944	\$ 0	\$ 57,944
Transfers out	0	(3,634)	0	(3,634)
Total other financing sources (uses):	\$ 0	\$ 54,310	\$ 0	\$ 54,310
Change in fund balances	\$ 1,984)	\$ 6,366	\$(320,735)	\$ (316,353)
Fund balances beginning of year, as restated	146,015	810,964	6,908,479	7,865,458
Fund balances end of year	\$144,031	\$817,330	\$6,587,744	\$7,549,105

See accompanying independent auditor's report.

Dubuque Community School District

Schedule of Changes in Special Revenue Fund, Student Activity Accounts

Year Ended June 30, 2021

	Balance June 30, 2020	Revenues	Expenditures	Balance June 30, 2021
Senior High Schools:				
Alternative Learning Center	\$ 3,200	\$ 13	\$ 392	\$ 2,821
Stephen Hempstead	347,454	258,944	\$256,552	349,846
Dubuque Senior	311,496	261,595	262,725	310,366
Total Senior High Schools	<u>\$662,150</u>	<u>\$520,552</u>	<u>\$519,669</u>	<u>\$663,033</u>
Middle Schools:				
Jefferson	\$ 25,164	\$ 2,095	\$ 3,116	\$ 24,143
Washington	43,446	2,001	11,083	34,364
Roosevelt	37,076	26,399	21,438	42,037
Total Middle Schools	<u>\$105,686</u>	<u>\$ 30,495</u>	<u>\$ 35,637</u>	<u>\$100,544</u>
Elementary Schools:				
Audubon	\$ 1,197	\$ 1	\$ 0	\$ 1,198
Bryant	6,796	2,616	2,995	6,417
Eisenhower	1,541	2	0	1,543
Carver	1,776	2	0	1,778
Fulton	2,467	2	383	2,086
Hoover	4,256	1,568	1,102	4,722
Irving	12,249	2,052	1,309	12,992
Kennedy	398	0	0	398
Lincoln	148	0	0	148
Marshall	6,867	1,868	861	7,874
Prescott	545	11	0	556
Sageville	438	1	0	439
Table Mound	5,098	4	0	5,102
Total Elementary Schools	<u>\$ 43,776</u>	<u>\$ 8,127</u>	<u>\$ 6,650</u>	<u>\$ 45,253</u>
Athletic reserve	\$ (17,958)	\$279,161	\$270,013	\$ (8,810)
District instrumental music	17,310	37,688	37,688	17,310
	<u>\$ (648)</u>	<u>\$316,849</u>	<u>\$307,701</u>	<u>\$ 8,500</u>
Grand Total	<u>\$810,964</u>	<u>\$876,023</u>	<u>\$869,657</u>	<u>\$817,330</u>

See accompanying independent auditor's report.

Dubuque Community School District

Capital Project Accounts

Capital Projects Fund

Year Ended June 30, 2021

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

**Statewide Sales,
Services, and Use Tax**

Statewide sales and services tax moneys received for school infrastructure purposes shall be utilized solely for school infrastructure needs or school district property tax relief. These activities include the construction, reconstruction, repair, demolition work, purchasing, or remodeling of schoolhouses, stadiums, gyms, field houses, and bus garages and the procurement of schoolhouse construction sites and making of site improvements and those activities for which revenues under Iowa Code Section 298.3 or Section 300.2 may be spent. Additionally, "school infrastructure" includes the payment or retirement of outstanding bonds previously issued for school infrastructure purposes, and the payment or retirement of bonds issued under Iowa Code Section 423E.5.

**Physical Plant and
Equipment Levy Fund**

Accounts for resources accumulated and payments made for the purchase and improvement of grounds; purchase of buildings; major repairs, remodeling, reconstructing, improving or expanding the schools or buildings; expenditures for energy conservation; and for equipment purchases. The purchase of transportation vehicles qualifies under the law.

Dubuque Community School District

Combining Balance Sheet

Capital Project Accounts

Year Ended June 30, 2021

	Capital Projects		
	Statewide Sales, Services, and Use Tax	Physical Plant and Equipment Levy	Total
Assets			
Cash, cash equivalents and pooled investments	\$8,653,763	\$ 6,643,959	\$15,297,722
Receivables:			
Property tax:			
Delinquent	0	47,546	47,546
Succeeding year	0	4,367,516	4,367,516
Accounts	0	3,000	3,000
Interest	5,801	2,543	8,344
Due from other governments	876,638	0	876,638
Total assets	\$9,536,202	\$11,064,564	\$20,600,766
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable	\$ 671,993	\$ 149,183	\$ 821,176
Total liabilities	\$ 671,993	\$ 149,183	\$ 821,176
Deferred inflows of resources:			
Unavailable revenues:			
Succeeding year property tax	0	4,367,516	4,367,516
Other	0	12,350	12,350
Total deferred inflows of resources	\$ 0	\$ 4,379,866	\$ 4,379,866
Fund balances:			
Restricted for:			
School infrastructure	\$8,864,209	\$ 0	\$ 8,864,209
Physical plant and equipment	0	6,535,515	6,535,515
Total fund balances	\$8,864,209	\$ 6,535,515	\$15,399,724
Total liabilities, deferred inflows of resources and fund balances	\$9,536,202	\$11,604,564	\$20,600,766

See accompanying independent auditor's report.

Dubuque Community School District

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances

Capital Project Accounts

Year Ended June 30, 2021

	Capital Projects		
	Statewide Sales, Services, and Use Tax	Physical Plant and Equipment Levy	Total
Revenues:			
Local sources:			
Local tax	\$ 0	\$4,315,077	\$ 4,315,077
Other	98,516	31,206	129,722
State sources	10,470,364	117,674	10,588,038
Total revenues	<u>\$10,568,880</u>	<u>\$4,463,957</u>	<u>\$15,032,837</u>
Expenditures:			
Current:			
Instruction:			
Regular instruction	\$ 209,711	\$ 60,347	\$ 270,058
Other instruction	0	11,624	11,624
	<u>\$ 209,711</u>	<u>\$ 71,971</u>	<u>\$ 281,682</u>
Support services:			
Student services	\$ 4,813	\$ 0	\$ 4,813
Administration services	1,337,633	71,692	1,409,325
Operation and maintenance of plant services	4,498	4,000	8,498
Transportation services	0	1,248,271	1,248,271
	<u>\$ 1,346,944</u>	<u>\$1,323,963</u>	<u>\$ 2,670,907</u>
Non-instructional programs	<u>\$ 0</u>	<u>\$ 13,032</u>	<u>\$ 13,032</u>
Other expenditures:			
Facilities acquisition	\$ 4,432,866	\$1,792,527	\$ 6,225,393
Debt service:			
Interest and other charges	34,851	0	34,851
	<u>\$ 4,467,717</u>	<u>\$1,792,527</u>	<u>\$ 6,260,244</u>
Total expenditures	<u>\$ 6,024,372</u>	<u>\$3,201,493</u>	<u>\$ 9,225,865</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 4,544,508</u>	<u>\$1,262,464</u>	<u>\$ 5,806,972</u>
Other financing sources (uses):			
Compensation for loss of capital assets	\$ 0	\$ 12,980	\$ 12,980
Transfers in	2,101,835	0	2,101,835
Transfers out	(6,939,327)	0	(6,939,327)
Total other financing sources (uses)	<u>\$ (4,837,492)</u>	<u>\$ 12,980</u>	<u>\$ (4,824,512)</u>
Change in fund balances	<u>\$ (292,984)</u>	<u>\$1,275,444</u>	<u>\$ 982,460</u>
Fund balances beginning of year	9,157,193	5,260,071	14,417,264
Fund balances end of year	<u>\$ 8,864,209</u>	<u>\$6,535,515</u>	<u>\$15,399,724</u>

See accompanying independent auditor's report.

Dubuque Community School District

Schedule of Revenues by Source and Expenditures by Function

All Governmental Funds

For the Last Ten Years

	Modified Accrual Basis			
	2021	2020	2019	2018
Revenues:				
Local sources:				
Local tax	\$ 57,721,322	\$ 55,373,651	\$ 54,352,620	\$ 52,088,173
Tuition	1,140,325	1,240,198	1,533,639	1,866,027
Other	2,803,952	4,146,856	6,065,453	5,154,425
State sources	88,101,838	85,653,106	84,382,026	84,703,581
Federal sources	14,853,575	5,971,700	6,604,662	6,582,364
Total revenues	<u>\$164,621,012</u>	<u>\$152,385,511</u>	<u>\$152,938,400</u>	<u>\$150,394,570</u>
Expenditures:				
Instruction:				
Regular instruction	\$ 53,748,028	\$ 52,367,218	\$ 50,567,509	\$ 48,443,163
Special instruction	25,116,968	25,638,122	26,999,668	26,461,319
Other instruction	14,134,072	13,706,583	14,182,943	13,913,191
Support services:				
Student services	7,502,669	7,737,274	6,994,644	6,972,980
Instructional staff services	6,627,858	5,988,182	5,501,039	5,549,043
Administration services	15,331,033	15,129,274	14,199,393	14,885,160
Operation and maintenance of plant services	12,650,178	11,741,215	13,021,257	12,229,402
Transportation services	5,065,272	4,661,120	5,304,242	5,325,698
Non-instructional programs	50,188	35,998	170,694	259,611
Other expenditures:				
Facilities acquisition	6,225,393	8,035,520	14,015,993	15,970,203
Debt service:				
Principal	29,844,000	14,824,000	3,079,000	1,975,000
Interest and fiscal charges	1,609,515	1,988,328	1,728,006	1,625,072
AEA flowthrough	5,445,421	5,239,713	5,198,347	5,191,338
Total expenditures	<u>\$183,350,595</u>	<u>\$167,092,547</u>	<u>\$160,962,735</u>	<u>\$158,801,180</u>

See accompanying independent auditor's report.

Dubuque Community School District

Schedule of Revenues by Source and Expenditures by Function

All Governmental Funds

For the Last Ten Years

Modified Accrual Basis					
2017	2016	2015	2014	2013	2012
\$ 51,125,151	\$ 45,751,376	\$ 44,918,498	\$ 45,256,554	\$ 57,952,211	\$ 59,573,803
2,132,767	2,409,264	2,571,634	2,076,227	2,364,636	2,264,001
4,476,876	4,269,622	4,461,057	4,403,650	4,149,932	3,237,573
84,387,919	82,675,004	81,462,443	74,879,014	62,706,583	62,040,783
6,150,614	6,607,619	6,277,627	6,323,012	6,852,735	7,729,416
<u>\$148,273,327</u>	<u>\$141,712,885</u>	<u>\$139,691,259</u>	<u>\$132,938,457</u>	<u>\$134,026,097</u>	<u>\$134,845,576</u>
\$ 47,725,537	\$ 49,481,686	\$ 48,744,947	\$ 45,838,993	\$ 41,180,652	\$ 40,768,416
26,117,978	25,495,256	26,651,874	24,813,653	23,533,298	22,492,388
14,179,608	13,854,651	13,763,166	13,169,530	13,080,400	12,840,284
7,226,953	6,519,760	6,655,077	6,305,561	5,492,706	5,252,695
5,336,682	6,100,106	5,788,283	5,750,601	4,602,493	3,984,983
13,458,720	14,124,857	13,506,629	12,725,816	12,389,626	12,341,464
11,659,699	11,607,416	10,785,417	9,599,256	9,057,962	8,702,928
5,140,676	4,471,942	4,724,879	5,612,731	4,277,877	4,120,582
178,401	152,701	188,357	156,327	364,825	135,718
16,114,278	5,336,369	14,428,903	25,750,982	14,520,178	4,919,944
1,960,000	1,390,000	1,130,000	4,850,000	7,600,000	7,200,000
1,403,369	1,330,143	974,063	471,005	507,785	556,069
5,014,640	4,981,385	4,928,817	4,723,656	4,515,012	4,496,822
<u>\$155,516,541</u>	<u>\$144,846,272</u>	<u>\$152,270,412</u>	<u>\$159,768,111</u>	<u>\$141,122,814</u>	<u>\$127,812,293</u>



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STATISTICAL SECTION



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Dubuque Community School District
Statistical Section (unaudited)
Narrative Explanations

The statistical section of the District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents

Tables

Financial Trends

1-9

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

10-13

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity

14-17

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

18-19

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

20-22

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.

Table 1

Dubuque Community School District
Net Position by Components
Last Ten Fiscal Years

(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Governmental activities:				
Net investment in capital assets	\$103,262,388	\$103,938,349	\$100,266,840	\$96,224,508
Restricted	33,328,982	31,116,377	35,704,352	34,215,991
Unrestricted	(43,081,254)	(51,541,272)	(49,443,787)	(41,554,404)
Total governmental activities net position	\$ 93,510,116	\$ 83,513,454	\$ 86,527,405	\$88,886,095
Business-type activities:				
Net investment in capital assets	\$ 477,692	\$ 327,476	\$ 228,218	\$ 125,918
Unrestricted	472,732	195,265	606,986	328,450
Total business-type activities net position	\$ 950,424	\$ 522,741	\$ 835,204	\$ 454,368
Primary government:				
Net investment in capital assets	\$103,740,080	\$104,265,825	\$100,495,058	\$96,350,426
Restricted	33,328,982	31,116,377	35,704,352	34,215,991
Unrestricted	(42,608,522)	(51,346,007)	(48,836,801)	(41,225,954)
Total primary government net position	\$ 94,460,540	\$ 84,036,195	\$ 87,362,609	\$89,340,463

Source: District Financial Records

Table 1

Dubuque Community School District
Net Position by Components
Last Ten Fiscal Years

2017	2016	2015	2014	2013	2012
\$95,329,568	\$94,302,695	\$88,077,969	\$ 93,556,198	\$ 80,199,696	\$ 72,432,082
32,225,976	32,970,043	32,900,265	22,585,523	29,345,373	25,752,325
(43,153,002)	(49,108,783)	(42,281,836)	13,235,693	20,945,199	22,014,328
\$84,402,542	\$78,163,955	\$78,696,398	\$129,377,414	\$130,490,268	\$120,198,735
\$ 150,046	\$ 164,626	\$ 180,689	\$ 226,852	\$ 294,532	\$ 280,661
(370,410)	(463,766)	(558,454)	572,735	545,461	851,251
\$ (220,364)	\$ (299,140)	\$ (377,765)	\$ 799,587	\$ 839,993	\$ 1,131,912
\$95,479,614	\$94,467,321	\$88,258,658	\$ 93,783,050	\$ 80,494,228	\$ 72,712,743
32,225,976	32,970,043	32,900,265	22,585,523	29,345,373	25,752,325
(43,523,412)	(49,572,549)	(42,840,290)	13,808,428	21,490,660	22,865,579
\$84,182,178	\$77,864,815	\$78,318,633	\$130,177,001	\$131,330,261	\$121,330,647

Table 2

Dubuque Community School District
Expenses, Program Revenues, and Net (Expense) Revenue
Last Ten Fiscal Years

(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Expenses:				
Governmental activities:				
Instruction	\$ 95,184,818	\$ 95,059,857	\$ 95,586,540	\$ 88,850,485
Student services	7,557,114	8,097,633	7,364,383	7,291,748
Instructional staff services	7,126,505	6,105,303	5,828,783	5,553,503
Administration services	16,214,404	16,240,347	15,205,104	15,207,607
Operation and maintenance of plant services	13,005,382	11,760,883	13,400,061	12,136,150
Transportation services	4,965,603	5,318,515	5,378,821	4,724,735
Non-instructional programs	164,587	79,056	183,930	83,212
AEA flowthrough	5,445,421	5,239,713	5,198,347	5,191,338
Interest on long-term debt	1,798,223	1,793,232	1,823,974	1,611,048
Bond costs	300,179	73,147	56,982	94,184
Other post-employment benefits	0	0	0	0
Depreciation (unallocated)	6,155,935	5,913,603	5,550,294	4,880,966
Total governmental activities expenses	\$157,918,171	\$155,681,289	\$155,577,219	\$145,624,976
Business-type activities:				
Nutrition services	\$ 4,407,588	\$ 4,948,700	\$ 5,036,945	\$ 4,784,514
Total business-type activities expenses	\$ 4,407,588	\$ 4,948,700	\$ 5,036,945	\$ 4,784,514
Total primary government expenses	\$162,235,759	\$160,629,989	\$160,614,164	\$150,409,490

Source: District Financial Records

(Continued on the following page.)

Table 2

Dubuque Community School District
Expenses, Program Revenues, and Net (Expense) Revenue
Last Ten Fiscal Years

2017	2016	2015	2014	2013	2012
\$ 88,116,297	\$ 87,389,442	\$ 87,066,710	\$ 83,984,002	\$ 77,755,484	\$ 76,200,554
7,180,650	6,382,523	6,457,946	6,306,779	5,505,944	5,262,498
5,088,966	6,176,257	5,650,117	5,750,601	4,602,597	3,988,500
12,460,130	14,132,095	13,683,311	13,236,921	12,281,517	11,285,684
11,783,955	11,698,648	10,753,161	9,684,699	9,102,217	8,800,056
5,054,682	4,841,702	4,906,348	4,981,110	4,420,179	4,040,587
204,787	160,756	184,930	159,179	364,825	134,228
5,014,640	4,981,385	4,928,817	4,723,656	4,515,012	4,496,822
1,420,306	1,329,248	1,148,530	406,017	344,756	317,750
90,678	7,750	293,111	116,998	166,710	143,819
853,806	1,073,418	1,142,693	911,203	777,152	1,432,116
4,765,843	4,234,139	3,900,066	3,938,398	4,243,202	3,110,181
\$142,034,740	\$142,407,363	\$140,115,740	\$134,199,563	\$124,079,595	\$119,212,795
\$ 5,503,873	\$ 5,267,411	\$ 4,988,071	\$ 4,983,100	\$ 5,014,578	\$ 4,829,167
\$ 5,503,873	\$ 5,267,411	\$ 4,988,071	\$ 4,983,100	\$ 5,014,578	\$ 4,829,167
\$147,538,613	\$147,674,774	\$145,103,811	\$139,182,663	\$129,094,173	\$124,041,962

Table 2

Dubuque Community School District
Expenses, Program Revenues, and Net (Expense) Revenue
Last Ten Fiscal Years

(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Program revenues:				
Governmental activities:				
Charges for services:				
Instruction	\$ 2,775,828	\$ 3,097,941	\$ 3,880,261	\$ 4,244,528
Support services	45,887	57,261	72,675	75,696
Operating grants and contributions	35,637,988	23,707,633	24,333,425	24,295,563
Capital grants and contributions	0	0	1,000,000	0
Total governmental activities program revenues	\$ 38,459,703	\$ 26,862,835	\$ 29,286,361	\$ 28,615,787
Business-type activities:				
Charges for services:				
Nutrition services	\$ 406,770	\$ 1,611,820	\$ 2,223,522	\$ 2,330,063
Operating grants and contributions	3,927,060	3,261,079	3,417,676	3,403,623
Total business-type program revenues	\$ 4,333,830	\$ 4,872,899	\$ 5,641,198	\$ 5,733,686
Total primary government program revenues	\$ 42,793,533	\$ 31,735,734	\$ 34,927,559	\$ 34,349,473
Net (expense) revenue:				
Governmental activities	\$(119,458,468)	\$(128,818,454)	\$(126,290,858)	\$(117,009,189)
Business-type activities	(73,758)	(75,801)	604,253	949,172
Total primary government net expense	\$(119,532,226)	\$(128,894,255)	\$(125,686,605)	\$(116,060,017)

Source: District Financial Records

Table 2

Dubuque Community School District
Expenses, Program Revenues, and Net (Expense) Revenue
Last Ten Fiscal Years

2017	2016	2015	2014	2013	2012
\$ 4,859,461	\$ 4,920,920	\$ 5,037,413	\$ 4,465,125	\$ 4,900,867	\$ 4,441,216
64,598	50,840	54,977	50,924	38,310	39,417
23,956,058	23,910,881	23,329,640	19,919,287	19,679,045	20,298,874
0	0	0	0	0	0
\$ 28,880,117	\$ 28,882,641	\$ 28,422,030	\$ 24,435,336	\$ 24,618,222	\$ 24,779,507
\$ 2,278,192	\$ 2,311,069	\$ 2,472,084	\$ 2,421,620	\$ 2,403,562	\$ 2,471,310
3,295,236	3,191,161	2,758,432	2,667,519	2,590,171	2,517,574
\$ 5,573,428	\$ 5,502,230	\$ 5,230,516	\$ 5,089,139	\$ 4,993,733	\$ 4,988,884
\$ 34,453,545	\$ 34,384,871	\$ 33,652,546	\$ 29,524,475	\$ 29,611,955	\$ 29,768,391
\$(113,154,623)	\$(113,524,722)	\$(111,693,710)	\$(109,764,227)	\$(99,461,373)	\$(94,433,288)
69,555	234,819	242,445	106,039	(20,845)	159,717
\$(113,085,068)	\$(113,289,903)	\$(111,451,265)	\$(109,658,188)	\$(99,482,218)	\$(94,273,571)

Table 3

Dubuque Community School District
General Revenues and Total Change in Net Position
Last Ten Fiscal Years

(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Net (expenses) revenue:				
Governmental activities	\$(119,458,468)	\$(128,818,454)	\$(126,290,858)	\$(117,009,189)
Business-type activities	(73,758)	(75,801)	604,253	949,172
Total primary government net expense	\$(119,532,226)	\$(128,894,255)	\$(125,686,605)	\$(116,060,017)
General revenues and other changes in net position:				
Governmental activities:				
Property tax levied for general purposes	\$ 53,406,245	\$ 51,271,578	\$ 50,309,151	\$ 48,216,727
Property tax levied for capital outlay	4,315,077	4,102,073	4,047,719	3,871,447
Local option sales tax	10,470,364	10,810,216	10,777,769	9,831,721
Unrestricted state grants	56,938,195	57,325,777	56,228,199	57,579,981
Investment earnings	184,228	877,209	1,533,873	757,317
Miscellaneous	4,495,006	1,135,823	755,328	1,521,590
Transfers	(500,000)	281,827	280,129	280,464
Total governmental activities	\$ 129,309,115	\$ 125,804,503	\$ 123,932,168	\$ 122,059,247
Business-type activities:				
Investment earnings	\$ 1,441	\$ 45,165	\$ 56,712	\$ 25,880
Transfers	500,000	(281,827)	(280,129)	(280,464)
Total business-type activities	\$ 501,441	\$ (236,662)	\$ (223,417)	\$ (254,584)
Change in net position:				
Governmental activities	\$ 9,850,647	\$ (3,013,951)	\$ (2,358,690)	\$ 5,050,058
Business-type activities	427,683	(312,463)	380,836	694,588
Total primary government	\$ 10,278,330	\$ (3,326,414)	\$ (1,977,854)	\$ 5,744,646

Source: District Financial Records

Table 3

Dubuque Community School District
General Revenues and Total Change in Net Position
Last Ten Fiscal Years

2017	2016	2015	2014	2013	2012
\$(113,154,623) 69,555	\$(113,524,722) 234,819	\$(111,693,710) 242,445	\$(109,764,227) 106,039	\$(99,461,373) (20,845)	\$(94,430,288) 159,717
\$(113,085,068)	\$(113,289,903)	\$(111,451,265)	\$(109,658,188)	\$(99,482,218)	\$(94,270,571)
\$ 47,334,594	\$ 42,164,620	\$ 41,351,887	\$ 41,857,102	\$ 42,464,403	\$ 45,002,685
3,790,557	3,586,757	4,346,610	3,399,452	3,297,757	3,135,590
10,138,685	10,149,186	10,038,752	8,974,360	12,190,050	11,435,526
56,993,386	55,500,389	54,664,713	52,932,505	50,568,860	49,804,874
380,625	304,274	155,764	139,790	369,289	455,973
755,363	1,125,018	711,503	1,199,912	595,896	281,764
0	162,035	163,677	148,252	266,651	275,196
\$ 119,393,210	\$ 112,992,279	\$ 111,432,906	\$ 108,651,373	\$ 109,752,906	\$ 110,391,608
\$ 9,221	\$ 5,841	\$ 2,256	\$ 1,807	\$ 2,582	\$ 6,034
0	(162,035)	(163,677)	(148,252)	(273,656)	(279,628)
\$ 9,221	\$ (156,194)	\$ (161,421)	\$ (146,445)	\$ (271,074)	\$ (273,594)
\$ 6,238,587	\$ (532,443)	\$ (260,804)	\$ (1,112,854)	\$ 10,291,533	\$ 15,958,320
78,776	78,625	81,024	(40,406)	(291,919)	(113,877)
\$ 6,317,363	\$ (453,818)	\$ (179,780)	\$ (1,153,260)	\$ 9,999,614	\$ 15,844,443

Table 4

**Dubuque Community School District
Fund Balances, Governmental Funds
Last Ten Years**

(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
General Fund:				
Nonspendable	\$ 372,447	\$ 341,799	\$ 372,545	\$ 350,242
Restricted	1,493,676	1,259,028	858,254	1,020,411
Unassigned	23,931,146	16,524,327	16,967,741	16,611,997
Total General Fund	\$23,065,023	\$18,125,154	\$18,198,540	\$17,982,650
All other governmental funds:				
Restricted	\$31,835,306	\$29,857,349	\$34,846,098	\$33,195,580
Total all other governmental funds	\$31,835,306	\$29,857,349	\$34,846,098	\$33,195,580
Total all governmental funds	\$56,766,452	\$47,982,503	\$53,044,638	\$51,178,230

Source: *District Financial Records*

Table 4

**Dubuque Community School District
Fund Balances, Governmental Funds
Last Ten Years**

2017	2016	2015	2014	2013	2012
\$ 430,051	\$ 410,272	\$ 444,900	\$ 534,198	\$ 551,464	\$ 626,239
836,941	1,045,379	1,324,944	1,377,816	1,463,431	1,398,368
14,961,447	10,999,777	12,813,922	20,055,617	26,768,208	26,932,135
\$16,228,439	\$12,455,428	\$14,583,766	\$21,967,631	\$28,783,103	\$28,956,742
\$31,389,035	\$31,924,664	\$32,233,090	\$21,207,707	\$27,881,942	\$24,353,957
\$31,389,035	\$31,924,664	\$32,233,090	\$21,207,707	\$27,881,942	\$24,353,957
\$47,617,474	\$44,380,092	\$46,816,856	\$43,175,338	\$56,665,045	\$53,310,699

Table 5

Dubuque Community School District
Governmental Funds Revenue
Last Ten Years

(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Local sources:				
Local tax	\$ 57,721,322	\$ 55,373,651	\$ 54,352,620	\$ 52,088,173
Tuition	1,140,325	1,240,198	1,533,639	1,866,027
Other	2,803,952	4,146,856	6,065,453	5,154,425
Total local sources	\$ 61,665,599	\$ 60,760,705	\$ 61,951,712	\$ 59,108,625
State sources:				
State sources	\$ 88,101,838	\$ 85,653,106	\$ 84,382,026	\$ 84,703,581
Total state sources	\$ 88,101,838	\$ 85,653,106	\$ 84,382,026	\$ 84,703,581
Federal sources:				
Federal sources	\$ 14,853,575	\$ 5,971,700	\$ 6,604,662	\$ 6,582,364
Total federal sources	\$ 14,853,575	\$ 5,971,700	\$ 6,604,662	\$ 6,582,364
Total governmental funds revenue	\$164,621,012	\$152,385,511	\$152,938,400	\$150,394,570

Source: District Financial Records

Table 5

Dubuque Community School District
Governmental Funds Revenue
Last Ten Years

2017	2016	2015	2014	2013	2012
\$ 51,125,151	\$ 45,751,376	\$ 44,918,498	\$ 45,256,554	\$ 57,952,211	\$ 59,573,803
2,132,767	2,409,264	2,571,634	2,076,227	2,364,636	2,264,001
4,476,876	4,269,622	4,461,057	4,403,650	4,149,932	3,237,573
\$ 57,734,794	\$ 52,430,262	\$ 51,951,189	\$ 51,736,431	\$ 64,466,779	\$ 65,075,377
\$ 84,387,919	\$ 82,675,004	\$ 81,462,443	\$ 74,879,014	\$ 62,706,583	\$ 62,040,783
\$ 84,387,919	\$ 82,675,004	\$ 81,462,443	\$ 74,879,014	\$ 62,706,583	\$ 62,040,783
\$ 6,150,614	\$ 6,607,619	\$ 6,277,627	\$ 6,323,012	\$ 6,852,735	\$ 7,729,416
\$ 6,150,614	\$ 6,607,619	\$ 6,277,627	\$ 6,323,012	\$ 6,852,735	\$ 7,729,416
\$148,273,327	\$141,712,885	\$139,691,259	\$132,938,457	\$134,026,097	\$134,845,576

Table 6

Dubuque Community School District
Revenue by Source – General Fund
Last Ten Fiscal Years

	Fiscal Year				
	2021	2020	2019	2018	2017
Local sources					
Taxes	\$ 49,863,116	\$ 47,796,932	\$ 47,302,973	\$ 45,213,543	\$ 45,333,577
Tuition	1,140,325	1,240,198	1,533,639	1,866,027	2,132,767
Transportation	45,887	57,261	72,675	75,696	64,598
Interest	78,060	407,398	652,739	361,468	153,319
Student activities	93,955	114,035	133,653	137,769	140,750
Other local revenues	1,581,065	1,962,778	1,686,111	1,923,734	1,714,932
Subtotal local revenue	\$ 52,802,408	\$ 51,578,602	\$ 51,381,790	\$ 49,578,237	\$ 49,539,943
State sources					
State foundation aid	\$ 56,768,265	\$ 54,456,408	\$ 53,636,551	\$ 55,028,233	\$ 54,250,621
AEA flowthrough	5,445,421	5,239,713	5,198,347	5,191,338	5,014,640
Other state revenue	15,204,719	14,925,558	14,555,228	14,425,372	14,781,660
Subtotal state revenue	\$ 77,418,405	\$ 74,621,679	\$ 73,390,126	\$ 74,644,943	\$ 74,046,921
Federal sources					
Title I	\$ 2,136,563	\$ 2,102,475	\$ 1,936,675	\$ 2,235,477	\$ 1,940,671
Federal funding due to COVID-19	8,998,123	0	0	0	0
Other federal revenue	3,718,889	3,869,225	4,667,987	4,346,887	4,209,943
Subtotal federal revenue	\$ 14,853,575	\$ 5,971,700	\$ 6,604,662	\$ 6,582,364	\$ 6,150,614
Other sources	\$ 125,365	\$ 449,175	\$ 367,000	\$ 402,070	\$ 119,789
Total revenue	\$145,199,753	\$132,621,156	\$131,743,578	\$131,207,614	\$129,857,267

Source: *District Financial Records*

Table 6

Dubuque Community School District
Revenue by Source – General Fund
Last Ten Fiscal Years

2016	2015	2014	2013	2012
\$ 40,664,356	\$ 36,607,011	\$ 35,856,044	\$ 37,460,938	\$ 43,252,276
2,409,264	2,571,634	2,076,227	2,364,636	2,264,001
50,840	54,977	50,924	38,311	39,418
122,836	65,090	71,643	79,149	154,800
160,673	162,048	158,018	153,964	307,725
1,474,762	1,475,115	2,236,384	1,591,477	889,746
\$ 44,882,731	\$ 40,935,875	\$ 40,449,240	\$ 41,688,475	\$ 46,907,966
\$ 53,060,023	\$ 52,004,458	\$ 49,048,080	\$ 48,166,131	\$ 47,711,831
4,981,385	4,928,817	4,723,656	4,515,012	4,496,822
14,286,858	14,326,090	12,127,823	10,020,866	9,829,379
\$ 72,328,266	\$ 71,259,365	\$ 65,899,559	\$ 62,702,009	\$ 62,038,032
\$ 2,113,675	\$ 1,651,588	\$ 1,597,490	\$ 1,806,912	\$ 1,613,871
0	0	0	0	0
4,493,944	4,626,039	4,725,522	5,045,823	6,115,545
\$ 6,607,619	\$ 6,277,627	\$ 6,323,012	\$ 6,852,735	\$ 7,729,416
\$ 221,127	\$ 260,191	\$ 360,473	\$ 470,082	\$ 498,391
\$124,039,743	\$118,733,058	\$113,032,284	\$111,713,301	\$117,173,805

Table 7

Dubuque Community School District
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Years

(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Instruction	\$ 92,999,068	\$ 91,711,923	\$ 91,750,120	\$ 88,817,673
Student services	7,502,669	7,737,274	6,994,644	6,972,980
Instructional staff services	6,627,858	5,988,182	5,501,039	5,549,043
Administration services	15,331,033	15,129,274	14,199,393	14,885,160
Operation and maintenance of plant services	12,650,178	11,741,215	13,021,257	12,229,402
Transportation services	5,065,272	4,661,120	5,304,242	5,325,698
Non-instructional services	50,188	35,998	170,694	259,611
Facilities acquisition	6,225,393	8,035,520	14,015,993	15,970,203
Debt service:				
Principal	29,844,000	14,824,000	3,079,000	1,975,000
Interest	1,309,336	1,915,181	1,671,024	1,530,888
AEA flowthrough	5,445,421	5,239,713	5,198,347	5,191,338
Other	300,179	73,147	56,982	94,184
Total expenditures	\$183,350,595	\$167,092,547	\$160,962,735	\$158,801,180
Debt service as a percentage of noncapital expenditures	17.68%	10.53%	3.25%	2.48%

Source: District Financial Records

Notes: The District refinanced a portion of its bonds payable in fiscal year 2020. Details of the District's outstanding debt can be found in Note 5 in the Notes to the Financial Statements.

Table 7

Dubuque Community School District
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Years

2017	2016	2015	2014	2013	2012
\$ 88,023,123	\$ 88,831,593	\$ 89,159,987	\$ 83,822,176	\$ 77,794,350	\$ 76,101,088
7,226,953	6,519,760	6,655,077	6,305,561	5,492,706	5,252,695
5,336,682	6,100,106	5,788,283	5,750,601	4,602,493	3,984,983
13,458,720	14,124,857	13,506,629	12,725,816	12,389,626	12,341,464
11,659,699	11,607,416	10,785,417	9,599,256	9,057,962	8,702,928
5,140,676	4,471,942	4,724,879	5,612,731	4,277,877	4,120,582
178,401	152,701	188,357	156,327	364,825	135,718
16,114,278	5,336,369	14,428,903	25,750,982	14,520,178	4,919,944
1,960,000	1,390,000	1,130,000	4,850,000	7,600,000	7,200,000
1,312,691	1,322,393	680,952	354,007	341,075	412,250
5,014,640	4,981,385	4,928,817	4,723,656	4,515,012	4,496,822
90,678	7,750	293,111	116,998	166,710	143,819
\$155,516,541	\$144,846,272	\$152,270,412	\$159,768,111	\$141,122,814	\$127,812,293
2.38%	1.96%	1.32%	3.93%	6.35%	6.31%

Table 8

Dubuque Community School District
Expenditures by Function - General Fund
Last Ten Years

(modified basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Instruction:				
Regular	\$ 52,452,964	\$ 49,156,603	\$ 48,586,467	\$ 47,394,418
Special	25,116,968	25,638,122	26,999,668	26,366,029
Other	13,246,400	12,489,876	12,586,655	12,264,057
Total Instruction	\$ 90,816,332	\$ 87,284,601	\$ 88,172,790	\$ 86,024,504
Student Support Services:				
Attendance and social work	\$ 2,371,396	\$ 2,392,011	\$ 1,597,542	\$ 1,616,276
Guidance services	2,725,883	3,049,108	2,930,829	3,069,799
Health and psychological services	1,934,277	1,788,407	1,725,519	1,647,508
Speech, pathology, & audiology	350,925	407,474	407,033	426,901
Total Student Support Services	\$ 7,382,481	\$ 7,637,000	\$ 6,660,923	\$ 6,760,484
Staff Instruction Services:				
Improvement of instruction	\$ 3,091,028	\$ 2,516,369	\$ 2,653,567	\$ 2,423,340
Library media	2,529,259	2,509,752	2,498,818	2,482,720
Instruction-related technology	709,504	753,813	157,632	354,778
Academic student assessment	141,572	106,295	111,492	144,584
Total Staff Instruction Services	\$ 6,471,363	\$ 5,886,229	\$ 5,421,509	\$ 5,405,422
General Administration Services:				
Board of education	\$ 110,128	\$ 224,837	\$ 135,914	\$ 111,427
Executive administration	1,068,413	1,046,246	1,098,407	1,083,368
Special area administration	269,321	302,704	12,614	13,672
Total General Administration Services	\$ 1,447,862	\$ 1,573,787	\$ 1,246,935	\$ 1,208,467
School Administration Services	\$ 7,480,076	\$ 7,187,392	\$ 7,008,307	\$ 7,083,244
Business & Central Services:				
Business administration fiscal	\$ 1,566,227	\$ 1,707,825	\$ 1,470,996	\$ 1,593,762
Printing, publishing, & duplicating	259,437	234,637	223,214	197,596
Public information	442,520	426,243	426,723	412,648
Personnel	302,702	291,892	327,625	337,491
Administrative technology	1,959,386	1,351,827	1,402,748	1,307,922
Total Business & Central Services	\$ 4,530,272	\$ 4,012,424	\$ 3,851,306	\$ 3,849,419
Operation and Maintenance of Plant	\$ 10,650,741	\$ 10,043,115	\$ 9,997,497	\$ 9,772,332
Student Transportation	\$ 3,611,269	\$ 3,789,743	\$ 3,885,032	\$ 4,054,393
Community Service Operations	\$ 0	\$ 276	\$ 4,347	\$ 52,515
Funds Transfer	\$ 557,944	\$ 40,262	\$ 80,695	\$ 51,285
AEA Flowthrough	\$ 5,445,421	\$ 5,239,713	\$ 5,198,347	\$ 5,191,338
Total expenditures	\$138,393,761	\$132,694,542	\$131,527,688	\$129,453,403
Percentage Increase (Decrease)	4.29%	0.89%	1.60%	2.67%

Source: District Financial Records

Table 8

Dubuque Community School District
Expenditures by Function – General Fund
Last Ten Years

2017	2016	2015	2014	2013	2012
\$ 47,071,849	\$ 47,284,121	\$ 46,700,801	\$ 43,124,337	\$ 40,706,822	\$ 39,611,990
26,076,191	25,286,808	26,048,304	24,657,319	23,348,053	22,048,080
12,387,033	12,185,972	12,131,570	11,673,565	10,997,304	11,261,238
\$ 85,535,073	\$ 84,756,901	\$ 84,880,675	\$ 79,455,221	\$ 75,052,179	\$ 72,921,308
\$ 1,059,087	\$ 1,184,388	\$ 950,365	\$ 692,378	\$ 375,815	\$ 257,588
3,040,103	2,915,391	3,090,367	3,087,135	2,781,619	2,700,544
1,622,658	1,689,280	1,961,395	1,876,211	1,911,961	1,836,573
374,330	417,725	442,247	428,960	379,621	369,530
\$ 6,096,178	\$ 6,206,784	\$ 6,444,374	\$ 6,084,684	\$ 5,449,016	\$ 5,164,235
\$ 2,057,115	\$ 2,831,815	\$ 2,597,937	\$ 2,201,148	\$ 2,066,467	\$ 1,596,748
2,474,035	2,542,262	2,487,240	2,261,003	2,097,142	2,069,525
540,594	496,451	452,258	1,208,510	341,021	214,859
134,524	163,181	148,019	0	0	0
\$ 5,206,268	\$ 6,033,709	\$ 5,685,454	\$ 5,670,661	\$ 4,504,630	\$ 3,881,132
\$ 94,074	\$ 138,292	\$ 104,151	\$ 118,695	\$ 92,664	\$ 183,228
1,282,543	1,525,643	1,450,997	1,482,745	1,387,549	1,177,114
13,882	179,445	172,077	192,153	180,334	173,551
\$ 1,390,499	\$ 1,843,380	\$ 1,727,225	\$ 1,793,593	\$ 1,660,547	\$ 1,533,893
\$ 6,484,836	\$ 6,457,432	\$ 6,268,992	\$ 6,223,048	\$ 5,864,477	\$ 5,634,449
\$ 1,261,532	\$ 1,256,942	\$ 1,245,087	\$ 1,358,567	\$ 1,201,038	\$ 1,180,505
230,742	193,677	210,811	235,921	186,296	229,022
250,486	245,308	223,791	105,486	60,315	126,079
246,033	209,778	219,258	217,727	195,659	219,393
1,235,336	1,281,806	1,249,120	1,238,257	1,174,492	975,394
\$ 3,224,129	\$ 3,187,511	\$ 3,148,067	\$ 3,155,958	\$ 2,817,800	\$ 2,730,393
\$ 9,224,569	\$ 9,011,252	\$ 9,319,185	\$ 8,962,416	\$ 8,325,758	\$ 8,072,928
\$ 3,879,542	\$ 3,674,856	\$ 3,714,134	\$ 3,778,519	\$ 3,425,265	\$ 3,171,242
\$ 28,522	\$ 14,871	\$ 0	\$ 0	\$ 265,000	\$ 54,900
\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,256	\$ 6,877
\$ 5,014,640	\$ 4,981,385	\$ 4,928,817	\$ 4,723,656	\$ 4,515,012	\$ 4,496,822
\$126,084,256	\$126,168,081	\$126,116,923	\$119,847,756	\$111,886,940	\$107,668,179
(0.07)%	0.04%	5.23%	7.12%	3.92%	2.84%

Table 9

Dubuque Community School District
Other Financing Sources and Uses and Net Change in Fund Balances
Governmental Funds
Last Ten Years

(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Excess of revenues over (under) expenditures	\$(18,729,583)	\$(14,707,036)	\$(8,024,335)	\$ (8,406,610)
Other financing sources (uses):				
Sales of property and equipment	\$ 120,232	\$ 152,491	\$ 43,249	\$ 40,507
Compensation for loss of capital assets	14,479	152,583	112,365	1,646,395
Transfers in	9,102,740	6,989,720	6,305,477	4,996,692
Transfers out	(9,602,740)	(6,707,893)	(6,025,348)	(4,716,228)
Revenue bonds net proceeds	27,732,806	9,058,000	9,455,000	10,000,000
Total other financing sources (uses)	\$ 27,367,517	\$ 9,644,901	\$ 9,890,743	\$11,967,366
Net change in fund balance	\$ 8,637,934	\$ (5,062,135)	\$ 1,866,408	\$ 3,560,756

Source: District Financial Records

Table 9

Dubuque Community School District
Other Financing Sources and Uses and Net Change in Fund Balances
Governmental Funds
Last Ten Years

2017	2016	2015	2014	2013	2012
\$ (7,243,214)	\$(3,133,387)	\$(12,579,153)	\$(26,829,654)	\$(7,096,717)	\$ 7,033,283
\$ 81,522	\$ 24,410	\$ 96,994	\$ 158,695	\$ 106,031	\$ 146,553
399,074	510,178	0	0	0	0
3,400,806	3,426,383	4,217,872	3,908,856	8,469,539	9,250,938
(3,400,806)	(3,264,348)	(4,054,195)	(3,760,604)	(8,195,883)	(8,975,742)
10,000,000	0	15,960,000	13,033,000	10,071,376	10,050,343
\$10,480,596	\$ 696,623	\$ 16,220,671	\$ 13,339,947	\$10,451,063	\$10,472,092
\$ 3,237,382	\$(2,436,764)	\$ 3,641,518	\$(13,489,707)	\$ 3,354,346	\$17,505,375

Table 10

Dubuque Community School District
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

(Unaudited)

Tax Levy Year	Fiscal Year	Actual Value				Less Exemptions	Total Taxable Value	Total Direct Rate (*)
		Residential Property	Commercial Property	Other Property	Total Property			
2019	2020-21	\$4,678,845,810	\$1,228,536,773	\$1,126,197,658	\$7,033,580,241	\$2,765,027,027	\$4,268,553,214	\$14.66255
2018	2019-20	\$4,429,200,081	\$1,179,411,746	\$1,121,751,649	\$6,730,363,476	\$2,590,619,406	\$4,139,744,070	\$14.71233
2017	2018-19	\$4,374,776,193	\$1,169,574,170	\$1,007,910,822	\$6,552,261,185	\$2,515,162,641	\$4,037,098,544	\$14.59791
2016	2017-18	\$4,008,284,570	\$1,162,444,135	\$ 958,528,757	\$6,129,257,462	\$2,261,395,606	\$3,867,861,856	\$14.95665
2015	2016-17	\$3,950,604,087	\$1,161,442,205	\$ 919,917,882	\$6,031,964,174	\$2,246,002,419	\$3,785,961,755	\$14.97697
2014	2015-16	\$3,807,421,089	\$1,220,579,172	\$ 679,703,672	\$5,707,703,933	\$2,116,246,808	\$3,591,457,125	\$14.05629
2013	2014-15	\$3,735,243,695	\$1,223,371,310	\$ 635,758,386	\$5,594,373,391	\$2,024,655,305	\$3,569,718,086	\$13.99630
2012	2013-14	\$3,636,383,604	\$1,108,148,171	\$ 556,660,706	\$5,301,192,481	\$1,901,700,042	\$3,399,492,439	\$14.60281
2011	2012-13	\$3,584,139,640	\$1,107,954,369	\$ 545,384,690	\$5,237,478,699	\$1,941,516,491	\$3,295,962,208	\$15.40388
2010	2011-12	\$3,460,202,341	\$1,083,065,132	\$ 507,827,323	\$5,051,094,796	\$1,915,108,686	\$3,135,986,110	\$16.87685

Sources: Dubuque County Auditor's Office and Jackson County Auditor's Office

Notes: Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the following fiscal year.

* Per \$ 1,000 of taxable value.

Table 11

**Dubuque 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	Management Purposes	Total	County	Community College	Board of Education and Independents	City of Dubuque	City of Asbury
123	2019	2021	\$12.74624	\$1.00000	\$0.91631	\$14.66255	\$5.91098	\$0.94734	\$0.68626	\$10.14400	\$ 9.57199
	2018	2020	\$12.77354	\$1.00000	\$0.93879	\$14.71233	\$5.94098	\$1.03168	\$0.68587	\$10.33144	\$10.00788
	2017	2019	\$12.77715	\$1.00000	\$0.82076	\$14.59791	\$5.97760	\$1.09993	\$0.65448	\$10.58844	\$10.00070
	2016	2018	\$13.07590	\$1.00000	\$0.88075	\$14.95665	\$6.34143	\$1.09993	\$0.67396	\$10.89220	\$10.75365
	2015	2017	\$13.37828	\$1.00000	\$0.59869	\$14.97697	\$6.29673	\$0.93757	\$0.70443	\$11.16739	\$10.50000
	2014	2016	\$12.58536	\$1.00000	\$0.47093	\$14.05629	\$6.38779	\$0.91036	\$0.66641	\$11.02588	\$10.30963
	2013	2015	\$11.48470	\$1.00000	\$1.51160	\$13.99630	\$6.43124	\$0.90807	\$0.67315	\$11.02588	\$10.30200
	2012	2014	\$11.62865	\$1.00000	\$1.97416	\$14.60281	\$6.43124	\$0.90455	\$0.77468	\$11.02586	\$10.29932
	2011	2013	\$12.70671	\$1.00000	\$1.69717	\$15.40388	\$6.43124	\$0.98407	\$0.80305	\$10.78477	\$10.28790
	2010	2012	\$15.25931	\$1.00000	\$0.61754	\$16.87685	\$6.49167	\$1.07379	\$0.68380	\$10.45111	\$10.30123

Sources: Dubuque County Auditor and Iowa Department of Management

Table 12

Dubuque Community School District
Principal Property Taxpayers
Current Year and Nine Years Ago

Current Year and Nine Years Ago
(Amounts expressed in thousands)
(Unaudited)

Taxpayer	2021 (1)			2012 (2)		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Peninsula Gaming Company LLC	\$ 57,487	1	1.35%	\$ 56,784	1	1.67%
Kennedy Mall	33,895	2	.79%	27,206	2	.80%
Deere & Co.	33,106	3	.78%			
Progressive Processing LLC	22,847	4	.54%	21,397	3	.63%
GRTD Investments LLC	19,307	5	.45%			
MAR Holdings LLC	19,208	6	.45%			
Walter Development	17,500	7	.41%	13,780	8	.40%
Nordstrom, Inc.	13,320	8	.31%	17,221	5	.51%
Medical Associates Realty	12,150	9	.28%	19,559	4	.57%
Otto A LLC	12,150	9	.28%	14,100	7	.41%
McGraw Hill				14,729	6	.43%
Platinum Holdings				11,588	9	.34%
Asbury Dubuque				10,867	10	.32%
Total	<u>\$240,970</u>		<u>5.64%</u>	<u>\$207,231</u>		<u>6.08%</u>

Sources: *Dubuque County Auditor's Office and City of Dubuque's Annual Comprehensive Financial Report*
Dubuque County Auditor's Office (1) and City of Dubuque ACFR (2)

Table 13

**Dubuque Community School District
Property Tax Levies and Collections
Last Ten Fiscal Years**

(Unaudited)

Collection Fiscal Year Ending	Levy Fiscal Year Ending	Total Tax Levy	Collected in Fiscal Year		Collections in Subsequent Years*	Total Collections to Date	
			Amount *	Percentage of Levy *		Total Amount Collected	Percentage of Levy
2020-2021	2019	\$57,032,481	\$57,721,322	101.21%	\$ 0	\$57,721,322	101.21%
2019-2020	2018	\$55,795,594	\$55,373,651	99.24%	\$592,467	\$55,966,118	100.31%
2018-2019	2017	\$54,245,229	\$54,352,620	100.20%	\$380,365	\$54,732,985	100.90%
2017-2018	2016	\$52,034,296	\$52,088,173	100.10%	\$ 17,218	\$52,105,391	100.14%
2016-2017	2015	\$51,092,912	\$51,125,151	100.06%	\$ 24,892	\$51,150,043	100.11%
2015-2016	2014	\$45,756,263	\$45,751,377	99.99%	\$ 37,382	\$45,788,759	100.07%
2014-2015	2013	\$45,011,938	\$44,918,498	99.79%	\$ 23,473	\$44,941,971	99.84%
2013-2014	2012	\$45,250,137	\$45,256,554	100.01%	\$ 23,088	\$45,279,642	100.07%
2012-2013	2011	\$45,730,866	\$45,762,160	100.07%	\$ 21,226	\$45,783,386	100.11%
2011-2012	2010	\$48,128,348	\$48,138,277	100.02%	\$ 20,891	\$48,159,168	100.06%

Sources: *Dubuque County and Jackson County Auditor's Office and District Records*

*The County does not provide the delinquent tax collection levy year in order to determine the year the collection pertains to for computing the percentage of levy. Therefore, the District collects approximately 100% of the levy.

Table 14

**Dubuque Community School District
Outstanding Debt by Type
Last Ten Fiscal Years**

(Unaudited)

Fiscal Year	Governmental Activities				Business-type Activities		Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	ISCAP Warrants Payable	Notes Payable	General Obligation Bonds	Sales Tax Revenue Bonds					
2021	\$ 0	\$ 0	\$ 0	\$57,389,000	\$ 0	\$57,389,000	1.1446%	\$590	
2020	\$ 0	\$ 0	\$ 0	\$63,148,000	\$ 0	\$63,148,000	1.3283%	\$652	
2019	\$ 0	\$ 0	\$ 0	\$68,914,000	\$ 0	\$68,914,000	1.5441%	\$710	
2018	\$ 0	\$ 0	\$ 0	\$62,538,000	\$ 0	\$62,538,000	1.4305%	\$645	
2017	\$ 0	\$ 0	\$ 0	\$54,513,000	\$ 0	\$54,513,000	1.2757%	\$561	
2016	\$ 0	\$ 0	\$ 0	\$46,473,000	\$ 0	\$46,473,000	1.1171%	\$482	
2015	\$ 0	\$ 0	\$ 0	\$47,863,000	\$ 0	\$47,863,000	1.2131%	\$500	
2014	\$ 0	\$ 0	\$ 0	\$33,033,000	\$ 0	\$33,033,000	0.8604%	\$347	
2013	\$ 0	\$ 0	\$ 0	\$24,850,000	\$ 0	\$24,850,000	0.6752%	\$263	
2012	\$ 0	\$ 0	\$ 0	\$22,450,000	\$ 0	\$22,450,000	0.6507%	\$239	

Source: District Financial Records

Details of the District's outstanding debt can be found in Note 5 in the Notes to the Financial Statements.

(a) See Table 18 for personal income and population data. These ratios are calculated using that data.

Table 15

Dubuque Community School District
Direct and Overlapping Governmental Activities Debt
As of June 30, 2021

(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Direct and Overlapping Debt
City of Asbury	\$ 6,659,167	100.00%	\$ 6,659,167
City of Dubuque (b)	99,641,154	100.00%	99,641,154
Dubuque County	26,575,294	75.84%	20,154,703
Northeast Iowa Community College	48,515,000	75.93%	<u>36,837,440</u>
Subtotal, overlapping debt			\$163,292,464
District direct debt			<u>57,389,000</u>
Total direct and overlapping debt			<u>\$220,681,464</u>

Sources: *City of Asbury, City of Dubuque, County Auditor, and Northeast Iowa Community College*

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

- (a): The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.
- (b): June 30, 2020, debt outstanding of \$99,641,154 was used since the June 30, 2021, debt outstanding was not available as of publication.

Table 16

Dubuque Community School District
Legal Debt Margin Information
Last Ten Years

(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Debt Limit	\$351,679,012	\$336,518,174	\$327,613,059	\$306,462,873
Gross debt applicable to limit	\$ 57,389,000	\$ 63,148,000	\$ 68,914,000	\$ 62,538,000
Reserves for payments on debt	(8,886,477)	(7,720,642)	(8,745,573)	(7,356,814)
Total net debt applicable to limit	\$ 48,502,523	\$ 55,427,358	\$ 60,168,427	\$ 55,181,186
Legal debt margin	\$303,176,489	\$281,090,816	\$267,444,632	\$251,281,687
Total net debt applicable to the limit as a percentage of debt limit	13.8%	16.5%	18.4%	18.0%

Sources: *District Financial Records and Dubuque County Auditor*

Notes:

(a) Actual assessed value includes Tax Increment Financing

(b) Code of Iowa Section 296.1

Legal Debt Margin Calculation for Fiscal Year 2021

Actual assessed value (a)	\$7,033,580,241
Debt limit (5% of assessed value) (b)	351,679,012
Debt applicable to limit	48,502,523
Legal debt margin	<u>\$ 303,176,489</u>

Table 16

Dubuque Community School District
Legal Debt Margin Information
Last Ten Years

2017	2016	2015	2014	2013	2012
\$301,598,209	\$285,385,197	\$279,718,670	\$265,059,624	\$261,873,935	\$252,554,740
\$ 54,513,000	\$ 46,473,000	\$ 47,863,000	\$ 33,033,000	\$ 24,850,000	\$ 22,450,000
(6,172,660)	(6,030,627)	(5,453,733)	(3,187,807)	(7,004,837)	(6,911,747)
\$ 48,340,340	\$ 40,442,373	\$ 42,409,267	\$ 29,845,193	\$ 17,845,163	\$ 15,538,253
\$253,257,869	\$244,942,824	\$237,309,403	\$235,214,431	\$244,028,772	\$237,016,487
16.0%	14.2%	15.2%	11.3%	6.8%	6.2%

**Dubuque Community School District
Pledged - Revenue Coverage
Last Ten Fiscal Years**

(Unaudited)

Fiscal Year	Actual Sales Tax Revenue	Estimated Debt Service and Coverage on the Bonds (without Revenue Growth)			Estimated Debt Service and Coverage on the Bonds (with Revenue Growth)		
		Debt Service		Coverage	Debt Service		Estimated Coverage
		Principal	Interest		Estimated Collection	Combined P & I	
2012	\$11,435,526	\$7,200,000	\$ 412,250	1.50			
2013	\$12,190,050	\$7,600,000	\$ 341,075	1.54			
2014	\$ 8,974,360	\$4,850,000	\$ 354,007	1.72			
2015	\$10,038,752	\$1,130,000	\$ 680,953	5.54			
2016	\$10,149,186	\$1,390,000	\$1,322,393	3.74			
2017	\$10,138,685	\$1,960,000	\$1,312,691	3.10			
2018	\$ 9,831,721	\$1,975,000	\$1,530,888	2.8			
2019	\$10,777,769	\$3,079,000	\$1,671,024	2.27			
2020	\$10,810,216	\$4,149,000	\$1,809,240	1.81			
2021	\$10,470,364	\$5,084,000	\$1,275,990	1.65			
2022					\$11,478,125	\$8,842,451	1.53
2023					\$11,429,962	\$7,628,223	2.54
2024					\$11,509,087	\$8,373,230	2.33
2025					\$11,509,087	\$8,442,196	2.32
2026					\$11,509,087	\$8,456,790	2.33
2027					\$11,509,087	\$8,562,243	2.33
2028					\$11,509,087	\$5,035,988	2.53
2029					\$11,509,087	\$4,672,378	2.76
2030					\$11,509,087	\$4,436,098	2.92
2031					\$11,509,087	\$3,656,488	2.50
2032					\$11,509,087	\$3,664,088	2.49
2033					\$11,509,087	\$3,667,738	2.51
2034					\$11,509,087	\$3,668,038	2.36
2035					\$11,509,087	\$1,401,600	2.49
2036					\$11,509,087	\$1,403,600	2.50
2037					\$11,509,087	\$1,399,000	2.57
2038					\$11,509,087	\$1,403,000	2.64
2039					\$11,509,087	\$1,400,200	2.71
2040					\$11,509,087	\$1,400,800	2.79
2041					\$11,509,087	\$1,399,600	
2042					\$11,509,087	\$1,401,600	
2043					\$11,509,087	\$1,401,600	
2044					\$11,509,087	\$1,289,600	
2045					\$11,509,087	\$ 0	
2046					\$11,509,087	\$ 0	
2047					\$11,509,089	\$ 0	
2048					\$11,509,087	\$ 0	
2049					\$11,509,087	\$ 0	
2050					\$ 7,864,543	\$ 0	

Sources: School District Financial Records for actual data and Piper Jaffray & Co. for estimates of future sales tax collections.

Note: The revenue growth assumes a 2% increase with no changes to enrollment.

Table 18

**Dubuque Community School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

(Unaudited)

Calendar Year	Population (1)	Personal Income (1)	Per Capita Personal Income (1)	Unemployment Rate (2)	Certified Enrollment (3)
2021	97,311	\$5,013,959,000	\$51,525	4.7%	10,309.9
2020	96,854	\$4,754,031,000	\$49,085	5.1%	10,489.0
2019	97,041	\$4,462,884,000	\$45,990	2.3%	10,429.8
2018	97,003	\$4,371,731,000	\$45,068	2.7%	10,506.8
2017	97,125	\$4,273,236,000	\$43,997	3.3%	10,555.8
2016	96,370	\$4,159,988,000	\$43,167	3.6%	10,587.9
2015	95,697	\$3,945,492,000	\$41,229	3.8%	10,633.7
2014	95,097	\$3,839,185,000	\$40,371	4.3%	10,578.6
2013	94,648	\$3,680,443,000	\$38,886	4.6%	10,513.3
2012	93,888	\$3,450,110,000	\$36,747	4.7%	10,469.8

Sources:

- (1) *Bureau of Economic Analysis - Note that the information for Dubuque schools is not available. Information is based on the Dubuque Metropolitan Areas*
- (2) *Iowa Workforce Development*
- (3) *District Certified Enrollment Records*

Table 19

Dubuque Community School District
Principal Employers
Current Year and Nine Years Ago

(Unaudited)

Taxpayer	2021 (1)			2012 (2)		
	# of Employees	Rank	Percentage of Total Employment	# of Employees	Rank	Percentage of Total Employment
John Deere	2,600	1	4.71%	2,065	1	3.81%
Dubuque Community Schools	1,957	2	3.55%	1,946	2	3.59%
Mercy Medical Center	1,410	3	2.55%	1,324	3	2.44%
Medical Associates Clinic, P.C.	1,061	4	1.92%	999	5	1.84%
Unity Point Health - Finley Hospital	975	5	1.77%	920	6	1.70%
City of Dubuque	737	6	1.34%	686	7	1.27%
Sedgwick	725	7	1.31%			
Cottingham and Butler	715	8	1.30%			
Medline Industries, Inc.	500	9	0.91%			
Heartland Financial	496	10	0.90%			
IBM (3)				1300	4	2.40%
Holy Family Catholic Schools				575	8	1.06%
Eagle Window & Door				550	10	1.01%
Prudential Retirement				550	9	1.01%
Total	<u>11,176</u>		<u>20.26%</u>	<u>10,915</u>		<u>20.13%</u>

Sources:(1) *Greater Dubuque Development Corp.*(2) *Information provided from the City of Dubuque Annual Comprehensive Financial Report*(3) *Estimated employment. Actual number not available.*



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Table 20

Dubuque Community School District
Full-time Equivalent District Employees by Type
Last Ten Years

(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Supervisory:				
Superintendent	1.00	1.00	1.00	1.00
Associate superintendent	---	---	--	--
Principals	18.00	18.00	18.00	18.00
Assistant principals	14.00	14.00	14.00	13.00
All other administrators	12.00	10.00	9.00	8.00
Total supervisory	45.00	43.00	42.00	40.00
Instruction:				
Teachers - regular program	673.17	666.23	644.50	641.85
Teachers - special education program	225.00	224.00	213.00	208.60
Paraeducators - regular program	85.59	92.32	89.79	87.61
Paraeducators - special education program	283.84	312.13	298.67	285.85
Total instruction	1,267.60	1,294.68	1,245.96	1,223.91
Student services:				
Guidance counselors	33.00	34.00	33.00	33.00
Nurses	14.00	13.00	14.00	14.00
Media specialists	25.00	25.00	25.00	25.00
Other student services staff	50.16	49.66	41.02	39.00
Total student services	122.16	121.66	113.02	111.00
Support and administration:				
Clerical/secretarial	78.00	79.00	79.00	79.00
Custodial and maintenance	107.00	107.00	103.00	102.00
Food service	79.74	81.14	79.48	79.58
Bus drivers, attendants, truckers, mechanics	72.40	78.22	82.26	81.60
Other support services staff	12.00	12.00	12.00	13.00
Total support and administration	349.14	357.36	355.74	355.18
District Totals	1,783.90	1,816.70	1,756.72	1,730.09

Source: *District Payroll Records*

In 2014, mechanics were included with bus drivers, attendants and truckers not custodial and maintenance.

Table 20

Dubuque Community School District
Full-time Equivalent District Employees by Type
Last Ten Years

2017	2016	2015	2014	2013	2012
1.00	1.00	1.00	1.00	1.00	1.00
--	1.00	1.00	1.00	1.00	1.00
18.00	18.00	18.00	18.00	18.00	18.00
13.00	13.00	13.00	13.00	13.00	13.00
8.00	9.00	9.00	9.00	9.00	6.00
40.00	42.00	42.00	42.00	42.00	39.00
622.38	640.22	659.61	629.95	623.14	604.40
195.60	196.60	194.50	173.83	163.11	153.00
86.34	86.35	88.50	78.26	84.34	82.23
282.74	268.68	263.70	258.81	250.77	259.71
1,187.06	1,191.85	1,206.31	1,140.85	1,121.36	1,099.34
33.00	33.00	33.00	31.00	30.00	30.00
14.00	15.60	15.60	16.60	17.20	16.20
24.88	26.00	26.00	24.50	24.00	18.50
29.00	25.00	25.00	20.00	14.00	12.00
100.88	99.60	99.60	92.10	85.20	76.70
77.00	81.00	80.00	77.75	76.75	77.75
101.00	99.00	101.00	99.00	98.00	98.00
79.51	79.03	80.95	81.95	82.64	80.48
75.57	77.23	76.25	78.38	76.30	68.95
13.00	13.00	14.00	14.00	14.00	11.50
346.08	349.26	352.20	351.09	347.69	336.68
1,674.02	1,682.71	1,700.11	1,626.03	1,596.25	1,551.72



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Table 21

**Dubuque Community School District
Operating Statistics
Last Ten Fiscal Years**

(Unaudited)

					Total Governmental Activities Expenses	Cost Per Pupil	Percentage Change	FTE Teaching Staff	Pupil- Teacher Ratio	% of Students Receiving Free or Reduced-Priced Meals
Fiscal Year	Enrollment	General Fund Expenditures	Cost Per Pupil	Percentage Change						
2021	10,310	\$138,393,761	\$13,423	6.11%	\$157,918,171	\$15,317	3.20%	898.17	11.48	43.46%
2020	10,489	\$132,694,542	\$12,651	0.32%	\$155,681,289	\$14,842	(0.50)%	890.23	11.78	43.40%
2019	10,430	\$131,527,688	\$12,611	2.35%	\$155,577,219	\$14,916	7.62%	857.50	12.16	42.84%
2018	10,507	\$129,453,403	\$12,321	3.16%	\$145,624,976	\$13,860	3.01%	850.45	12.35	38.64%
2017	10,556	\$126,084,256	\$11,944	0.23%	\$142,034,740	\$13,455	0.04%	817.98	12.90	39.13%
2016	10,588	\$126,168,081	\$11,916	0.47%	\$142,407,363	\$13,450	2.08%	836.82	12.65	39.53%
2015	10,634	\$126,116,923	\$11,860	4.69%	\$140,115,740	\$13,176	2.19%	854.11	12.45	39.36%
2014	10,579	\$119,847,755	\$11,329	6.45%	\$136,390,090	\$12,893	9.24%	803.78	13.16	39.27%
2013	10,513	\$111,886,940	\$10,643	3.50%	\$124,079,595	\$11,802	3.65%	786.25	13.37	39.00%
2012	10,470	\$107,668,179	\$10,283	3.29%	\$119,212,795	\$11,386	3.73%	757.40	13.82	37.60%

Source: District Financial Records, District Payroll Records, and the Iowa Department of Education

Table 22

Dubuque Community School District
School Building Information
Last Ten Years

(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Elementary:				
Audubon (1973)				
Square feet	37,992	37,992	37,992	37,992
Capacity	336	336	336	336
Enrollment	212	230	222	256
 Bryant (1940)				
Square feet	30,724	30,724	30,724	30,724
Capacity	263	263	263	263
Enrollment	289	313	293	290
 Carver (2007)				
Square feet	69,902	69,902	69,902	69,902
Capacity	574	574	574	574
Enrollment	525	534	541	570
 Eisenhower (1970)				
Square feet	63,455	63,455	63,455	63,455
Capacity	460	460	460	460
Enrollment	539	531	539	531
 Fulton (1939)				
Square feet	35,098	35,098	35,098	35,098
Capacity	264	264	264	264
Enrollment	265	284	294	314
 Hoover (1970)				
Square feet	28,663	28,663	28,663	28,663
Capacity	231	231	231	231
Enrollment	297	378	347	339

Source: District Records

Table 22

Dubuque Community School District
School Building Information
Last Ten Years

2017	2016	2015	2014	2013	2012
37,992	37,992	37,992	37,992	37,992	37,992
336	336	336	336	336	336
264	289	314	290	259	290
30,724	30,724	30,724	30,724	30,724	30,724
263	263	263	263	263	263
333	311	263	266	284	303
69,902	69,902	69,902	69,902	66,202	66,202
574	574	574	574	524	524
528	550	586	587	575	580
63,455	63,455	63,455	63,455	63,455	63,455
460	460	460	460	460	460
532	523	532	547	525	523
35,098	35,098	35,098	35,098	35,098	35,098
264	264	264	264	264	264
359	292	284	287	283	285
28,663	28,663	28,663	28,663	28,663	28,663
231	231	231	231	231	231
345	330	324	317	282	246

Table 22

Dubuque Community School District
School Building Information
Last Ten Years

(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Elementary:				
Irving (1951)				
Square feet	79,064	79,064	79,064	79,064
Capacity	492	492	492	492
Enrollment	427	454	470	507
Kennedy (1965)				
Square feet	69,353	69,353	69,353	69,353
Capacity	691	691	691	691
Enrollment	590	580	583	597
Lincoln (1940)				
Square feet	37,692	37,692	37,692	37,692
Capacity	296	296	296	296
Enrollment	275	268	214	276
Marshall (1939)				
Square feet	33,956	33,956	33,956	33,956
Capacity	248	248	248	248
Enrollment	314	304	305	317
Prescott (Demolished and Rebuilt 2006)				
Square feet	65,836	65,836	65,836	65,836
Capacity	375	375	375	375
Enrollment	285	289	319	295
Sageville (1956)				
Square feet	42,237	42,237	42,237	42,237
Capacity	299	299	299	299
Enrollment	261	276	290	293
Table Mound (1960)				
Square feet	51,758	51,758	51,758	51,758
Capacity	370	370	370	370
Enrollment	382	391	396	414

Table 22

Dubuque Community School District
School Building Information
Last Ten Years

2017	2016	2015	2014	2013	2012
79,064	79,064	79,064	79,064	79,064	79,064
492	492	492	492	492	492
462	515	532	562	537	540
69,353	69,353	69,353	52,953	52,953	52,953
691	691	691	491	491	491
597	603	592	560	537	542
37,692	37,692	37,692	37,692	37,692	37,692
296	296	296	296	296	296
265	267	273	290	314	292
33,956	33,956	33,956	33,956	33,956	33,956
248	248	248	248	248	248
335	309	301	319	308	279
65,836	65,836	65,836	65,836	65,836	65,836
375	375	375	375	375	375
277	273	270	281	302	287
42,237	42,237	42,237	42,237	42,237	41,612
299	299	299	299	299	299
287	298	284	282	281	280
51,758	51,758	51,758	51,758	51,758	51,758
370	370	370	370	370	370
393	420	442	467	446	410

Table 22

Dubuque Community School District
School Building Information
Last Ten Years

(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Middle Schools:				
Jefferson (1922)				
Square feet	89,948	89,948	89,948	89,948
Capacity	620	620	620	620
Enrollment	545	569	586	530
Roosevelt (2005)				
Square feet	206,000	206,000	206,000	206,000
Capacity	1,050	1,050	1,050	1,050
Enrollment	1,191	1,163	1,145	1,096
Washington (1920)				
Square feet	98,330	98,330	98,330	98,330
Capacity	657	657	657	657
Enrollment	669	693	645	648
High Schools:				
Alta Vista Campus (1963)				
Square feet	52,763	52,763	27,177	27,177
Capacity	320	320	150	150
Enrollment (included in other schools)	0	0	0	0
Hempstead (1970)				
Square feet	372,955	372,955	342,000	342,000
Capacity	2,532	2,532	2,532	2,532
Enrollment	1,702	1,715	1,725	1,712
Senior (1920)				
Square feet	348,455	348,455	348,455	356,628
Capacity	2,282	2,282	2,282	2,282
Enrollment	1,483	1,549	1,545	1,588

Note: The Alta Vista Campus is an alternative learning program for grades 8-12.

Table 22

Dubuque Community School District
School Building Information
Last Ten Years

2017	2016	2015	2014	2013	2012
89,948	89,948	89,948	89,948	89,948	89,948
620	620	620	620	620	620
567	552	594	569	594	567
206,000	206,000	206,000	206,000	206,000	206,000
1,050	1,050	1,050	1,050	1,050	1,050
1,130	1,161	1,157	1,106	1,132	1,127
98,330	98,330	98,330	98,330	92,830	92,830
657	657	657	657	657	657
683	684	681	668	672	671
27,177	27,177	27,177	27,177	26,427	26,427
150	150	150	150	150	150
0	0	0	0	0	0
342,000	342,000	261,268	261,268	261,268	261,268
2,532	2,532	1,657	1,657	1,657	1,657
1,645	1,643	1,653	1,643	1,614	1,681
286,611	286,611	286,611	286,611	286,611	286,611
1,657	1,657	1,657	1,657	1,657	1,657
1,626	1,624	1,618	1,635	1,618	1,593

Table 22

Dubuque Community School District
School Building Information
Last Ten Years

(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2021	2020	2019	2018
Other District Facilities:				
Forum (1979)				
Square feet	24,959	24,959	24,959	24,959
Warehouse/Central Kitchen (1981)				
Square feet	33,000	33,000	33,000	33,000
Bus Garage (1985)				
Square feet	11,020	11,020	11,020	11,020
Buildings and Grounds (1985)				
Square feet	13,680	13,680	13,680	13,680
Buildings and Grounds Warehouse (1985)				
Square feet	5,000	5,000	5,000	5,000
Buildings and Grounds Storage (2015)				
Square feet	4,200	4,200	4,200	4,200

Table 22

**Dubuque Community School District
School Building Information
Last Ten Years**

2017	2016	2015	2014	2013	2012
24,959	24,959	24,959	24,959	24,959	24,959
33,000	33,000	33,000	33,000	33,000	33,000
11,020	11,020	11,020	11,020	11,020	11,020
13,680	13,680	13,680	13,680	13,680	13,680
5,000	5,000	5,000	5,000	5,000	5,000
4,200	4,200	---	---	---	---

Table 23

**Dubuque Community School District
Certified Staff Salaries
Last Ten Fiscal Years**

(Unaudited)

School Year	Minimum	Maximum	Average
2020 - 2021	\$33,314	\$74,780	\$47,865
2019 - 2020	\$33,087	\$74,325	\$46,405
2018 - 2019	\$30,271	\$73,533	\$46,614
2017 - 2018	\$30,221	\$73,425	\$46,559
2016 - 2017	\$29,906	\$72,738	\$46,295
2015 - 2016	\$29,906	\$72,738	\$46,060
2014 - 2015	\$29,117	\$71,161	\$44,438
2013 - 2014	\$28,192	\$69,020	\$43,335
2012 - 2013	\$27,865	\$60,468	\$42,785
2011 - 2012	\$27,645	\$59,990	\$43,122

Source: *District Payroll Records*

Note: Salaries do not include Teacher Salary Supplement for any year.

COMPLIANCE SECTION



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Dubuque Community School District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Grantor/Program	CFDA Number	Grant Number	Expenditures
Indirect:			
U.S. Department of Agriculture:			
Iowa Department of Education:			
Child Nutrition Cluster Programs:			
National School Lunch Program	10.555	FY21	\$ 259,200 *
COVID-19 National School Lunch Program	10.555	FY21	390,366
Summer Food Service Program for Children	10.559	FY21	3,193,055
			<u>\$ 3,842,621</u>
 Fresh Fruit and Vegetable Program	 10.582	 FY21	 \$ 57,663
U.S. Department of Education:			
Iowa Department of Education:			
Apprenticeship USA Grants	17.285	FY21	\$ 8,699
Coronavirus Relief Fund	21.019	FY21	\$ 222,380
Title I Grants to LEA	84.010	FY21	\$ 2,136,563
Vocational Education – Basic Grants to States	84.048	FY21	\$ 122,456
Rehabilitation Services – Vocational Rehabilitation Grants to States	84.126	FY21	\$ 107,818
Education for Homeless Children and Youth	84.196	FY21	\$ 47,045
Twenty-first Century Community Learning Centers	84.287	FY21	\$ 97,478
Special Education – State Personnel Development Grants	84.323	FY21	\$ 5,312
English Language Acquisition Grants	84.365	FY21	\$ 9,071
Improving Teacher Quality Grants	84.367	FY21	\$ 318,593
Grants for State Assessments and Related Activities	84.369	FY21	\$ 111,994
Student Support and Academic Enrichment Program	84.424	FY21	\$ 126,148
Education Stabilization Fund Under the Coronavirus Aid, Relief and Economic Security Act (CARES):			
COVID-19 Governor's Emergency Education Relief Fund	84.425C	FY21	\$ 213,525
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	FY21	7,981,267
COVID-19 American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	FY21	647,030
Total Education Stabilization Fund Under CARES			<u>\$ 8,841,822</u>
Keystone Area Education Agency:			
Special Education – Grants to States	84.027	FY21	\$ 540,057
English Language Acquisition Grants	84.365	FY21	\$ 2,150
Total			<u>\$16,593,069</u>

* Includes \$254,005 of non-cash awards

See Notes to Schedule of Expenditures of Federal Awards

Dubuque Community School District

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Note 1: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Dubuque Community School District under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Dubuque Community School District, it is not intended to and does not present the financial position, changes in financial position or cash flows of Dubuque Community School District.

Note 2: Significant Accounting Policies

Expenditures reported in the Schedule are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Dubuque Community School District has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Dubuque Community School District
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2021

<u>Findings</u>	<u>Status</u>	<u>Corrective Action Plan or Other Explanation</u>
Reportable Conditions in Internal Control		
None		
Reportable Conditions in Administering Federal Awards		
None		
Other Findings Related to Required Statutory Reporting		
None		



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Telephone 563/556-3392
FAX 563/556-3443

Jim Kircher & Associates, P.C.
Certified Public Accountants

815 Century Drive
Dubuque, Iowa 52002

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Education of
Dubuque Community School District:

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 Dubuque Community School District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Dubuque Community School District's basic financial statements, and have issued our report thereon dated December 13, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2021 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

JIM KIRCHER & ASSOCIATES, P.C.

Dubuque, Iowa
December 13, 2021

Telephone 563/556-3392

FAX 563/556-3443

Jim Kircher & Associates, P.C.
Certified Public Accountants

815 Century Drive
Dubuque, Iowa 52002

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

To the Board of Education of
Dubuque Community School District:

Report on Compliance for Each Major Federal Program

We have audited the Dubuque Community School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Dubuque Community School District's major federal programs for the year ended June 30, 2021. Dubuque Community School 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

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

Opinion on Each Major Federal Program

In our opinion, Dubuque Community School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

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

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

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

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

JIM KIRCHER & ASSOCIATES, P.C.

Dubuque, Iowa
December 13, 2021

Dubuque Community School District
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Part I: Summary of the Independent Auditor's Results

- (a) Unmodified opinions were issued on the financial statements prepared in accordance with U.S. generally accepted accounting principles.
- (b) No significant deficiencies and material weaknesses 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 in internal control over the major programs were disclosed by the audit of the financial statements.
- (e) An unmodified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit did not disclose any audit findings which were required to be reported in accordance with the Uniform Guidance Section 200.516.
- (g) Major programs were as follows:
 - CDFA Number 84.425-Education Stabilization Fund (ESF)
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (i) Dubuque Community School District did qualify as a low-risk auditee.

Part II: Findings Related to the Financial Statements:

INTERNAL CONTROL DEFICIENCIES:

We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

INSTANCES OF NONCOMPLIANCE:

No matters were noted.

Part III: Findings and Questioned Costs for Federal Awards:

INTERNAL CONTROL DEFICIENCIES:

We did not identify any deficiencies in internal control over major programs that we consider to be material weaknesses.

INSTANCES OF NONCOMPLIANCE:

No matters were noted.

Dubuque Community School District
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Part IV: Other Findings Related to Statutory Reporting:

- IV-A-21 Certified Budget - Expenditures for the year ended June 30, 2021 did not exceed the amounts budgeted.
- IV-B-21 Questionable Expenditures - No expenditures we believe that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.
- IV-C-21 Travel Expense - No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.
- IV-D-21 Business Transactions - No business transactions between the District and District officials or employees were noted.
- IV-E-21 Restricted Donor Activity – No transactions were noted between the District, District officials or District employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.
- IV-F-21 Bond Coverage - Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.
- IV-G-21 Board Minutes - We noted no transaction requiring Board approval which had not been approved by the Board.
- IV-H-21 Certified Enrollment – 2.00 variances in the basic enrollment data certified by the Iowa Department of Education were noted.
- Recommendation – A system should be developed to reconcile the enrollment data collected by the District before submission to the Iowa Department of Education.
- Response – The District has a process used to clean data before it is uploaded. District employees are responsible for reviewing the data before it is uploaded and certified to the Iowa Department of Education. Considering the volume of records submitted, this process provides the District with a very accurate count.
- IV-I-21 Supplementary Weighting – a .050 variance regarding supplementary weighting certified to the Iowa Department of Education was noted.
- Recommendation – A procedure should be put in place to reconcile data collected by the District before submission to the Iowa Department of Education

Dubuque Community School District
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Part IV: Other Findings Related to Statutory Reporting: (continued)

Response – The District has a process used to clean data before it is uploaded. District employees are responsible for reviewing the data before it is uploaded and certified to the Iowa Department of Education. Considering the volume of records submitted, this process provides the District with a very accurate count.

IV-J-21 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-K-21 Certified Annual Report - The Certified Annual Report was certified timely to the Iowa Department of Education.

IV-L-21 Categorical Funding - No instances were noted of categorical funding being used to supplant rather than supplement other funds.

IV-M-21 Statewide Sales, Services and Use Tax - No instances of noncompliance with the use of the statewide sales, services and use tax revenue provisions of Chapter 423F.3 of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales, services and use tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2021, the District reported the following information regarding the statewide sales, services and use tax revenue in the District's CAR:

Beginning balance			\$ 9,157,193
Revenues/transfers in:			
Statewide sales, services and use tax	\$10,470,364		
Investment income	50,876		
Other local revenue	<u>2,149,475</u>	\$12,670,715	
Expenditures/transfers out:			
School infrastructure:			
Construction	\$ 4,432,867		
Equipment	1,027,497		
Other	564,008		
Transfers to other funds	<u>6,939,327</u>	<u>\$12,963,699</u>	
Ending balance			<u>\$ 8,864,209</u>

Dubuque Community School District
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Part IV: Other Findings Related to Statutory Reporting: (continued)

For the year ended June 30, 2021, the District did not reduce any levies as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa.

IV-N-21 Revenue Bonds - The District has established the reserve account required by the revenue bond resolution. In addition, the required monthly transfers from the revenue account to the sinking account were made by the District.