$9,505,000*
College Community School District, Iowa

General Obligation School Bonds
Series 2019

(FAST Closing)
(The Issuer will designate the Bonds as Bank-Qualified as discussed more thoroughly herein)
(Book Entry Only)
(PARITY© Is the Only Permitted form of Bidding)

DATE:	Monday, November 19, 2018
TIME:	12:00 PM
PLACE:	Office of the Superintendent 401 76th Ave. SW Cedar Rapids, IA 52404
Telephone:	(319)848-5201

Moody's Rating: "Aa3"

* Preliminary, subject to change

PiperJaffray

3900 Ingersoll Ave., Suite 110
Des Moines, IA 50312
515/247-2340

OFFICIAL BID FORM

TO: Board of Directors of the College Community School District, Iowa (the "Issuer")

Re: $9,505,000* General Obligation School Bonds, Series 2019, dated the date of delivery, of the Issuer (the "Bonds")

For all or none of the above Bonds, we will pay you $________________ for Bonds bearing interest rates and maturing in each of the stated years as follows:

Coupon	Yield	Due	Coupon	Yield	Due
________	________	June 1, 2028	________	________	June 1, 2034
________	________	June 1, 2029	________	________	June 1, 2035
________	________	June 1, 2030	________	________	June 1, 2036
________	________	June 1, 2031	________	________	June 1, 2037
________	________	June 1, 2032	________	________	June 1, 2038
________	________	June 1, 2033			

________ We hereby elect to have the following issued as term bonds:

Principal Amount	Month and Year (Inclusive)	Maturity Month and Year
$______________	________________ to ________________	________________
$______________	________________ to ________________	________________
$______________	________________ to ________________	________________
$______________	________________ to ________________	________________
$______________	________________ to ________________	________________

Subject to mandatory redemption requirement in the amounts and at the times shown above

__________ We will not elect to have any bonds issued as term bonds

This bid is for prompt acceptance and for delivery of said Bonds to us in compliance with the Official Terms of Offering, which is made a part of this proposal, by reference. Award will be made on a True Interest Cost Basis (TIC).

According to our computations (the correct computation being controlling in the award), we compute the following (to the dated date):

NET INTEREST COST:$______________________________ TRUE INTEREST RATE _________________________%
(Computed from the dated date)

____________________________ ____________________________________
Account Manager Signature of Account Manager

The foregoing offer is hereby accepted by and on behalf of the Board of Directors of the College Community School District, in the County of Linn, State of Iowa, this 19th day of November, 2018.

ATTEST: ______________________________________ __________________________________
District Secretary Board President

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* Preliminary, subject to change

NOTICE OF BOND SALE

Time and Place of Sale: Sealed bids or electronic bids for the sale of General Obligation School Bonds, Series 2019, of the College Community School District, in the Counties of Benton, Linn, and Johnson, State of Iowa (the "Issuer"), will be received at the office of the Superintendent until 12:00 o'clock P.M. on November 19, 2018. The bids will be publicly opened at that time and evaluated by the Superintendent, Board Secretary and Financial Advisor and referred for action at the meeting of the Board of Directors.

Sale and Award: The sale and award of the bonds will be held at the Board meeting scheduled on the same date.

The Bonds. The bonds to be offered are the following:

> GENERAL OBLIGATION SCHOOL BONDS, SERIES 2019, in the principal amount of not to exceed $9,505,000* to be dated the date of delivery (the "Bonds").

**Subject to principal adjustment per the Terms of Offering.*

Manner of Bidding: Open bids will not be received. No bid will be received after the time specified above for receiving bids. Bids will be received by any of the following methods:

- Sealed Bidding: Sealed bids or electronic proposals may be submitted and will be received at the office of the Superintendent, College Community School District, Cedar Rapids, Iowa.

- Electronic Bidding: Electronic bids via PARITY® will be received at the office of the Superintendent, College Community School District, Cedar Rapids, Iowa. The bids must be submitted through PARITY®.

Official Statement: The Issuer has issued an Official Statement of information pertaining to the Bonds to be offered, including a statement of the Terms of Offering and an Official Bid Form, which is incorporated by reference as a part of this notice. The Official Statement may be obtained by request addressed to the Secretary of the Board of Directors, College Community School District, 401 - 76th Avenue, S.W., Cedar Rapids, Iowa 52404; Telephone: 319-848-5201; or Timothy J. Oswald, Piper Jaffray & Co., 3900 Ingersoll, Suite 110, Des Moines, Iowa 50312; Telephone: 515-247-2358.

Terms of Offering: All bids must be in conformity with and the sale must be in accordance with the Terms of Offering as set forth in the Official Statement.

Legal Opinion: Bonds will be sold subject to the opinion of Ahlers & Cooney, P.C., Attorneys of Des Moines, Iowa, as to the legality and their opinion will be furnished together with the printed bonds without cost to the purchaser and all bids will be so conditioned. Except to the extent necessary to issue their opinion as to the legality of the Bonds, the attorneys will not examine or review or express any opinion with respect to the accuracy or completeness of documents, materials or statements made or furnished in connection with the sale, issuance or marketing of the Bonds.

Rights Reserved: The right is reserved to reject any or all bids, and to waive any irregularities as deemed to be in the best interests of the public.

By order of the Board of Directors of the College Community School District in the Counties of Benton, Linn, and Johnson, State of Iowa.

____
Secretary of the Board of Directors of the College Community School District

OFFICIAL TERMS OF OFFERING

This section sets forth the description of certain of the terms of the Bonds as well as the terms of offering with which all bidders and bid proposals are required to comply, as follows:

The Bonds to be offered are the following:

GENERAL OBLIGATION SCHOOL BONDS, **SERIES 2019**, in the principal amount of $9,505,000* dated the date of delivery in the denomination of $5,000 or multiples thereof, and maturing as shown on the front page of the official statement.

ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER DETERMINATION OF BEST BID. The aggregate principal amount of the Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the Issuer or its designee after the determination of the Successful Bidder. The Issuer may increase or decrease each maturity in increments of $5,000. Interest rates specified by the Successful Bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the Issuer, but the total par amount will not exceed $9,505,000.

The dollar amount bid by the Successful Bidder may be changed if the aggregate principal amount of the Bonds, as adjusted as described below, is adjusted, however the interest rates specified by the Successful Bidder for all maturities will not change. The Issuer's financial advisor will make every effort to ensure that the percentage net compensation to the Successful Bidder (the percentage resulting from dividing (i) the aggregate difference between the offering price of the Bonds to the public and the price to be paid to the Issuer (not including accrued interest), less any bond insurance premium and credit rating fee, if any, to be paid by the Successful Bidder, by (ii) the principal amount of the Bonds) does not increase or decrease from what it would have been if no adjustment was made to principal amounts shown in the maturity schedule.

Optional Redemption: The Bonds maturing after June 1, 2028, may be called for redemption by the Issuer and paid before maturity on said date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

Interest: Interest on said Bonds will be payable on December 1, 2019 and semiannually on the 1st day of June and December thereafter. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

Book Entry System: The Bonds will be issued by means of a book entry system with no physical distribution of certificates made to the public. The Bonds will be issued in fully registered form and one certificate, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of $5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the Issuer to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The successful bidder, as a condition of delivery of the Bonds, will be required to deposit the certificates with DTC.

Good Faith Deposit: A Good Faith Deposit ("Deposit") in the form of a certified or cashier's check or a wire in the amount of $95,050* for the Bonds, payable to the order of the Issuer, is required for each bid to be considered. If a check is used, it must accompany each bid. If a wire is to be used, it must be received by the Issuer not later than two hours after the time stated for receipt of bids. The Financial Advisor or the Issuer will provide the apparent winning bidder (the "Purchaser") with wiring instructions, by facsimile and email, within 10 minutes of the stated time when bids are due. If the wire is not received at the time indicated above, the Issuer will abandon its plan to award to the Purchaser, and will contact the next highest bidder received and offer said bidder the opportunity to become the Purchaser, on the terms as outlined in said bidder's bid, so long as said bidder submits a good faith wire within two hours of the time offered. The Issuer will not award the Bonds to the Purchaser absent receipt of the Deposit prior to action awarding the Bonds. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its bid, the Deposit will be retained by the Issuer.

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* Preliminary, subject to change

Form of Bids: All bids shall be unconditional for the entire issue of Bonds. The minimum purchase price is not less than 100% of par, plus accrued interest. Bids shall specify the rate or rates of interest in conformity to the limitations set forth herein. Bids must be submitted on or in substantial compliance with the Official Bid Form provided by the Issuer or through the Internet Bid System. The Issuer shall not be responsible for any malfunction or mistake made by any person, or as a result of the use of the electronic bid, facsimile facilities or the means used to deliver or complete a bid. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

No bid will be received after the time specified herein. The time as maintained by the Internet Bid System shall constitute the official time with respect to all Bids submitted. A bid may be withdrawn before the bid deadline using the same method used to submit the bid. If more than one bid is received from a bidder, the last bid received shall be considered.

Sealed Bidding: Sealed bids may be submitted and will be received at the office of the Superintendent, College Community School District, 401 76th Ave., SW, Cedar Rapids, IA 52404.

Internet Bidding: Internet bids must be submitted through Parity® ("the Internet Bid System"). Information about the Internet Bid System may be obtained by calling 212-849-5000.

Each bidder shall be solely responsible for making necessary arrangements to access the Internet Bid System for purpose of submitting its internet bid in a timely manner and in compliance with the requirements of the Official Terms of Offering. The Issuer is permitting bidders to use the services of the Internet Bid System solely as a communication mechanism to conduct the internet bidding and the Internet Bid System is not an agent of the Issuer. Provisions of the Official Terms of Offering shall control in the events of conflict with information provided by the Internet Bid System. The Issuer shall not be responsible for any malfunction or mistake made by any person, or as a result of the use of the Internet Bid System. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

Electronic Facsimile Bidding: No faxed bids will be allowed.

Rates of Interest: The rates of interest specified in the bidder's proposal must conform to the limitations following:

All Bonds of each annual maturity must bear the same interest rate.

Rates of interest bid may be in multiples of 1/8th, 1/20th, or 1/100th of 1%.

Rates must be in level or ascending order.

Delivery: The Bonds will be delivered to the Purchaser via FAST delivery with the Paying Agent holding the Bonds on behalf of DTC, against full payment in immediately available cash or federal funds. The Bonds are expected to be delivered within sixty days after the sale. Should delivery be delayed beyond sixty days from date of sale for any reason except failure of performance by the Purchaser, the Purchaser may withdraw his bid and thereafter his interest in and liability for the Bonds will cease. (When the Bonds are ready for delivery, the Issuer may give the successful bidder five working days notice of the delivery date and the Issuer will expect payment in full on that date, otherwise reserving the right at its option to determine that the bidder has failed to comply with the offer of purchase.)

Establishment of Issue Price:
(a) The winning bidder shall assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix E, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel.

(b) The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

-the Issuer shall disseminate this Official Terms of Offering to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

-all bidders shall have an equal opportunity to bid;

-the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
-the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at

the highest price (or lowest interest cost), as set forth in this Official Terms of Offering.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. As described in more detail in the following paragraphs, if the competitive sale requirements are not satisfied AND the Issuer determines to apply the hold-the-offering-price rule (as described in the following paragraph) to any maturity of the Bonds, all bids shall be cancelled and deemed withdrawn, UNLESS the prospective winning bidder affirmatively confirms its bid and agrees to comply with the hold-the-offering-price rule, in the manner described below.

Bidders should prepare their bids on the assumption that the Issuer will determine the issue price of the Bonds either based on the reasonably expected initial offering price to the public or by application of the 10% test. No bidder will be required to comply with the hold-the-offering-price rule in connection with the initial sale of the Bonds to the public unless the bidder has confirmed its bid and agreed to comply with the hold-the-offering-price rule, as described below.

Paragraphs (c) through (g) below shall apply only In the event that the competitive sale requirements are not satisfied.

(c) In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the prospective winning bidder prior to awarding the Bonds. The Issuer may determine to treat (i) the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The prospective winning bidder shall advise the Issuer if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Issuer shall promptly advise the prospective winning bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule.

(d) If the Issuer has determined to apply the hold-the-offering-price rule to any maturity of the Bonds, no award shall be made to the prospective winning bidder and all bids shall be cancelled and deemed withdrawn unless and until the prospective winning bidder has affirmatively confirmed its bid and agreed to comply with the hold-the-offering-price rule. The prospective winning bidder must provide that confirmation to the Issuer no later than 90 (ninety) minutes after receiving notification that the Issuer has determined to apply the hold-the-offering-price rule to any maturity of the Bonds. Such confirmation may be provided orally, but must be promptly confirmed in writing.

If the prospective winning bidder does not provide its confirmation within the required time period, the prospective winning bidder's bid shall be cancelled and deemed to be withdrawn. The Issuer thereupon may award the Bonds to another bidder, provided that the new prospective winning bidder confirms its bid and agrees to comply with the hold-the-offering-price rule, or the Issuer may cancel the sale of the Bonds, as set forth in this Notice of Sale. *If the Issuer has determined to apply the 10% test to all maturities of the Bonds, no bids shall be cancelled or deemed withdrawn and the Issuer shall award the Bonds in accordance with this Notice of Sale.*

(e) If the Issuer has determined to apply the hold-the-offering-price rule to any maturity of the Bonds and the winning bidder has confirmed its bid and its agreement to comply with the hold-the-offering-price rule, the winning bidder shall also confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder. The winning bidder further shall agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

1. the close of the fifth (5th) business day after the sale date; or

2. the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the Issuer when the underwriters have sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(f) Until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the Issuer the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

(g) The Issuer acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The Issuer further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(h) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

(i) Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date that the Bonds are awarded by the Issuer to the winning bidder.

Official Statement: The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Bonds, and any other information required by law or deemed appropriate by the Issuer, shall constitute a "Final Official Statement" of the Issuer with respect to the Bonds, as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). By awarding the Bonds to any underwriter or underwriting syndicate submitting an Official Bid Form therefore, the Issuer agrees that, no more than seven (7) business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded one ".pdf" copy of the Official Statement and the addendum described in the preceding sentence to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The Issuer shall treat the senior managing underwriter of the syndicate to which the Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the Issuer, (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

CUSIP Numbers: It is anticipated that CUSIP numbers will be printed on the Bonds. In no event will the Issuer be responsible for or Bond Counsel review or express any opinion of the correctness of such numbers, and incorrect numbers on said Bonds shall not be cause for the purchaser to refuse to accept delivery of the Bonds. The fee will be paid for by the Issuer.

Responsibility of Bidder: It is the responsibility of the bidder to deliver its signed, completed bid prior to the time of sale as posted on the front cover of the official statement. Neither the Issuer nor its Financial Advisor will assume responsibility for the collection of or receipt of bids. Bids received after the appointed time of sale will not be opened.

Continuing Disclosure: In order to permit bidders for the Bonds and other participating underwriters in the primary offering of the Bonds to comply with paragraph (b)(5) of the Rule, the Issuer will covenant and agree, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Bonds, in the Bond Resolution and pursuant to a Continuing Disclosure Certificate, to provide annual reports of specified information and notice of the occurrence of certain events, if material, as hereinafter described (the "Disclosure Covenants"). The information to be provided on annual basis, the events as to which notice is to be given, if material, and a summary of other provisions of the Disclosure Covenants, including termination, amendment and remedies, are set forth in Appendix C to this Official Statement.

Breach of the Disclosure Covenants will not constitute a default or an "Event of Default" under the Bonds or Resolution. A broker or dealer is to consider a known breach of the Disclosure Covenants, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the Issuer to observe the Disclosure Covenants may adversely affect the transferability and liquidity of the Bonds and their market price.

For more information see the Continuing Disclosure section herein.

Bond Insurance: Application has not been made for municipal bond insurance. Should the Bonds qualify for the issuance of any policy of municipal bond insurance or commitment therefore at the option of the bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the Purchaser. Any increased costs of issuance on the Bonds resulting from such purchase of insurance shall be paid by the Purchaser, except that, if the Issuer has requested and received a rating on the Bonds from a municipal bond rating service, the Issuer will pay that rating fee. Any other rating service fees shall be the responsibility of the Purchaser.

Requested modifications to the Bond Resolution or other issuance documents shall be accommodated by the Issuer at its sole discretion. In no event will modifications be made regarding the investment of funds created under the Bond Resolution or other issuance documents without prior Issuer consent, in its sole discretion. Either the Purchaser or the insurer must agree, in the insurance commitment letter or separate agreement acceptable to the Issuer in its sole discretion, to pay any future continuing disclosure costs of the Issuer associated with any rating changes assigned to the municipal bond insurer after closing (for example, if there is a rating change on the municipal bond insurer that require a material event notice filing by the Issuer, the Purchaser or the municipal bond insurer must agree to pay the reasonable costs associated with such filing). Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the Purchaser shall not constitute cause for failure or refusal by the Purchaser to accept delivery of the Bonds.

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 31, 2018

NEW ISSUE - DTC BOOK ENTRY ONLY　　　　Moody's Rating: "Aa3"

In the opinion of Bond Counsel under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, interest on the Bonds i) is not exempt from Iowa State income tax; and ii) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. The Bonds will NOT be designated as "qualified tax-exempt obligations." See "TAX MATTERS" herein.

$9,505,000*
College Community School District, Iowa
General Obligation School Bonds
Series 2019

Dated: Date of Delivery

The General Obligation School Bonds, Series 2019 described above (the "Bonds") are issuable as fully registered Bonds in the denomination of $5,000 or any integral multiple thereof and, when issued, will be registered in the name of Cede & Co., as Bondholder and nominee of the Depository Trust Company, New York, NY ("DTC"). DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form. Purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. So long as DTC or its nominee, Cede & Co., is the Bondholder, the principal of, premium, if any, and interest on the Bonds will be paid by Bankers Trust Company as Registrar and Paying Agent (the "Registrar"), or its successor, to DTC, or its nominee, Cede & Co. Disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants as more fully described herein. Neither the Issuer nor the Registrar will have any responsibility or obligation to such DTC Participants, indirect participants or the persons for whom they act as nominee with respect to the Bonds.

Interest on the Bonds is payable on June 1, and December 1 in each year, beginning December 1, 2019 to the registered owners thereof. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

The Bonds maturing after June 1, 2023 may be called for redemption by the Issuer and paid before maturity on said date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

MATURITY SCHEDULE

Bonds Due	Amount*	Rate *	Yield *	Cusip #'s **	Bonds Due	Amount*	Rate *	Yield *	Cusip #'s **
June 1, 2028	$1,240,000			194234 WU0	June 1, 2034	$470,000			194234 XA3
June 1, 2029	1,330,000			194234 WV8	June 1, 2035	110,000			194234 XB1
June 1, 2030	1,430,000			194234 WW6	June 1, 2036	230,000			194234 XC9
June 1, 2031	1,550,000			194234 WX4	June 1, 2037	985,000			194234 XD7
June 1, 2032	995,000			194234 WY2	June 1, 2038	835,000			194234 XE5
June 1, 2033	330,000			194234 WZ9					

$_______________　　______%　　Term bond due　　Priced to yield　　CUSIP # _________

The Bonds are being offered when, as and if issued by the Issuer and accepted by the Underwriter, subject to receipt of an opinion as to legality, validity and tax exemption by Ahlers & Cooney, P.C., Des Moines, Iowa, Bond Counsel. It is expected that the Bonds in the definitive form will be available for delivery through the facilities of DTC on or about January 3, 2019. The Underwriter intends to engage in secondary market trading of the Bonds subject to applicable securities laws. The Underwriter is not obligated, however, to repurchase any of the Bonds at the request of the holder thereof.

The Date of this Official Statement is ______, 2018

* *Preliminary, subject to change*

** *CUSIP numbers shown above have been assigned by a separate organization not affiliated with the Issuer. The Issuer has not selected nor is responsible for selecting the CUSIP numbers assigned to the Bonds nor do they make any representation as to the correctness of such CUSIP numbers on the Bonds or as indicated above.*

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

No dealer, salesman or any other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such information or representations must not be relied upon as having been authorized by the Issuer or the Underwriter. This Official Statement does not constitute an offer to sell or a solicitation of any offer to buy any of the securities offered hereby in any state to any persons to whom it is unlawful to make such offer in such state. Except where otherwise indicated, this Official Statement speaks as of the date hereof. Neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer since the date hereof.

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IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. The Issuer considers the Official Statement to be "near final" within the meaning of Rule 15c2-12 of the Securities Exchange Commission. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF THE PROVISIONS OF SECTIONS 3(a)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED. THE REGISTRATION OR QUALIFICATIONS OF THESE SECURITIES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THESE SECURITIES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SECURITIES OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

FORWARD-LOOKING STATEMENTS

This Official Statement, including Appendix A, contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as "plan," "expect," "estimate," "budget" or similar words. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT EXPECT OR INTEND TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

OFFICIAL STATEMENT
COLLEGE COMMUNITY SCHOOL DISTRICT, IOWA
$9,505,000* GENERAL OBLIGATION SCHOOL BONDS, SERIES 2019

INTRODUCTORY STATEMENT

This Official Statement presents certain information relating to the College Community School District, Iowa (the "Issuer"), in connection with the sale of the Issuer's General Obligation School Bonds, Series 2019 (the "Bonds"). The Bonds are being issued pursuant to a February 2, 2016 election authorizing the issuance of General Obligation Bonds in an amount not to exceed $49,500,000 to provide funds to build, furnish, and equip an addition to Prairie High School and to improve, repair, remodel, and equip the Prairie High School building and site, and to repair, improve, equip, and remodel the Prairie Crest, Prairie Heights, and Prairie View buildings. See "**SOURCES AND USES OF FUNDS**" herein.

This Preliminary Official Statement is deemed to be a final official statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, except for the omission of certain pricing and other information which is to be made available through a final Official Statement.

This Introductory Statement is only a brief description of the Bonds and certain other matters. Such description is qualified by reference to the entire Official Statement and the documents summarized or described herein. This Official Statement should be reviewed in its entirety.

The Bonds are general obligations of the Issuer, payable from and secured by a continuing annual ad-valorem tax levied against the property valuation of the Issuer. See "**THE BONDS – Source of Security for the Bonds**" herein.

All statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

THE BONDS

General

The Bonds are dated as of the date of delivery and will bear interest at the rates to be set forth on the cover page herein, interest payable on June 1 and December 1 in each year, beginning on December 1, 2019, calculated on the basis of a year of 360 days and twelve 30-day months. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

Authorization for the Issuance

The Bonds are being issued pursuant to the Code of Iowa, 2017, as amended, Chapter 296.

Book Entry Only System

The following information concerning The Depository Trust Company ("DTC"), New York, New York and DTC's book-entry system has been obtained from sources the Issuer believes to be reliable. However, the Issuer takes no responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

The Depository Trust Company ("DTC"), New York, NY will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities in the aggregate principal amount of such issue, and will be deposited with DTC.

* Preliminary, subject to change

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S equity issues, corporate and municipal debt issues and money market instrument (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC.

DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participations include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC").

DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered in the transaction. Transfers of ownership interest in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to taken certain steps to augment transmission to them notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit have agreed to obtain and transmit notices to Beneficial Owners, in the alternative, Beneficial owners may wish to provide their names and addresses to the registrar and request that copies of the notices by provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participants in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or successor securities depository). In that event Security certificates will be printed and delivered to DTC.

The Issuer cannot and does not give any assurances that DTC, the Direct Participants or the Indirect Participants will distribute to the Beneficial Owners of the Bonds (i) payments of principal of or interest and premium, if any, on the Bonds, (ii) certificates representing an ownership interest or other confirmation of beneficial ownership interest in the Bonds, or (iii) redemption or other notices sent to DTC or Cede & Co., its nominee, as the Registered Owner of the Bonds, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities Exchange Commission, and the current "Procedures" of DTC to be followed in dealing with Direct Participants are on file with DTC.

Neither the Issuer nor the Paying Agent will have any responsibility or obligation to any Direct Participant, Indirect Participant or any Beneficial Owner or any other person with respect to: (1) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant; (2) the payment by DTC or any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal or redemption price of or interest on the Bonds; (3) the delivery by DTC or any Direct Participant or Indirect Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Indenture to be given to owners of Bonds; (4) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (5) any consent given or other action taken by DTC as a Bondholder.

Transfer and Exchange

In the event that the Book Entry System is discontinued, any Bond may, in accordance with its terms, be transferred by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the principal corporate office of the Registrar accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Registrar. Whenever any Bond or Bonds shall be surrendered for transfer, the Registrar shall execute and deliver a new Bond or Bonds of the same maturity, interest rate, and aggregate principal amount.

Bonds may be exchanged at the principal corporate office of the Registrar for a like aggregate principal amount of Bonds or other authorized denominations of the same maturity and interest rate; provided, however, that the Registrar is not required to transfer or exchange any Bonds which have been selected for prepayment and is not required to transfer or exchange any Bonds during the period beginning 15 days prior to the selection of Bonds for prepayment and ending the date notice of prepayment is mailed. The Registrar may require the payment by the Bond Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. All Bonds surrendered pursuant to the provisions of this and the preceding paragraph shall be canceled by the Registrar and shall not be redelivered.

Prepayment

Optional Prepayment: The Bonds maturing after June 1, 2028, may be called for redemption by the Issuer and paid before maturity on said date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

Notice of Prepayment. Prior to the redemption of any Bonds under the provisions of the Resolution, the Registrar shall give written notice not less than thirty (30) days prior to the redemption date to each registered owner thereof. Written notice shall be effective upon the date of transmission to the owner of record of the Bond.

Mandatory Sinking Fund Redemption The Bonds maturing on _______are subject to mandatory redemption (by lot, as selected by the Registrar) on ____ 1 and _______ in each of the years _____ through _____ at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date in the following principal amounts:

____ Term Bond

Mandatory Sinking Fund Date	Principal Amount
	$
(maturity)	

Selection of Bonds for Redemption Bonds subject to redemption will be selected in such order of maturity as the Issuer may direct. If less than all of the Bonds of a single maturity are to be redeemed, the Issuer will notify DTC of the particular amount of such maturity to be redeemed prior to maturity. DTC will determine by lot the amount of each Participant's interest in such maturity to be redeemed and each Participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

Any notice of redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if funds are not available, such redemption shall be cancelled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was sent.

Source of Security for the Bonds

These Bonds are general obligations of the Issuer. The Bonds are payable from general ad valorem property taxes, without limitation of amount, levied against all taxable property of the District.

BONDHOLDERS' RISKS

Tax Levy Procedures

The Bonds are general obligations of the Issuer, payable from and secured by a continuing ad-valorem tax levied against all of the property valuation within the Issuer. As part of the budgetary process of the Issuer each fiscal year the Issuer will have an obligation to request a debt service levy to be applied against all of the property within the Issuer. A failure on the part of the Issuer to make a timely levy request or a levy request by the Issuer that is inaccurate or is insufficient to make full payments of the debt service on the Bonds for a particular fiscal year may cause Bondholders to experience delay in the receipt of distributions of principal of and/or interest on the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the Issuer and certain other public officials to perform the terms of the resolution for the Bonds) may have to be enforced from year to year.

Legislation Affecting Tax Collections

During the 2013 legislative session, the Iowa General Assembly enacted Senate File 295 (the "Act"), which the Governor signed into law on June 12, 2013. Among other things, the Act (i) reduced the maximum annual taxable value growth percent, due to revaluation of existing residential and agricultural property, to 3%, (ii) assigned a "rollback" (the percentage of a property's value that is subject to tax) to commercial, industrial and railroad property of 90%, (iii) created a new property tax classification for multi-residential properties (mobile home parks, manufactured home communities, land-lease communities, assisted living facilities and property primarily used or intended for human habitation containing three or more separate dwelling units) ("Multi-residential Property") and assigned a declining rollback percentage of 3.75 percent to such properties for each year until 2021, the assessment year (the rollback percentage for Multi-residential Properties will be equal to the residential rollback percentage in 2022 assessment year and thereafter) and (iv) exempted a specified portion of the assessed value of telecommunication properties.

The Act included a standing appropriation to replace some of the tax revenues lost by local governments, including tax increment districts, resulting from the new rollback for commercial and industrial property. Beginning in Fiscal Year 2017-18 the standing appropriation cannot exceed the actual Fiscal Year 2016-17 appropriation amount. The appropriation does not replace losses to local governments resulting from the Act's provisions that reduce the annual revaluation growth limit for residential and agricultural properties to 3%, the gradual transition for Multi-residential Property to the residential rollback percentage, or the reduction in the percentage of telecommunications property that is subject to taxation.

Given the wide scope of the statutory changes, and the State of Iowa's discretion in establishing the annual replacement amount that is appropriated each year commencing in Fiscal Year 2017-18, the impact of the Act on the Issuer's future property tax collections is uncertain and the Issuer is unable to accurately assess the financial impact of the Act's provisions on the Issuer's future operations.

In Moody's Investor Service US Public Finance Weekly Credit Outlook, dated May 30, 2013, Moody's Investor Service ("Moody's") projected that local governments in the State of Iowa are likely to experience with sizeable reductions in tax revenues collected possible starting in Fiscal Year 2017-18. According to Moody's, local governments that may experience disproportionately higher revenue losses include regions that have a substantial commercial base, a large share of Multi-residential Property (such as college towns), or significant amounts of telecommunications property.

Notwithstanding any decrease in property tax revenues that may result from the Act, Iowa Code section 76.2 provides that when an Iowa political subdivision issues general obligation bonds, "the governing authority of these political subdivisions before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years. A certified copy of this resolution shall be filed with the county auditor or the auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditors to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full."

From time to time, other legislative proposals may be considered by the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described in this Official Statement. It cannot be predicted whether or in what forms any of such proposals may be enacted, and there can be no assurance that such proposals will not apply to valuation, assessment or levy procedures for the levy of taxes by the Issuer.

Changes in Property Taxation
From time to time the Iowa General Assembly has altered the method of property taxation and could do so again. Any alteration in property taxation structure could affect property tax revenues available to pay the Bonds. Historically, the Iowa General Assembly has applied changes in property taxation structure on a prospective basis; however, there is no assurance that future changes in properly taxation structure by the Iowa General Assembly will not be retroactive. It is impossible to predict the outcome of future property tax changes by the Iowa General Assembly or their potential impact on the Bonds and the security for the Bonds.

Matters Relating to Enforceability of Agreements
Holders of the Bonds shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa and of the United States of America for the enforcement of payment of the Bonds, including, but not limited to, the right to a proceeding in law or in equity by suit, action or mandamus to enforce and compel performance of the duties required by Iowa law and the Bond Resolution.

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Bond Resolution. The remedies available to the owners of the Bonds upon an event of default under the Bond Resolution, in certain respects, may require judicial action, which is often subject to discretion and delay. Under existing law, including specifically the federal bankruptcy code, certain of the remedies specified in the Bond Resolution may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in these documents. The legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and public policy and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

No representation is made, and no assurance is given, that the enforcement of any remedies with respect to such assets will result in sufficient funds to pay all amounts due under the Bond Resolution or the Loan Agreement, including principal of and interest on the Bonds.

Secondary Market
There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, and secondary marketing practices in connection with a particular Bond or Bonds issue are suspended or terminated. Additionally, prices of bond or note issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Bonds.

Pension
Pursuant to GASB Statement No. 68, the School reported a liability of $35,349,166 as of June 30, 2017 for its proportionate share of the net pension liability for Iowa Public Employee Retirement System ("IPERS"). The net pension liability is the amount by which the total actuarial liability exceeds the pension plan's net assets or fiduciary net position (essentially the market value) available for paying benefits. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the School's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. As of June 30, 2016, the School's collective proportion was .566834%, compared to .556838% from its proportion measured June 30, 2015. See School's Audited Financial Statements for Fiscal Year Ending June 30, 2017, Appendix D, for additional information.

Rating
Moody's Investor Service (the "Rating Agency") has assigned a rating of "Aa3" to the Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of the Rating Agency, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

Forward-Looking Statements
This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward looking statements and the actual results. These differences could be material and could impact the availability of funds of the Issuer to pay debt service when due on the Bonds.

Pending Federal Tax Legislation
From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals are pending in Congress that could, if enacted, alter or amend one or more of the federal tax matters described herein in certain respects or would adversely affect the market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Bonds. In addition regulatory actions are from time to time announced or proposed, and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

DTC-Beneficial Owners
Beneficial Owners of the Bonds may experience some delay in the receipt of distributions of principal of and interest on the Bonds since such distributions will be forwarded by the Paying Agent to DTC and DTC will credit such distributions to the accounts of the Participants which will thereafter credit them to the accounts of the Beneficial Owner either directly or indirectly through indirect Participants. Neither the Issuer nor the Paying Agent will have any responsibility or obligation to assure that any such notice or payment is forwarded by DTC to any Participants or by any Participant to any Beneficial Owner.

In addition, since transactions in the Bonds can be effected only through DTC Participants, indirect participants and certain banks, the ability of a Beneficial Owner to pledge the Bonds to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Bonds, may be limited due to lack of a physical certificate. Beneficial Owners will be permitted to exercise the rights of registered Owners only indirectly through DTC and the Participants. See "**THE BONDS–Book-Entry Only System**."

General Fund Balance
School districts in Iowa can only levy for cash reserves if a school district's most recently audited total (committed plus uncommitted) General Fund balance falls below 20% of expenditures. The District's balance was above this level at the end of fiscal years 2013 and 2014, so it could not levy for cash reserves in fiscal years 2014 and 2015. The District's General Fund balance on June 30, 2014 was $6.45 million, which was 13.51% of expenditures, allowing for the use of cash reserve levy starting in fiscal year 2017.

As of June 30, 2015 the District's General Fund balance decreased to $1.57 million, or 3.12% of expenditures. This decrease in the General Fund balance resulted from the inability to levy for additional cash to cover costs related to increasing enrollment (including the opening a new elementary school building in fiscal 2015) and expenditures related to mandated special education and English language learner programs.

For fiscal year 2016, the General Fund balance decreased a further $600,000, resulting in an ending unrestricted general fund balance of $491,366, or 0.85% of expenditures.

For fiscal year 2017, the General Fund balance increased to $1,512,724, or 2.56% of expenditures.

For fiscal year 2018, the (unaudited) General Fund balance increased to $5,261,065 or 8.23% of expenditures.

Except for hiring related to the opening of the new elementary building in 2015, the District implemented a hiring freeze for fiscal years 2015, which continued into 2018. The hiring freeze was lifted for fiscal year 2019.

For fiscal year 2017, the Issuer was eligible to access the levy for cash reserves again, and levied $3.77 million. For fiscal year 2018, the Issuer levied for cash reserve of $5,272,623. For fiscal year 2019, the Issuer levied a cash reserve levy of $5.2 million.

The District' estimated budget for FY19 calls for an ending General Fund balance of $7,449,133, or 12% of expenditures.

Other Factors
An investment in the Bonds involves an element of risk. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including the Appendices hereto) in order to make a judgment as to whether the Bonds are an appropriate investment.

Summary
The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should become thoroughly familiar with this entire Official Statement and the Appendices hereto.

LITIGATION

The District encounters litigation occasionally, as a course of business, however, no litigation currently exists that is not believed to be covered by current insurance carriers. Litigation was recently filed arising from a bus accident, and it is too early to determine all ramifications of that action. No litigation has been proposed that questions the validity of these bonds.

ACCOUNTANT

The accrual-basis financial statements of the Issuer included as APPENDIX D to this Official Statement have been examined by Clifton, Larson, Allen LLP to the extent and for the periods indicated in their report thereon. Such financial statements have been included herein without permission of said CPA, and said CPA expresses no opinion with respect to the Bonds or the Official Statement.

UNDERWRITING

The Bonds are being purchased, subject to certain conditions, by ____ (the "Underwriter"). The Underwriter has agreed, subject to certain conditions, to purchase all, but not less than all, of the Bonds at an aggregate purchase price of $_________ plus accrued interest to the Closing Date.

The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into unit investment trusts, certain of which may be sponsored or managed by the Underwriter) at prices lower than the initial public offering prices stated on the cover page. The initial public offering prices of the Bonds may be changed, from time to time, by the Underwriter.

The Underwriter intends to engage in secondary market trading of the Bonds subject to applicable securities laws. The Underwriter is not obligated, however, to repurchase any of the Bonds at the request of the holder thereof.

THE PROJECT

The Bonds are being issued pursuant to a February 2, 2016 election authorizing the issuance of General Obligation Bonds in an amount not to exceed $49,500,000 to provide funds to build, furnish, and equip an addition to Prairie High School and to improve, repair, remodel, and equip the Prairie High School building and site, and to repair, improve, equip, and remodel the Prairie Crest, Prairie Heights, and Prairie View buildings.

SOURCES AND USES OF FUNDS *

Sources of Funds		
	Bond Proceeds	$
	Reoffering Premium	
Total Sources of Funds		$
Uses of Funds		
	Deposit to Project fund	$
	Costs of Issuance	
	Underwriter's Discount	
Total Uses of Funds		$

* Preliminary, subject to change

TAX MATTERS

<u>Tax Exemptions and Related Considerations:</u> Federal tax law contains a number of requirements and restrictions that apply to the Bonds. These include investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and facilities financed with bond proceeds, and certain other matters. The District has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the District's compliance with the above referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax imposed on individuals and corporations.

Interest on the Bonds is not exempt from present Iowa income taxes.

Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors as to collateral federal income tax consequences.

<u>NOT-Qualified Tax-Exempt Obligations:</u> The Issuer will NOT designate the Bonds as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

<u>Tax Accounting Treatment of Discount and Premium on Certain Bonds:</u> The initial public offering price of certain Bonds may be less than the amount payable on such Bonds at maturity ("Discount Bonds"). Owners of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Bonds may be greater than the amount of such Bonds at maturity ("Premium Bonds"). Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

<u>Related Tax Matters:</u> The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Tax Legislation. Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may be considered by the Iowa legislature. For example, on December 22, 2017 Public Law 115 97, the Tax Cuts and Jobs Act ("TCJA") was signed into law. The TCJA and other future legislative proposals may prevent owners of the Bonds from realizing the same benefits as under former law with respect to the tax status of interest on the Bonds. Also, the TCJA and other future legislative proposals, or clarification of the Code, may affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the TCJA and other pending or proposed tax legislation, as to which Bond Counsel expresses no opinion except as expressly set forth in Appendix A. The opinions expressed of Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any future interpretation of law, proposed or pending legislation, regulatory interpretation or initiative or litigation.

Court proceedings may also be filed, the outcome of which could modify the tax treatment. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest or other income on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

Some legislative proposals may carry retroactive effective dates that, if enacted, could alter or amend the tax matters referred to in this section or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal or state tax legislation.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Enforcement: There is no bond trustee or similar person to monitor or enforce the terms of the resolution for issuance of the Bonds. In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the District and certain other public officials to perform the terms of the resolution for the Bonds) may have to be enforced from year to year.

The owners of the Bonds cannot foreclose on property within the boundaries of the District or sell such property in order to pay the debt service on the Bonds. In addition, the enforceability of the rights and remedies of owners of the Bonds may be subject to limitation as set forth in Bond Counsel's opinion. The opinion will state, in part, that the obligations of the District with respect to the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and to the exercise of judicial discretion in appropriate cases.

Opinion: Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the District described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise.

FINANCIAL ADVISOR

The Issuer has retained Piper Jaffray & Co. as financial advisor (the "Financial Advisor") in connection with the issuance of the Bonds. The Financial Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of the Official

Statement. The Financial Advisor is not a public accounting firm and has not been engaged by the Issuer to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards.

CONTINUING DISCLOSURE

For the purpose of complying with Rule 15c2-12 of the Securities Exchange Commission, as amended and interpreted from time to time (the "Rule"), the Issuer will covenant and agree, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Bonds to provide reports of specified information and notice of the occurrence of certain events, if material, as hereinafter described (the "Disclosure Covenants"). The information to be provided on an annual basis, and the events as to which notice is to be given, if material, is summarized below under the caption "APPENDIX C - Form of Continuing Disclosure Certificate" herein for more information. This covenant is being made by the Issuer to assist the Underwriter(s) in complying with the Rule.

Breach of the Disclosure Covenants will not constitute a default or an "Event of Default" under the Bonds or Resolution, respectively. A broker or dealer is to consider a known breach of the Disclosure Covenants, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the Issuer to observe the Disclosure Covenants may adversely affect the transferability and liquidity of the Bonds and their market price.

The Issuer provides the following information in accordance with the reporting requirements of paragraph (f)(3) of the Rule.

On November 13, 2014, Assured Guaranty Corporation ("AGC"), the insurer on the Issuer's Series 2007 and 2008 General Obligation School Refunding Bonds, was assigned an "AA" rating by Kroll Rating Service. This rating was not requested by the Issuer and the Issuer was not notified of the presence of this rating by either AGC or Kroll. The rating currently is listed on the EMMA issuer home page for the affected bonds. The Issuer became aware of the presence of the Kroll rating due to a separate notice given by AGC regarding AGC's effort to get Moody's Investor Service Inc. to remove its published rating on AGC. The Issuer filed a notice on EMMA of its failure to file a material even notice concerning the above-referenced rating change.

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I have reviewed the information contained within the Official Statement of the College Community School District, State of Iowa, and to the best of our knowledge, information and belief said Official Statement does not contain any material misstatements of fact nor omissions of any material fact which is necessary to make the statements and information herein, in light of the circumstances under which they were made, not misleading regarding the issuance of $9,505,000* General Obligation School Bonds, Series 2019.

COLLEGE COMMUNITY SCHOOL DISTRICT, STATE OF IOWA
/s/ James Rotter
Board Secretary

* Preliminary, subject to change

APPENDIX A - INFORMATION ABOUT THE ISSUER

COLLEGE COMMUNITY SCHOOL DISTRICT, IOWA

DISTRICT OFFICIALS

BOARD OF DIRECTORS	Randy Bauer, President Jed Peterson, Vice President Dot Pospischil Greg Kelsey James Hodina Todd Hahlen Angie Ehle
SUPERINTENDENT	Doug Wheeler
DISTRICT SECRETARY	James Rotter Jr.
DISTRICT ATTORNEY	Ahlers & Cooney P.C. Des Moines, IA

CONSULTANTS

BOND COUNSEL	Ahlers & Cooney, P.C. Des Moines, Iowa
DISCLOSURE COUNSEL	Ahlers & Cooney, P.C. Des Moines, Iowa
FINANCIAL ADVISOR	Piper Jaffray & Co. Des Moines, Iowa
PAYING AGENT	Bankers Trust Co. Des Moines, Iowa

General Information

The College Community School District is located in the southern portion of the City of Cedar Rapids, Iowa's second largest city, as well as the communities of Swisher, Ely, Fairfax and Walford, and significant rural areas of Linn and Johnson counties, and a small portion of Benton County. Headquartered in Cedar Rapids, the District maintains on site in Cedar Rapids, including a high school, middle school and four elementary schools.

Transportation facilities are provided by U.S. Interstate 380, U.S. Highway 151 and 30, and Iowa highway 13. U.S. Interstate 80 is located approximately 20 miles south of the District. Rail service is provided to the metropolitan area by the Chicago Northwestern Railroad, the Chicago Central and Pacific Railroad and the Iowa Northern Railroad. Commercial airline service is provided by the Eastern Iowa Airport in Cedar Rapids. Utilities providing service for the District include Mid American Gas, Linn County REC, Alliant Energy and Southslope Telephone Company.

Continuing educational opportunities within the metropolitan area include Area X – Kirkwood Community College; Coe College, and Mt. Mercy University. Continuing educational opportunities within commuting distance include: the University of Iowa, Iowa City; and Cornell College, Mt. Vernon.

District Facilities

Presented below is a summary of the facilities of the District:

Building	Construction Dates	Grades
Prairie High School	1955, 1957, 1963, 1989, 1990, 2000	10-12
Prairie Middle School	2009	7-9
Prairie Intermediate School	1959, 1960, 1962, 1987, 1998	5-6
Prairie Crest Elementary	1965, 1969, 1997	PK-4
Prairie Heights Elementary	1954, 1961, 1995	PK-4
Prairie View Elementary	1969, 1995	PK-4
Prairie Ridge Elementary	2002	PK-4
Prairie Hill Elementary	2014	PK-4

Source: College CSD

Enrollment

Total enrollment in the District in the fall of the past five school years has been as follows:

	Certified (Resident) (1)	Open Enroll In	Open Enroll Out	Total Served (2)
October-17	5,162.7	497.0	274.0	5,385.7
October-16	5,086.6	498.0	221.5	5,363.1
October-15	4,947.4	464.0	202.0	5,209.4
October-14	4,801.0	439.0	192.0	5,048.0
October-13	4,685.3	433.0	197.6	4,920.7

Source: Department of Education
1 Used for Sales Tax distribution
2 Used for State Aid distribution

Staff

Presented below is a list of the District's 831 employees.

Administrators:	26	Secretaries	46
Teachers:	401	Nurses:	9
Educational Assistants	156	Guidance:	13
Custodians:	36	Maintenance:	12
Food Service:	46	Transportation	74
Other	4	Media Specialists	8

Source: College CSD

Pensions

Plan Description. Iowa Public Employees' Retirement System ("IPERS") membership is mandatory for employees of the Issuer. The Issuer's employees are provided with pensions through a cost-sharing multiple employer defined pension plan administered by IPERS. IPERS benefits are established under Iowa Code, Chapter 97B and the administrative rules thereunder. The Issuer's employee who completed seven years of covered service or has reached the age of 65 while in IPERS covered employment becomes vested. If the Issuer's employee retires before normal retirement age, the employees' monthly retirement benefit will be permanently reduced by an early-retirement reduction. IPERS provides pension benefits as well as disability benefits to Issuer employees and benefits to the employees' beneficiaries upon the death of the eligible employee. See "APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER–NOTES TO THE FINANCIAL STATEMENTS" for additional information on IPERS. Additionally, copies of IPERS annual financial report may be obtained from www.ipers.org. Moreover, IPERS maintains a website at www.ipers.com. However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Contributions. Although the actuarial contribution rates are calculated each year, the contribution rates were set by state law through June 30, 2012 and did not necessarily coincide with the actuarially calculated contribution rate. As a result, from June 30, 2002 through June 30, 2013, the rate allowed by statute was less than the actuarially required rate. Effective July 1, 2012, as a result of a 2010 law change, IPERS contribution rates for the Issuer and its employees are established by IPERS following the annual actuarial valuation (which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization method.) State statute, however, limits the amount rates can increase or decrease each year to one (1) percentage point. Therefore, any difference between the actuarial contribution rates and the contributions paid is due entirely to statutorily set contributions that may differ from the actual contribution rates. As a result, while the contribution rate in the fiscal year ended June 30, 2014 equaled the actuarially required rate, there is no guarantee, due to this statutory limitation on rate increases, that the contribution rate will meet or exceed the actuarially required rate in the future.

In fiscal year 2017, pursuant to the IPERS' required rate, the Issuer's employees contributed 5.95% of pay and the Issuer contributed 8.93% for a total rate of 14.88 percent. The Issuer's contributions to IPERS for the year ended June 30, 2017 were $3,666,236 which amount is not less than its actuarially determined calculated annual actuarial valuation. The Issuer's share of the contribution, payable from the applicable funds of the Issuer, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The Issuer has always made its full required contributions to IPERS.

The following table sets forth the contributions made by the Issuer and its employees to IPERS for the period indicated. The Issuer cannot predict the levels of funding that will be required in the future.

Table 1 – Issuer and Employees Contribution to IPERS.

	Issuer Contribution		Issuer Employees' Contribution	
Fiscal Year	Amount Contributed	% of covered Payroll	Amount Contributed	% of Covered Payroll
2013	2,498,928	8.67	1,947,783.07	5.78
2014	3,116,752	8.93	2,163,520.40	5.95
2015	3,407,317	8.93	2,323,807.61	5.95
2016	3,613,431	8.93	2,339,836.39	5.95
2017	3,666,236	8.93	2,442,787.03	5.95

SOURCE: The Issuer

The Issuer cannot predict the levels of funding that will be required in the future as any IPERS unfunded pension benefit obligation could be reflected in future years in higher contribution rates. The investment of moneys, assumptions underlying the same and the administration of IPERS is not subject to the direction of the Issuer. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of IPERS ("UAALs"). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, adjustments, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAAL could be substantial in the future, requiring significantly increased contributions from the Issuer which could affect other budgetary matters.

The following table sets forth certain information about the funding status of IPERS that has been extracted from the comprehensive annual financial reports of IPERS for the fiscal years ended June 30, 2017 through, and including, 2013 (collectively, the "IPERS CAFRs (2013-2017)"), and the actuarial valuation reports provided to IPERS by Cavanaugh MacDonald Consulting, LLC (collectively, the "IPERS Actuarial Reports (2013-2017)"). Additional information regarding IPERS and its latest actuarial valuations can be obtained by contacting IPERS administrative staff.

Table 2 – Funding Status of IPERS

Valuation Date	Actuarial Value of Assets [a]	Market Value of Assets [b]	Actuarial Accrued Liability [c]	Unfunded Actuarial Accrued Liability (Actuarial Value) [c]-[a]	Funded Ratio (Actuarial Value) [a]/[c]	Unfunded Actuarial Accrued Liability (Market Value) [c]-[b]	Funded Ratio (Market Value) [b]/[c]	Covered Payroll [d]	UAAL as a Percentage of Covered Payroll (Actuarial Value) [[c-a]/[d]]
2013	24,711,096,187	24,756,663,715	30,498,342,320	5,787,246,133	81.02	5,741,678,605	81.17	6,880,131,134	84.12
2014	26,460,428,085	28,038,549,893	32,004,456,088	5,544,028,003	82.68	3,965,906,195	87.61	7,099,277,280	78.09
2015	27,915,379,103	28,429,834,829	33,370,318,731	5,454,939,628	83.65	4,940,483,902	85.19	7,326,348,141	74.46
2016	29,033,696,587	28,326,433,656	34,619,749,147	5,586,052,560	83.86	6,293,315,491	81.82	7,556,515,720	73.92
2017	30,472,423,914	30,779,116,326	37,440,382,029	6,967,958,115	81.39	6,661,265,703	82.21	7,863,160,443	88.62

Source: IPERS CAFRs (2013-2017) and IPERS Actuarial Reports (2013-2017)
For a description of the assumptions used when calculating the funding status of IPERS for the fiscal year ended June 30, 2017, see IPERS CAFRs (2013-2017)

Table 3 – Recent returns of IPERS

According to IPERS, the market value investment return on program assets is as follows:

Fiscal Year Ended June 30	Investment Return %
2013	10.12
2014	15.88
2015	3.96
2016	2.15
2017	11.70

Bond Counsel, Disclosure Counsel, the Issuer, and the Financial Advisor undertake no responsibility for and make no representations as to the accuracy or completeness of the material available from IPERS as discussed above or included on the IPERS website, including, but not limited to, updates of such information on the Auditor of State's website or links to other websites through the IPERS website.

Net Pension Liabilities.

Effective for fiscal years beginning after June 15, 2014, GASB Statement 68 requires all reporting units in a multi-employer cost sharing pension plan to record a balance sheet liability for their proportionate share of the net pension liability of the plan. The Issuer was required to implement GASB 68 in their year end June 30, 2015 financial statements.

At June 30, 2017, the Issuer reported a liability of $35,349,166 for its proportional share of the IPERS net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The discount rate used to measure the total pension liability was 7.5%. The Issuer's proportion of the net pension liability was based on the Issuer's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. See "APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER–NOTES TO THE FINANCIAL STATEMENTS" for additional information related to the Issuer's deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity.

Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

GASB 45

In June 2004, the Governmental Accounting Standards Board ("GASB") issued GASB 45, which address how state and local governments are required to account for and report their costs and obligations related to other post employment benefits ("OPEB"), defined to include post retirement healthcare benefits. GASB 45 Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension establishes financial reporting standards designed to measure, recognize and display OPEB costs. OPEB costs would become measurable on an accrual basis of accounting, and contribution rates (actuarially determined) would be prescribed for funding such costs. The provisions of GASB 45 do not require governments to fund their OPEBs. The Issuer may establish its OPEB liability at zero as of the beginning of the initial year of implementation; however the unfunded actuarial liability is required to be amortized over future periods. In accordance with the requirements of GASB 45, the Issuer's financial statements must comply with these provisions no later than the fiscal year ending June 30, 2010.

Consistent with Iowa Code section 509A.13, the Issuer offers post-retirement health and dental benefits are available to all fulltime employees of the Issuer who retire before attaining age 65. The group health insurance plan provided to full time Issuer employees allows retirees to continue medical coverage until they reach age 65. Although retirees pay 100% of the "cost of coverage", the pre-age 65 group of retirees is grouped with the active employees when determining the cost of coverage. The computation creates an implicit rate subsidy that would not exist if the cost of the coverage for this group (pre-age 65 retirees) was computed separately and paid 100% by that group.

In addition, the district provides a Voluntary Early Retirement Program. This program provides a $520/month benefit paid by the district towards the health premium, once retired, until Medicare eligibility. This explicit benefit is included in this valuation reflected below. There was most recently 38 eligible active employees that may choose this option upon retirement, and 27 retired employees for which this benefit is already being utilized. This retirement option remains available as a choice for future retirees at this time.

Plan Description - The District participates in an Iowa Chapter 28E plan with five other Iowa school called the Metro Interagency Insurance Program (MIIP), which provides medical and prescription drug benefits for retirees and their spouses. For fiscal year 2017, there were 598 active and 33 retired members from the District in the plan. Participants must be age 55 or older at retirement.

The medical/prescription drug coverage is provided through a plan with Wellmark. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability. MIIP issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to MIIP, 4401 6th Street SW, Cedar Rapids, IA 52404.

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

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

The following table shows the components of the District's annual OPEB cost for June 30, 2017, the amount actually contributed to the plan and changes in the District's net OPEB obligation:

Annual Required Contribution	$1,371,099
Interest on net OPEB obligation	162,294
Adjustment to annual required contribution	(484,999)
Annual OPEB costs (expense)	1,048,394
Contributions made	268,129
Increase in net OPEB obligation	780,265
Net OPEB obligation – beginning of year	6,544,924
Net OPEB obligation – end of year	$7,325,189

For the year ended June 30, 2017, the District contributed $268,129 to the medical plan.

The District's annual OPEB costs, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of June 30, 2017 are summarized as follows:

Fiscal Year ended	Annual OPEB Cost	% of Annual OPEB cost contributed	Net OPEB obligation
June 30, 2013	790,949	31.4	4,307,434
June 30, 2014	911,594	28.9	4,955,995
June 30, 2015	1,057,657	25.3	5,745,709
June 30, 2016	1,028,041	22.3	6,544,924
June 30, 2017	1,048,394	25.6	7,325,189

Source: District's 2016 and 2017 Independent Audited Financial Statement

Funded Status and Funding Progress – As of July 1, 2016, the most recent actuarial valuation date for the period July 1, 2016 through June 30, 2017, the actuarial accrued liability was $8,316,918, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of $8,316,918. The covered payroll (annual payroll of active employees covered by the plan) was $50,007,365, and the ratio of the UAAL to the covered payroll was 16.63%.

Actuarial Methods and Assumptions – Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding process presented above, presents multi year trend information about whether other actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

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

As of July 1, 2016, actuarial valuation date, the frozen entry age actuarial cost method was used. The actuarial assumption includes a 2.5% discount rate based on the District's funding policy. The projected annual medical trend rate is 5%.

Mortality rates are from the RP2000 Annuity Mortality Table, applied on a gender-specific basis.

The UAAL is being amortized as a level percentage of projected payroll expense on an open basis over 30 years.

Source: Audited Financial Statements for Fiscal Year ending June 30, 2017, Appendix D

Investment of Public Funds

The District invests its funds pursuant to Chapter 12B of the Code. No irregularities in the District's investing activities have been noted in District audits. Presented below is a summary of the investments of the District as of July 31, 2018.

Money market fund (ISJIT)	$18,304,827.42
Local bank checking account	7,076,746.29
Non marketable CD's:	0
Marketable securities:	0
Other:	0

Source: College CSD

Population

Presented below are population figures as officially reported by the U.S. Census for the periods indicated for the Cities of Cedar Rapids, Linn County and the Issuer:

Year	Cedar Rapids	Linn County	Issuer
2010	126,326	211,226	23,720
2000	120,758	191,701	14,000
1990	108,751	168,767	11,487
1980	110,243	169,775	11,511
1970	110,642		

Source: www.census.org

Major Employers

Many residents are employed in nearby Cedar Rapids/Iowa City. Presented below is a summary of the largest employers in the area.

Employer	Business	Approximate Employees
State Univ. of Iowa/Univ. Hospital	Education/health care	34,378
Rockwell-Avionics & Comm.	Communication equipment	9,400
Cedar Rapids CSD, College CSD, Linn-Mar CSD, Marion CSD, Iowa City CSD, Grant Wood AEA	Education	7,236
Transamerica	Insurance	3,800
St. Luke's Hospital.	Health care	2,979
Whirlpool Corporation	Refrigeration products	2,500
Nordstrom Direct	Mail order	2,150
Mercy Medical Center	Health care	2,140
Veterans Affairs Medical Center	Health care	1,562
ACT, Inc.	Educational testing services	1,243
City of Cedar Rapids	Government	1,309
Pearson	Educational testing evaluation services	1,756
City of Iowa City	Government	1,140
Four Oaks	Non profit	1,100
Yellowbook	Phone directory	933
Quaker Oats	Cereals	920
Riverside Casino	Entertainment	801
Mercy Iowa City	Healthcare	900
Alliant Energy	Electrical and natural gas distribution	845
International Automotive Components	Plastics foam products	785
Kirkwood Community College	Education	763
Linn County	Government	761
Kinze	Equipment manufacturing	723
Hibu	Customer service	723
Vangent	Professional services	700
General Mills Inc.	Package Food	650
GoDaddy	Digital/web	650
Peterson Contractor's Inc.	Heavy and highway contractor	610
Proctor & Gamble	Toiletries preparations	600
Goss Graphic Systems	Printing press mfg.	696
NextEra Energy Duane Arnold	Utility	592
CRST	Logistics/distribution	590

Source: Cedar Rapids Chamber of Commerce

Property Tax Assessment

In compliance with section 441.21 of the Code of Iowa, as amended, the State Director of Revenue annually directs all county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The final values, called Actual Valuation, are then adjusted by the County Auditor. Assessed or Taxable Valuation subject to tax levy is then determined by the application of State determined rollback percentages, principally to residential and commercial property.

Beginning in 1978, the State required a reduction in Actual Valuation to reduce the impact of inflation on its residents. The resulting value is defined as the Assessed or Taxable Valuation. The rollback percentages for residential and commercial valuations are as follows:

Fiscal Year	Residential Rollback	Ag. Land & Buildings	Commercial	Multi-residential
2018-19	55.6209	54.4480	90.0000	78.75000
2017-18	56.9391	47.4996	90.0000	82.5000
2016-17	55.6259	46.1068	90.0000	86.2500
2015-16	55.7335	44.7021	90.0000	
2014-15	54.4002	43.3997	95.0000	

Source: Iowa Department of Revenue

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. For example, the assessments finalized on January 1, 2017 are used to calculate tax liability for the tax year starting July 1, 2018 through June 30, 2019. Presented below are the historic property valuations of the Issuer by class of property.

Property Valuation

Actual Valuation

Valuation as of January	2017	2016	2015	2014	2013
Fiscal Year	2018-19	2017-18	2016-17	2015-16	2014-15
Residential:	1,668,938,217	1,583,161,648	1,521,496,480	1,440,934,616	1,406,979,286
Agricultural Land:	113,055,307	123,365,449	124,101,952	113,864,345	114,230,702
Ag Buildings:	5,548,048	6,570,183	6,277,995	7,153,033	6,942,478
Commercial:	661,189,003	589,116,341	577,035,557	585,963,396	503,036,568
Industrial:	300,110,002	287,285,768	279,843,652	263,682,857	231,605,290
Multi-Residential:	28,873,350	27,002,879	26,379,203		
Personal RE:	0	0	0	0	0
Railroads:	30,751,386	35,245,327	31,858,132	33,127,762	31,634,863
Utilities:	29,606,485	30,656,686	30,894,120	32,019,338	32,104,131
Other:	0	0	0	0	0
Total Valuation:	2,838,071,798	2,682,404,281	2,597,887,091	2,476,745,347	2,326,533,318
Less Military:	1,850,148	1,911,264	1,889,040	1,864,964	1,910,338
Net Valuation:	2,836,221,650	2,680,493,017	2,595,998,051	2,474,880,383	2,324,622,980
TIF Valuation:	80,058,954	78,647,410	76,886,640	108,344,451	209,265,847
Utility Replacement:	409,071,598	373,678,036	330,772,108	324,476,519	280,130,334

Taxable Valuation

Valuation as of January	2017	2016	2015	2014	2013
Fiscal Year	2018-19	2017-18	2016-17	2015-16	2014-15
Residential:	897,977,063	872,192,870	816,521,093	785,134,619	729,348,900
Agricultural Land:	61,539,365	58,561,650	57,212,178	50,899,788	49,508,731
Ag Buildings:	3,019,549	3,119,338	2,893,442	3,197,555	3,004,663
Commercial:	594,357,941	529,684,640	518,807,011	525,811,932	473,274,245
Industrial:	269,661,762	258,037,478	251,442,222	236,755,466	218,131,855
Multi-Residential:	22,685,461	22,231,740	22,719,410		
Personal RE:	0	0	0	0	0
Railroads:	27,676,247	31,720,795	28,672,320	29,814,987	30,053,123
Utilities:	29,606,485	30,656,686	30,894,120	32,019,343	32,104,131
Other:	0	0	0	0	0
Total Valuation:	1,906,523,873	1,806,205,197	1,729,161,796	1,663,633,690	1,535,425,648
Less Military:	1,850,148	1,911,264	1,889,040	1,864,964	1,884,410
Net Valuation:	1,904,673,725	1,804,293,933	1,727,272,756	1,661,768,726	1,533,541,238
TIF Valuation:	80,058,954	78,647,410	76,886,640	88,157,304	209,239,919
Utility Replacement:	142,958,408	140,323,042	143,548,098	150,143,457	144,603,806

Valuation Year	Actual Valuation w/ Utilities	% Change in Actual Valuation	Taxable Valuation w/ Utilities	% Change in Taxable Valuation
2017	3,325,352,202	6.15%	2,127,691,087	5.16%
2016	3,132,818,463	4.30%	2,023,264,385	3.88%
2015	3,003,656,799	3.30%	1,947,707,494	2.51%
2014	2,907,701,353	3.33%	1,900,069,487	0.67%
2013	2,814,019,161	6.60%	1,887,384,963	4.42%

Source: Iowa Department of Management

Tax Rates

Presented below are the taxes levied by the District for the fund groups as presented, for the period indicated:

Fiscal Year	Operating	Management	Board PPEL	Voter PPEL	Debt Service	Total Levy
2019	12.44247	0.57985	0.33000	0.67000	2.58822	16.60836
2018	12.73128	0.61709	0.33000	0.67000	2.29639	16.64476
2017	12.03394	0.64143	0.33000	0.67000	2.38684	16.06203
2016	12.12600	0.60709	0.33000	0.67000	2.07707	15.81016
2015	10.14171	0.83425	0.33000	0.67000	2.82746	14.80342
2014	10.28342	0.81612	0.33000	0.67000	2.98433	15.08387

Source: Iowa Department of Management

Historic Tax Rates

Presented below are the tax rates by taxing entity for residents of the District that live in the City of Cedar Rapids – Linn County.

Fiscal Year	City	School	College	State	Assessor	Ag Extens	Hospital	County	Total Levy Rate
2018	15.21621	16.64476	1.13174	0.00310	0.31890	0.05024	0.00000	6.14108	39.50603
2017	15.21621	16.06203	1.08048	0.00330	0.32149	0.05166	0.00000	6.14108	38.87625
2016	15.21621	15.81016	0.00000	0.00330	0.35481	0.05000	0.00000	6.14225	37.57673
2015	15.21621	14.80342	1.05754	0.00330	0.32345	0.05027	0.00000	6.14191	37.59610
2014	15.21621	15.08387	1.06473	0.00300	0.34293	0.05000	0.00000	6.11191	37.87265

Source: Iowa Department of Management

Tax Collection History

Fiscal Year	Amount Levied	Amount Collected	Percentage Collected
2018	$32,730,330	In collection	NA
2017	30,411,261	$30,622,051	100.69%
2016	29,032,380	29,043,376	100.04%
2015	25,904,502	25,900,186	99.98%
2014	25,144,017	25,307,118	100.65%
2013	25,004,487	25,023,353	100.08%

Source: College CSD

Largest Taxpayers

Set forth in the following table are the persons or entities which represent the 2017 largest taxpayers within the Issuer, as provided by the Linn, Johnson and Benton County Assessor's Offices. No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the Issuer. The Issuer's mill levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the Issuer from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the mill levies of the other taxing entities which overlap the properties.

Taxpayer	2017 Taxable Valuation	Percent of Total
Archer-Daniels-Midland Co	127,543,056	5.99%
INTERSTATE POWER & LIGHT CO - Electric	52,121,054	2.45%
INTERNATIONAL PAPER COMPANY	36,000,000	1.69%
TERRAZA 5 LLC	34,803,720	1.64%
Transamerica Life Insurance Co	26,982,090	1.27%
Archer-Daniels-Midland Co & C R Properties Inc	29,980,100	1.41%
INTERSTATE POWER & STEAM	25,404,100	1.19%
Nordstrom Inc	19,066,000	0.90%
Transamerica Life Insurance Co	20,223,800	0.95%
General Mills Cereals Properties	19,396,400	0.91%
	Total of Top 10 Taxpayers:	18.40%

Source: Linn, Johnson and Benton County Assessors

(1) Utility Property Tax Replacement

Beginning in 1999, the State replaced its previous property tax assessment procedure in valuing the property of entities involved primarily in the production, delivery, service and sale of electricity and natural gas with a replacement tax formula based upon the delivery of energy by these entities. Electric and natural gas utilities now pay replacement taxes to the State in lieu of property taxes. All replacement taxes are allocated among local taxing cities by the State Department of Revenue and Finance and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Properties of these utilities are exempt from the levy of property tax by political subdivisions. Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State.

The utility replacement tax statute states that the utility replacement tax collected by the State and allocated among local taxing cities (including the Issuer) shall be treated as property tax when received and shall be disposed of by the county treasurer as taxes on real estate. However, utility property is not subject to the levy of property tax by political subdivisions, only the utility replacement tax and statewide property tax. It is possible that the general obligation debt capacity of the Issuer could be adjudicated to be proportionately reduced in future years if utility property were determined to be other than "taxable property" for purposes of computing the Issuer's debt limit under Article XI of the Constitution of the State of Iowa. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the Issuer can issue or (ii) adversely affect the Issuer's ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations, including the Bonds. Approximately 3.64% of the Issuer's tax base currently is utility property. Notwithstanding the foregoing, the Issuer has the obligation to levy taxes against all the taxable property in the Issuer sufficient to pay principal of and interest on the Bonds.

Direct Debt

General Obligation Debt

The District has nine outstanding general obligation bonds, plus the proposed bonds for 2019. Presented below is the principal and interest due on the Issuer's outstanding general obligation bonds, including the proposed bonds for 2019:

Fiscal Year	Total Principal	Total Interest	Total P&I
2019	4,955,000	2,528,396	7,483,396
2020	4,600,000	2,946,634	7,546,634
2021	4,705,000	2,676,655	7,381,655
2022	4,950,000	2,543,055	7,493,055
2023	5,015,000	2,407,380	7,422,380
2024	5,255,000	2,268,580	7,523,580
2025	5,435,000	2,110,763	7,545,763
2026	5,595,000	1,947,138	7,542,138
2027	5,770,000	1,772,719	7,542,719
2028	3,690,000	1,651,456	5,341,456
2029	3,810,000	1,535,431	5,345,431
2030	3,940,000	1,414,806	5,354,806
2031	4,095,000	1,289,156	5,384,156
2032	4,280,000	1,153,144	5,433,144
2033	4,445,000	1,015,200	5,460,200
2034	4,625,000	877,575	5,502,575
2035	4,810,000	730,225	5,540,225
2036	4,975,000	560,350	5,535,350
2037	5,135,000	384,375	5,519,375
2038	5,175,000	185,300	5,360,300
Totals:	95,260,000	31,998,338	127,258,338

Source: College CSD

Anticipatory Warrants

The District borrowed from its local bank in the amount of $3M on September 21, 2016 for cash flow purposes. The 90 day note was repaid in full on November 4, 2016. This was not necessary in 2017 and will not be necessary in 2018 due to significant improvement in the general fund cash balance.

School Infrastructure Sales, Services & Use Tax Revenue Bonds

Presented below is the principal and interest due on the Issuer's outstanding School Infrastructure Sales, Services & Use Tax Bonds.

Fiscal Year	12/19/17	Total Principal	Total Interest	Total P&I
2019	500,000	500,000	108,450	608,450
2020	500,000	500,000	96,400	596,400
2021	500,000	500,000	84,350	584,350
2022	500,000	500,000	72,300	572,300
2023	500,000	500,000	60,250	560,250
2024	500,000	500,000	48,200	548,200
2025	500,000	500,000	36,150	536,150
2026	500,000	500,000	24,100	524,100
2027	500,000	500,000	12,050	512,050
Totals:	4,500,000	4,500,000	542,250	5,042,250

Debt Limit

The amount of general obligation debt a political subdivision of the State of Iowa can incur is controlled by the constitutional debt limit, which is an amount equal to 5% of the actual value of property within the corporate limits, taken from the last County Tax list. The District's debt limit, based upon said valuation, amounts to the following:

1/1/2017 Actual Valuation:	3,325,352,202
X	0.05
Statutory Debt Limit:	166,267,610
Total General Obligation Debt:	95,260,000
Total Lease Purchases:	
Total Loan Agreements:	
Capital Leases:	
Total Debt Subject to Limit:	95,260,000
Percentage of Debt Limit Obligated:	57.29%

It has not been determined whether the District's Sales Tax Revenue Bonds do or do not count against the constitutional debt limit. If the Bonds do count against the constitutional debt limit, the amount of debt subject to the debt limit would increase $4,500,000 to be $99,760,000 or 60.00% of the statutory debt limit.

Source: Iowa Department of Management

Overlapping & Underlying Debt

Presented below is a listing of the overlapping and underlying debt outstanding of Issuers within the Issuer.

Taxing Authority	Outstanding Debt	2016 Taxable Valuation	Taxable Value Within Issuer	Percentage Applicable	Amount Applicable
City of Cedar Rapids	251,085,000	6,561,331,347	1,319,137,153	20.10%	50,479,931
City of Ely	1,845,000	78,906,896	78,906,896	100.00%	1,845,000
City of Fairfax	6,998,000	129,698,449	129,698,449	100.00%	6,998,000
City of Shueyville	2,550,000	49,334,759	49,334,759	100.00%	2,550,000
City of Swisher	160,000	37,908,962	37,908,962	100.00%	160,000
City of Walford	172,000	68,232,614	68,232,614	100.00%	172,000
Benton County	134,214	1,442,875,869	37,524,273	2.60%	3,490
Johnson County	7,770,000	8,417,314,468	270,802,729	3.22%	249,977
Linn County	23,980,000	11,082,147,785	1,714,937,383	15.47%	3,710,851
Kirkwood Community College	156,687,559	25,113,133,985	2,127,691,087	8.47%	13,275,234
Grant Wood Area Education Agency	0	25,113,133,985	2,127,691,087	8.47%	0
				Total:	79,444,483

Sources: Audits, EMMA, Iowa Outstanding Obligations, Iowa DOM

FINANCIAL SUMMARY

Actual Value of Property, 2017	$3,325,352,202
Taxable Value of Property, 2017	2,127,691,087
Direct General Obligation Debt:	$95,260,000
Overlapping Debt:	79,444,483
Direct & Overlapping General Obligation Debt:	$174,704,483
Population, 2010 US Census:	23,720
Direct Debt per Capita:	$4,016.02
Total Debt per Capita:	$7,365.28
Direct Debt to Taxable Valuation:	4.48%
Total Debt to Taxable Valuation:	8.21%
Direct Debt to Actual Valuation:	2.86%
Total Debt to Actual Valuation:	5.25%
Actual Valuation per Capita:	$140,192
Taxable Valuation per Capita:	$89,700

Source: Iowa Department of Management

APPENDIX B – FORM OF LEGAL OPINION

D R A F T

We hereby certify that we have examined a certified transcript of the proceedings of the Board of Directors of the College Community School District in the Counties of Benton, Linn, and Johnson, State of Iowa, and acts of administrative officers of the School District (the "Issuer"), relating to the issuance of General Obligation School Bonds, Series 2019, by said Issuer, dated the date of delivery, in the denominations of $5,000 or multiples thereof, in the aggregate amount of $_____________ (the "Bonds").

We have examined the law and certified proceedings and other papers as we deem necessary to render this opinion as bond counsel.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Resolution authorizing issuance of the Bonds (the "Resolution") and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination and in reliance upon the certified proceedings and other certifications described above, we are of the opinion, under existing law, as follows:

1. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and issue the Bonds.

2. The Bonds are valid and binding general obligations of the Issuer.

3. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Bonds. Taxes have been levied by the Resolution for the payment of the Bonds and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent the necessary funds are not provided from other sources.

4. Interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations for taxable years beginning before January 1, 2018. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

AHLERS & COONEY, P.C.

D R A F T

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the College Community School District, State of Iowa (the "Issuer"), in connection with the issuance of $_____________ General Obligation School Bonds, Series 2019 (the "Bonds"), dated the date of delivery. The Bonds are being issued pursuant to a Resolution of the Issuer approved on December 17, 2018 (the "Resolution"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean financial information or operating data of the type included in the final Official Statement, provided at least annually by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" shall mean a day other than a Saturday or a Sunday or a day on which banks in Iowa are authorized or required by law to close.

"Dissemination Agent" shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Holders" shall mean the registered holders of the Bonds, as recorded in the registration books of the Registrar.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"Municipal Securities Rulemaking Board" or "MSRB" shall mean the Municipal Securities Rulemaking Board, 1300 I Street NW, Suite 1000, Washington, DC 20005.

"National Repository" shall mean the MSRB's Electronic Municipal Market Access website, a/k/a "EMMA" (emma.msrb.org).

"Official Statement" shall mean the Issuer's Official Statement for the Bonds, dated _______________, 2018.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Iowa.

Section 3. Provision of Annual Financial Information.

a. The Issuer shall, or shall cause the Dissemination Agent to, not later than April 15 of the end of the Issuer's fiscal year (presently June 30th), commencing with information for the 2018/2019 fiscal year, provide to the National Repository an Annual Financial Information filing consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Financial Information filing must be submitted in such format as is required by the MSRB (currently in "searchable PDF" format). The Annual Financial Information filing may be submitted as a single document or as separate documents comprising a package. The Annual Financial Information filing may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Financial Information filing and later than the date required above for the filing of the Annual Financial Information if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

b. If the Issuer is unable to provide to the National Repository the Annual Financial Information by the date required in subsection (a), the Issuer shall send a notice to the Municipal Securities Rulemaking Board, if any, in substantially the form attached as Exhibit A.

c. The Dissemination Agent shall:
   i. each year file Annual Financial Information with the National Repository; and
   ii. (if the Dissemination Agent is other than the Issuer), file a report with the Issuer certifying that the Annual Financial Information has been filed pursuant to this Disclosure Certificate, stating the date it was filed.

Section 4. Content of Annual Financial Information. The Issuer's Annual Financial Information filing shall contain or incorporate by reference the following:

a. The last available audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under State law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with generally accepted accounting principles, noting the discrepancies therefrom and the effect thereof. If the Issuer's audited financial statements for the preceding years are not available by the time Annual Financial Information is required to be filed pursuant to Section 3(a), the Annual Financial Information filing shall contain unaudited financial statements of the type included in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Financial Information when they become available.

b. A table, schedule or other information prepared as of the end of the preceding fiscal year, of the type contained in the final Official Statement under the captions "Investment of Public Funds," "Property Valuation," "Tax Rates," "Historic Tax Rates," "Tax Collection History," "Direct Debt," "Debt Limit," and "Financial Summary."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been filed with the National Repository. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

a. Pursuant to the provisions of this Section, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than 10 Business Days after the day of the occurrence of the event:

   i. Principal and interest payment delinquencies;
   ii. Non-payment related defaults, if material;
   iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
   iv. Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;
   v. Substitution of credit or liquidity providers, or their failure to perform;
   vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series Bonds, or material events affecting the tax-exempt status of the Bonds;
   vii. Modifications to rights of Holders of the Bonds, if material;
   viii. Bond calls (excluding sinking fund mandatory redemptions), if material, and tender offers;
   ix. Defeasances of the Bonds;
   x. Release, substitution, or sale of property securing repayment of the Bonds, if material;
   xi. Rating changes on the Bonds;
   xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;
   xiii. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
   xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

Whenever the Issuer obtains the knowledge of the occurrence of a Listed Event, the Issuer shall determine if the occurrence is subject to notice only if material, and if so shall as soon as possible determine if such event would be material under applicable federal securities laws. If the Issuer determines that knowledge of the occurrence of a Listed Event is not subject to materiality, or determines such occurrence is subject to materiality and would be material under applicable federal securities laws, the Issuer shall promptly, but not later than 10 Business Days after the occurrence of the event, file a notice of such occurrence with the Municipal Securities Rulemaking Board through the filing with the National Repository.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate with respect to each Series of Bonds shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds of that Series or upon the Issuer's receipt of an opinion of nationally recognized bond counsel to the effect that, because of legislative action or final judicial action or administrative actions or proceedings, the failure of the Issuer to comply with the terms hereof will not cause Participating Underwriters to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

a. If the amendment or waiver relates to the provisions of Section 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

b. The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

c. The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Financial Information filing, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Financial Information filing for the year in which the change is made will present a comparison or other discussion in narrative form (and also, if feasible, in quantitative form) describing or illustrating the material differences between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Financial Information filing or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Financial Information filing or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Financial Information filing or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. Direct, indirect, consequential and punitive damages shall not be recoverable by any person for any default hereunder and are hereby waived to the extent permitted by law. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: Date of Delivery

COLLEGE COMMUNITY SCHOOL
DISTRICT, STATE OF IOWA

By: ______________________________________
President of the Board of Directors

ATTEST:

By: ______________________________________
Secretary of the Board of Directors

EXHIBIT A

NOTICE TO NATIONAL REPOSITORY OF FAILURE
TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: College Community School District, Iowa.

Name of Bond Issue: $____________ General Obligation School Bonds, Series 2019

Dated Date of Issue: Date of Delivery

NOTICE IS HEREBY GIVEN that the Issuer has not provided Annual Financial Information with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate delivered by the Issuer in connection with the Bonds. The Issuer anticipates that the Annual Financial Information will be filed by ___________________.

Dated: __________ day of _______________, 20___.

COLLEGE COMMUNITY SCHOOL
DISTRICT, STATE OF IOWA

By: ____
Its: ____

APPENDIX E – FORM OF ISSUE PRICE CERTIFICATES

[FORM OF ISSUE PRICE CERTIFICATE TO BE USED IF
COMPETITIVE SALE REQUIREMENTS ARE MET]

COLLEGE COMMUNITY SCHOOL DISTRICT
$_________ GENERAL OBLIGATION SCHOOL BONDS, SERIES 2019
ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Bonds").

1. Reasonably Expected Initial Offering Price.

   a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by Purchaser are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by Purchaser to purchase the Bonds.

   b) Purchaser was not given the opportunity to review other bids prior to submitting its bid.

   c) The bid submitted by Purchaser constituted a firm offer to purchase the Bonds.

2. Defined Terms.

   a) Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

   b) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

   c) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is November 19, 2018.

   d) Underwriter means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By:____________________________________
Name:__________________________________

Dated: [ISSUE DATE]

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

[FORM OF ISSUE PRICE CERTIFICATE TO BE USED IF
COMPETITIVE SALE REQUIREMENTS ARE NOT MET]

COLLEGE COMMUNITY SCHOOL DISTRICT
$__________ GENERAL OBLIGATION SCHOOL BONDS, SERIES 2019

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] (["Purchaser")][the "Representative")][, on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the "Underwriting Group"),] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

1. Sale of the General Rule Maturities. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. Initial Offering Price of the Hold-the-Offering-Price Maturities.

   a) [Purchaser][The Underwriting Group] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

   b) As set forth in the Official Terms of Offering and bid award, [Purchaser][the members of the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, [it][they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. Defined Terms.

   a) General Rule Maturities means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

   b) Hold-the-Offering-Price Maturities means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

   c) Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (November 19, 2018), or (ii) the date on which [Purchaser][the Underwriters] [has][have] sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

   d) Issuer means College Community School District.

   e) Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

   f) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

   g) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is November 19, 2018.

   h) Underwriter means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [the Purchaser][the Representative's] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER][REPRESENTATIVE]

By:________________________________
Name:______________________________

Dated: [ISSUE DATE]

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION

APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THE ISSUER

This Appendix contains the entire 2017 audited financial statement of the issuer. The Auditor of State of the State of Iowa (the "State Auditor") maintains a webpage that contains prior years' audits of city, county, school district and community college, including audits of the Issuer, which can be found at the following link http://auditor.iowa.gov/reports/index.html.

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COLLEGE COMMUNITY SCHOOL DISTRICT

INDEPENDENT AUDITORS' REPORTS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2017

CliftonLarsonAllen LLP

COLLEGE COMMUNITY SCHOOL DISTRICT
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YEAR ENDED JUNE 30, 2017

COLLEGE COMMUNITY SCHOOL DISTRICT
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YEAR ENDED JUNE 30, 2017

COLLEGE COMMUNITY SCHOOL DISTRICT
OFFICIALS
JUNE 30, 2017

Name	Title	Term Expires
	Board of Education	
Randy Bauer	President	2019
Greg Kelsey	Board Member	2019
Jed Peterson	Board Member	2017
Todd Hahlen	Board Member	2017
Angela Ehle	Board Member	2019
Dot Pospischil	Board Member	2019
Jim Hodina	Board Member	2017
	School Officials	
John Speer	Superintendent	June 30, 2020
James A. Rotter, Jr.	District Secretary - Treasurer and Director of Business Services	Indefinite

INDEPENDENT AUDITORS' REPORT

Board of Education
College Community School District
Cedar Rapids, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the College Community School District (the District), Cedar Rapids, Iowa, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the College Community School District as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College Community School District's basic financial statements. The supplementary information included, as required by the state of Iowa, including the Schedule of Expenditures of Federal Awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards* is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the College Community School District's financial statements for the nine years ended June 30, 2016, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. Those audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the College Community School District's basic financial statements as a whole. The supplementary information included in Schedule 8 for the nine years ending June 30, 2016, is presented for purposes of additional analysis, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements for those nine years ending June 30, 2016. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the nine years ending June 30, 2016 presented in schedule 8 is fairly stated, in all material respects, in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2017 on our consideration of College 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 solely 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 effectiveness of College Community School District's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering College Community School District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Cedar Rapids, Iowa
December 13, 2017

Management Discussion and Analysis

This section of the College Community School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2017. The analysis focuses on the District's financial performance as a whole. Please read it in conjunction with the District's financial statements, which immediately follow this section.

Efforts have been made to provide comparison to prior year data when such data is available. Comparison to prior year data will be provided for all key financial information.

Financial Highlights

- The State of Iowa allowed a 2.25% growth (State Supplemental Aid) for the 2016-17 school year. This followed the 1.25% State Supplemental Aid growth in 2015-16. This, with the addition of 146.5 resident students, formulated an increase in revenue of $1,661,712 to the General Fund regular formula. These increased dollars were made up of a combination of State aid and local taxes. This increase represents a continued modest increase in funding representative of recent funding growth from the State with the exception of the 2014-15 year which allowed a 4% growth.
- The District spent a little over $2.88 million on construction & remodeling projects during the year, primarily consisting of resurfacing a portion of our campus road, creating new tennis courts, & high school remodel/additions. This is more than previous year's expenditures of $1.72 million and will continue to escalate with the high school remodel. The District purchased $685,350 in computer hardware & related software during the year. These projects and hardware were funded with PPEL and statewide sales tax dollars. The District sold and refunded GO bonds during the year consisting of a $10 million issue, $20 million issue, and refunding of the 2007 issue in the amount of $7.815 million. The new issues will be utilized for current work on the high school remodel. Total general obligation bond principal totaled $80.68 million as of June 30, 2017.
- The General Fund balance (total equity) increased from $914,781 on June 30, 2016 to $2,203,000 on June 30, 2017. This equates to a 3.65% solvency ratio which is up from a 1.59% ratio one year ago. Solvency ratios between 5-15% are considered "good" or "excellent" according to the Iowa School Board Association. Although this increase is modest, it indicates to the Board and Administration that the District's initiatives to freeze hiring have been effective. This freeze will continue through the 2017-18 school year and beyond until an acceptable solvency ratio is achieved. The District's net cash position was $648,314 in the General Fund on June 30th which represents an improvement from a year ago of ($742,525).
- Interest rates remain at record lows with a public fund investment rate of 0.05% in July 2016 and remaining at 0.05% in June 2017. These rates yielded only $47,896 in revenue across all funds. This substantial increase is due the addition of $30 million in bond funds.
- The District's ability to levy cash has had a positive effect on the cash position of the District. The District levied cash reserve dollars in the 2015-16 school year in amount of $3.96 million, $3.77 million in 2016-17, and anticipates $5.27 million in the current 2017-18 fiscal year. The District will continue to Levy Cash in subsequent years until satisfactory reserve levels (solvency) are achieved in the 5-15% range.

Overview of the Financial Statements

This annual report consists of three parts: required supplementary information, which includes Management's Discussion and Analysis (this section), budgetary comparison schedules and schedule of funding progress for the retiree health plan, the basic financial statements, and supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are District-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the District-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short and long-term financial information about the activities the District operates like businesses, such as food services.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

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

Figure A-1

College Community School District
Annual Financial Report

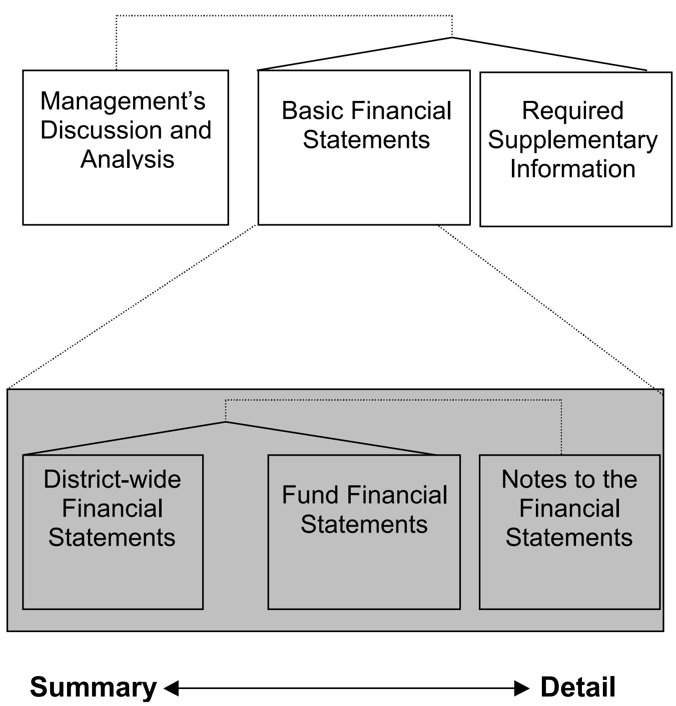


Figure A-2: Major Features of the District Wide and Fund Financial Statements

	District-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services is included here	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenues, expenditures, and changes in fund balances	• Statement of net position • Statement of revenues, expenses and changes in net position • Statement of cash flows	• Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

District-Wide Financial Statements

The District-wide 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 and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two District-wide statements report the District's *net position* and how they have changed. Net position - the difference between the District's assets and deferred outflows and liabilities and deferred inflows - is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the District-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 taxes and state aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food service program would be 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 repaying its long-term debts) or to show that it is properly using certain revenues (such as Federal grants).

The District has three kinds of funds:

- *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 funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- *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 District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) are optional and available to report activities that provide supplies and services for other District programs and activities. At this time the District utilizes a print shop fund for this purpose.
- *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as a scholarship fund. The District accounts for outside donations to specific District schools for specific purposes in this fund. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

Financial Analysis of the District as a Whole

Net position: The District's net position is evidenced below in Figure A-3. Combined total net position has increased by 15.1%. This increase is due to increases in current assets. Liabilities increased as well with net position increasing by $1.96 million. The District is required to report GASB No. 68 and GASB No. 71 liabilities which are within these numbers.

Figure A-3 **CONDENSED STATEMENT OF NET ASSETS (EXPRESSED IN THOUSANDS)**

	Governmental Activities		Business-Type Activities		Total School District		Total Change
	2017	2016	2017	2016	2017	2016	2016-2017
Current and Other Assets	$ 66,926	$ 36,931	$ 855	$ 559	$ 67,781	$ 37,490	80.8%
Capital Assets	93,775	92,314	607	689	94,382	93,003	1.5%
Total Assets	$160,701	$129,245	$ 1,462	$ 1,248	$162,163	$130,493	24.3%
Deferred Outflows of Resources	$ 11,076	$ 6,702	$ 572	$ 353	$ 11,648	$ 7,055	65.1%
Long Term Obligations	$123,586	$ 91,348	$ 1,747	$ 1,444	$125,333	$ 92,792	35.1%
Other Liabilities	2,519	1,180	212	192	2,731	1,372	99.1%
Total Liabilities	126,105	92,528	1,959	1,636	128,064	94,164	36.0%
Deferred Inflows of Resources	$ 30,796	$ 30,265	$ 21	$ 145	$ 30,817	$ 30,410	1.3%
Net Assets:							
Investment in Capital Assets, Net of related Debt	$ 37,884	$ 34,496	$ 607	$ 688	$ 38,491	$ 35,184	9.4%
Restricted	4,163	4,782	-	-	4,163	4,782	-12.9%
Unrestricted	(27,171)	(26,124)	(553)	(868)	(27,724)	(26,992)	2.7%
Total Net Position	$ 14,876	$ 13,154	$ 54	$ (180)	$ 14,930	$ 12,974	15.1%

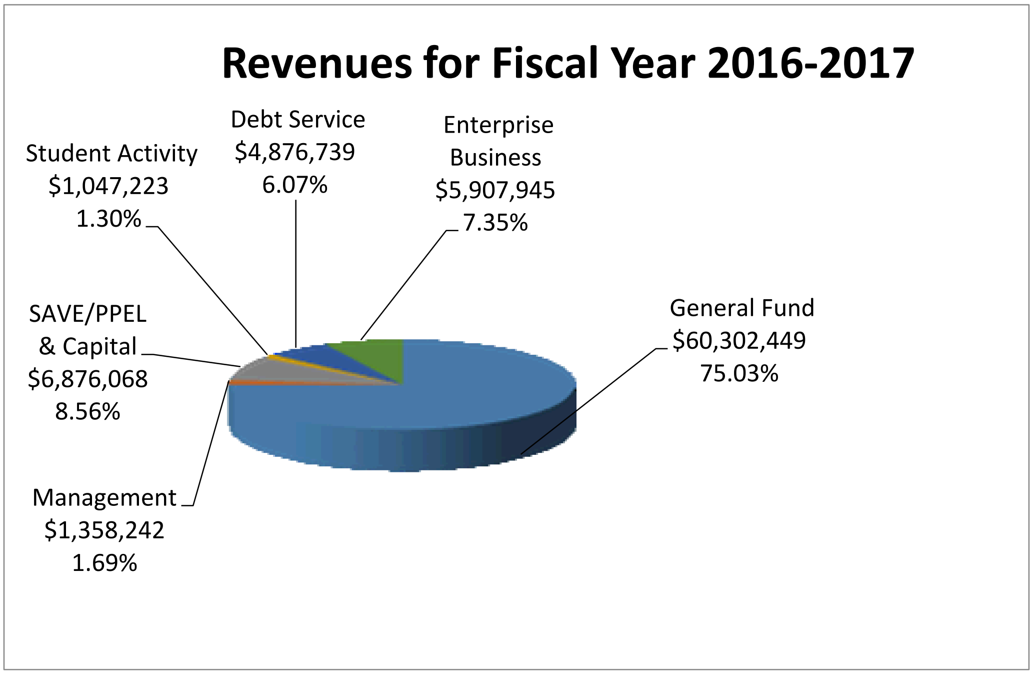
Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement No. 27 was implemented during fiscal year 2015. In the past, pension expense was the amount of the employer contribution. Current reporting provides a more comprehensive measure of pension expense which is more reflective of the amounts employees earned during the year.

Figure A-4 below reflects totals from the 2016-17 fiscal year ended June 30, 2017.

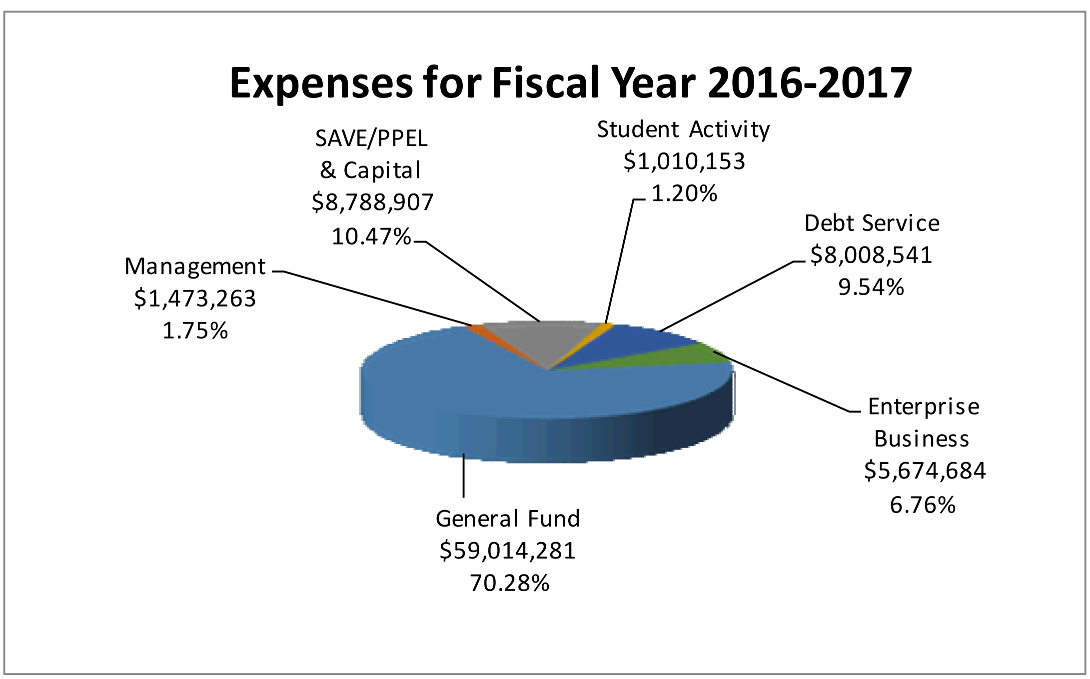
Figure A-4 — **CHANGES IN NET ASSETS (EXPRESSED IN THOUSANDS)**

	Governmental Activities		Business-Type Activities		Total School District	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program Revenues:						
Charges for Service and Sales	$ 7,183	$ 6,748	$ 4,563	$ 3,628	$ 11,746	$ 10,376
Operating Grants, Contributions, and Restricted Interest	8,645	8,259	1,344	1,218	9,989	9,477
Capital Grants, Contributions, and Restricted Interest	-	-	-	-	-	-
General Revenues:						
Property Tax	36,633	34,888	-	-	36,633	34,888
Proceeds from Insurance	-	129			-	129
Unrestricted State Grants	21,762	20,165	-	-	21,762	20,165
Unrestricted Investment Earnings	48	6	-	-	48	6
Other	190	224		1	190	225
Total Revenues	74,461	70,419	5,907	4,847	80,368	75,266
Program Expenses:						
Governmental Activities:						
Instruction	42,373	39,647	-	-	42,373	39,647
Support Services	21,476	21,903	60	241	21,536	22,144
Non-Instructional Programs	-	-	5,614	4,571	5,614	4,571
Other Expenses	8,889	7,417	-	-	8,889	7,417
Total Expenses	72,738	68,967	5,674	4,812	78,412	73,779
Capital Contribution	-	-	-	-	-	-
Changes in Net Position	$ 1,723	$ 1,452	$ 233	$ 35	$ 1,956	$ 1,487
Net Position Beginning of Year	$ 13,153	$ 11,702	$ 179	$ (215)	$ 12,974	$ 11,487
Net Position End of Year	$ 14,876	$ 13,154	$ 54	$ 180	$ 14,930	$ 12,974

District's total revenues increased $5.1 million from the previous year, while total expenditures increased $4.6 million. Total net position increased $1.96 million. This increase is attributed to both the District's governmental and business activities. The District's governmental activity shows expected increased costs for staff positions and expected increased revenues. Property tax collections continue to climb as the District was able to levy cash reserve for a consecutive second fiscal year. Cash reserve levy is the District's only means of recovering previous year expenses beyond those revenues provided by the State formula. Student enrollment, net open enrollment, and state supplemental aid have a significant role on revenues generated by the District. During the past 5 years, open enrollment and tuition generated revenue are as follows: fiscal year fiscal year 2013 $4.94 million, fiscal year 2014 $4.82 million, fiscal year 2015 $5.00 million, fiscal year 2016 $4.85 million, fiscal year 2017 $5.27 million. Business-type activities had an increase in revenue and expenditures. Resident enrollment, not including 4 year old preschool students, increased from 3,945 in September 2007 to 5,150 in October 2017. This calculates to an average of an additional 120 students per year.



The chart above illustrates total revenues for the 2016-17 school year. The General Fund accounts for the largest portion of revenues. The chart below illustrates total expenses which indicates the greatest portion of dollars were spent in the General Fund followed by Debt Service and Capital Projects.



Governmental Activities

Governmental activities are primarily supported through the State aid formula and local property taxes. The overall property tax base (taxable valuation) has increased from $1,349,715,337 in 2006 to $1,947,364,240 in 2016. This 44.31% increase over the ten year period averages to 4.43% per year. The increase from 2015 to 2016 was 2.49%.

The overall District tax rate was $16.06 per thousand in the 2017 fiscal year, which was $.22 (per thousand) more than the levy in the 2016 school year. This is the 2nd year the District has been able to levy additional cash reserve since the 2012-13 school year due to the State's statutory restriction. The State Supplemental Aid increase was 2.25% which was a little better than the previous year's 1.25%. The levy increased slightly due to the Districts commitment to replenish cash reserves. The ability to levy dollars locally has become increasingly important due to low supplemental aid increases and the District's increased enrollment and special education deficit.

Figure A-5 presents the cost of four District activities: instruction, support services, non-instructional, and other expenses. The table shows each activity's *net cost*, (total costs less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers and State formula by each of these functions.

Figure A-5 **TOTAL AND NET COST OF GOVERNMENTAL ACTIVITIES (EXPRESSED IN THOUSANDS)**

	Total Cost of Services	Net Cost of Services
Instruction	$ 42,373	$ 33,971
Support services	21,476	16,192
Non-Instructional	-	-
Other Expenses	8,889	6,747
Totals	$ 72,738	$ 56,910

- The cost of all governmental activities this year was $72.74 million compared to $68.97 million a year ago. This $3.77 million increase marks the third year in a row of modest increases when compared to 2012-13 and 2013-14 when the District was actively adding staff.
- Some of the cost (non-resident tuition, fees, and rentals) was financed by the users of the District's programs. This accounted for $6.07 million in revenue to help offset the above costs.
- Most of the District's Governmental Activities costs were financed by District and State taxpayers. This portion of governmental activities was financed with $43.1 million in Local Sources (including property taxes and fees) and $31.4 million in State and Federal aid.

Business-Type Activities

Program revenues of the District's business-type activities were $5.91 million, while expenses were $5.67 million (Refer to Figure A-4). Although these activities are not in place to make a profit, they are organized and structured to operate at a revenue/expenditure neutral position. The end of year net position was primarily due to the sale of both the 2015-16 and 2016-17 student built houses within the 2016-17 fiscal year.

Financial Analysis of the District's Funds

Business-Type Fund Highlights

- The Nutrition and Daycare Fund balances both remain substantially reduced due to the required GASB 68 (IPERS Liability) adjustment. These adjustments resulted in a Nutrition fund balance of $88,949 and a Daycare fund balance of ($213,745). Cash position of the Nutrition fund is $215,963 and Daycare is $386,365. The improvement in the Daycare fund continues for a second year due to maximizing enrollment and new fee structures. Nutrition operation remains steady with a slight increase at year end in fund balance and cash position.
- The Student Built House Fund balance was positively impacted as the 2015-16 & 2016-17 houses were sold within the fiscal year. Each year the timing of selling the house has an effect on the ending cash balance as the house usually goes on the market in late spring and sells in either June or July. The net result moved the fund balance from $18,369 to $25,109.

Governmental Fund Highlights

- The District's General Fund balance increased this year as the District was able to levy cash reserve for a second consecutive year. Previous reports have explained the State statutory restrictions on levying cash. The District was able to once again levy cash in 2016-17 to offset lane advancement costs and recover deficit spending in ELL and the Special Education program from the previous year in the amount of $3.78 million in 2016-17 and $5.27 million in 2017-18. This, in addition to ongoing funding for added Teacher Leadership positions has resulted in an increase in fund balance. At the time of this report, the District had also realized a 78 resident student gain which will provide ongoing funding in the General Fund of an additional $520,458 annually. The General Fund overall balance increased from $914,781 to $2.2 million during the fiscal year. This increase was anticipated by the District as it realized a 2.25% increase in State Supplemental aid, savings from the District's early separation program, and the cash and authority from the addition of 146.5 resident students. It is anticipated the fund balance will grow slightly again during the 2017-18 fiscal year.

- The Management Fund balance remains strong and adequate with a closing balance of $1.44 million. The District pays for its liability, property, fleet, workers compensation insurance, and early separation programs out of the Management Fund. The balance decreased from $1.55 million at the conclusion of the previous year due to a 2nd year in a row of a large number of staff taking advantage of the early separation program. This news continues to be welcomed by the District as the average salary of the retirees was $70,976 while the average salary of replacement staff was $51,113. When considering benefits and potential years to normal retirement the District will save $158,903 annually in its General Fund. The District currently has 28 certified employees eligible for early separation. There were 9 certified staff members who took advantage of the program in fiscal year 2017.

- The Capital Project fund(s) (SAVE) balance decreased from $2.19 million to $1.62 million. This decrease is due to the District's increased contribution toward the debt service fund from $2.0 million to $2.8M. This was done to offset the substantial increase due to the sale of bonds for the high school renovation project. The district plans to decrease this contribution each year through the 2020-21 school year resulting in $0 contribution toward debt service beginning in fiscal 2022. The 2016-17 year saw substantial activity in a new project fund which is being utilized to receipt and expense the sale of bonds and expenses for the planned remodeling projects as the District voters approved a $49.5 million bond referendum in the winter of 2016. Bonds of $10 million and $20 million were sold within the fiscal year for this purpose.

- The Physical Plant and Equipment Levy (PPEL) Fund balance decreased from $985,038 to $915,181. PPEL Fund dollars are utilized to purchase technology and complete general maintenance projects. Funds are also utilized to replace old busses and vans in the District fleet. With its current assessed valuation, the District is able to generate approximately $1.98 million annually in this fund. This is achieved with the current voter approved $.67 levy per $1,000 valuation and Board approved $.33 per $1,000. This is less than the maximum allowed voter approved levy of $1.34 per $1,000.

- The Other Governmental Funds balance (the Activity Fund) increased slightly from $596,629 to $633,699 from the previous fiscal year. The primary activities in this fund include the athletic accounts and building level student activities other than athletics.

General Fund Budgetary Highlights

Of all Governmental Funds, the General Fund is by far the largest, comprising 69% of all Governmental Fund expenses in the fiscal year. All other Governmental funds combined account for a little less than half of the General Fund expenditures in a typical year. That remained true in the 2016-17 fiscal year.

The General Fund expenditures are updated monthly to monitor expenditures and reflect any changes in staffing and non-staffing costs. A comparison of General Fund budgeted to actual expenditures shows actual expenditures of $59.01 million, which was less than the original budgeted line item amount of $60.15 million approved in the certified budget in April 2016.

The General Funds "unassigned" fund balance at year-end was 2.51% of fund revenues, up from .86% from a year ago. This is a positive sign affirming District Administration and Board efforts to control costs and increase balances. The Board of Education has supported action to ensure that District General Fund cash reserves are adequate utilizing local property taxes as necessary to fund the growth of the District. Another important aspect of the General fund balance is the actual "spending authority" that accompanies the cash reserve. At the time of this report, it's estimated that the carry over authority is approximately $6.38 million, slightly up from $6.33 million a year ago. The current condition of not having the same amount of cash to back up authority has become a reality for the District that will be changed. The District's Board is committed to replenish the cash reserve through the cash reserve levy, which is now available to the District as explained earlier. Ensuring there is adequate cash to meet the District's authority to spend is a critical measure as the District continues to grow. In addition to levying cash reserve for the 2015-16, 2016-17, & 2017-18 years, the Board will be asked to continue its hiring freeze and request additional cash beyond the new student and special education deficit amount each year. This will accelerate the process of building reserves.

Capital Asset and Debt Administration

Capital Assets

By the end of 2017, the District had invested, net of depreciation, $94.38 million in a broad range of assets, including school buildings, athletic facilities, computer and audio-visual equipment, and administrative offices (See Figure A-6). This amount represents a net increase of 1.5% from a year ago.

Governmental Funds account for all of these assets with the exception of approximately $607,000, which is accounted for in the School Nutrition, Daycare, and Student Built House Funds.

Figure A-6 will continually change as the depreciation of current assets will continue to reduce/offset totals.

Figure A-6 **CAPITAL ASSETS, NET OF DEPRECIATION (EXPRESSED IN THOUSANDS)**

	Governmental Activities		Business-Type Activities		Total School District		Total Change
	2017	2016	2017	2016	2017	2016	2016-2017
Land	$ 3,973	$ 3,973	$ -	$ -	$ 3,973	$ 3,973	0.0%
Construction in progress	3,660	135	-	-	3,660	135	2611.1%
Buildings	75,558	77,754	-	-	75,558	77,754	(-2.8%)
Improvements other than buildings	8,836	8,719	-	-	8,836	8,719	1.3%
Furniture and equipment	1,747	1,734	607	689	2,354	2,423	(-2.8%)
Totals	$ 93,774	$ 92,315	$ 607	$ 689	$ 94,381	$ 93,004	1.5%

Long-Term Debt

At year-end, the District had $125.33 million in general obligation bonds, other long-term debt, OPEB, and pension obligations. This represents an increase of $32.54 million over the previous fiscal year as can be seen in Figure A-7 below. Fiscal year 2017 marks the ninth year that the District is reporting the Other Post Employment Benefits (OPEB) per GASB-45 and the third year of reporting GASB-68 (IPERS Liability). The OPEB actuarial liability is $7.3 million and the IPERS (Net Pension) liability is calculated at $35.35 million. OPEB liabilities are a combination of early retirement incentives offered by the District and implicit benefits guaranteed public employees by State code which allows them to take advantage of group health insurance rates until the age of 65.

Figure A-7	OUTSTANDING LONG-TERM OBLIGATIONS (EXPRESSED IN THOUSANDS)		
	Total School District		Total Change
	2017	2016	
General obligation bonds	$ 80,680	$ 56,715	42.3%
Notes payable	-	-	0.0%
Bond Premiums Payable	1,304	1,103	18.2%
OPEB Liability	7,325	6,546	11.9%
Retainage Payable	120	-	100.0%
NET Pension Liability	35,349	27,683	27.7%
Compensated Absences	221	219	.091%
Early retirement	334	527	(-36.6%)
Totals	$125,333	$ 92,793	4.0%

Changes in the debt schedule traditionally have been due to the payment on general obligation bonds and the sale of new bonds. This changed significantly as the District is required to report actuarial OPEB and Net Pension amounts. These amounts represent possible future costs based upon individual employee choices about retirement and the State's ability, and will, to fund its IPERS obligations moving forward. The District did also incur new "actual" debt during the fiscal year as mentioned earlier with $30 million in General Obligation bonds sold as approved by District voters in February, 2016.

Factors Bearing on the District's Future

- Financial solvency from both a cash and authority perspective are key to the Districts financial position as new buildings will be needed and staff costs with these buildings will be realized. Enrollment is up again with an increase of 78 resident students at the time of this report. Staff populations have remained steady.
- State funding growth for public schools for fiscal year 2017 was 2.25%. Funding for the 2018 fiscal year is 1.11%. The District considers these amounts to be inadequate moving forward. State Legislators have explained this new funding model as "targeted funding", which includes a number of categorical types of funds that can only be spent on specified projects. In some cases, these types of funds require additional staff to be hired but do not provide adequate funding to support current salary schedules for all remaining staff.
- School Infrastructure Local Option (SAVE) funds continue to be utilized to offset the District's tax levy with $2.835 million pledged in 2016-17 to be utilized for District debt. Current funding levels provide approximately $968 per resident student per year. With District enrollment increasing, the $968+ per student receipts in 2017 resulted in revenue of $4.75 million. Future revenues will be based on District student population and statewide sales tax figures. Estimates for 2017-18 fiscal year decrease the estimated amount per student generated to $959 per student. The Board committed $2.2M of these funds to be utilized for debt service payments in 2017-18. The District

plans to decrease this commitment over the next 4 fiscal years as valuations on property tax increase. Despite the fund balance struggles in the General fund, the District's ability to pay debt obligations remains strong and becomes stronger each year with valuation and sales increases.

District certified enrollment continues to trend upward with the addition of 78 students in 2017-18. Under Iowa's school funding formula, this can place upward pressure on the District tax levy. Historically, during the same time, property valuations have grown, which helps offset this pressure. The 2018 year valuation increase was 3.88%. Supplemental Aid from the State, and the current year's enrollment increase of 78 students, all play a role on the overall levy rate. The State continues its initiative to balance property tax rates through an increase in the roll back percentage on residential property, which also provides upward pressure on the local levy rate.

- For fiscal year 2017, the fiscal position of the District shows an increase in the fund balance reversing the deficit spending that had occurred in the 3 previous years due to the Districts inability to levy back cash reserve dollars in the General fund. The $3.77 million in Cash Reserve, ongoing teacher leadership funding of $1.58 million and a modest 2.25% State Supplemental Aid increase resulted in an increase in the General fund cash and fund balance positions with no inter-fund loan payables necessary. The District did secure a short term note with its local bank for cash flow purposes in the months of September and October 2016 due to the districts cash position at the beginning of the 2016-17 fiscal year. This short term borrowing was not necessary in the summer of 2017 and is not anticipated in future fiscal years. Although the trend in balance is positive the District has implemented an extension of its hiring freeze into the 2017-18 fiscal year. Additionally, the District will need to continue to levy additional funds in cash reserve, beyond those necessary to cover special education deficits and enrollment growth, for the foreseeable future until solvency levels of 10%+ are achieved. As mentioned earlier in this report, the District levied $5.27 million in cash reserve to offset deficit expenditures in special education, ELL programming, and for cash flow purposes in the 2017-18 budget.

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 of the money it receives. If you have questions about this report or need additional financial information, contact James Rotter Jr., Executive Director of Business Services, College Community School District, 401 76th Avenue SW, Cedar Rapids, Iowa 52404.

BASIC FINANCIAL STATEMENTS

COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2017

EXHIBIT A

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Pooled Investments	$ 33,762,766	$ 1,047,919	$ 34,810,685
Receivables:			
Property Tax:			
Delinquent	87,099	-	87,099
Succeeding Year	30,394,688	-	30,394,688
Accounts	9,123	5,803	14,926
Internal Balances	250,160	(250,160)	-
Due from Other Governments	2,358,653	22,942	2,381,595
Inventories	56,944	27,976	84,920
Prepaid Items	6,646	980	7,626
Nondepreciable Capital Assets	7,632,867	-	7,632,867
Depreciable Capital Assets, Net of Accumulated Depreciation	86,141,978	606,879	86,748,857
Total Assets	160,700,924	1,462,339	162,163,263
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related	11,076,266	571,688	11,647,954
LIABILITIES			
Accounts Payable	1,650,039	55,122	1,705,161
Accrued Expenses	10,992	92,049	103,041
Salaries and Benefits Payable	210,076	63,041	273,117
Due to Other Governments	453,127	2,070	455,197
Accrued Interest Payable	195,108	-	195,108
Long-Term Liabilities:			
Portion Due Within One Year:			
Bonds Payable	4,840,000	-	4,840,000
Bond Premiums	155,049	-	155,049
Early Retirement	334,179	-	334,179
Compensated Absences	208,767	12,229	220,996
Portion Due After One Year:			
Bonds Payable	75,840,000	-	75,840,000
Bond Premiums	1,149,015	-	1,149,015
Retainage Payable	119,545	-	119,545
Net Pension Liability	33,614,212	1,734,954	35,349,166
Net OPEB Liability	7,325,189	-	7,325,189
Total Liabilities	126,105,298	1,959,465	128,064,763

See accompanying Notes to Financial Statements.

COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2017

EXHIBIT A

	Governmental Activities	Business-Type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
Pension Related	$ 401,172	$ 20,706	$ 421,878
Succeeding Year Property Taxes	30,394,688	-	30,394,688
Total Deferred Inflows of Resources	30,795,860	20,706	30,816,566
NET POSITION			
Net Investment in Capital Assets	37,883,563	606,879	38,490,442
Restricted for:			
Categorical Funding and Other Reserves	573,243	-	573,243
Debt Service	428,071	-	428,071
Physical Plant and Equipment Levy	915,181	-	915,181
Student Activity Purposes	633,699	-	633,699
Management Levy Purposes	1,437,787	-	1,437,787
Capital Projects	1,616,558	-	1,616,558
Unrestricted	(28,612,070)	(553,023)	(29,165,093)
Total Net Position	$ 14,876,032	$ 53,856	$ 14,929,888

See accompanying Notes to Financial Statements.

COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017

		Program Revenues		
FUNCTIONS/PROGRAMS	Expenses	Charges for Service	Operating Grants, Contributions, and Restricted Interest	Capital Grants, Contributions, and Restricted Interest
Governmental Activities:				
Instruction:				
Regular Instruction	$ 26,420,348	$ 3,154,445	$ 810,935	$ -
Special Instruction	9,077,902	2,357,218	-	-
Other Instruction	6,875,016	1,490,499	588,597	-
	42,373,266	7,002,162	1,399,532	-
Support Services:				
Student	1,832,587	-	434,126	-
Instructional Staff	5,512,749	-	4,624,523	-
Administration	5,291,589	-	-	-
Operation and Maintenance of Plant	5,437,375	85,822	-	-
Transportation	3,401,475	94,749	44,572	-
	21,475,775	180,571	5,103,221	-
Non-Instructional Programs	-	-	-	-
Other Expenses:				
Facilities Acquisition	1,561,524	-	-	-
Long-Term Debt Interest	2,237,930	-	-	-
AEA Flowthrough	2,142,467	-	2,142,467	-
Depreciation (Unallocated)	2,947,229	-	-	-
Total Other Expenses	8,889,150	-	2,142,467	-
Total Governmental Activities	72,738,191	7,182,733	8,645,220	-
Business-Type Activities:				
Support Services:				
Administrative Services	36,663	-	-	-
Operation and Maintenance of Plant	23,750	-	-	-
Non-Instructional Programs:				
Nutrition Services	2,895,346	1,643,656	1,261,327	-
Daycare Services	1,939,920	2,103,911	83,183	-
Concession Services	146,150	175,899	-	-
Student Built House	632,855	639,595	-	-
Total Business-Type Activities	5,674,684	4,563,061	1,344,510	-
Total	$ 78,412,875	$ 11,745,794	$ 9,989,730	$ -

See accompanying Notes to Financial Statements.

EXHIBIT B

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ (22,454,968)	$ -	$ (22,454,968)
(6,720,684)	-	(6,720,684)
(4,795,920)	-	(4,795,920)
(33,971,572)	-	(33,971,572)
(1,398,461)	-	(1,398,461)
(888,226)	-	(888,226)
(5,291,589)	-	(5,291,589)
(5,351,553)	-	(5,351,553)
(3,262,154)	-	(3,262,154)
(16,191,983)	-	(16,191,983)
-	-	-
(1,561,524)	-	(1,561,524)
(2,237,930)	-	(2,237,930)
-	-	-
(2,947,229)	-	(2,947,229)
(6,746,683)	-	(6,746,683)
(56,910,238)	-	(56,910,238)
-	(36,663)	(36,663)
-	(23,750)	(23,750)
-	9,637	9,637
-	247,174	247,174
-	29,749	29,749
-	6,740	6,740
-	232,887	232,887
$ (56,910,238)	$ 232,887	$ (56,677,351)

COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES (CONTINUED)
JUNE 30, 2017

		Program Revenues		
			Operating Grants, Contributions, and Restricted Interest	Capital Grants, Contributions, and Restricted Interest
GENERAL REVENUES	Expenses	Charges for Service		
Property Tax Levied for:				
General Purposes				
Debt Service				
Capital Outlay				
Unrestricted State Grants				
Unrestricted Investment Earnings				
Other				
Total General Revenues				
CHANGE IN NET POSITION				
Net Position - Beginning of Year				
NET POSITION - END OF YEAR				

See accompanying Notes to Financial Statements.

EXHIBIT B

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ 29,698,694	$ -	$ 29,698,694
4,871,735	-	4,871,735
2,062,420	-	2,062,420
21,762,173	-	21,762,173
47,522	374	47,896
190,274	-	190,274
58,632,818	374	58,633,192
1,722,580	233,261	1,955,841
13,153,452	(179,405)	12,974,047
$ 14,876,032	$ 53,856	$ 14,929,888

COLLEGE COMMUNITY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017

	General	Special Revenue- Management	Debt Service
ASSETS			
Cash and Pooled Investments	$ 648,314	$ 1,767,657	$ 665,656
Receivables:			
Property Tax:			
Delinquent	64,767	3,440	13,309
Succeeding Year	23,074,366	1,113,412	4,323,968
Accounts	6,117	-	-
Due from Other Funds	250,160	-	-
Due from Other Governments	1,964,695	-	-
Inventories	2,052	-	-
Prepaid Items	3,197	-	-
Total Assets	$ 26,013,668	$ 2,884,509	$ 5,002,933
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 62,545	$ -	$ 55,826
Accrued Expenses	10,992	-	-
Retainage Payable	-	-	-
Salaries and Benefits Payable	210,076	334,179	-
Due to Other Governments	452,689	131	-
Total Liabilities	736,302	334,310	55,826
DEFERRED INFLOWS OF RESOURCES			
Succeeding Year Property Tax	23,074,366	1,113,412	4,323,968
FUND BALANCES			
Nonspendable	5,249	-	-
Restricted for:			
Categorical Funding and Other Reserves	573,243	-	-
Debt Service	-	-	623,139
Management Levy Purposes	-	1,436,787	-
Student Activities	-	-	-
School Infrastructure	-	-	-
Physical Plant and Equipment	-	-	-
Assigned	111,784	-	-
Unassigned	1,512,724	-	-
Total Fund Balances	2,203,000	1,436,787	623,139
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 26,013,668	$ 2,884,509	$ 5,002,933

See accompanying Notes to Financial Statements.

EXHIBIT C

SAVE	High School/ Elementary Remodel	Nonmajor	Total
$ 1,222,695	$ 27,712,601	$ 1,565,242	$ 33,582,165
-	-	5,583	87,099
-	-	1,882,942	30,394,688
-	-	3,006	9,123
-	-	-	250,160
393,863	-	95	2,358,653
-	-	-	2,052
-	-	3,449	6,646
$ 1,616,558	$ 27,712,601	$ 3,460,317	$ 66,690,586
$ -	$ 1,500,184	$ 28,188	$ 1,646,743
-	-	-	10,992
-	119,545	-	119,545
-	-	-	544,255
-	-	307	453,127
-	1,619,729	28,495	2,774,662
-	-	1,882,942	30,394,688
-	-	3,449	8,698
-	-	-	573,243
-	-	-	623,139
-	-	-	1,436,787
-	-	630,250	630,250
1,616,558	26,092,872	-	27,709,430
-	-	915,181	915,181
-	-	-	111,784
-	-	-	1,512,724
1,616,558	26,092,872	1,548,880	33,521,236
$ 1,616,558	$ 27,712,601	$ 3,460,317	$ 66,690,586

COLLEGE COMMUNITY SCHOOL DISTRICT
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2017

EXHIBIT D

Total Fund Balances of Governmental Funds (page 28)	$ 33,521,236
Amounts reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore are not reported as assets in the governmental funds.	93,748,726
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.	(195,108)
Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds as follows:	
Deferred Outflows of Resources	11,076,266
Deferred Inflows of Resources	(401,172)
Long-term liabilities, including bonds payable, compensated absences, other postemployment benefits payable, and net pension liability are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds as follows:	
Long-Term Debt	(81,984,064)
Compensated Absences	(208,767)
Net Pension Liability	(33,614,212)
Other Postemployment Benefits	(7,325,189)
The Internal Service Funds are utilized to account for the financing of goods or services provided by one department or agency to other department or agencies of a government on a cost reimbursement basis. The change in net position of the Internal Service Fund is reported with governmental activities.	258,316
Net Position of Governmental Activities (page 23)	$ 14,876,032

See accompanying Notes to Financial Statements.

COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2017

	General	Special Revenue-Management	Debt Service
REVENUES			
Local Sources:			
Local Tax	$ 22,779,514	$ 1,257,855	$ 4,870,768
Tuition	5,367,190	-	-
Other	776,556	100,127	5,004
State Sources	29,912,015	260	967
Federal Sources	1,467,224	-	-
Total Revenues	60,302,499	1,358,242	4,876,739
EXPENDITURES			
Instruction:			
Regular Instruction	24,248,922	493,588	-
Special Instruction	8,839,585	39,644	-
Other Instruction	5,859,538	4,278	-
Total Instruction	38,948,045	537,510	-
Support Services:			
Student Services	1,832,587	-	-
Instructional Staff Services	4,310,969	-	-
Administrative Services	4,843,111	402,392	-
Operation and Maintenance of Plant Services	4,638,892	367,484	-
Transportation Services	2,298,209	165,877	-
Total Support Services	17,923,768	935,753	-
NonInstructional Programs	-	-	-
Other Expenditures:			
Facilities Acquisition	-	-	-
Long-Term Debt:			
Principal	-	-	5,995,000
Interest and Fiscal Charges	-	-	2,014,541
AEA Flowthrough	2,142,467	-	-
Total Other Expenditures	2,142,467	-	8,009,541
Total Expenditures	59,014,280	1,473,263	8,009,541
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,288,219	(115,021)	(3,132,802)
OTHER FINANCING SOURCES (USES)			
General Obligation Bonds Issued	-	-	7,815,000
Current Refunding of Bonds	-	-	(7,855,000)
Premiums on Bonds Issued	-	-	137,282
Transfers In	-	-	2,835,000
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	2,932,282
NET CHANGE IN FUND BALANCES	1,288,219	(115,021)	(200,520)
Fund Balances - Beginning of Year	914,781	1,551,808	823,659
FUND BALANCES - END OF YEAR	$ 2,203,000	$ 1,436,787	$ 623,139

EXHIBIT E

SAVE	High School/ Elementary Remodel	Nonmajor	Total
$ -	$ -	$ 2,062,015	$ 30,970,152
-	-	-	5,367,190
4,748,926	35,116	1,076,829	6,742,558
-	-	405	29,913,647
-	-	-	1,467,224
4,748,926	35,116	3,139,249	74,460,771
-	-	-	24,742,510
-	-	-	8,879,229
-	-	991,917	6,855,733
-	-	991,917	40,477,472
-	-	-	1,832,587
569,553	-	631,193	5,511,715
-	-	-	5,245,503
-	-	380,690	5,387,066
-	-	477,044	2,941,130
569,553	-	1,488,927	20,918,001
-	-	-	-
1,925,364	3,826,677	691,192	6,443,233
-	-	-	5,995,000
-	305,430	-	2,319,971
-	-	-	2,142,467
1,925,364	4,132,107	691,192	16,900,671
2,494,917	4,132,107	3,172,036	78,296,144
2,254,009	(4,096,991)	(32,787)	(3,835,373)
-	30,000,000	-	37,815,000
-	-	-	(7,855,000)
-	189,863	-	327,145
-	-	-	2,835,000
(2,835,000)	-	-	(2,835,000)
(2,835,000)	30,189,863	-	30,287,145
(580,991)	26,092,872	(32,787)	26,451,772
2,197,549	-	1,581,667	7,069,464
$ 1,616,558	$ 26,092,872	$ 1,548,880	$ 33,521,236

COLLEGE 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, 2017

EXHIBIT F

Net Change in Fund Balances - Total Governmental Funds (page 28)		$ 26,451,772
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, these costs are reported in the Statement of Net Position and are allocated over their estimated useful lives as a depreciation expense in the Statement of Activities. The amounts of capital outlays and depreciation expense in the year are as follows:		
Capital Outlays	$ 4,881,709	
Depreciation Expense	(3,405,128)	1,476,581
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 issuances exceeded repayments as follows:		
Issued	(37,815,000)	
Repaid or Refunded	13,850,000	
Change in Bond Premium Payable	(200,801)	(24,165,801)
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.		(44,304)
Pension expenses on the governmental funds are measured by current year employee contributions. Pension expenditures on the statement of activities are measured by the change in net pension liability and the related deferred inflows and deferred outflows.		(1,229,197)
Long-term liabilities that pertain to governmental funds are not due and payable in the current period and therefore are not reported as fund liabilities. Changes in liabilities, both current and long-term, are reported in the Statement of Net Position as follows:		
Other Postemployment Benefits Payable		(780,265)
Compensated Absences		(3,029)
The Internal Service Funds are utilized to account for the financing of goods or services provided by one department or agency to other department or agencies of a government on a cost reimbursement basis. The change in net position of the Internal Service Fund is reported with governmental activities.		16,823
Change in Net Position of Governmental Activities (page 23)		$ 1,722,580

See accompanying Notes to Financial Statements.

COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2017

EXHIBIT G

	Proprietary Funds	Governmental Activities - Internal Service Fund
ASSETS		
Cash and Cash Equivalents	$ 1,047,919	$ 180,601
Accounts Receivable	5,803	-
Inventories	27,976	54,892
Prepaids	980	-
Due from Other Governments	22,942	
Capital Assets, Net of Accumulated Depreciation	606,879	26,119
Total Assets	1,712,499	261,612
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Deferred Outflows	571,688	-
LIABILITIES		
Current Liabilities:		
Accounts Payable	55,122	3,296
Accrued Expenses	92,049	-
Salaries and Benefits Payable	63,041	-
Compensated Absences	12,229	-
Due to Other Governments	2,070	-
Due to Other Funds	250,160	-
Long-Term Liabilities:		
Net Pension Liability	1,734,954	-
Total Liabilities	2,209,625	3,296
DEFERRED INFLOWS OF RESOURCES		
Pension Related Deferred Inflows	20,706	-
NET POSITION		
Net Investment in Capital Assets	606,879	26,119
Unrestricted	(553,023)	232,197
Total Net Position	$ 53,856	$ 258,316

See accompanying Notes to Financial Statements.

COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2017

EXHIBIT H

	Nonmajor Proprietary Funds	Governmental Activities - Internal Service Fund
OPERATING REVENUES		
Local Sources:		
Charges for Services	$ 3,923,466	$ 180,661
State Sources	83,183	-
Total Operating Revenues	4,006,649	180,661
OPERATING EXPENSES		
Support Services:		
Administrative Services	36,663	-
Operation and Maintenance of Plant Services	23,750	-
Total Support Services	60,413	-
Noninstructional Programs:		
Salaries	2,267,621	-
Benefits	690,237	-
Purchased Supplies	11,683	-
Supplies	2,551,414	142,210
Depreciation	93,316	21,628
Total Noninstructional Programs	5,614,271	163,838
Total Operating Expenses	5,674,684	163,838
OPERATING INCOME (LOSS)	(1,668,035)	16,823
NONOPERATING REVENUES (EXPENSES)		
State Sources	21,283	-
Federal Sources	1,240,044	-
Interest Income	374	-
Sale of Student Built House	639,595	-
Total Nonoperating Revenues	1,901,296	-
CHANGE IN NET POSITION	233,261	16,823
Net Position - Beginning of Year	(179,405)	241,493
NET POSITION - END OF YEAR	$ 53,856	$ 258,316

See accompanying Notes to Financial Statements.

COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2017

EXHIBIT I

	Nonmajor Proprietary Funds	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Sale of Lunches and Breakfasts	$ 1,661,774	$ -
Cash Received from Daycare Activities	2,188,349	-
Cash Received from Printing	-	181,227
Cash Received from Concession Sales	170,853	-
Cash Received from Student-Built Houses	23	-
Cash Payments to Employees for Services	(3,000,528)	-
Cash Payments to Suppliers for Goods or Services	(2,373,615)	(166,253)
Net Cash Provided (Used) by Operating Activities	(1,353,144)	14,974
CASH FLOWS FROM FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Grants Received	21,283	-
Federal Grants Received	1,240,044	-
Net Cash Provided by Noncapital Financing Activities	1,261,327	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Sale of Student Built House	639,595	-
Acquisition of Capital Assets	(11,278)	(6,200)
Net Cash Provided (Used) by Capital and Related Financing Activities	628,317	(6,200)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	374	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	536,874	8,774
Cash and Cash Equivalents - Beginning of Year	511,045	171,827
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 1,047,919	$ 180,601

See accompanying Notes to Financial Statements.

COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2017

EXHIBIT I

	Nonmajor Proprietary Funds	Governmental Activities - Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ (1,668,035)	$ 16,823
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	93,316	21,628
Decrease in Inventories	308,080	(24,251)
Increase in Accounts Receivable	14,350	566
Decrease in Prepaid Expenses	2,455	-
Decrease (Increase) in Deferred Outflows - Pension Related	(218,601)	-
Decrease in Accounts Payable	13,265	208
Increase in Salaries and Benefits Payable	(3,363)	-
Increase in Compensated Absences	(1,099)	-
Increase (Decrease) in Net Pension Liability	304,327	-
Increase (Decrease) in Deferred Inflows-Pension Related	(123,934)	-
Decrease in Due to Other Funds	(59,165)	-
Increase in Due from Other Funds	(22,942)	-
Increase in Accrued Expenses	8,202	-
Net Cash Provided (Used) by Operating Activities	$ (1,353,144)	$ 14,974

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

During the year ended June 30, 2017, the District received $209,067 of federal commodities.

See accompanying Notes to Financial Statements.

COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2017

EXHIBIT J

	Agency
ASSETS	
Cash	$ 273,364
LIABILITIES	
Other Payables	$ 273,364

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

College Community School District (the District) is a political subdivision of the state of Iowa and operates public schools for children in grades kindergarten through 12 and special education. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as career and technical and recreational courses. The geographic area served includes the southern portion of Cedar Rapids, Iowa and the rural areas of southern Linn, northern Johnson, and eastern Benton counties. The District is governed by a Board of Education whose members are elected on a nonpartisan basis.

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

Reporting Entity

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

Basis of Presentation

District-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 interfund activity has been removed from these statements. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for service.

The Statement of Net 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 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Unrestricted Net Position – consists of net position not meeting the definition of the two preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

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

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

The District reports the following major governmental funds:

General Fund – 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. General operating expenditures, including instructional, support and other costs are paid from the fund.

Special Revenue Management Fund – The Management Fund is used to account for the payment of District insurance costs and early separation benefits.

Debt Service Fund – The Debt Service Fund is utilized to account for property tax and other revenues to be used for the payment of interest and principal on the District's general long-term debt.

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

High School/Elementary Remodel – This Capital Projects Fund is to account for the resources used in the acquisition and construction of the remodel projects in the District.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting

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

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

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

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

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net 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 nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the District’s enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

The District maintains its financial records on the modified accrual basis.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make a number of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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

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

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

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

Property Tax Receivable – Property taxes in governmental fund types are accounted for using the modified accrual basis of accounting.

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

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2015 assessed property valuations; is for the tax accrual period July 1, 2016 through June 30, 2017 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2016.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Equity (Continued)

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

Inventories – Inventories are valued at cost using the first-in, first-out method for purchased items. Inventories of proprietary funds are recorded as expenses when consumed rather than when purchased or received.

Prepaid Items – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepayments. Prepaid items are reported using the consumption method and recorded as an expense or expenditure at the time of consumption.

Capital Assets – Capital assets, which include property, furniture and equipment, and intangibles acquired after July 1, 1980 are reported in the applicable governmental or business-type activities columns in the district-wide statement of net position. Capital assets are recorded at historical cost. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Land	$ 2,000
Buildings	10,000
Improvements other than Buildings	10,000
Intangibles	50,000
Furniture and Equipment:	
School Nutrition Fund Equipment	500
Other Furniture and Equipment	2,000

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

Asset Class	Estimated Useful Lives (In Years)
Buildings	50
Improvements Other than Buildings	20 - 50
Intangibles	5 - 10
Furniture and Equipment	5 - 15

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Equity (Continued)

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position that applies to a future year(s) which will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension expense and contributions from the District after the measurement date but before the end of the District’s reporting period.

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

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

Compensated Absences – District employees accumulate a limited amount of earned but unused vacation for subsequent use or for payment upon termination, death, or retirement. A liability is recorded when incurred in the district-wide financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2017. The compensated absences liability attributable to the governmental activities will be paid primarily by the Management Fund.

Long-Term Liabilities – In the district-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, 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.

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 represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources consist of property tax receivable and other receivables not collected within 60 days after year-end.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Equity (Continued)

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

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

Nonspendable – Amounts which cannot be spent because they are legally or contractually required to be maintained intact.

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

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

Assigned – Amounts the District intends to use for specific purposes. The Board of Education has delegated authority to assign fund balance to the Superintendent and Director of Business Services.

Unassigned – All amounts not included in other spendable classifications.

Budgeting and Budgetary Control

The budgetary comparison and related disclosures are reported as required supplementary information. During the year ended June 30, 2017, no expenditures exceeded the amounts budgeted.

NOTE 2 CASH AND POOLED INVESTMENTS

The District's deposits in banks at June 30, 2017 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.

NOTE 2 CASH AND POOLED INVESTMENTS (CONTINUED)

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 follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the District has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

> *Level 1* – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.
>
> *Level 2* – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.
>
> *Level 3* – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants and would use in pricing the asset.

The District investments in the Iowa Schools Joint Investment Trust (ISJIT) Pool, which is an external investment pool not registered with the Securities and Exchange Commission. The District's investment in ISJIT totaled $24,966,760 at June 30, 2017. ISJIT is an external investment pool that is managed to maintain a dollar-weighted average portfolio maturity of no greater than 397 days and seeks to maintain a constant net asset value (NAV) per share of $1.00. The investment in the Iowa Schools Joint Investment Trust was rated AAAm by *Standard & Poor's Financial Services Company*.

NOTE 2 CASH AND POOLED INVESTMENTS (CONTINUED)

Custodial credit risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's policy over custodial credit risk is to comply with Chapter 12C of the Code of Iowa. At June 30, 2017, all investments and collateral were listed in the name of the District.

Credit risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The District's policy over credit risk is to comply with Chapter 12C of the Code of Iowa. This is measured by the assignment of a rating by a nationally recognized statistical rating organization, which was Aaa.

Concentration of credit risk. The District does not have a formal policy limiting the amount of the total portfolio that may be invested with any one depository. All of the District's investments were with the ISJIT.

NOTE 3 DUE FROM AND DUE TO OTHER FUNDS

The detail of interfund receivables and payables at June 30, 2017 is as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Fund - Student Built House	$ 250,000
General	Nonmajor Fund - Daycare	160
Total		$ 250,160

The interfund receivable to the General Fund is for expenses related to a house that was built by the students. The house was approved for sale at the end of the year. The interfund payables from the General Fund and Student Built House Fund are related to the movement of cash to cover negative cash balances within these two funds.

NOTE 4 INTERFUND TRANSFERS

The detail of interfund transfers for the year ended June 30, 2017 is as follows:

Transfer to	Transfer From	Amount
Debt Service	SAVE	$ 2,835,000
Total		$ 2,835,000

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

NOTE 5 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2017 was as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	$ 3,972,734	$ -	$ -	$ 3,972,734
Construction in Progress	134,790	3,971,291	445,948	3,660,133
Total Capital Assets not Being Depreciated	4,107,524	3,971,291	445,948	7,632,867
Capital Assets Being Depreciated:				
Buildings	109,659,096	-	-	109,659,096
Improvements Other than Buildings	13,534,535	870,149	-	14,404,684
Furniture and Equipment	7,158,586	494,618	324,380	7,328,824
Total Capital Assets Being Depreciated	130,352,217	1,364,767	324,380	131,392,604
Less Accumulated Depreciation for:				
Buildings	31,906,566	2,194,128	-	34,100,694
Improvements Other than Buildings	4,815,834	752,551	-	5,568,385
Furniture and Equipment	5,423,648	480,077	322,178	5,581,547
Total Accumulated Depreciation	42,146,048	3,426,756	322,178	45,250,626
Governmental Activities Capital Assets, Net	$ 92,313,693	$ 1,909,302	$ 448,150	$ 93,774,845
Business-Type Activities:				
Furniture and Equipment	$ 2,132,233	$ 11,278	$ 15,522	$ 2,127,989
Less: Accumulated Depreciation	1,443,316	93,316	15,522	1,521,110
Business-Type Activities Capital Assets, Net	$ 688,917	$ (82,038)	$ -	$ 606,879

NOTE 5 CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to the governmental functions of the District as follows:

Governmental Activities:	
Instruction:	
Regular	$ 39,837
Special	492
Other	19,283
Support Services:	
Instructional Staff	1,034
Administration	27,731
Operations and Maintenance	1,494
Transportation	389,656
	479,527
Unallocated Depreciation	2,947,229
Total Depreciation Expense - Governmental Activities	$ 3,426,756
Business-Type Activities:	
Daycare	$ 7,626
Student-Built House	582
Nutrition Services	85,108
Total Depreciation Expense - Business-Type Activities	$ 93,316

NOTE 6 LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended June 30, 2017 are summarized as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Early Retirement	$ 527,116	$ 316,991	$ 509,928	$ 334,179	$ 334,179
General Obligation Bonds	56,715,000	37,815,000	13,850,000	80,680,000	4,840,000
Bonds Premiums Payable	1,103,263	327,145	126,344	1,304,064	155,049
Compensated Absences	219,066	196,702	194,772	220,996	220,996
Total	$ 58,564,445	$ 38,655,838	$ 14,681,044	$ 82,539,239	$ 5,550,224

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Early Retirement

The District offers a voluntary early retirement plan to its certified employees. Eligible employees must be at least age 55 and employees must have completed ten years of continuous service to the District. Employees must complete an application which is required to be approved by the Board of Education. Early retirement incentives are available for all employees except bus drivers and are based on classification of employee. At June 30, 2017, the District has obligations to six participants with a total liability of $334,179. Actual early retirement expenditures for the year ended June 30, 2017 totaled $316,991. The cost of early retirement payments expected to be liquidated currently is recorded as a liability of the Special Revenue, Management Fund.

General Obligation Bonds

Details of the District's June 30, 2017 general obligation bonded indebtedness are as follows:

	Bond Issue of 2008		
Year Ending June 30,	Interest Rates	Principal	Interest
2018	4.25%	$ 1,415,000	$ 283,750
2019	3.50	1,600,000	223,612
2020	3.55	1,735,000	167,612
2021	3.60	2,945,000	106,020
Total		$ 7,695,000	$ 780,994

	Bond Issue of 2012 C			Bond Issue of 2013		
Year Ending June 30,	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2018	2.00%	$ 185,000	$ 115,375	1.25%	$ 825,000	$ 109,243
2019	2.00	190,000	111,675	1.30	725,000	98,930
2020	2.00	195,000	107,875	1.30	800,000	89,505
2021	2.00	200,000	103,975	1.45	600,000	79,105
2022	2.00	200,000	99,975	1.65	550,000	70,405
2023-2027	0.00-2.00	1,105,000	463,075	1.65-2.00	2,895,000	200,160
2028-2032	0.00-2.75	2,630,000	276,863	2.15-2.25	200,000	4,500
Total		$ 4,705,000	$ 1,278,813		$ 6,595,000	$ 651,849

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

	Bond Issue of 2014			Bond Issue of 2015		
Year Ending June 30,	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2018	3.00%	$ 495,000	$ 726,781	2.00%	$ 1,165,000	$ 58,700
2019	3.00	545,000	711,931	2.00	1,145,000	35,400
2020	3.00	575,000	695,581	2.00	625,000	12,500
2021	3.00	705,000	678,331		-	-
2022	3.00	3,860,000	657,181		-	-
2023-2026	3.00-3.38	16,795,000	1,399,850		-	-
Total		$ 22,975,000	$ 4,869,656		$ 2,935,000	$ 106,600

	Bond Issue of 2016A			Bond Issue of 2016B		
Year Ending June 30,	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2018	2.25%	$ -	200,038	2.00%	$ 460,000	$ 149,500
2019	2.25	-	200,038	2.00	350,000	140,300
2020	2.25	-	200,038	2.00	340,000	133,300
2021	2.25	-	200,038	2.00	340,000	126,500
2022	2.25	-	200,037	2.00	340,000	119,700
2023-2027	2.25	-	1,000,185	2.00	5,645,000	512,200
2028-2032	2.25-2.50	2,985,000	835,376		-	-
2033-2037	2.50	5,315,000	337,625		-	-
Total		$ 8,300,000	$ 3,173,375		$ 7,475,000	$ 1,181,500

	Bond Issue of 2017		
Year Ending June 30,	Interest Rates	Principal	Interest
2018	3.00%	$ 295,000	$ 708,756
2019	3.00	-	699,906
2020	3.00	-	699,906
2021	3.00	-	699,906
2022	3.00	-	699,906
2023-2027	2.25	-	3,499,530
2028-2032	2.25-2.50	5,705,000	3,198,534
2033-2037	2.50	14,000,000	1,690,000
Total		$ 20,000,000	$ 11,896,444

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

	General Obligation Bonds Total	
Year Ending June 30,	Principal	Interest
2018	$ 4,840,000	$ 2,352,143
2019	4,555,000	2,221,792
2020	4,270,000	2,106,317
2021	4,790,000	1,993,875
2022	4,950,000	1,847,204
2023-2027	26,440,000	7,075,000
2028-2032	11,520,000	4,315,273
2033-2037	19,315,000	2,027,625
Total	$ 80,680,000	$ 23,939,229

On May 1, 2007, the District issued $16,000,000 of General Obligation School Bonds, Series 2007. The proceeds of the issue were used for the construction and furnishing of a new middle school. This bond was refunded with the 2016B Series in the current year.

On May 1, 2008, the District issued $10,000,000 of General Obligation School Refunding Bonds. The proceeds of the issue were used to refund, in advance of maturity, $10,000,000 of outstanding maturities of the District's General Obligation School Bonds, Series 2001.

On August 15, 2012, the District issued $6,000,000 of General Obligation School Bonds, Series 2012C. The proceeds of the issue were used for the new elementary school.

On April 23, 2013, the District issued $9,000,000 of General Obligation School Bonds, Series 2013. The proceeds of the issue were used for the new elementary school.

On July 23, 2014, the District issued $25,010,000 in General Obligation School Refunding Bonds, Series 2014. The proceeds were used to current refund the outstanding maturities of the District's General Obligation School Bonds, Series 2006.

On May 14, 2015, the District issued $5,985,000 in General Obligation School Refunding Bonds, Series 2015. The proceeds were used to refund the outstanding maturities of the District's General Obligation School Bonds, Series 2009A and 2009B.

On November 1, 2017, the District issued $10,000,000 in General Obligation School Bonds, Series 2016A. The proceeds of the issue were used for remodel projects on the High School and Elementary Schools.

On November 30, 2016, the District issued $7,815,000 in General Obligation School Refunding Bonds, Series 2016B. The proceeds were to refund the outstanding maturities of the District's General Obligation School Bonds, Series 2007. The refunding resulting in a cash flow savings of $1,653,437, having a present value of $1,442,046, over the life of the bonds.

NOTE 6 LONG TERM LIABILITIES (CONTINUED)

On June 1, 2017, the District issued $20,000,000 in General Obligation School Bonds, Series 2017. The proceeds of the issue were used for remodel projects on the High School and Elementary Schools.

NOTE 7 PENSION PLAN

Plan Description

IPERS membership is mandatory for employees of the District, except for those covered by another retirement system. Employees of the District are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive, P.O. Box 9117, Des Moines, IA 60306-9117 or at www.ipers.com.

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

Pension Benefits

A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the members 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 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 salary.

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

NOTE 7 PENSION PLAN (CONTINUED)

Pension Benefits (Continued)

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

Disability and Death Benefits

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

Contributions

Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. Statute limits the amount rates can increase or decrease each year to one 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 the methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2017, pursuant to the required rate, Regular members contributed 5.95% of covered payroll and the District contributed 8.93% of covered payroll for a total rate of 14.88%.

The District's Contributions to IPERS for the year ended June 30, 2017 were $3,666,236.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the District's liability for its proportionate share of the net pension liability totaled $35,349,166. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all IPERS participating employers.

At June 30, 2016, the District's collective proportion was .566834%, compared to .556838% measured as of June 30, 2015.

NOTE 7 PENSION PLAN (CONTINUED)

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (Continued)

At June 30, 2016, the District's collective proportion was .566834%, compared to .556838% measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of $4,871,276. At June 30, 2017, 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	$ 312,417	$ 421,878
Changes in Assumptions	539,318	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	5,036,139	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	2,099,274	-
District Contributions Subsequent to the Measurement Date	3,660,806	-
Total	$ 11,647,954	$ 421,878

The $3,660,806 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2018	$ 1,359,888
2019	1,359,888
2020	3,175,892
2021	1,669,747
2022	(145)
Total	$ 7,565,270

There were no nonemployer contributing entities at IPERS.

NOTE 7 PENSION PLAN (CONTINUED)

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

Rate of Inflation (effective June 30, 2014)	3.00% per annum
Rates of Salary Increases (effective June 30, 2010)	4.00 to 17.00% average, including inflation. Rates vary by membership group.
Long-Term Investment Rate of Return (effective June 30, 1996)	7.50%, compounded annually, net of investment expense, including inflation.
Wage Growth (effective June 30, 1990)	4.00% per annum based on 3.00% inflation assumption and 1.00% real wage inflation.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of actuarial experience studies with dates corresponding to those listed above.

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

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

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Core Plus Fixed Income	28 %	1.90 %
Domestic Equity	24	5.85
International Equity	16	6.32
Private Equity/Debt	11	10.31
Real Estate	8	3.87
Credit Opportunities	5	4.48
US TIPS	5	1.36
Other Real Assets	2	6.42
Cash	1	(0.26)
Total	100 %	

NOTE 7 PENSION PLAN (CONTINUED)

Discount Rate

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

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.5%) or 1% higher (8.5%) than the current rate.

	1% Decrease 6.5%	Discount Rate 7.5%	1% Increase 8.5%
District's Proportionate Share of the Net Pension Liability	$ 57,190,163	$ 35,349,166	$ 16,915,074

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website www.ipers.org.

Payables to the Pension Plan

At June 30, 2017, the District had remitted all contributions to IPERS which had been withheld from employee wages during the year.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description – The District participates in an Iowa Chapter 28E plan with five other schools, called the Metro Interagency Insurance Program (MIIP), which provides medical and prescription drug benefits for retirees and their spouses. There are 598 active and 33 retired members in the plan. Participants must be age 55 and older at retirement.

The medical/prescription drug coverage is provided through a fully-insured plan with Wellmark. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability. MIIP issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to MIIP, 4401 6th Street SW, Cedar Rapids, IA 52404.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

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

The following table shows the components of the District's annual OPEB cost for the year ended June 30, 2017, the amount actually contributed to the plan and changes in the District's net OPEB obligation:

Annual Required Contribution	$ 1,371,099
Interest on Net OPEB Obligation	162,294
Adjustment to Annual Required Contribution	(484,999)
Annual OPEB	1,048,394
Contributions Made	268,129
Increase in net OPEB obligation	780,265
Net OPEB Obligation - Beginning of Year	6,544,924
Net OPEB Obligation - End of Year	$ 7,325,189

For the year ended June 30, 2017, the District contributed $268,129 to the medical plan.

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation as of June 30, 2017 are summarized as follows:

Year Ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Contributed	Net OPEB Obligation
2015	$ 1,057,657	25.3%	$ 5,745,709
2016	1,057,657	22.3	6,544,924
2017	1,048,394	25.6	7,325,189

Funded Status and Funding Progress – As of July 1, 2016, the most recent actuarial valuation date for the period July 1, 2016 through June 30, 2017, the actuarial accrued liability was $8,316,918, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of $8,316,918. The covered payroll (annual payroll of active employees covered by the plan) was approximately $50,007,365, and the ratio of the UAAL to covered payroll was 16.63%.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

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

As of the July 1, 2016 actuarial valuation date, the frozen entry age actuarial cost method was used. The actuarial assumption includes a 2.5% discount rate based on the District's funding policy. The projected annual medical trend rate is 5%.

Mortality rates are from the RP2000 Annuity Mortality Table, applied on a gender-specific basis.

The UAAL is being amortized as a level dollar cost on an open basis over 30 years.

NOTE 9 RISK MANAGEMENT

College 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.

NOTE 10 AREA EDUCATION

The District is required by the Code of Iowa to budget for its share of special education support, media, and educational services provided through the Area Education Agency. The District's actual amount for this purpose totaled $2,142,467 for the year ended June 30, 2017 and is recorded in the General Fund by making a memorandum adjusting entry to the financial statements.

NOTE 11 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 tor the citizens of those governments.

Property tax revenues of the District were not reduced by any tax abatement programs during the year ended June 30, 2017.

NOTE 12 CATEGORICAL FUNDING

The District's restricted fund balance for categorical funding at June 30, 2017 is comprised of the following programs:

Program	Amount
Teacher Compensation Pay	$ 352,696
4 Year old Preschool Grant	156,428
Successful Progression for Early Readers	52,563
Limited English Proficiency Weighting	11,556
Total	$ 573,243

NOTE 13 DEFICIT BALANCES

The Day Care proprietary fund had a deficit balance of $(213,745) at June 30, 2017. This was caused by the accounting for the net pension liability and other pension related items required by the Governmental Accounting Standards Board Statement No. 68 *Accounting and Financial Reporting for Pensions – an Amendment of GASB No. 27.*

NOTE 14 COMMITMENTS AND CONTINGENCIES

Federal and State Programs

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

Other Contingencies

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 15 JOINTLY GOVERNED ORGANIZATION

The Grant Wood Area Education Agency (GWAEA) was established by an act of the 1974 Legislature of the State of Iowa. The primary objective of the District is to provide, by a cooperative effort, comprehensive educational programs and other related services as can be effectively operated by its fifty-six member districts. Each member district shares in the cost of the programming, which is paid to the education district in the form of membership fees, reimbursements and other charges for services. The education district is able to recover the cost of its programs through the previously mentioned revenue sources. The jointly governed organization's financial statements are audited and available for inspection. Currently, one member of the District's board also serves as an active member of the GWAEA board.

NOTE 16 SUBSEQUENT EVENTS

Management evaluated subsequent events through December 13, 2017, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2017, but prior to December 13, 2017 that provided additional evidence about conditions that existed at June 30, 2017, have been recognized in the financial statements for the year ended June 30, 2017. Events or transactions that provided evidence about conditions that did not exist at June 30, 2017 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended June 30, 2017.

In December 2017, the District issued $5,000,000 of Sales, Services, and Use Tax Revenue Bonds to be utilized for the Early Childhood Center.

NOTE 17 NEW ACCOUNTING PRONOUNCEMENT

The District adopted the tax abatement disclosure guidance set forth in Governmental Accounting Standards Board Statement No. 77, *Tax Abatement Disclosures*. The Statement sets forth guidance for the disclosure of information about the nature and magnitude of tax abatements which will make these transactions more transparent to financial statement users. Adoption of the guidance did not have an impact on amounts reported in the financial statements. The Notes to Financial Statements include information about tax abatements of other entities which impact the District.

NOTE 18 PROSPECTIVE ACCOUNTING CHANGE

The Governmental Accounting Standards Board has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement will be implemented for the fiscal year ending June 30, 2018. The revised requirements establish new financial reporting requirements for state and local governments which provide their employees with postemployment benefits other than pensions, including additional note disclosures and required supplementary information. In addition, the Statement of Net Position is expected to include a significant liability for the government's other postemployment benefits.

REQUIRED SUPPLEMENTARY INFORMATION

COLLEGE COMMUNITY SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN BALANCES – BUDGET AND ACTUAL
ALL GOVERNMENT FUNDS AND PROPRIETARY FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2017

	Governmental Funds Actual	Proprietary Funds Actual	Total Actual
REVENUES			
Local Sources	$ 43,079,900	$ 3,923,840	$ 47,003,740
State Sources	29,913,647	104,466	30,018,113
Federal Sources	1,467,224	1,240,044	2,707,268
Total Revenues	74,460,771	5,268,350	79,729,121
EXPENDITURES			
Instruction	40,477,472	-	40,477,472
Support Services	20,918,001	60,413	20,978,414
Noninstructional Programs	-	5,614,271	5,614,271
Other Expenditures	16,900,671	-	16,900,671
Total Expenditures	78,296,144	5,674,684	83,970,828
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,835,373)	(406,334)	(4,241,707)
OTHER FINANCING SOURCES, NET	30,287,145	-	30,287,145
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	26,451,772	(406,334)	26,045,438
Balances - Beginning of Year	7,069,464	(179,405)	6,890,059
BALANCES - END OF YEAR	$ 33,521,236	$ (585,739)	$ 32,935,497

	Budgeted Amounts		Final to Actual Variance Positive/
	Original	Final	(Negative)
	$ 67,857,538	$ 67,857,538	$ (20,853,798)
	33,805,632	33,805,632	(3,787,519)
	4,087,702	4,087,702	(1,380,434)
	105,750,872	105,750,872	(26,021,751)
	40,705,592	40,705,592	228,120
	22,180,884	22,219,167	1,240,753
	4,842,431	4,842,431	(771,840)
	28,525,215	32,589,403	15,688,732
	96,254,122	100,356,593	16,385,765
	9,496,750	5,394,279	(9,635,986)
	-	-	30,287,145
	9,496,750	5,394,279	20,651,159
	6,195,255	6,195,255	694,804
	$ 15,692,005	$ 11,589,534	$ 21,345,963

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

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds except the Print Fund and Private Purpose Trust and Agency Funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on a 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, noninstructional programs, and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated functional level, not by fund. The Code of Iowa also provides 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 $4,102,471.

During the year ended June 30, 2017, expenditures did not exceed budgeted amounts.

COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2017

Iowa Public Employees' Retirement System

For the Last Three Years*
(In Thousands)

	2017	2016	2015
District's Proportion of the Net Pension Liability:	0.005668 %	0.556838 %	0.521487%
District's Total Proportionate Share of the Net Pension Liability	$ 35,349	$ 27,683	$ 21,105
District's Covered-Employee Payroll	$ 40,333	$ 38,427	$ 34,821
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	0.88 %	72.04 %	60.61%
IPERS' Net Position as a Percentage of the Total Pension Liability	81.82 %	85.19 %	87.61%

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

COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS – LAST TEN FISCAL YEARS
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2017

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Statutorily Required Contribution	$ 3,666	$ 3,602	$ 3,432	$ 3,110	$ 2,812	$ 2,499	$ 2,092	$ 1,260	$ 1,074	$ 953
Contributions in Relation to the Statutorily Required Contribution	(3,666)	(3,602)	(3,432)	(3,110)	(2,812)	(2,499)	(2,092)	(1,260)	(1,074)	(953)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's Covered-Employee Payroll	$ 41,055	$ 40,333	$ 38,427	$ 34,821	$ 32,431	$ 30,966	$ 30,098	$ 18,948	$ 16,919	$ 15,759
Contributions as a Percentage of Covered-Employee Payroll	8.93%	8.93%	8.93%	8.93%	8.67%	8.07%	6.95%	6.65%	6.35%	6.05%

Changes of Benefit Terms

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

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

Changes of Assumptions

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

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased 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.
- Reduced retirement rates for sheriffs and deputies between the ages of 55 and 64.
- Moved from an open 30-year amortization period to a closed 30 year amortization period for the UAL (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.

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

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

COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF FUNDING PROGRESS FOR THE RETIREE HEALTH PLAN
(IN THOUSANDS)
YEAR ENDED JUNE 30, 2017

Year Ended June 30,	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2015	July 1, 2014	$ -	$ 7,044	$ 7,044	-	$ 46,270	15.2%
2016	July 1, 2014	-	7,063	7,063	-	49,096	14.4%
2017	July 1, 2016	-	8,317	8,317	-	50,007	16.6%

SUPPLEMENTARY INFORMATION

COLLEGE COMMUNITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

SCHEDULE 1

	Special Revenue	Capital Projects	
	Student Activity	Physical Plant and Equipment Levy	Total
ASSETS			
Cash and Pooled Investments	$ 658,555	$ 906,687	$ 1,565,242
Receivables:			
Property Tax:			
Delinquent	-	5,583	5,583
Succeeding Year	-	1,882,942	1,882,942
Accounts	95	2,911	3,006
Due from Other Governments	95	-	95
Prepaid Items	3,449	-	3,449
Total Assets	$ 662,194	$ 2,798,123	$ 3,460,317
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 28,188	$ -	$ 28,188
Due to Other Governments	307	-	307
Total Liabilities	28,495	-	28,495
DEFERRED INFLOWS OF RESOURCES - SUCCEEDING YEAR PROPERTY TAXES	-	1,882,942	1,882,942
FUND BALANCES			
Nonspendable	3,449	-	3,449
Restricted for:			
Student Activities	630,250	-	630,250
Physical Plant and Equipment	-	915,181	915,181
Total Fund Balances	633,699	915,181	1,548,880
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 662,194	$ 2,798,123	$ 3,460,317

COLLEGE COMMUNITY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017

SCHEDULE 2

	Special Revenue	Capital Projects	
	Student Activity	Physical Plant and Equipment Levy	Total
REVENUES			
Local Sources:			
Local Tax	$ -	$ 2,062,015	$ 2,062,015
Other	1,047,223	29,606	1,076,829
State Sources	-	405	405
Total Revenues	1,047,223	2,092,026	3,139,249
EXPENDITURES			
Instruction:			
Other Instruction	991,917	-	991,917
Support Services:			
Instructional Staff Services	-	631,193	631,193
Plant Operation and Maintenance Services	-	380,690	380,690
Transportation Services	18,236	458,808	477,044
Other Expenditures:			
Facilities Acquisition	-	691,192	691,192
Total Expenditures	1,010,153	2,161,883	3,172,036
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	37,070	(69,857)	(32,787)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	37,070	(69,857)	(32,787)
Fund Balances - Beginning of Year	596,629	985,038	1,581,667
FUND BALANCES - END OF YEAR	$ 633,699	$ 915,181	$ 1,548,880

COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF CHANGES IN STUDENT ACTIVITY ACCOUNTS
YEAR ENDED JUNE 30, 2017

SCHEDULE 3

	Balance - Beginning of Year	Revenues	Expenditures	Balance - End of Year
Student Activity Account:				
Athletic:				
General	$ 20,437	$ 154,287	$ 156,403	$ 18,321
Student Clubs:				
Advisory	81,928	-	3,211	78,717
Co-Curricular Activities:				
High School	10,565	50,211	47,947	12,829
Prairie Crest	6,037	3,018	3,299	5,756
Prairie Heights	30,117	6,388	7,394	29,111
Prairie Ridge	9,723	17,161	17,982	8,902
Prairie View	7,248	608	1,473	6,383
Prairie Edge	3,870	472	-	4,342
Prairie Point	17,444	15,692	23,550	9,586
Prairie Creek	2,665	4,401	3,107	3,959
Prairie Hill	5,002	2,778	5,213	2,567
Student Council	13,575	13,435	11,099	15,911
Class of:				
2016	3,965	-	1,359	2,606
2017	179	-	179	-
2018	-	16,011	9,426	6,585
2019	-	-	-	-
2020	4,489	-	4,489	-
Baseball Club	10,873	11,601	16,662	5,812
Softball Club	6,860	4,713	5,629	5,944
Special Olympics	2,359	1,069	1,033	2,395
15-16 Yearbook	1,577	2,911	3,267	1,221
16-17 Yearbook	4,029	10,618	5,891	8,756
Spring and Fall Plays	1,677	2,156	813	3,020
German Club	3,140	1,015	1,024	3,131
Student Vending	4,940	17,432	13,766	8,606
Boys Letter Club	2,685	4,921	988	6,618
Girls Track Club	3,859	1,790	1,945	3,704
Boys Track Club	580	10,544	10,114	1,010
Volleyball Club	13,431	20,070	26,424	7,077
Art Activity	115	110	-	225
Ashby Activity	608	146	329	425
McGaffic Activity	834	-	811	23
Instrumental Music	11,831	19,326	10,814	20,343
Cheerleading	11,704	34,149	39,576	6,277
Football Club	1,204	19,144	20,464	(116)
Business Prof./America	25,627	70,010	65,685	29,952

COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF CHANGES IN STUDENT ACTIVITY ACCOUNTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

SCHEDULE 3

	Balance - Beginning of Year	Revenues	Expenditures	Balance - End of Year
Student Clubs (Continued):				
Boys Tennis Club	$ 609	$ 925	$ 1,156	$ 378
Girls Tennis Club	421	3,219	2,699	941
Girls CCountry Club	377	4,366	3,160	1,583
Long Activity	1,886	881	1,336	1,431
Dalton Activity	287	-	-	287
Bowling Club	558	3,900	3,805	653
Kean Activity	352	-	50	302
Boys Soccer Club	29,444	24,050	22,700	30,794
Girls Soccer Club	14,836	16,568	23,685	7,719
Wrestling Club	10,601	33,363	29,564	14,400
Music Trip	117,872	64,158	25,502	156,528
Prairie of Miracles 5K	-	2,985	2,985	-
Prairie Dance Team Club	6,900	62,696	60,062	9,534
Instrumental Activity	2,433	17,398	16,109	3,722
Hawk Talk - General	1,310	438	47	1,701
Skills USA	-	100	-	100
Electric Car Club	1,875	4,803	3,940	2,738
Washington Trip	6,514	58,370	60,011	4,873
International Club	79	-	-	79
Girls Basketball Club	2,624	5,393	6,116	1,901
Boys Basketball Club	2,346	8,031	8,456	1,921
Vocal Music	45,008	64,425	64,730	44,703
Musical	1,089	484	-	1,573
National Honor Society	531	834	1,365	-
One and Two Act Plays	1,564	1,028	118	2,474
Girls Golf Club	845	3,145	2,510	1,480
Boys Golf Club	663	1,247	1,724	186
Trapshooting Club	2,893	18,260	17,107	4,046
Archery Club	103	10,864	5,831	5,136
Best Buddies	1,212	1,410	1,764	858
Graphics Club	381	-	76	305
Family Career Community Leaders	8,344	4,933	3,524	9,753
Band Uniforms	610	46,000	52,420	(5,810)
Drama	4,409	3,207	3,694	3,922
Speech	1,025	7,204	6,896	1,333
Performance Club	-	-	-	-
Key Club	572	2,815	2,485	902
State Tournaments	-	52,913	52,913	-
Science National Honor Society	879	489	247	1,121
GSA Club	-	134	-	134
Total Student Clubs	576,192	892,936	853,750	615,378
Total	$ 596,629	$ 1,047,223	$ 1,010,153	$ 633,699

COLLEGE COMMUNITY SCHOOL DISTRICT
COMBINING STATEMENTS OF NET POSITION
JUNE 30, 2017

	School Nutrition	Day Care	Resale
ASSETS			
Cash and Cash Equivalents	$ 215,963	$ 386,365	$ 155,193
Accounts Receivable	-	-	5,803
Inventories	27,976	-	-
Prepaid Expenses	-	140	840
Due from Other Governments	19,908	3,034	-
Capital Assets, Net of Accumulated Depreciation	486,209	120,670	-
Total Assets	750,056	510,209	161,836
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Deferred Outflows	269,293	299,522	2,873
Total Deferred Outflows of Resources	269,293	299,522	2,873
LIABILITIES			
Accounts Payable	4,087	33,418	2,346
Accrued Expenses	92,049	-	-
Salaries and Benefits Payable	5,239	57,802	-
Compensated Absences	2,023	10,206	-
Net Pension Liability	817,248	908,990	8,716
Due to Other Governments	-	2,052	-
Due to Other Funds	-	160	-
Total Liabilities	920,646	1,012,628	11,062
DEFERRED INFLOWS OF RESOURCES			
Pension Related Deferred Inflows	9,754	10,848	104
NET POSITION			
Net Investment in Capital Assets	486,209	120,670	-
Unrestricted	(397,260)	(334,415)	153,543
Total Net Position	$ 88,949	$ (213,745)	$ 153,543

SCHEDULE 4

Student Built House	Total
$ 290,398	$ 1,047,919
-	5,803
-	27,976
-	980
-	22,942
-	606,879
290,398	1,712,499
-	571,688
-	571,688
15,271	55,122
-	92,049
-	63,041
-	12,229
-	1,734,954
18	2,070
250,000	250,160
265,289	2,209,625
-	20,706
-	606,879
25,109	(553,023)
$ 25,109	$ 53,856

COLLEGE COMMUNITY SCHOOL DISTRICT
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2017

	School Nutrition	Day Care	Resale
OPERATING REVENUES			
Local Sources:			
Charges for Services	$ 1,643,656	$ 2,103,911	$ 175,899
State Sources	-	83,183	-
Total Operating Revenues	1,643,656	2,187,094	175,899
OPERATING EXPENSES			
Support Services:			
Administrative Services	-	36,663	-
Operation and Maintenance of Plant Services	-	23,750	-
Total Support Services	-	60,413	-
Noninstructional Programs:			
Salaries	970,148	1,286,473	11,000
Benefits	448,887	241,911	(561)
Purchased Supplies	-	2,699	8,984
Supplies	1,391,203	401,211	126,727
Depreciation	85,108	7,626	-
Total Non-Instructional Programs	2,895,346	1,939,920	146,150
Total Operating Expenses	2,895,346	2,000,333	146,150
OPERATING INCOME (LOSS)	(1,251,690)	186,761	29,749
NONOPERATING REVENUES			
State Sources	21,283	-	-
Federal Sources	1,240,044	-	-
Interest Income	148	165	61
Sale of Student Built House	-	-	-
Total Nonoperating Revenues	1,261,475	165	61
NET INCOME	9,785	186,926	29,810
Net Position - Beginning of Year	79,164	(400,671)	123,733
NET POSITION - END OF YEAR	$ 88,949	$ (213,745)	$ 153,543

SCHEDULE 5

Student Built House	Total
$ -	$ 3,923,466
-	83,183
-	4,006,649
-	36,663
-	23,750
-	60,413
-	2,267,621
-	690,237
-	11,683
632,273	2,551,414
582	93,316
632,855	5,614,271
632,855	5,674,684
(632,855)	(1,668,035)
-	21,283
-	1,240,044
-	374
639,595	639,595
639,595	1,901,296
6,740	233,261
18,369	(179,405)
$ 25,109	$ 53,856

COLLEGE COMMUNITY SCHOOL DISTRICT
COMBINING STATEMENTS OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2017

	School Nutrition	Day Care	Resale
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Sale of Lunches and Breakfasts	$ 1,661,774	$ -	$ -
Cash Received from Day Care Activities	-	2,188,349	-
Cash Received from Printing	-	-	-
Cash Received from Concession Sales	-	-	170,853
Cash Received from Student-Built Houses	-	-	-
Cash Payments to Employees for Services	(1,379,814)	(1,607,947)	(12,767)
Cash Payments to Suppliers for Goods or Services	(1,418,894)	(467,000)	(138,500)
Net Cash Provided (Used) by Operating Activities	(1,136,934)	113,402	19,586
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Grants Received	21,283	-	-
Federal Grants Received	1,240,044	-	-
Net Cash Provided by Noncapital Financing Activities	1,261,327	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sale of Student Built House	-	-	-
Acquisition of Capital Assets	(11,278)	-	-
Net Cash Provided (Used) by Capital Financing Activities	(11,278)	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	148	165	61
NET INCREASE IN CASH AND CASH EQUIVALENTS	113,263	113,567	19,647
Cash and Cash Equivalents - Beginning of Year	102,700	272,798	135,546
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 215,963	$ 386,365	$ 155,193
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	$ (1,251,690)	$ 186,761	$ 29,749
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	85,108	7,626	-
Decrease (Increase) in Inventories	(18,428)	-	-
Decrease (Increase) in Accounts Receivable	18,118	1,255	(5,046)
Decrease (Increase) in Prepaid Expenses	1,450	(140)	1,145
Increase in Deferred Outflows - Pension Related	(106,949)	(110,609)	(1,043)
Increase (Decrease) in Accounts Payable	1,007	1,177	(3,934)
Increase (Decrease) in Salaries and Benefits Payable	(5,778)	2,415	-
Increase in Compensated Absences	499	(1,598)	-
Increase in Net Pension Liability	187,604	116,316	407
Decrease in Deferred Inflows - Pension Related	(36,155)	(86,087)	(1,692)
Increase in Due to Other Funds	(14)	(680)	-
Decrease in Due from Other Funds	(19,908)	(3,034)	-
Increase in Accrued Expenses	8,202	-	-
Net Cash Provided (Used) by Operating Activities	$ (1,136,934)	$ 113,402	$ 19,586

SCHEDULE 6

Student Built House	Total
$ -	$ 1,661,774
-	2,188,349
-	-
-	170,853
23	23
-	(3,000,528)
(349,221)	(2,373,615)
(349,198)	(1,353,144)
-	21,283
-	1,240,044
-	1,261,327
639,595	639,595
-	(11,278)
639,595	628,317
-	374
290,397	536,874
1	511,045
$ 290,398	$ 1,047,919
$ (632,855)	$ (1,668,035)
582	93,316
326,508	308,080
23	14,350
-	2,455
-	(218,601)
15,015	13,265
-	(3,363)
-	(1,099)
-	304,327
-	(123,934)
(58,471)	(59,165)
-	(22,942)
-	8,202
$ (349,198)	$ (1,353,144)

COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2017

SCHEDULE 7

	Balance - Beginning of Year	Additions	Deductions	Balance - End of Year
ASSETS				
Cash	$ 274,412	$ 570,285	$ 571,333	$ 273,364
Total Assets	$ 274,412	$ 570,285	$ 571,333	$ 273,364
LIABILITIES				
Other Payables	$ 274,412	$ 570,285	$ 571,333	$ 273,364

COLLEGE 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
REVENUES				
Local Sources:				
Local Tax	$ 30,970,152	$ 30,304,095	$ 26,484,747	$ 25,023,351
Tuition	5,367,190	5,000,288	5,023,465	4,952,310
Other	6,742,558	6,535,241	6,640,933	5,448,161
State Sources	29,913,647	27,039,978	25,244,359	22,472,151
Federal Sources	1,467,224	1,409,905	1,471,403	1,371,591
Total Revenues	$ 74,460,771	$ 70,289,507	$ 64,864,907	$ 59,267,564
EXPENDITURES				
Instruction:				
Regular Instruction	$ 24,742,510	$ 25,991,924	$ 25,677,198	$ 21,524,976
Special Instruction	8,879,229	8,268,218	8,705,841	7,393,347
Other Instruction	6,855,733	5,151,301	5,180,176	4,439,053
Support Services:				
Student Services	1,832,587	1,926,379	1,781,388	1,803,044
Instructional Staff Services	5,511,715	5,883,574	3,134,754	2,491,934
Administration Services	5,245,503	5,461,788	4,841,584	4,002,873
Operation and Maintenance of Plant Services	5,387,066	5,214,216	4,790,768	4,367,545
Transportation Services	2,941,130	2,882,186	2,583,336	2,454,845
Noninstructional Programs	-	-	-	193
Other Expenditures:				
Facilities Acquisition	6,443,233	2,206,460	5,851,028	2,512,455
Long-Term Debt:				
Principal	5,995,000	4,135,000	6,251,889	3,825,000
Debt Issuance Costs	-	-	-	-
Interest and Other Charges	2,319,971	1,813,030	2,272,269	2,638,424
AEA Flowthrough	2,142,467	2,046,725	1,971,913	1,744,232
Total Expenditures	$ 78,296,144	$ 70,980,801	$ 73,042,144	$ 59,197,921

SCHEDULE 8

2013	2012	2011	2010	2009	2008
$ 25,023,351	$ 26,041,452	$ 24,219,102	$ 22,093,711	$ 20,945,968	$ 20,361,901
4,952,310	4,602,834	4,312,674	3,663,733	3,333,102	3,549,899
5,448,161	6,295,538	5,905,077	5,999,103	5,736,360	6,659,201
22,472,151	21,312,839	19,794,883	17,314,281	18,005,005	17,104,669
1,371,591	1,432,493	2,967,785	3,231,491	1,387,306	943,920
$ 59,267,564	$ 59,685,156	$ 57,199,521	$ 52,302,319	$ 49,407,741	$ 48,619,590
$ 21,524,976	$ 19,939,924	$ 18,906,433	$ 19,208,996	$ 16,819,529	$ 16,265,900
7,393,347	7,712,339	7,303,228	6,752,971	6,448,388	5,829,626
4,439,053	4,375,324	4,073,595	4,051,048	3,925,508	3,186,826
1,803,044	1,992,616	1,588,468	1,417,533	1,148,780	894,530
2,491,934	4,966,561	2,604,179	2,450,988	2,393,970	1,842,438
4,002,873	3,876,552	3,743,217	3,809,772	3,321,006	3,148,693
4,367,545	3,934,601	3,864,337	3,667,250	3,158,914	3,169,968
2,454,845	2,140,375	2,076,206	1,994,335	1,733,199	1,561,871
193	48,084	32,611	-	-	-
2,512,455	5,932,980	2,737,713	1,837,000	12,971,023	23,729,926
3,825,000	2,875,000	2,800,000	3,110,000	3,596,000	12,638,000
-	-	-	147,134	-	-
2,638,424	2,457,999	2,503,471	2,651,037	2,968,168	3,153,022
1,744,232	1,660,568	1,719,630	1,638,722	1,397,624	1,290,071
$ 59,197,921	$ 61,912,923	$ 53,953,088	$ 52,736,786	$ 59,882,109	$ 76,710,871

COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2017

SCHEDULE 9

Grantor/Program		CFDA Number	Agency or Pass-Through Number	Expenditures
U.S. Department of Agriculture				
Iowa Department of Education:				
Commodities	a	10.555	FY17-4951	$ 209,067
National School Lunch Program	a	10.555	FY17-4553	867,282
Total CFDA 10.555				1,076,349
School Breakfast Program	a	10.553	FY17-4552	163,695
Total U.S. Department of Agriculture				1,240,044
U.S. Department of Education				
Iowa Department of Education:				
Title I - Grants to Local Educational Agencies		84.010	FY17-4501-431	484,903
Education for Homeless Children and Youth		84.196	FY17-4565	36,000
Teacher Quality Program		84.367	FY17-4643	65,864
Grants for State Assessments and Related Activities		84.369	FY17-4648	10,506
Special Education - Grants to States Part B High Cost Claim		84.323	FY17-4526	11,637
Title I - Grants for Delinquent		84.013	FY17-4501-438	14,457
Advanced Placement		84.330	FY17-4654	608
Passed Through Grant Wood Area Education Agency:				
IDEA Administration	b	84.027	FY17-4511	1,000
Special Education - State Personnel Development Grant	b	84.027	FY17-4521	230,245
Vocational Education - Basic Grants to States		84.048A	FY17-4531	15,767
Title III - English Acquisition State Grants		84.365	FY17-4644	3,352
Total U.S. Department of Education				874,339
Total				$ 2,114,383

a - Child Nutrition Cluster - Total Expenditures = $1,240,044

b - Special Education Cluster - Total Expenditures = $231,245

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

NOTE 1 GENERAL

The accompanying Schedule of Expenditures of federal Awards (Schedule) includes the federal award activity of College Community School District under programs of the federal government for the year ended June 30, 2017. 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 College Community School District, it is not intended to and does not present the financial position, changes in financial position or cash flows of College Community School District.

The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 2 BASIS OF ACCOUNTING

Expenditures reports on the Schedule are presented on the modified accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 NONCASH AWARDS

The Child Nutrition Cluster, CFDA #10.555 includes $209,067 of noncash awards in the form of food commodities.

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INDEPENDENT AUDITORS' 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*

Board of Education
College Community School District
Cedar Rapids, Iowa

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of College Community School District as of and for the year ended June 30, 2017, and the related Notes to the Financial Statements, which collectively comprise College Community School District's basic financial statements, and have issued our report thereon dated December 13, 2017.

Internal Control Over Financial Reporting

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

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify a deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in 2017-001 to be a material weakness.

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. We consider the deficiency described in 2017-02 to be a significant deficiency.

Compliance and Other Matters

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

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2017 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.

College Community School District's Response to the Findings

College Community School District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. College Community School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Cedar Rapids, Iowa
December 13, 2017

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

Board of Education
College Community School District
Cedar Rapids, Iowa

Report on compliance for Each Major Federal Program

We have audited College Community School District's compliance with the types of compliance requirements described in U.S. Office of Management and Budget (*OMB) Compliance Supplement* that could have a direct and material effect on each of College Community School District's major federal programs for the year ended June 30, 2017. College Community School District's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of College 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 College Community School District's compliance with those requirements and performing such other procedures we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance for each of the major federal programs. However, our audit does not provide a legal determination of College Community School District's compliance.

Opinion on Each Major Federal Program

In our opinion, College 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, 2017.

Board of Education
College Community School District

Report on Internal Control Over Compliance

The management of College 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 College Community School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of College 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. However, material weaknesses or significant deficiencies 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Cedar Rapids, Iowa
December 13, 2017

Part I – Summary of the Independent Auditors' Results

Financial Statements

1. Type of auditors' report issued: *Unmodified*
2. Internal control over financial reporting:
   - Material weakness(es) identified? X yes ____ no
   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? X yes ____ none reported
3. Noncompliance material to financial statements noted? ____ yes X no

Federal Awards

1. Internal control over major federal programs:
   - Material weakness(es) identified? ____ yes X no
   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? ____ yes X none reported
2. Type of auditors' report issued on compliance for major federal programs: *Unmodified*
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a) ____ yes X no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
10.553 & 10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? ____ yes X no

Part II – Findings Related to the Financial Statement

FINDING: 2017-001 MATERIAL AUDIT ADJUSTMENTS

Condition: The audit firm identified certain material audit adjustments for the High School/Elementary Remodel major fund due to understatements of construction in progress. Management reviewed the journal entry and posted the entry to its general ledger.

Criteria: The District should have controls in place to prevent and detect a material adjustment in the financial statements in a timely manner.

Context: The District has informed us that they established procedures to review and record construction in progress.

Effect: The potential exists that a material misstatement could occur in the financial statements and not be prevented or detected and corrected by the District's internal controls.

Cause: The District's controls were not adequate to ensure that all accounts' year-end balances were proper and in accordance with generally accepted accounting principles (GAAP).

Recommendation: We recommend the District continue to work with the auditors to identify material adjustments to ensure that all accounts are proper and in accordance with GAAP.

Views of responsible officials and planned corrective actions: Management will continue to work with the audit firm, as necessary, to ensure all material transactions are properly recorded.

FINDING: 2017-002 SIGNIFICANT DEFICIENCY

Condition: The audit firm identified lack of documentation in the bank reconciliation process. There was no indication of review of the bank reconciliation on a monthly basis.

Criteria: The District should have controls in place to prevent and detect misstatements in the financial statements in a timely manner.

Context: The District has informed us that they established procedures to document proper review of the bank reconciliations.

Effect: The potential exists that a material misstatement could occur in the financial statements and not be prevented or detected and corrected by the District's internal controls.

Cause: The District's controls were not adequate to ensure that the bank reconciliation was properly reviewed.

Recommendation: We recommend the District properly document on the bank reconciliations the appropriate review documentation.

Views of responsible officials and planned corrective actions: The review of the reconciliation was in place, it was just not being initialed by the staff performing the review. Management will work with the staff and emphasize the importance of key controls and the documentation surrounding them.

Part III – Findings and Questioned Costs for Federal Awards

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Part IV – Other Findings Related to Required Statutory Reporting

IV-A-2017 Certified Budget – Expenditures for the year ended June 30, 2017 exceeded the certified budget amounts during the year in the noninstructional function by $771,840. Chapter 384.20 of the Code of Iowa states, in part, "Public monies may not be expended or encumbered except under an annual or continuing appropriation."

Recommendation – The budget should be amended in accordance with Chapter 384.18 of the Code of Iowa before disbursements were allowed to exceed the budget.

Response – The budget will be amended in the future, if applicable.

Conclusion – Response accepted.

IV-B-2017 Questionable Expenditures – No expenditures that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

IV-C-2017 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-2017 Business Transactions – No business transactions between the District and District officials or employees were noted.

IV-E-2017 Bond Coverage – Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure that the coverage is adequate for current operations.

IV-F-2017 Board Minutes – We noted no transactions requiring Board approval which had not been approved by the Board.

IV-G-2017 Supplementary Weighting – No variances regarding the supplementary weighting certified to the Department of Education were noted.

IV-H-2017 Deposits and Investments – No instances of noncompliance 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-I-2017 Certified Annual Report – The Certified Annual Report was certified timely to the Iowa Department of Education.

IV-J-2017 Certified Enrollment – No variances in the basic enrollment data certified to the Iowa Department of Education were noted.

Part IV – Other Findings Related to Required Statutory Reporting (Continued)

IV-K-2017 Categorical Funding – No instances were noted of categorical funding used to supplant rather than supplement other funds.

IV-L-2017 Statewide Sales, Services and Use Tax – For the year ended June 30, 2017, the District did not reduce any levies as a result of the monies received under Chapter 423E or 423F of the Code of Iowa.

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, 2017, the District reported the following information regarding the statewide sales, services, and use tax revenue in the District's CAR:

Beginning Balance		$ 550,022
Revenues/Transfers in:		
Sales Tax Revenues	$ 4,731,099	
Other Local Revenues	17,827	4,748,926
		5,298,948
Expenditures/Transfers out:		
School Infrastructure Construction	1,925,364	
Transfers to Debt Service Fund	2,835,000	4,760,364
Ending Balance		$ 538,584

For the year ended June 30, 2017, 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-M-2017 Deficit Balance – The District had a deficit balance in the Proprietary – Day Care Fund of $(213,745). This was caused by the accounting for the net pension liability and other pension related items required by the Governmental Accounting Standards Board Statement No. 68 *Accounting and Financial Reporting for Pensions – an Amendment of GASB No. 27.*

Recommendation – The District should take appropriate action to return this fund to sound financial condition.

Response – This fund is considered to be run as a nonprofit by the District. Therefore, the profits from this fund will be very minimal each year. The District will work to return this fund to a positive balance over time, as it is a large deficit, but it will likely hold a deficit balance for many years.

Conclusion – Response accepted.

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