$4,350,000*
Durant Community School District, Iowa
General Obligation School Bonds
Series 2025

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

DATE:	Tuesday, October 14, 2025
TIME:	11:00 AM
PLACE:	Board Room 408 7th St. Durant, IA 52747

Standard & Poor's Rating: "A+"

* Preliminary, subject to change

PIPER | SANDLER

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

OFFICIAL BID FORM

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

Re: $4,350,000* General Obligation School Bonds, Series 2025, 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, 2027	________	________	June 1, 2036
________	________	June 1, 2028	________	________	June 1, 2037
________	________	June 1, 2029	________	________	June 1, 2038
________	________	June 1, 2030	________	________	June 1, 2039
________	________	June 1, 2031	________	________	June 1, 2040
________	________	June 1, 2032	________	________	June 1, 2041
________	________	June 1, 2033	________	________	June 1, 2042
________	________	June 1, 2034	________	________	June 1, 2043
________	________	June 1, 2035	________	________	June 1, 2044

________ 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 ____________	____________
$____________	____________ 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

_____ We represent that we are a bidder with established industry reputation for underwriting new issuances of municipal bonds

______ We will elect to utilize bond insurance from company ___________ at a premium of $_______________

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:$________________________ (Computed from the dated date)

TRUE INTEREST COST ___________________________%

____
Account Manager

____
Signature of Account Manager

The foregoing offer is hereby accepted by and on behalf of the Board of Directors of the Durant Community School District, in the Counties of Cedar, Muscatine and Scott of Iowa, State of Iowa, this 14th day of October, 2025.

ATTEST: ____________________________ District Secretary

____________________________ Board President

* Preliminary, subject to change

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 2025**, in the principal amount of $4,350,000* 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. The total par amount will not exceed $4,350,000.

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 municipal 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, 2032, 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, 2026 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 $43,500* 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 Municipal advisor or the Issuer will provide the apparent winning bidder (the "Purchaser") with wiring instructions, by 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.

Form of Bids: All bids shall be unconditional for the entire issue of Bonds for a price of not less than 98.00% of par, plus accrued interest, and 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

* Preliminary, subject to change

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.

Confidential information sent via secured portal: All confidential information exchanged between the Issuer and the Purchaser (including but not limited to closing details and good faith wire details) must be sent via a secure portal. As a condition to closing, the winning bidder will cooperate with the Issuer, its legal counsel and its municipal advisor to ensure that all confidential information is sent via a secure portal.

Sealed Bidding: Sealed bids may be submitted and will be received at the office of the Superintendent, Durant Community School District, 408 7th St., Durant, IA.

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: Electronic Facsimile Bids will not be accepted.

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

Level or ascending interest rates only for years 2027-2032.

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

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 Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. All communications required of the Issuer under this Official Terms of Offering to establish the issue price of the Bonds may be communicated on behalf of the Issuer by the Issuer's municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer's municipal advisor.

(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:

(1) the Issuer shall disseminate this Official Term of Offering to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
(2) all bidders shall have an equal opportunity to bid;
(3) 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

(4) 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 Official Terms of Offering shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the winning bidder. The Issuer may determine to treat (i) the first price at which 10% of a 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. The 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 winning bidder, at or before the time of award of the Bonds, which maturities of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. **Bids will not be subject to cancellation in the event that the Issuer determines to apply the hold-the-offering-price rule to any maturity of the Bonds**. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

(d) By submitting a bid, the winning bidder shall (i) 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 and (ii) 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 will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has 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.

(e) If the competitive sale requirements are not satisfied, then 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 either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel.

(f) The Issuer acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, 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 requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party 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 requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party 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 requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, 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 third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party 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 third-party distribution agreement, as applicable:

(i)(A) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriters or selling group agreement 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 or dealer that is a party to a third-party 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 third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

(h) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Official Terms of Offering. Further, for purposes of this Official Terms of Offering:

(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 third-party 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 (A) more than 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), (B) 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 (C) 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 Municipal 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 SEPTEMBER 24, 2025

NEW ISSUE - DTC BOOK ENTRY ONLY Rating: "A+"

Assuming compliance with certain covenants, in the opinion of Ahlers & Cooney, P.C., Bond Counsel, under present law and assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Bonds is excludable from gross income for federal income tax purposes and interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. Interest on the Bonds is not exempt from present Iowa income taxes. The Bonds will be designated as "qualified tax-exempt obligations." See "TAX EXEMPTION AND RELATED TAX MATTERS" herein for a more detailed discussion.

$4,350,000*
Durant Community School District, Iowa
General Obligation School Bonds
Series 2025

Dated: Date of Delivery

The General Obligation School Bonds, Series 2025 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 UMB Bank, n.a., 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 Durant Community School District, Iowa (the "District" or 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, 2026 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, 2032 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, 2027	$90,000			266525 DJ0	June 1, 2036	$265,000			266525 DT8
June 1, 2028	185,000			266525 DK7	June 1, 2037	275,000			266525 DU5
June 1, 2029	195,000			266525 DL5	June 1, 2038	290,000			266525 DV3
June 1, 2030	205,000			266525 DM3	June 1, 2039	300,000			266525 DW1
June 1, 2031	215,000			266525 DN1	June 1, 2040	310,000			266525 DX9
June 1, 2032	225,000			266525 DP6	June 1, 2041	325,000			266525 DY7
June 1, 2033	235,000			266525 DQ4	June 1, 2042	310,000			266525 DZ4
June 1, 2034	250,000			266525 DR2	June 1, 2043	320,000			266525 EA8
June 1, 2035	255,000			266525 DS0	June 1, 2044	100,000			266525 EB6

$_______________ ______% 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. Ahlers and Cooney, P.C. is also serving as Disclosure Counsel to the Issuer. Piper Sandler & Co. is serving as Municipal Advisor to the Issuer in connection with the issuance of the Bonds. It is expected that the Bonds in the definitive form will be available for delivery through the facilities of DTC on or about December 1, 2025. 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 ______, 2025

* *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.*

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.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, Securities and Exchange Commission Rule 15c2-12.

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 appendices attached hereto, 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 "anticipated," "plan," "expect," "projected," "estimate," "budget," "pro forma," "forecast," "intend," 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. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE DISTRICT ON THE DATE HEREOF, AND THE DISTRICT ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR, OTHER THAN AS INDICATED UNDER THE CAPTION "CONTINUING DISCLOSURE."

OFFICIAL STATEMENT
DURANT COMMUNITY SCHOOL DISTRICT, IOWA
$4,350,000* GENERAL OBLIGATION SCHOOL BONDS, SERIES 2025

INTRODUCTORY STATEMENT

This Official Statement presents certain information relating to the Durant Community School District, Iowa (the "District" or the "Issuer"), in connection with the sale of the Issuer's General Obligation School Bonds, Series 2025 (the "Bonds"). Proceeds of the Bonds, when combined with the previously issued $6,710,000 General Obligation School Bonds, dated June 4, 2024, plus the proceeds of the previously issued $3,150,000 School Infrastructure Sales Services & Use Tax Revenue Bonds, dated April 1, 2024, will be used to fund a total project scope of approximately $13,300,000 to provide funds to: i) renovate, repair, improve, expand, furnish and equip portions of the existing building, including gymnasium spaces, classrooms, HVAC and electrical systems, and administrative office spaces, including security improvements, and ii) pay costs of issuance for the Bonds (the "Project"). 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 taxable, real property within the boundaries 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, 2026, 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, 2025, as amended, Chapter 296, approval of the District voters for the Project at an election held on November 7, 2023, and a resolution of the Board of Directors expected to be adopted by the Issuer on November 10, 2025 (the "Resolution" or the "Bond Resolution").

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.

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* 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 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.

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

<u>Optional Prepayment</u>: The Bonds maturing after June 1, 2032, 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.

<u>Notice of Prepayment.</u> Prior to the redemption of any Bonds under the provisions of the Bond 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.

<u>Mandatory Sinking Fund Redemption</u> The Bonds maturing on _______are subject to mandatory redemption (by lot, as selected by the Registrar) on ____ 1 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

The Bonds are general obligations of the Issuer. Per Iowa Code section 76.2, prior to issuing general obligation debt the governing authority of Iowa political subdivision 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 must 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. Upon issuance of the Bonds, the Issuer will levy taxes for the years and in amounts sufficient to provide 100% of annual principal and interest due on the Bonds. If, however, the amount credited to the debt service fund for payment of the Bonds is insufficient to pay principal and interest, whether from transfers or from original levies, the Issuer is required to levy ad valorem taxes upon all taxable property in the Issuer without limit as to rate or amount sufficient to pay the debt service deficiency.

Nothing in the Bond Resolution prohibits or limits the ability of the Issuer to use legally available moneys other than the proceeds of the general ad valorem property taxes levied, as described in the preceding paragraph, to pay all or any portion of the principal of or interest on the Bonds. If and to the extent such other legally available moneys are used to pay the principal of or interest on the Bonds, the Issuer may, but shall not be required to, (a) reduce the amount of taxes levied for such purpose, as described in the preceding paragraph; or (b) use proceeds of taxes levied, as described in the preceding paragraph, to reimburse the fund or account from which such other legally available moneys are withdrawn for the amount withdrawn from such fund or account to pay the principal of or interest on Bonds.

The Bond Resolution does not restrict the Issuer's ability to issue or incur additional general obligation debt, although issuance of additional general obligation debt is subject to the same constitutional and statutory limitations that apply to the issuance of the Bonds. For a further description of the Issuer's outstanding general obligation debt upon issuance of the Bonds and the annual debt service on the Bonds, see "Direct Debt" included in "APPENDIX A" to this Official Statement. For a description of certain constitutional and statutory limits on the issuance of general obligation debt, see "Debt Limit" included in "APPENDIX A" to this Official Statement.

BONDHOLDERS' RISKS

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. This information is based on current information available to the Issuer that may be incomplete and unknown. This information was derived using certain assumptions and methodologies, and includes unaudited financial information and projections. Some of this information is forward-looking and subject to change.

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 real 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 Bond Resolution) may have to be enforced from year to year.

Changes in Property Taxation

The Bonds are general obligations of the Issuer secured by an unlimited ad valorem property tax as described in the "Source of Security for the Bonds" herein.

From time to time the Iowa General Assembly has altered the method of property taxation and could do so again. Such alterations could affect the Issuer's financial condition and/or the 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 Issuer's financial position. As noted in "THE BONDS - Source of Security of the Bonds," under Iowa Code section 76.2 the Issuer has by resolution provided 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.

Matters Relating to Enforceability of Agreements

There is no Bond trustee or similar person to monitor or enforce the provisions of the Bond Resolution. The owners of the Bonds should, therefore, be prepared to enforce such provisions themselves if the need to do so arises. In the event of a default in the payment of principal of or interest on the Bond, 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. 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 Bond, 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 will result in sufficient funds to pay all amounts due under the Bond Resolution, 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

The Issuer contributes to the Iowa Public Employees' Retirement System ("IPERS"), which is a state-wide multiple-employer cost-sharing defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. All full-time employees of the Issuer are required to participate in IPERS. IPERS plan members are required to contribute a percentage of their annual salary, in addition to the Issuer being required to make annual contributions to IPERS. Contribution amounts are set by State statute. The IPERS Annual Comprehensive Financial Report for its fiscal year ended June 30, 2024 (the "IPERS ACFR"), indicates that as of June 30, 2024, the date of the most recent actuarial valuation for IPERS, the funded ratio of IPERS was 90.75%, and the unfunded actuarial liability was approximately $4.375 billion. The IPERS ACFR identifies the IPERS Net Pension Liability at June 30, 2024, at approximately $3.641 billion, while its net pension liability at June 30, 2023, was approximately $4.514 billion. The IPERS

ACFR is available on the IPERS website, or by contacting IPERS at 7401 Register Drive, Des Moines, IA 50321. See "**APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THE ISSUER**" for additional information on IPERS.

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

In fiscal year ended June 30, 2024, the Issuer's IPERS contribution totaled approximately $513,866. The Issuer is current in its obligations to IPERS. Pursuant to Governmental Accounting Standards Board Statement No. 68, IPERS has allocated the net pension liability among its members, with the Issuer's identified portion at June 30, 2023, at approximately $2,690,957. While the Issuer's contributions to IPERS are controlled by state law, there can be no assurance the Issuer will not be required by changes in State law to increase its contribution requirement in the future, which may impact the finances of the Issuer. See "**APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THE ISSUER**" for additional information on pension and liabilities of the Issuer.

Rating Loss

S&P's Global Ratings (the "Rating Agency") has assigned a rating of "A+" 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.

Rating agencies are currently not regulated by any regulatory body. Future regulation of rating agencies could materially alter the methodology, rating levels, and types of ratings available, for example, and these changes, if ever, could materially affect the market value 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.

Legislative Change Related to School Choice

The Legislature enacted and the Governor signed House File 68 (HF68) during its 2023 legislative session. HF68 established a standing unlimited State general fund appropriation for an Education Savings Account Fund (Fund) under the control of the Department of Education. The Fund must be used to establish individual accounts for participating pupils and to make qualified education savings account payments on behalf of parents and guardians, including payment for nonpublic school tuition, textbooks, software, fees, curriculum materials, and other similar expenses. HF68 became effective on July 1, 2023, for fiscal year ending June 30, 2024 and expands eligibility for the program each year with all students attending a nonpublic school becoming eligible beginning in fiscal year ending June 30, 2026.

The annual amount per account in the Fund is determined by the State Cost Per Pupil (SCPP) for that fiscal year and changes each year based on the State Percent of Growth (SPG). For fiscal year ending 2026, the SCPP is $7,988, which amount will be deposited into the Fund, instead of being sent to the Issuer, for each qualifying student within the Issuer attending a nonpublic school. HF68 provides that a District is funded in an amount of $1,176 per student for resident pupils who attend a nonpublic school. According to the Department of Education, there were 4 students who reside within the boundaries of the Issuer but attended non-public schools for the 2022-23 school year, 8 students for the 2023-24 school year and 5 students for the 2024-25 school year. It is unknown how many additional students, if any, will attend non-public schools in future years, as HF68 is implemented. If a significant number of eligible students in the Issuer transition to non-public schools, it could have an adverse impact on the Issuer's finances given the reduction in per student funding the Issuer would otherwise receive. The Bonds are general obligations of the Issuer. See "**THE BONDS – Source of Security for the Bonds"** herein.

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**."

Risks as Employer

The Issuer is a major employer, combining a complex mix of full-time faculty, part-time faculty, technical and clerical support staff and other types of workers in a single operation. As with all large employers, the Issuer bears a wide variety of risks in connection with its employees. These risks include discrimination claims, personal tort actions, work-related injuries, exposure to hazardous materials, interpersonal torts (such as between employees or between employees and students) and other risks that may flow from the relationships between employer and employee or between students and employees. Certain of these risks are not covered by insurance, and certain of them cannot be anticipated or prevented in advance.

Cybersecurity

The Issuer, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computers or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the Issuer will be completely successful to guard against and prevent cyber threats and attacks. Failure to properly maintain functionality, control, security, and integrity of the Issuer's information systems could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant. Along with significant liability claims or regulatory penalties, any security breach could have a material adverse impact on the Issuer's operations and financial condition.

The Issuer maintains cyber-insurance policies. The Issuer cannot predict whether these policies would be sufficient in the event of a cyber-incident.

Debt Payment History

The Issuer knows of no instance in which it has intentionally defaulted in the payment of principal and interest on any of its debt.

Redemption Prior to Maturity/Loss of Premium from Redemption

In considering whether the Bonds might be redeemed prior to maturity, Bondholders should consider the information included in this Official Statement under the heading "THE BONDS." Furthermore, the Bonds are subject to optional and mandatory redemption as set forth herein. See "THE BONDS" herein. Any person who purchases the Bonds at a price in excess of their principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity.

See "THE BONDS - Prepayment" herein.

Clean up Costs and Liens under Environmental Statutes

The Issuer is not aware of any enforcement actions currently in process with respect to any releases of pollutants or contaminants at the Project sites. However, there can be no assurance that an enforcement action or actions will not be instituted under such statutes at future date. In the event such enforcement actions were initiated, the Issuer could be liable for the costs of removing or otherwise treating pollutants or contaminants located at the Project sites. In addition, under applicable environmental statutes, in the event an enforcement action is initiated, a lien superior to any Bondholders' lien, if any, could attach to the Project, which may adversely affect the Bondholders' rights.

General Liability Claims

In recent years, the number of general liability suits and the dollar amounts of damage awards have increased nationwide, resulting in substantial increases in insurance premiums. Litigation may also arise against the Issuer from its business activities, such as its status as an employer. While the Issuer maintains general liability insurance coverage, the Issuer is unable to predict the availability or cost of such insurance in the future. In addition, it is possible that certain types of liability awards may not be covered by insurance as in effect at relevant times. Any negative impact resulting from such awards may impact the Issuer's ability to operate.

Project Completion; Risks of Construction

A delay in completion of the Project may arise from any number of other causes, including but not limited to, adverse weather conditions, unavailability of subcontractors, and negligence on the part of subcontractors, labor disputes, or unanticipated costs of construction, equipping or renovation. Any of these events or occurrences, separately or in combination, could have a material adverse effect on the Issuer's ability to complete the Project, or to complete it as planned and on schedule. The Issuer believes that the proceeds of the Bonds plus the proceeds of the previously issued $6,710,000 General Obligation School Bonds dated June 4, 2024, and the proceeds of the previously issued $3,150,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds dated April 1, 2024, will be sufficient to complete the Project; however, the cost of construction of the Project may be affected by factors beyond the control of the Issuer, including strikes, material shortages, adverse weather conditions, trade tariffs, subcontractor defaults, delays, and unknown conditions.

Damage or Destruction to District's Facilities

Although the District maintains certain kinds of insurance, there can be no assurance that the District will not suffer uninsured losses in the event of damage to or destruction of the District's facilities, including the Project, due to fire or other calamity or in the event of other unforeseen circumstances

Financial Condition of the Issuer from time to time

No representation is made as to the future financial condition of the Issuer. Certain risks discussed herein could adversely affect the financial condition and/or operations of the Issuer in the future. For fiscal year ending June 30, 2024, the auditor noted a material weakness in internal control regarding segregation of duties, which is described in more detail in the audited financial statements attached as Appendix D. However, the Bonds are secured by an unlimited ad valorem property tax as described more fully in the "THE BONDS – Source of Security for the Bonds" herein.

Enrollment Trends

The Issuer has experienced a decline in its resident student population over the last four years, negatively impacting its certified enrollment numbers and the amount of revenue received. During that time, the Issuer has maintained its total-served student population due to a large population of non-resident students that open enroll into the District. Open enrollment approval is subject to change year to year. See APPENDIX A–Information About the Issuer–Enrollment. However, the Bonds are secured by an unlimited ad valorem property tax as described more fully in the "THE BONDS – Source of Security for the Bonds" herein.

Continuing Disclosure

A failure by the Issuer to comply with the continuing disclosure obligations (see "Continuing Disclosure" herein) will not constitute an event of default on the Bonds. Any such failure must be disclosed in accordance with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, and may adversely affect the transferability and liquidity of the Bonds and their market price.

Suitability of Investment

The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgement as to its ability to bear the economic risk of such and investment, and whether or not the bonds are an appropriate investment for such investor.

Bankruptcy and Insolvency

The rights and remedies provided in the Resolution may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditor's rights, to the exercise of judicial discretion in appropriate cases and to limitations in legal remedies against exercise of judicial discretion in appropriate cases and to limitations on legal remedies against municipal corporations in the State of Iowa. The various opinions of counsel to be delivered with respect to the Bonds and the Resolution, including the opinion of Bond Counsel, will be similarly qualified. If the Issuer were to file a petition under chapter nine of the federal bankruptcy code, the owners of the Bonds could be prohibited from taking any steps to enforce their rights under the Resolution. In the event the Issuer fails to comply with its covenants under the Resolution or fails to make payments on the Bonds, there can be no assurance of the availability of remedies adequate to protect the interests of the holders of the Bonds.

Under sections 76.16 and 76.16A of the Code of Iowa, as amended, a city, county, or other political subdivision may become a debtor under chapter nine of the federal bankruptcy code, if it is rendered insolvent, as defined in 11 U.S.C. §101(32)(c), as a result of a debt involuntarily incurred. As used therein, "debt" means an obligation to pay money, other than pursuant to a valid and binding collective bargaining agreement or previously authorized bond issue, as to which the governing body of the city, county, or other political subdivision has made a specific finding set forth in a duly adopted resolution of each of the following: (1) that all or a portion of such obligation will not be paid from available insurance proceeds and must be paid from an increase in general tax levy; (2) that such increase in the general tax levy will result in a severe, adverse impact on the ability of the city, county, or political subdivision to exercise the powers granted to it under applicable law, including without limitation providing necessary services and promoting economic development; (3) that as a result of such obligation, the city, county, or other political subdivision is unable to pay its debts as they become due; and (4) that the debt is not an obligation to pay money to a city, county, entity organized pursuant to chapter 28E of the Code of Iowa, or other political subdivision.

Tax Matters, Bank Qualification, and Loss of Tax Exemption

As discussed under the heading "TAX EXEMPTION AND RELATED CONSIDERATIONS" herein, the interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Bonds, as a result of acts or omissions of the Issuer in violation of its covenants in the Bond Resolution. Should such an event of taxability occur, the Bonds would not be subject to a special prepayment and would remain outstanding until maturity or until prepaid under the prepayment provisions contained in the Bonds, and there is no provision for an adjustment of the interest rate on the Bonds.

The Issuer will 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") and has further covenanted to comply with certain other requirements, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code. However, the Issuer's failure to comply with such covenants could cause the Bonds not to be "qualified tax-exempt obligations" and banks and certain other financial institutions would not receive more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

It is possible that legislation will be proposed or introduced that could result in changes in the way that tax exemption is calculated, or whether interest on certain securities are exempt from taxation at all. Prospective purchasers should consult with their own tax advisors regarding any pending or proposed federal income tax legislation. The likelihood of any pending or proposed federal income tax legislation being enacted or whether the proposed terms will be altered or removed during the legislative process cannot be reliably predicted.

It is also possible that actions of the Issuer after the closing of the Bonds will alter the tax status of the Bonds, and, in the extreme, remove the tax-exempt status from the Bonds. In that instance, the Bonds are not subject to mandatory prepayment, and the interest rate on the Bonds does not increase or otherwise reset. A determination of taxability on the Bonds, after closing of the Bonds, could materially adversely affect the value and marketability of the Bonds.

Factors Beyond Issuer's Control

Economic and other factors beyond the Issuer's control, such as economic recession, deflation of property values, or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire or other natural disaster, could cause a reduction in the assessed value within the corporate boundaries of the Issuer. The State of Iowa, including the Issuer, is susceptible to tornados, flooding and extreme weather wherein winds and flooding have from time to time caused significant damage, which may have an adverse impact on the Issuer's financial position.

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 and no litigation has been proposed that questions the validity of the Bonds.

ACCOUNTANT

The accrual-basis financial statements of the Issuer included as APPENDIX D to this Official Statement have been examined by Kay L Chapman, CPA PC 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

Proceeds of the Bonds, when combined with the previously issued $6,710,000 General Obligation School Bonds, dated June 4, 2024, plus the proceeds of the previously issued $3,150,000 School Infrastructure Sales Services & Use Tax Revenue Bonds, dated April 1, 2024, will be used to fund a total project scope of approximately $13,300,000 to provide funds to: i) renovate, repair, improve, expand, furnish and equip portions of the existing building, including gymnasium spaces, classrooms, HVAC and electrical systems, and administrative office spaces, including security improvements, and ii) pay costs of issuance for the Bonds (the "Project").

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 EXEMPTION AND RELATED TAX MATTERS

Tax Exemption

Federal tax law contains a number of requirements and restrictions that apply to the Bonds, including 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 Issuer 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 Issuer's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, the interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on corporations.

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.

The 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.

Qualified Tax Exemption Obligations

The Bonds will be designated as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code"). The Issuer has further covenanted to comply with certain other requirements, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code. Actions, or inactions, by the Issuer in violation of its covenants could affect the designation, which could also affect the pricing and marketability of the Bonds.

Discount and Premium Bonds

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 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 premium on Premium Bonds for income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

Other Tax Advice

In addition to the income tax consequences described above, potential investors should consider the additional tax consequences of the acquisition, ownership, and disposition of the Bonds. For instance, state income tax law may differ substantially from state to state, and the foregoing is not intended to describe any aspect of the income tax laws of any state. Therefore, potential investors should consult their own tax advisors with respect to federal tax issues and with respect to the various state tax consequences of an investment in Bonds.

Audits

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. To the best of the Issuer's knowledge, no obligations of the Issuer are currently under examination by the Service. 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 Issuer 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.

Reporting and Withholding

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. 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.

Current and future legislative proposals, including some that carry retroactive effective dates, if enacted into law, court decisions, or clarification of the Code may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent owners of the Bonds from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any other legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed tax legislation, as to which Bond Counsel expresses no opinion other than as set forth in its legal opinion.

The Opinion

The FORM OF LEGAL OPINION, in substantially the form set out in APPENDIX B to this Preliminary Official Statement, will be delivered at closing.

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 Issuer 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, nor does the rendering of the opinion guarantee the outcome of any legal dispute that may arise out of the transaction. 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.

Enforcement

There is no 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 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.

The owners of the Bonds cannot foreclose on property within the boundaries of the Issuer 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 Issuer 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, to the exercise of judicial discretion in appropriate cases and to the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

Bond Counsel Review

Bond Counsel has approved the language included in this "TAX EXEMPTION AND RELATED TAX MATTERS" Section but has not otherwise participated in the preparation of this Preliminary Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has not examined, nor attempted to examine or verify, any of the financial or statistical statements or data contained in this Preliminary Official Statement and will express no opinion with respect thereto.

ALL POTENTIAL PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE BONDS (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).

MUNICIPAL ADVISOR

The Issuer has retained Piper Sandler & Co. as municipal advisor (the “Municipal Advisor”) in connection with the issuance of the Bonds. In preparing this Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources who have access to relevant data to provide accurate information and the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy, completion or fairness of such information and data. The Municipal 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

The Issuer will covenant in a Continuing Disclosure Certificate for the benefit of the Owners and Beneficial Owners of the Bonds to provide annually certain financial information and operating data relating to the Issuer (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. The Annual Report is to be filed by the Issuer no later than April 15 after the close of each fiscal year, commencing with the fiscal year ending June 30, 2026, with the Municipal Securities Rulemaking Board, at its internet repository named “Electronic Municipal Market Access” (“EMMA”). The Issuer also has agreed to file its audited financial statement for fiscal year ending June 30, 2025, when available. The notices of events, if any, are also to be filed with EMMA. See “APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE.” The specific nature of the information to be contained in the Annual Report or the notices of events, and the manner in which such materials are to be filed, are summarized in “APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5) (the “Rule”).

A failure by the District to comply with the Undertaking will not constitute a default under the Resolution and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. Any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the District to comply with its obligations under the Disclosure Certificate. Direct, indirect, consequential and punitive damages shall not be recoverable by any person for any default thereunder. If the District fails to comply with any provision of the Disclosure Certificate, the sole remedy available shall be an action to compel performance. A failure by the District to comply with the Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

For the previous five (5) year period, the Issuer believes it has complied with the Rule in all material respects; however, the Issuer provides the following disclosure for the sole purpose of assisting Underwriters in complying with the Rule. For the Issuer’s outstanding debt obligations, the Issuer failed to file its audited financial statement for fiscal year ending June 30, 2023. The Issuer filed the fiscal year 2023 audited financial statement and filed a Notice of Failure to file on __________, 2025.

Bond Counsel expresses no opinion as to whether the Undertaking complies with the requirements of Section (b)(5) of the Rule.

MISCELLANEOUS

Brief descriptions or summaries of the Issuer, the Bond, and statutes are included in this Official Statement. The summaries or references herein to the Bonds and statutes referred to herein, and the description of the Bonds included herein, do not purport to be comprehensive or definitive, and such summaries, references and descriptions are qualified in their entireties by reference to such documents, and the description herein of the Bonds is qualified in its entirety by reference to the form thereof and the information with respect thereto included in the aforesaid documents. Copies of such documents may be obtained from the Issuer.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact, and no representation is made that any of the estimates will be realized. This Official Statement is not to be construed as a contract or agreement between the Issuer and the purchasers or Owners of any of the Bonds.

The attached APPENDICES A, B, C, D and E are integral parts of this Official Statement and must be read together with all of the foregoing statements.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for any Bonds.

The Issuer has received the information contained herein which relates to and has approved all such information for use within this Official Statement. The execution and delivery of this Official Statement has been duly authorized by the Issuer.

APPENDIX A - INFORMATION ABOUT THE ISSUER

DURANT COMMUNITY SCHOOL DISTRICT, IOWA

DISTRICT OFFICIALS

PRESIDENT	Katy Oberlander
BOARD MEMBERS	Tara Lindsay Julie Rivera Marie Richman Carla Whitlock
SUPERINTENDENT	Joe Burnett
DISTRICT SECRETARY	Gabrielle Speth
DISTRICT TREASURER	Gabrielle Speth
DISTRICT ATTORNEY	Ahlers & Cooney, P.C.

CONSULTANTS

BOND COUNSEL	Ahlers & Cooney, P.C. Des Moines, Iowa
DISCLOSURE COUNSEL	Ahlers & Cooney, P.C. Des Moines, Iowa
MUNICIPAL ADVISOR	Piper Sandler & Co. Des Moines, Iowa
PAYING AGENT	UMB Bank, n.a. West Des Moines, Iowa

General Information

The Durant Community School District is located in east central Iowa. The District is 92 square miles in size and includes portions of Cedar, Muscatine and Scott Counties, approximately 15 miles north of Muscatine and 20 miles west of Davenport. Many residents of the District commute to employment in Davenport and Muscatine. The District is served by U.S. Interstate 80, the Iowa Interstate Railroad, and U.S. Highway 6. Commercial air service is available at Quad Cities International Airport, Moline, IL, approximately 30 miles east of Durant or The Eastern Iowa Airport, Cedar Rapids, IA, approximately 60 miles northwest of Durant.

District Facilities (1)

Presented below is a recap of the existing facilities of the Issuer:

Building	Construction Date	Grades Served
High School	1976	9-12
Middle School	1957	5-8
Elementary	1961, 1968	PK-4

Enrollment (3)

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

Count Date	Fiscal Year effective	Certified (Resident) (4) (5)	Open Enroll In	Open Enroll Out	Total Served (6)
October-24	2025-26	470.7	219.1	47.4	642.4
October-23	2024-25	490.3	197.3	44.2	731.8
October-22	2023-24	503.5	167.2	40.0	630.7
October-21	2022-23	531.0	133.0	36.0	628.0
October-20	2021-22	530.8	74.0	42.5	562.3

Staff (1)

Presented below is a list of the Issuer's 118 employees.

Administrators:	3	Media Specialists:	2
Teachers:	52	Nurses:	1
Teacher Aids:	19	Guidance:	2
Custodians:	4	Secretaries:	3
Food Service:	19	Transportation:	7
Other:	4	Maintenance:	2

Population (2)

Presented below are population figures for the periods indicated for the city of Durant.

Year	Population
2020	1871
2010	1832
2000	1677
1990	1549
1980	1583
1970	1472

(1) Source: the Issuer
(2) Source: U.S. Census Bureau
(3) Source: Iowa Department of Education
(4) Used for Sales Tax distribution
(5) Used for State Aid distribution
(6) For each fiscal year, the school district into which any student open-enrolls, sends an invoice to the home-district in the amount of regular district cost per pupil, which is equal to the amount of State Aid the home-district receives from the State.

Other Post-Employment Benefits (OPEB) (1)

Plan Description - The Issuer operates a single-employer health benefit plan which provides medical and prescription drug benefits for employees, retirees and their spouses.

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

Retired participants must be age 55 or older at retirement. At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	4
Active employees	82
Total	86

Total OPEB Liability – The Issuer's total OPEB liability of $193,999 was measured as of June 30, 2024, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions – the total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement:

Rate of inflation (effective 6/30/24)	2.75% per IPERS + .25% additional for insurance company
Rates of salary increase (effective 6/30/24) including inflation	0% OPEB directly determined by service years, not salary
Discount rate (effective 6/30/24) including inflation	4.75% compounded annually
Healthcare cost trend rate (effective 6/30/24)	6.00% per annum

Discount Rate – The discount rate used to measure the total OPEB liability was 4.75%, which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the RP-2014 annuity mortality table. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

Changes in the Total OPEB Liability:

Total OPEB obligation – beginning of year		$189,772
Changes for the year		
	Service Cost	14,803
	Interest	9,435
	Difference between expected & actual experiences	-
	Change in assumption	(54,967)
	Recognition of deferred inflows/outflows	(6,491)
	Benefit Payments	(14,390)
Net Changes		4,227
Net OPEB obligation – end of year		$193,999

Changes of assumptions reflect a change in the discount rate from 2.37% in fiscal year 2023 to 4.75% in fiscal year 2024.

(1) Source: the Issuer

Employee Pension Plan (1)

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. 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, 2017 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.

The Issuer's contributions to IPERS is not less than that which is required by law. 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
2020	442,293	9.44	294,708.10	6.29
2021	452,467	9.44	301,485.36	6.29
2022	466,932	9.44	311,122.64	6.29
2023	494,246	9.44	329,322.83	6.29
2024	513,866	9.44	342,395.84	6.29

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.

Table 2 – Recent returns of IPERS (1)

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

Fiscal Year Ended June 30	Investment Return %
2019	8.35
2020	3.39
2021	29.63
2022	-3.90
2023	5.41

(1) SOURCE: The Issuer

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 (collectively, the "IPERS CAFRs"), and the actuarial valuation reports provided to IPERS by Cavanaugh MacDonald Consulting, LLC (collectively, the "IPERS Actuarial Reports"). Additional information regarding IPERS and its latest actuarial valuations can be obtained by contacting IPERS administrative staff.

Table 3 – Funding Status of IPERS (1)

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]]
2020	34,485,656,745	34,047,692,112	41,072,427,540	6,586,770,795	83.96	7,024,735,428	82.90	8,391,856,350	78.49
2021	37,584,987,296	42,889,875,682	42,544,648,750	4,959,661,454	88.34	-345,226,932	100.81	8,648,783,536	57.35
2022	39,354,232,379	40,186,392,289	43,969,714,606	4,615,482,227	89.50	3,783,322,317	91.40	9,018,019,950	51.18
2023	41,012,524,216	41,206,314,259	45,719,979,439	4,707,455,223	89.70	4,513,665,180	90.13	9,588,339,000	49.10
2024	42,927,257,062	43,661,123,300	47,302,619,657	4,375,362,595	90.75	3,641,496,357	92.30	10,003,675,315	43.74

Net Pension Liabilities (2)

At June 30, 2024, the Issuer reported a liability of $2,690,957 for its proportional share of the IPERS net pension liability. The net pension liability was measured as of June 30, 2023 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%. 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.

Bond Counsel, Disclosure Counsel, the Issuer, the Underwriter and the Municipal Advisor, and Counsel to Municipal 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.

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(1) Source: IPERS Actuarial Reports. For a description of the assumptions used when calculating the funding status of IPERS for the fiscal year noted herein, see IPERS CAFRs

(2) Source: the Issuer

Investment of Public Funds (1)

The Issuer invests its funds pursuant to Chapter 12B of the Code. Presented below is the Issuer's investing activities as of July 31, 2025.

Type of Investment	Amount Invested
Local Bank Money Market	$0
Local Bank Deposit Accounts	11,696,028.80
Local Bank Time CD's	0
ISJIT Money Market	476,181.31
ISJIT Time CD's	NA

Major Employers (2)

Presented below is a summary of the largest employers in the District:

Employer	Business	Approximate Employees
Casey's General Store	Convenience store	10-19
D&D Trucking	Heavy hauling trucking	20-49
Durant CSD	Education	118
Durant Iron & Metal	Scrap metals & iron	10-19
Liberty Trust & Savings Bank	Banking	10-19
Norfolk Iron & Metal	Steel distributors & warehouse	50-99
Paper's Lumber & Supply	Construction/hardware	10-19
Ron Alpen Ford	Car dealer	10-19
Russelloy Foundry	Gray iron	20-49
Schumacher Co.	Agricultural equipment	10-19
SFS Intec	Fasteners for building construction	50-99
Suncourt Mfg.	Small appliance mfg	20-49
Thoma Enterprises	Food services/groceries	20-49
Twin State Engineering	Fertilizer	5-9
Woodhaven	Woodworking machines mfg	1-4

Property Tax Assessment (3)

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, agricultural and commercial valuations are as follows:

Fiscal Year	Residential	Ag. Land & Bldgs	Commercial	Sm Commercial	Multi-residential	Railroad	Sm Railroad	Utilities	Industrial
2025-26	47.4316	73.8575	90.0000	47.4316	NA	90.0000	47.4316	100.0000	90.0000
2024-25	46.3428	71.8370	90.0000	46.3428	NA	90.0000	46.3428	100.0000	90.0000
2023-24	54.6501	91.6430	90.0000	54.6501	NA	90.0000	54.6501	100.0000	90.0000
2022-23	54.1302	89.0412	90.0000	90.0000	63.7500	90.0000	90.0000	100.0000	90.0000
2021-22	56.4094	84.0305	90.0000	90.0000	67.5000	90.0000	90.0000	98.5489	90.0000

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, 2024 are used to calculate tax liability for the tax year starting July 1, 2025 through June 30, 2026. Presented below are the historic property valuations of the Issuer by class of property.

(1) Source: the Issuer
(2) Source: Iowa Workforce Development.com/employer database
(3) Source: Iowa Department of Revenue

Property Valuations (1)

Actual Valuation					
Valuation as of January	2024	2023	2022	2021	2020
Fiscal Year	2025-26	2024-25	2023-24	2022-23	2021-22
Residential:	270,973,517	262,212,674	210,615,293	200,157,540	186,092,760
Agricultural Land:	122,401,010	122,394,250	92,466,630	92,473,370	99,423,230
Ag Buildings:	8,777,610	7,774,680	5,476,690	4,980,840	4,673,400
Commercial:	52,136,073	51,012,668	41,517,757	41,699,560	40,705,528
Industrial:	26,617,941	23,232,486	24,430,369	24,357,178	24,351,030
Multiresidential:	0	0	0	3,767,213	3,683,777
Personal RE:	0	0	0	0	0
Railroads:	2,404,694	2,408,297	2,360,571	2,349,549	2,291,225
Utilities:	6,368,760	5,384,542	5,009,073	6,264,473	6,478,299
Other:	0	0	0	0	0
Total Valuation:	489,679,605	474,419,597	381,876,383	376,049,723	367,699,249
Less Military:	528,000	576,000	270,392	283,356	292,616
Less Homestead:	1,566,500	715,000			
Net Valuation:	487,585,105	473,128,597	381,605,991	375,766,367	367,406,633
TIF Valuation:	909,769	939,584	1,029,601	1,037,312	1,029,610
Utility Replacement:	28,631,020	27,658,000	26,137,460	22,972,846	20,935,458

Taxable Valuation					
Valuation as of January	2024	2023	2022	2021	2020
Fiscal Year	2025-26	2024-25	2023-24	2022-23	2021-22
Residential:	128,527,085	121,516,730	115,101,492	108,345,613	104,973,747
Agricultural Land:	90,402,310	87,924,346	84,739,188	82,339,404	83,545,828
Ag Buildings:	6,482,917	5,585,099	5,019,001	4,435,009	3,927,082
Commercial:	41,694,048	40,542,352	33,427,427	37,529,608	36,634,977
Industrial:	22,728,919	19,671,684	20,990,135	21,817,729	21,812,966
Multiresidential:	0	0	0	2,401,602	2,486,554
Personal RE:	0	0	0	0	0
Railroads:	2,119,511	2,121,609	2,087,382	2,114,594	2,062,103
Utilities:	6,368,760	5,384,542	5,009,073	6,264,473	6,384,292
Other:	0	0	0	0	0
Total Valuation:	298,323,550	282,746,362	266,373,698	265,248,032	261,827,549
Less Military:	528,000	576,000	270,392	283,356	292,616
Less Homestead:	1,566,500	718,250			
Net Valuation:	296,229,050	281,452,112	266,103,306	264,964,676	261,534,933
TIF Valuation:	909,769	939,584	1,029,601	1,037,312	1,029,610
Utility Replacement:	5,528,489	5,625,937	5,874,420	6,000,565	5,569,361

Valuation Year	Actual Valuation w/ Utilities	% Change in Actual Valuation	Taxable Valuation w/ Utilities	% Change in Taxable Valuation
2024	517,125,894	3.07%	302,667,308	5.09%
2023	501,722,931	22.74%	288,017,633	5.50%
2022	408,773,052	2.25%	273,007,327	0.37%
2021	399,776,525	2.67%	272,002,553	1.44%
2020	389,371,701	0.73%	268,133,904	2.71%

(1) Source: Iowa Department of Management

Tax Rates (1)

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

Fiscal Year	Operating	Management	Board PPEL	V PPEL	Playground	Debt	Schoolhouse	Total Levy
2026	9.34454	0.69592	0.33000	0.02341	0.00000	2.54438	0.00000	12.93825
2025	8.24435	1.045010	0.330000	0.00000	0.00000	2.70000	0.00000	12.31936
2024	8.34168	1.10303	0.33000	0.00000	0.00000	0.00000	0.00000	9.77471
2023	7.92778	1.10715	0.33000	0.00000	0.00000	0.00000	0.00000	9.36493
2022	8.87809	1.12316	0.33000	0.00000	0.00000	0.00000	0.00000	10.33125

Historic Tax Rates (1)

Presented below are the tax rates by taxing entity for residents of the City of Durant

Fiscal Year	City	School	College	State	Assessor	Ag Extens	Hospital	County	Transit	Total Levy
2026	16.24235	12.93825	0.92744	0.00000	0.34586	0.18343	0.00000	5.28779	0.00000	35.92512
2025	16.26529	12.31936	0.94807	0.00180	0.48303	0.18854	0.00000	5.25517	0.00000	35.46126
2024	15.94487	9.77471	0.94840	0.00180	0.67442	0.19878	0.00000	5.35809	0.00000	32.90107
2023	14.64314	9.36493	0.94542	0.00240	0.67495	0.19307	0.00000	5.28979	0.00000	31.11370
2022	14.81504	10.33125	0.92357	0.00260	0.31250	0.19260	0.00000	5.75044	0.00000	32.32800

Tax Collection History (2)

Presented below are the actual ad-valorem tax levies and collections for the periods indicated:

Fiscal Year	Amount Levied	Amount Collected	Percentage Collected
2025	$3,539,576	In collection	NA
2024	2,658,947	$2,696,992	101.43%
2023	2,537,982	2,538,249	100.01%
2022	2,760,247	2,761,059	100.03%
2021	2,991,409	3,005,746	100.48%
2020	3,041,358	3,029,321	99.60%

(1) Source: Iowa Department of Management
(2) Source: the Issuer

Largest Taxpayers (1) (2)

Set forth in the following table are the persons or entities which represent the 2024 largest taxpayers within the Issuer. 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 tax 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 tax levies of the other taxing entities which overlap the properties.

Taxpayer	2024 Taxable Valuation	Percent of Total
River Valley Cooperative	$8,399,075	2.78%
JAE Properties Colorado LLC	7,582,070	2.51%
Avery Land & Farming LLC	6,088,639	2.01%
Pioneer Hi-BRED	4,978,001	1.64%
SSA Delaware LLC	4,113,678	1.36%
Northern Border Pipeline Company	3,709,801	1.23%
MidAmerican Energy Company	3,642,479	1.20%
Twin State Engineering & Chemical Co.	2,918,877	0.96%
Exit 284 Land & Development In	2,744,821	0.91%
Schumacher Company IC	2,208,951	0.73%
	Total	15.33%

(1) Source: Cedar, Muscatine and Scott County Auditor's Offices

(2) 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 Issuer's authority to levy taxes to pay principal and interest on the Bonds could be adjudicated to be proportionately reduced in future years if the utility replacement tax were to be other than "taxable property" for purposes of computing the Issuer's levy limit under Iowa Code Section 298.18, as amended from time to time. 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.

Direct Debt

General Obligation School Bonds (Debt Service) (1)

Presented below is the estimated principal and interest, presented by fiscal year and issue on the Issuer's outstanding general obligation bonds, including the Bonds.

Fiscal Year	6/4/24	12/1/25	Total Principal	Total Interest	Total P&I
2026	$520,000		$520,000	$340,575	$860,575
2027	220,000	$90,000	310,000	412,350	722,350
2028	230,000	185,000	415,000	399,050	814,050
2029	240,000	195,000	435,000	380,600	815,600
2030	250,000	205,000	455,000	361,250	816,250
2031	260,000	215,000	475,000	341,000	816,000
2032	270,000	225,000	495,000	319,850	814,850
2033	280,000	235,000	515,000	297,800	812,800
2034	290,000	250,000	540,000	277,200	817,200
2035	305,000	255,000	560,000	255,600	815,600
2036	315,000	265,000	580,000	233,200	813,200
2037	330,000	275,000	605,000	210,000	815,000
2038	340,000	290,000	630,000	185,800	815,800
2039	355,000	300,000	655,000	160,600	815,600
2040	370,000	310,000	680,000	134,400	814,400
2041	385,000	325,000	710,000	107,200	817,200
2042	400,000	310,000	710,000	78,800	788,800
2043	415,000	320,000	735,000	50,400	785,400
2044	425,000	100,000	525,000	21,000	546,000
Totals:	$6,200,000	$4,350,000	$10,550,000	$4,566,675	$15,116,675

General Obligation School Capital Loan Notes (PPEL) (1)

The Issuer does not have any outstanding General Obligation School Capital Loan Notes.

Anticipatory Warrants (1)

The Issuer has not issued anticipatory warrants during the past five years.

School Infrastructure Sales, Services & Use Tax Revenue Bonds (1)

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

Fiscal Year	4/1/24	Total Principal	Total Interest	Total P&I
2026	$270,000	$270,000	$118,125	$388,125
2027	280,000	280,000	104,625	384,625
2028	295,000	295,000	90,625	385,625
2029	310,000	310,000	75,875	385,875
2030	325,000	325,000	60,375	385,375
2031	340,000	340,000	47,375	387,375
2032	355,000	355,000	33,775	388,775
2033	365,000	365,000	23,125	388,125
2034	375,000	375,000	11,719	386,719
Totals:	$2,915,000	$2,915,000	$565,619	$3,480,619

(1) Source: the Issuer

Debt Limit (1) (2) (3)

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 Issuer's debt limit, based upon said valuation, amounts to the following:

1/1/2024 Actual Valuation:	$517,125,894
X	0.05
Statutory Debt Limit:	25,856,295
Total General Obligation Debt:	10,550,000
Total Lease Purchases:	
Total Loan Agreements:	
Capital Leases:	296,304
Total Debt Subject to Limit:	10,846,304
Percentage of Debt Limit Obligated:	41.95%

It has not been determined whether the Issuer'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 $2,915,000 to be $13,761,304* or 53.22%* of the statutory debt limit.

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(1) Direct debt source: the Issuer
(2) Valuation data source: Iowa Department of Management
(3) 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.

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.

Overlapping & Underlying Debt (1) (3)

Presented below is a listing of the overlapping and underlying debt outstanding of other governmental issuers within the Issuer.

Taxing Authority	Outstanding Debt	2023 Taxable Valuation	Taxable Value Within Issuer	Percentage Applicable	Amount Applicable
City Of Durant	$3,944,000	$95,206,217	$95,206,217	100.00%	$3,944,000
City Of Walcott	1,700,000	133,375,910	18,829,430	14.12%	239,999
City Of Stockton	0	4,507,902	4,507,902	100.00%	0
Cedar County	7,920,000	1,535,284,328	144,681,819	9.42%	746,363
Scott County	9,540,000	11,208,673,499	75,610,100	0.67%	64,354
Muscatine County	7,360,000	2,453,065,654	67,725,714	2.76%	203,199
Eastern Iowa CC	52,765,000	18,485,547,080	288,017,633	1.56%	822,115
Mississippi Bend AEA	0	18,485,547,080	288,017,633	1.56%	0

Total Overlapping & Underlying Debt: $6,020,030

FINANCIAL SUMMARY (1) (2) (3) (4)

Actual Value of Property, 2024:	$517,125,894
Taxable Value of Property, 2024:	302,667,308
Direct General Obligation Debt:	$10,550,000
Overlapping Debt:	6,020,030
Direct & Overlapping General Obligation Debt:	$16,570,030
Population, 2020 US Census:	3,016
Direct Debt per Capita:	$3,498.01
Total Debt per Capita:	$5,494.04
Direct Debt to Taxable Valuation:	3.49%
Total Debt to Taxable Valuation:	5.47%
Direct Debt to Actual Valuation:	2.04%
Total Debt to Actual Valuation:	3.20%
Actual Valuation per Capita:	$171,461
Taxable Valuation per Capita:	$100,354

(1) Valuation source: Iowa Department of Management
(2) Direct debt source: the Issuer
(3) Overlapping debt outstanding source: Treasurer, State of Iowa; where available, EMMA.MSRB.ORG
(4) Population source: U.S. Census Bureau

APPENDIX B – FORM OF LEGAL OPINION

DRAFT

We hereby certify that we have examined a certified transcript of the proceedings of the Board of Directors of the Durant Community School District in the Counties of Cedar, Muscatine, and Scott, State of Iowa, and acts of administrative officers of the School District (the "Issuer"), relating to the issuance of General Obligation School Bonds, Series 2025, by said Issuer, dated December 1, 2025, 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 under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code 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 includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

The Issuer has designated the Bonds "qualified tax exempt obligations" within the meaning of Section 265(b)(3) of the Code.

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 later come to our attention, or any changes in law that may later occur.

AHLERS & COONEY, P.C.

APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE

DRAFT

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Durant Community School District, State of Iowa (the "Issuer"), in connection with the issuance of $______________ General Obligation School Bonds, Series 2025 (the "Bonds") dated December 1, 2025. The Bonds are being issued pursuant to a Resolution of the Issuer approved on ____________________, 2025 (the "Resolution"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate; Interpretation. 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). This Disclosure Certificate shall be governed by, construed and interpreted in accordance with the Rule, and, to the extent not in conflict with the Rule, the laws of the State. Nothing herein shall be interpreted to require more than required by the Rule.

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.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with S.E.C. Rule 15c2-12.

"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 ________________, 2025.

"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 adopted by the Securities and Exchange Commission (S.E.C.) under the Securities Exchange Act of 1934, and any guidance and procedures thereunder published by the S.E.C., 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 the 15th day of April of each year following the close of the Issuer's fiscal year (currently June 30), commencing with information for the 2025/2026 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 of the type contained in the final Official Statement under the caption "Property Valuations", "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;
   xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
   xv. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
   xvi. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

b. 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.

c. 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. Additional Filing. The Issuer's audited financial statements for fiscal year ending June 30, 2025 were not available for inclusion in the Final Official Statement. The Issuer agrees to file these audited financial statements in the same manner as the Annual Financial Information when they become available.

Section 7. 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 8. 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 9. 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 10. 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 11. 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 12. 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 13. 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.

Section 14. Rescission Rights. The Issuer hereby reserves the right to rescind this Disclosure Certificate without the consent of the Holders in the event the Rule is repealed by the S.E.C. or is ruled invalid by a federal court and the time to appeal from such decision has expired. In the event of a partial repeal or invalidation of the Rule, the Issuer hereby reserves the right to rescind those provisions of this Disclosure Certificate that were required by those parts of the Rule that are so repealed or invalidated.

Date: __________ day of _______________, 2025.

DURANT COMMUNITY SCHOOL
DISTRICT, STATE OF IOWA

By: ____
President

ATTEST:

By: ____
Secretary of the Board of Directors

EXHIBIT A

NOTICE TO NATIONAL REPOSITORY
OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: Durant Community School District, Iowa.

Name of Bond Issue: $_____________ General Obligation School Bonds, Series 2025

Dated Date of Issue: December 1, 2025

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___.

DURANT COMMUNITY SCHOOL
DISTRICT, STATE OF IOWA

By: ____
Its: ____

APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THE ISSUER

This Appendix contains the entire 2024 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.

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DURANT COMMUNITY SCHOOL DISTRICT

INDEPENDENT AUDITOR'S REPORTS,
BASIC FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS

JUNE 30, 2024

DURANT COMMUNITY SCHOOL DISTRICT

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June 30, 2024

DURANT COMMUNITY SCHOOL DISTRICT
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June 30, 2024

DURANT COMMUNITY SCHOOL DISTRICT
Officials
June 30, 2024

(Before November 2023)

Name	Title	Term Expires
	Board of Education	
Julie Rivera	Board President	Nov. 2025
Katy Oberlander	Board Vice President	Nov. 2025
Travis Bullard	Board Member	Nov. 2023
Tara Lindsay	Board Member	Nov. 2023
Carla Whitlock	Board Member	Nov. 2023
	School Officials	
Joe Burnett	Superintendent	Indefinite
Lesa Kephart	District Secretary	Indefinite
Philip Keese	District Treasurer	Indefinite
Ahlers & Cooney	Attorney	Indefinite

(After November 2023)

Name	Title	Term Expires
	Board of Education	
Julie Rivera	Board President	Nov. 2025
Katy Oberlander	Board Vice President	Nov. 2025
Marie Richman	Board Member	Nov. 2027
Tara Lindsay	Board Member	Nov. 2027
Carla Whitlock	Board Member	Nov. 2027
	School Officials	
Joe Burnett	Superintendent	Indefinite
Gabrielle Speth	District Secretary	Indefinite
Gabrielle Speth	District Treasurer	Indefinite
Ahlers & Cooney	Attorney	Indefinite

Kay L. Chapman, CPA PC

116 Harrison Street
Muscatine, Iowa 52761
563-264-1385
kchapman@cpakay.com

Independent Auditor's Report

To the Board of Education of Durant Community School District:

Report on the Audit of the Financial Statements

Opinions

I have audited the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Durant Community School District, Durant, Iowa, as of and for the year ended June 30, 2024, and the related Notes to Financial Statements, which collectively comprise the District's basic financial statements listed in the table of contents.

In my opinion, the accompanying 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 Durant Community School District as of June 30, 2024 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.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of my report. I am required to be independent of Durant Community School District, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my audit. I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Durant Community School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, I:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Durant Community School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Durant Community School District's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the District's Proportionate Share of the Net Pension Liability, the Schedule of District Contributions and the Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes on pages 6 through 14 and 51 through 57 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. I have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Durant Community School District's basic financial statements. I previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2023 (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included in Schedules 1 through 4 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. The 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 GAAS. In my opinion, the supplementary information in Schedules 1 through 4 is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated February 28, 2025 on my consideration of Durant Community School District's internal control over financial reporting and on my 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 my 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 the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Durant Community School District's internal control over financial reporting and compliance.

Kay L. Chapman, CPA PC

Kay L. Chapman, CPA PC
February 28, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

Durant Community School District provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2024. We encourage readers to consider this information in conjunction with the District's financial statements, which follow.

2024 FINANCIAL HIGHLIGHTS

- General Fund revenues increased from $8,451,122 in fiscal 2023 to $9,019,557 in fiscal 2024. General Fund expenditures also increased from $8,446,841 in fiscal 2023 to $9,056,363 in fiscal 2024. The District's General Fund balance decreased from $1,874,222 in fiscal 2023 to $1,860,397 in fiscal 2024, a decrease of less than 1%.

- The District's certified enrollment decreased by 13.20 students. Total enrollment decreased by 8.70 students.

- The District received a 6.2% premium increase for health insurance for the year.

- This was the 19th year of Whole Grade Sharing with the Bennett Community School District in grades 7-12. The District received funding for 9 regular education WGS students in FY24, a decrease of 3 students compared to FY23.

- Several capital projects were completed during the year, including new elementary windows, auditorium equipment, new parking lot project, elementary lockers & A/C for the fitness room.

- The District did not qualify for a cash reserve for FY24.

- The District continues to share transportation director in FY24 with Wilton CSD. 50% of the salaries and benefits was received from the Wilton CSD for FY24 for the transportation director. Durant CSD also continued sharing an HR Director & Superintendent with Wilton CSD and 60% of salaries and benefits for the HR Director & 50% of salaries and benefits for the Superintendent were paid to Wilton CSD.

USING THIS ANNUAL REPORT

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

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

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

The Fund Financial Statements tell how governmental and business type activities services were financed in the short term as well as what remains for future spending. Fund financial statements report Durant Community School

District's operations in more detail than the government-wide financial statements by providing information about the most significant funds. The remaining financial statements provide information about activities for which the District acts solely as an agent or custodian for the benefit of those outside the District.

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

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

Supplementary Information provides detailed information about the nonmajor governmental funds.

REPORTING THE DISTRICT'S FINANCIAL ACTIVITIES

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

The District has three kinds of funds:

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

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

   The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

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

   The required financial statements for proprietary funds include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position and a Statement of Cash Flows.

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

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

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

   The required financial statements for the fiduciary funds include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Figure A-1 below provides a summary of the District's net position at June 30, 2024 compared to June 30, 2023.

Figure A-1

Condensed Statement of Net Position

	Governmental Activities		Business Type Activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2024	2023	2024	2023	2024	2023	2023-2024
Current and other assets	$ 17,638,891	$ 6,720,171	$ 586,606	$ 531,995	$ 18,225,497	$ 7,252,166	151.31%
Capital assets	5,852,600	5,773,504	51,674	57,104	5,904,274	5,830,608	1.26%
Total assets	23,491,491	12,493,675	638,280	589,099	24,129,771	13,082,774	84.44%
Deferred outflows of resources	961,027	581,384	29,712	17,690	990,739	599,074	65.38%
Long-term liabilities	13,050,805	2,551,247	79,634	68,519	13,130,439	2,619,766	401.21%
Other liabilities	131,609	378,110	12,908	6,918	144,517	385,028	-62.47%
Total liabilities	13,182,414	2,929,357	92,542	75,437	13,274,956	3,004,794	341.79%
Deferred inflows of resources	3,989,523	2,930,891	13,911	8,276	4,003,434	2,939,167	36.21%
Net position							
Net investment in capital assets	5,556,296	5,773,504	51,674	57,104	5,607,970	5,830,608	-3.82%
Restricted	2,194,416	1,578,511	-	-	2,194,416	1,578,511	39.02%
Unrestricted	(470,131)	(137,204)	509,865	465,972	39,734	328,768	-87.91%
Total net position	$ 7,280,581	$ 7,214,811	$ 561,539	$ 523,076	$ 7,842,120	$ 7,737,887	1.35%

The District's total net position increased by 1%, or $104,233 over the prior year.

The largest portion of the District's net position is invested in capital assets (e.g., land, infrastructure, buildings and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets.

Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. The District's restricted net position increased $615,905, or 39% over the prior year. The increase in the restricted net position was largely due to revenues generated in restricted funds during the year that were not expended.

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – decreased $289,034, or 88%. The decrease in unrestricted net position was primarily the result of unfunded special education cost resulting in a special education deficit.

Figure A-2 shows the changes in net position for the year ended June 30, 2024 compared to the year ended June 30, 2023.

Figure A-2

Change in Net Position

	Governmental Activities		Business Type Activities		Total District		Total Change
Revenues	2024	2023	2024	2023	2024	2023	2023-2024
Program revenues							
Charges for service	$ 2,367,594	$ 2,214,446	$ 266,084	$ 241,993	$ 2,633,678	$ 2,456,439	7.22%
Operating grants	1,636,735	1,427,723	236,808	271,338	1,873,543	1,699,061	10.27%
General revenues							
Property tax	2,709,319	2,616,463	-	-	2,709,319	2,616,463	3.55%
Income surtax	334,899	255,501	-	-	334,899	255,501	31.08%
Statewide sales, services and use tax	663,292	726,898	-	-	663,292	726,898	-8.75%
Unrestricted state grants	2,465,921	2,545,733	-	-	2,465,921	2,545,733	-3.14%
Contributions and donations	25,634	55,543	-	-	25,634	55,543	-53.85%
Unrestricted investment earnings	221,052	97,437	16,431	2,984	237,483	100,421	136.49%
Other	194,029	40,166	-	-	194,029	40,166	383.07%
Total revenues	10,618,475	9,979,910	519,323	516,315	11,137,798	10,496,225	6.11%
Program expenses							
Governmental activities							
Instruction	6,868,282	5,479,152	-	-	6,868,282	5,479,152	25.35%
Support services	3,115,177	3,015,906	-	-	3,115,177	3,015,906	3.29%
Non-instructional programs	-	6,538	458,944	413,539	458,944	420,077	9.25%
Other expenses	591,162	606,453	-	-	591,162	606,453	-2.52%
Total expenses	10,574,621	9,108,049	458,944	413,539	11,033,565	9,521,588	15.88%
Change in net position before transfers	43,854	871,861	60,379	102,776	104,233	974,637	-89.31%
Transfers	21,916	23,672	(21,916)	(23,672)	-	-	0.00%
Change in net position	65,770	895,533	38,463	79,104	104,233	974,637	89.31%
Net position beginning of year	7,214,811	6,319,278	523,076	443,972	7,737,887	6,763,250	14.41%
Net position end of year	$ 7,280,581	$ 7,214,811	$ 561,539	$ 523,076	$ 7,842,120	$ 7,737,887	1.35%

In fiscal year 2024, property tax and unrestricted state grants account for approximately 49% of governmental activities revenues while charges for service and sales and operating grants account for almost 100% of business type activities revenue. The District's total revenues were $11,137,798 of which $10,618,475 was for governmental activities and $519,323 was for business type activities.

As shown in Figure A-2, the District as a whole experienced a 6% increase in revenues and a 16% increase in expenses. The increase in revenue was largely due to increased revenue generated by open enrollment into the District, interest earned and ESSER funding. Increased expenses were realized in the area of Instruction.

Governmental Activities

Revenues for governmental activities were $10,618,475 and expenses were $10,574,621 for the year ended June 30, 2024. The increase in revenue was largely impacted by the General

Fund receipt of ESSER funding, an increase in interest rates and increased revenue due to open enrollment.

The following table presents the total and net cost of the District's major governmental activities, instruction, support services, non-instructional programs and other expenses, for the year ended June 30, 2024 compared to those expenses for the year ended June 30, 2023.

Figure A-3

Total and Net Cost of Governmental Activities

	Total Cost of Services			Net Cost of Services		
	2024	2023	2023-2024	2024	2023	2023-2024
Instruction	$ 6,868,282	$ 5,479,152	25.4%	$ 3,198,744	$ 2,242,343	42.7%
Support services	3,115,177	3,015,906	3.3%	3,023,282	2,861,076	5.7%
Non-instructional programs	-	6,538	-100.0%	-	6,538	-100.0%
Other expenses	591,162	606,453	-2.5%	348,266	355,923	-2.2%
Total expenses	$ 10,574,621	$ 9,108,049	16.1%	$ 6,570,292	$ 5,465,880	20.2%

For the year ended June 30, 2024:

- The cost financed by users of the District's programs was $2,367,594.
- Federal and state governments subsidized certain programs with grants and contributions totaling $1,636,735.
- The net cost of governmental activities was financed with $3,707,510 of property and other taxes and $2,465,921 of unrestricted state grants.

Business Type Activities

Revenues for business type activities during the year ended June 30, 2024 were $519,323 representing an increase of approximately 1% over the prior year, while expenses totaled $458,944, an 11% increase over the prior year. The District's business type activities consist of the School Nutrition Fund. Revenues of these activities were comprised of charges for service, federal and state reimbursements and investment income. Expenses included food, supplies, repairs and new equipment.

INDIVIDUAL FUND ANALYSIS

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

The financial performance of the District as a whole is reflected in its governmental funds, as well. As the District completed the year, its governmental funds reported a combined fund balance of $13,726,882, a significant increase over last year's ending fund balances of $3,385,678. The largest change was an increase in revenue in the General Fund Obligation Bond and the SAVE Bond issuances in fiscal year 2024.

Governmental Fund Highlights

The District's changing General Fund balance is the result of many factors. The General Fund balance decreased from $1,874,222 in 2023 to $1,860,397 in 2024 due to operations and maintenance expenses and regular instruction expenses.

The Statewide Sales, Services and Use Tax Fund balance increased from $1,037,419 in 2023 to $1,149,428 in 2024 largely due to an increase in interest rate.

The Construction Projects Fund balance increased from $0 in 2023 to $9,949,457 in 2024 due to the issuance of bonds to be used for the building project.

The Debt Service Fund balance increased from $5,484 in 2023 to $11,993 in 2024 due to a prior year refund.

Proprietary Fund Highlights

Enterprise Fund net position increased from $523,076 at June 30, 2023 to $561,539 at June 30, 2024, an increase of approximately 7%. The increase resulted from additional revenue from service charges with a decrease in supply expenses.

BUDGETARY HIGHLIGHTS

Over the course of the year, Durant Community School District amended its annual budget by $768,436 to include expenses related to non-instructional expenses, insurance premiums, equipment, capital projects and salaries and benefits.

The District's total revenues were $584,444 more than budgeted revenues, a variance of approximately 6%. The District's practice is to budget conservatively and underestimate revenue when budgeting.

The total expenditures were $808,092 less than the amended budget. It is the District's practice to overestimate expenditures when amending the budget to avoid going over budget at year end with unexpected/unanticipated expenses.

In spite of the District's budgetary practice, expenditures in the instruction function exceeded the amount budgeted due to a misunderstanding while working with the state on whether to include the entirety of a 4 year Apple 1:1 lease in the budget amount.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024, the District had invested $5,904,275, net of accumulated depreciation/amortization, in a broad range of capital assets, including land, buildings, athletic facilities, computers, audio-visual equipment, transportation equipment and right-to-use lease asset. (See Figure A-4) This represents a net increase of approximately 1% over last year. More detailed information about the District's capital assets is presented in Note 5 to the financial statements. Depreciation/amortization expense for the year was $641,736 in governmental activities and $6,738 in business type activities.

The original cost of the District's capital assets was $15,728,641. Governmental funds account for $15,612,259, with the remainder of $116,382 accounted for in the Proprietary, School Nutrition Fund.

The largest change in capital asset activity during the year occurred in the right-to-use lease asset category, which increased from $0 at June 30, 2023 to $297,610 at June 30, 2024 due to the District entering into a lease agreement during the year for computers.

Figure A-4

Capital Assets, Net of Depreciation

	Governmental Activities		Business Type Activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2024	2023	2024	2023	2024	2023	2023-2024
Land	$ 135,364	$ 135,364	$ -	$ -	$ 135,364	$ 135,364	0.00%
Buildings and improvements	4,354,639	4,625,572	-	-	4,354,639	4,625,572	-5.86%
Improvements, other than buildings	87,559	104,658	-	-	87,559	104,658	-16.34%
Right-to-use lease asset	297,610	-	-	-	297,610	-	100.00%
Furniture and equipment	977,428	907,910	51,675	57,104	1,029,103	965,014	6.64%
Totals	$ 5,852,600	$ 5,773,504	$ 51,675	$ 57,104	$ 5,904,275	$ 5,830,608	1.26%

Long-Term Debt

At June 30, 2024, the District had $13,130,439 in total other long-term debt outstanding. This represents an increase of approximately 401% over the prior year. (See Figure A-5) Additional information about the District's long-term debt is presented in Note 6 to the financial statements. The increase is primarily due to the General Obligation and SAVE Bonds issued in fiscal 2024.

During the year ended June 30, 2024, the District issued $6,710,000 of general obligation bonds and $3,150,000 of revenue bonds to be used to demolish a gymnasium and build a new gymnasium.

The Constitution of the State of Iowa limits the amount of general obligation debt districts can issue to 5 percent of the assessed value of all taxable property within the District. The District's outstanding general obligation debt is significantly below its constitutional debt limit of approximately $13.6 million.

Figure A-5

Outstanding Long-term Obligations

	Total District		Total Change
	June 30,		June 30,
	2024	2023	2023-2024
Governmental activities			
General obligation bonds	$ 6,710,000	$ -	100.00%
Revenue bonds	3,150,000	-	100.00%
Lease agreements	296,304	-	100.00%
Termination benefits	89,179	109,675	-18.69%
Net pension liability	2,611,323	2,251,800	15.97%
Total OPEB liability	193,999	189,772	2.23%
	13,050,805	2,551,247	411.55%

Business type activities			
Net pension liability	79,634	68,519	16.22%
Total	$ 13,130,439	$ 2,619,766	401.21%

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

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

- The District experienced a decrease of 19.60 resident students on our certified enrollment in the fall of 2025. The number of non-resident students attending Durant increased by 260.80 students compared to the FY24 count.

- The District will continue whole grade sharing with the Bennett Community School District for grades 7-12 in the 2025 fiscal year. The District will also continue sharing classes in both the Wilton and Durant districts and sharing a transportation director, human resources director and superintendent with Wilton CSD in FY25.

- Capital projects planned for FY25 include new gym equipment, old bus barn addition, elementary windows, classroom desks & HVAC controls repairs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Gabrielle Speth, District Secretary and Business Manager, Durant Community School District, 408 7th Street, Durant, Iowa 52747.

Basic Financial Statements

DURANT COMMUNITY SCHOOL DISTRICT

Exhibit A

Statement of Net Position

June 30, 2024

	Governmental Activities	Business Type Activities	Total
Assets			
Cash, cash equivalents and pooled investments	$ 12,413,115	$ 580,288	$ 12,993,403
Receivables			
Property tax			
Delinquent	22,760	-	22,760
Succeeding year	3,539,574	-	3,539,574
Accounts receivable	1,135,553	-	1,135,553
Income surtax	294,030	-	294,030
Due from other governments	211,943	-	211,943
Internal balances	21,916	(21,916)	-
Inventories	-	28,234	28,234
Capital assest not being depreciated	135,364	-	135,364
Capital assets net of accumulated depreciation/amortization	5,717,236	51,674	5,768,910
Total assets	23,491,491	638,280	24,129,771
Deferred Outflows of Resources			
Pension related deferred outflows	961,027	29,712	990,739
Liabilities			
Accounts payable	44,308	-	44,308
Salaries and benefits payable	2,527	-	2,527
Accrued interest payable	59,646	-	59,646
Due to other governments	25,128	-	25,128
Unearned revenue	-	12,908	12,908
Long-term liabilities			
Portion due within one year			
Lease agreements	97,061	-	97,061
General obligation bonds payable	510,000	-	510,000
Revenue bonds payable	235,000	-	235,000
Termination benefits payable	63,576	-	63,576
Total OPEB liability	14,390	-	14,390
Portion due after one year			
Lease agreements	199,243	-	199,243
General obligation bonds payable	6,200,000	-	6,200,000
Revenue bonds payable	2,915,000	-	2,915,000
Termination benefits payable	25,603	-	25,603
Net pension liability	2,611,323	79,634	2,690,957
Total OPEB liability	179,609	-	179,609
Total liabilities	13,182,414	92,542	13,274,956

DURANT COMMUNITY SCHOOL DISTRICT

Exhibit A

Statement of Net Position

June 30, 2024

	Governmental Activities	Business Type Activities	Total
Deferred Inflows of Resources			
Unavailable property tax revenue	$ 3,539,574	$ -	$ 3,539,574
Pension related deferred inflows	449,949	13,911	463,860
Total deferred inflows of resources	3,989,523	13,911	4,003,434
Net Position			
Net investment in capital assets	5,556,296	51,674	5,607,970
Restricted for			
Categorical funding	289,103	-	289,103
Management levy purposes	471,856	-	471,856
Physical plant and equipment	120,859	-	120,859
Student activities	73,713	-	73,713
School infrastructure	1,238,885	-	1,238,885
Unrestricted	(470,131)	509,865	39,734
Total net position	$ 7,280,581	$ 561,539	$ 7,842,120

See notes to financial statements.

DURANT COMMUNITY SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2024

Exhibit B

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total
Governmental activities							
Instruction							
Regular instruction	$ 4,243,286	$ 1,641,601	$ 1,252,499	$ -	$ (1,349,186)	$ -	$ (1,349,186)
Special instruction	1,457,926	489,086	61,681	-	(907,159)	-	(907,159)
Other instruction	1,167,070	224,671	-	-	(942,399)	-	(942,399)
	6,868,282	2,355,358	1,314,180	-	(3,198,744)	-	(3,198,744)
Support services							
Student	432,725	-	-	-	(432,725)	-	(432,725)
Instructional staff	317,442	-	-	-	(317,442)	-	(317,442)
Administration	1,000,786	-	-	-	(1,000,786)	-	(1,000,786)
Operation and maintenance of plant	846,197	-	-	-	(846,197)	-	(846,197)
Transportation	518,027	12,236	79,659	-	(426,132)	-	(426,132)
	3,115,177	12,236	79,659	-	(3,023,282)	-	(3,023,282)
Other expenses							
Facilities acquisition	286,885	-	-	-	(286,885)	-	(286,885)
AEA flowthrough	61,381	-	242,896	-	181,515	-	181,515
Depreciation/amortization (unallocated) *	242,896	-	-	-	(242,896)	-	(242,896)
	591,162	-	242,896	-	(348,266)	-	(348,266)
Total governmental activities	10,574,621	2,367,594	1,636,735	-	(6,570,292)	-	(6,570,292)

* This amount excludes the depreciation/amortization included in the direct expenses of the various programs.

See notes to financial statements.

DURANT COMMUNITY SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2024

Exhibit B

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs (continued)	Expenses	Charges for Services	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total
Business type activities							
Non-instructional programs							
Food service operations	$ 458,944	$ 266,084	$ 236,808	$ -	$ -	$ 43,948	$ 43,948
Total	$ 11,033,565	$ 2,633,678	$ 1,873,543	$ -	(6,570,292)	43,948	(6,526,344)
General Revenues							
Property tax levied for							
General purposes					2,617,430	-	2,617,430
Capital outlay					91,889	-	91,889
Income surtax					334,899	-	334,899
Statewide sales, services and use tax					663,292	-	663,292
Unrestricted state grants					2,465,921	-	2,465,921
Contributions and donations					25,634	-	25,634
Unrestricted investment earnings					221,052	16,431	237,483
Other					194,029	-	194,029
Transfers in (out)					21,916	(21,916)	-
Total general revenues and transfers					6,636,062	(5,485)	6,630,577
Change in net position					65,770	38,463	104,233
Net position beginning of year					7,214,811	523,076	7,737,887
Net position end of year					$ 7,280,581	$ 561,539	$ 7,842,120

See notes to financial statements.

DURANT COMMUNITY SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2024

Exhibit C

	General	Capital Projects: Statewide Sales, Services and Use Tax	Capital Projects: Construction Project	Debt Service	Nonmajor Governmental Funds	Total
Assets						
Cash, cash equivalents and pooled investments	$ 611,034	$ 1,088,395	$ 9,949,457	$ 11,993	$ 752,236	$ 12,413,115
Receivables						
Property tax						
Delinquent	19,424	-	-	-	3,336	22,760
Succeeding year	2,366,881	-	-	777,647	395,046	3,539,574
Accounts receivable	1,134,553	-	-	-	1,000	1,135,553
Income surtax	294,030	-	-	-	-	294,030
Due from other governments	150,910	61,033	-	-	-	211,943
Due from other funds	21,916	-	-	-	-	21,916
Total assets	$ 4,598,748	$ 1,149,428	$ 9,949,457	$ 789,640	$ 1,151,618	$ 17,638,891
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	$ 43,343	$ -	$ -	$ -	$ 965	$ 44,308
Salaries and benefits payable	2,527	-	-	-	-	2,527
Due to other governments	25,128	-	-	-	-	25,128
Advances from grantors	6,442	-	-	-	-	6,442
Total liabilities	77,440	-	-	-	965	78,405
Deferred inflows of resources						
Unavailable revenue						
Succeeding year property tax	2,366,881	-	-	777,647	395,046	3,539,574
Income surtax	294,030	-	-	-	-	294,030
Total deferred inflows of resources	2,660,911	-	-	777,647	395,046	3,833,604
Fund balances						
Restricted for						
Categorical funding	289,103	-	-	-	-	289,103
School infrastructure	-	1,149,428	9,949,457	-	-	11,098,885
Student activities	-	-	-	-	73,713	73,713
Management levy purposes	-	-	-	-	561,035	561,035
Physical plant and equipment	-	-	-	-	120,859	120,859
Debt service	-	-	-	11,993	-	11,993
Unassigned	1,571,294	-	-	-	-	1,571,294
Total fund balances	1,860,397	1,149,428	9,949,457	11,993	755,607	13,726,882
Total liabilities, deferred inflows of resources and fund balances	$ 4,598,748	$ 1,149,428	$ 9,949,457	$ 789,640	$ 1,151,618	$ 17,638,891

See notes to financial statements.

DURANT COMMUNITY SCHOOL DISTRICT
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2024

Exhibit D

Total fund balances of governmental funds		$13,726,882
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		5,852,600
Other long-term assets are not available to pay current year expenditures and, therefore, are recognized as deferred inflows of resources in the governmental funds.		300,472
Accrued interest payable on long-term liabilities is not due and payable in the current year and, therefore, is not reported as a liability in the governmental funds.		(59,646)
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	$ 961,027	
Deferred inflows of resources	(449,949)	511,078
Long-term liabilities, including lease agreements payable, bonds payable, termination benefits, other post-employment benefits payable and net pension liability are not due and payable in the current year and, therefore, are not reported in the governmental funds.		(13,050,805)
Net position of governmental activities		$ 7,280,581

See notes to financial statements.

DURANT COMMUNITY SCHOOL DISTRICT

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2024

Exhibit E

	General	Capital Projects: Statewide Sales, Services and Use Tax	Capital Projects: Construction Project	Debt Service	Nonmajor Governmental Funds	Total
Revenues						
Local sources						
Local tax	$2,636,236	$ -	$ -	$ -	$ 395,654	$ 3,031,890
Tuition	1,991,434	-	-	-	-	1,991,434
Other	282,246	71,147	65,437	6,509	252,225	677,564
Intermediate sources	16,205	-	-	-	-	16,205
State sources	3,620,179	663,292	-	-	2,306	4,285,777
Federal sources	473,257	-	-	-	-	473,257
Total revenues	9,019,557	734,439	65,437	6,509	650,185	10,476,127
Expenditures						
Current						
Instruction						
Regular	3,649,732	418,401	-	-	299,510	4,367,643
Special	1,431,805	-	-	-	-	1,431,805
Other	858,555	-	-	-	-	858,555
	5,940,092	418,401	-	-	299,510	6,658,003
Support services						
Student	407,790	-	-	-	-	407,790
Instructional staff	301,806	9,777	-	-	-	311,583
Administration	961,749	33,353	-	-	-	995,102
Operation and maintenance of plant	754,740	29,852	-	-	63,621	848,213
Transportation	447,290	-	-	-	-	447,290
	2,873,375	72,982	-	-	63,621	3,009,978
Other expenditures						
Facilities acquisition	-	425,617	114,226	-	-	539,843
Long-term debt						
Principal	-	-	-	100,509	-	100,509
Interest and fiscal charges	-	-	-	1,735	-	1,735
AEA flowthrough	242,896	-	-	-	-	242,896
	242,896	425,617	114,226	102,244	-	884,983
Total expenditures	9,056,363	917,000	114,226	102,244	363,131	10,552,964
Excess (deficiency) of revenues over (under) expenditures	(36,806)	(182,561)	(48,789)	(95,735)	287,054	(76,837)
Other financing sources (uses)						
Proceeds from sale of equipment	1,065	-	-	-	-	1,065
Issuance of lease agreement	-	396,813	-	-	-	396,813
Proceeds from issuance of bonds	-	3,150,000	6,710,000	-	-	9,860,000
Premium on bonds	-	115,842	131,475	-	-	247,317
Discount on bonds	-	(38,501)	(70,569)	-	-	(109,070)
Interfund operating transfers in	21,916	-	3,227,340	102,244	-	3,351,500
Interfund operating transfers (out)	-	(3,329,584)	-	-	-	(3,329,584)
Total other financing sources	22,981	294,570	9,998,246	102,244	-	10,418,041
Change in fund balances	(13,825)	112,009	9,949,457	6,509	287,054	10,341,204
Fund balance, beginning of year	1,874,222	1,037,419	-	5,484	468,553	3,385,678
Fund balance, end of year	$1,860,397	$ 1,149,428	$ 9,949,457	$11,993	$ 755,607	$13,726,882

See notes to financial statements.

DURANT COMMUNITY SCHOOL DISTRICT

Exhibit F

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2024

Change in fund balances - total governmental funds		$10,341,204
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. These costs are not reported in the Statement of Activites, but they are allocated over the estimated useful lives of the capital assets as depreciation/ amortization expense in the Statement of Activities. Capital outlay expenditures and depreciation/amortization expense in the current year are as follows:		
Expenditures for capital assets	$ 720,832	
Depreciation/amortization expense	(641,736)	79,096
Because some revenues will not be collected for several months after the year end, they are not considered available revenue and are recognized as deferred inflows of resources in the governmental funds.		3,036
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 and repayments are as follows:		
Issued	$ (10,256,813)	
Repaid	100,509	(10,156,304)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds, as follows:		
Termination benefits	$ 20,496	
Pension expense	(671,751)	
Other postemployment benefits	(4,227)	(655,482)
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.		(59,646)
The current year District IPERS contributions are reported as expenditures in the governmental funds but are reported as deferred outflows of resources in the Statement of Net Position.		513,866
Change in net position of governmental activities		$ 65,770

See notes to financial statements.

DURANT COMMUNITY SCHOOL DISTRICT
Statement of Net Position
Proprietary Fund
June 30, 2024

Exhibit G

	Nonmajor Enterprise School Nutrition
Assets	
Current assets	
Cash and cash equivalents	$ 580,288
Inventories	28,234
Total current assets	608,522
Noncurrent assets	
Capital assets, net of accumulated depreciation	51,674
Total assets	660,196
Deferred Outflows of Resources	
Pension related deferred outflows	29,712
Liabilities	
Current liabilities	
Unearned revenue	12,908
Due to other funds	21,916
Total current liabilities	34,824
Noncurrent liabilities	
Net pension liability	79,634
Total liabilities	114,458
Deferred Inflows of Resources	
Pension related deferred inflows	13,911
Net Position	
Investment in capital assets	51,674
Unrestricted	509,865
Total net position	$ 561,539

See notes to financial statements.

DURANT COMMUNITY SCHOOL DISTRICT

Exhibit H

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2024

	Nonmajor Enterprise School Nutrition
Operating revenue	
Local sources	
Charges for service	$266,084
Operating expenses	
Support services	
Administration	
Salaries	681
Operation and maintenance of plant	
Purchased services	1,965
Total support services	2,646
Non-instructional programs	
Food service operations	
Salaries	169,811
Benefits	51,570
Purchased services	10,423
Supplies	215,623
Miscellaneous	2,133
Depreciation	6,738
Total non-instructional program expenses	456,298
Total operating expenses	458,944
Operating (loss)	(192,860)
Non-operating revenues	
Interest income	16,431
State sources	2,330
Federal sources	234,478
Total non-operating revenues	253,239
Net income before transfers	60,379
Interfund operating transfers (out)	(21,916)
Change in net position	38,463
Net position beginning of year	523,076
Net position end of year	$561,539

See notes to financial statements.

DURANT COMMUNITY SCHOOL DISTRICT

Exhibit I

Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2024

	Nonmajor Enterprise School Nutrition
Cash flows from operating activities	
Cash received from sale of services	$ 272,172
Cash payments to employees for services	(219,090)
Cash payments to suppliers for goods and services	(198,656)
Net cash (used in) operating activities	(145,574)
Cash flows from non-capital financing activities	
Transfer to other fund	(21,916)
State grants received	2,330
Federal grants received	190,368
Net cash provided by non-capital financing activities	170,782
Cash flows from capital and related financing activities	
Acquisition of capital assets	(1,309)
Cash flows from investing activities	
Interest on investments	16,431
Net increase in cash and cash equivalents	40,330
Cash and cash equivalents, beginning of year	539,958
Cash and cash equivalents, end of year	$ 580,288
Reconciliation of operating (loss) to net cash (used in) operating activities	
Operating (loss)	$ (192,860)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities	
Depreciation	6,738
Commodities used	44,111
Change in assets and liabilities:	
Accounts receivable	98
Inventories	(12,623)
Deferred outflows of resources	(12,022)
Due to other funds	(1,756)
Net pension liability	11,115
Deferred inflows of resources	5,635
Unearned revenue	5,990
Net cash (used in) operating activities	$ (145,574)

Non-cash investing, capital and related financing activities.

During the year ended June 30, 2024, the District received $44,111 of federal commodities.

See notes to financial statements.

DURANT COMMUNITY SCHOOL DISTRICT

Exhibit J

Statement of Fiduciary Net Position

Fiduciary Fund

June 30, 2024

	Private Purpose Trust Scholarships
Assets	
Cash, cash equivalents and pooled investments	$ 281
Liabilities	-
Net Position	
Restricted for scholarships	$ 281

See notes to financial statements.

DURANT COMMUNITY SCHOOL DISTRICT

Exhibit K

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

For the Year Ended June 30, 2024

	Private Purpose Trust Scholarships
Additions	
Donations and contributions	$ 281
Deductions	-
Change in net position	281
Net position beginning of year	-
Net position end of year	$ 281

See notes to financial statements.

Note 1. Summary of Significant Accounting Policies

Durant Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve. The geographic area served includes the communities of Durant, Stockton, Sunbury and Pleasant Prairie, Iowa, and the agricultural territory in Cedar, Muscatine and Scott Counties. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

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

A. Reporting Entity

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

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

B. Basis of Presentation

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities report information on all 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 the following categories:

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

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

Unrestricted net position consists of net position not meeting the definition of the 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 clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

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

The District reports the following major governmental funds:

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

The Capital Projects Statewide Sales, Services and Use Tax Fund is used to account for all resources used in the acquisition and construction of capital facilities and other capital assets from the revenue of the Statewide Sales, Services and Use Tax.

The Capital Projects Construction Project Fund is used to account for all resources used in the construction project of the District.

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.

The District reports no major proprietary fund. However, it reports one nonmajor enterprise fund. The Enterprise, School Nutrition Fund is used to account for the food service operations of the District.

The District also reports a fiduciary fund which focuses on net position and changes in net position. The District's fiduciary fund consists of the following:

> The Private Purpose Trust Fund is used to account for assets held by the District under trust agreements which require income earned to be used to benefit individuals through scholarship awards.

C. <u>Measurement Focus and Basis of Accounting</u>

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

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

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, termination benefits and claims and judgments 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 non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's Enterprise Fund is charges to customers for sales and services. Operating expenses for Enterprise Fund include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position

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 non-negotiable certificates of deposit which are stated at amortized cost.

The Iowa Schools Joint Investment Trust is a common law trust established under Iowa law and is administered by an appointed investment management company. The fair value of the position in the trust is the same as the value of the shares.

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

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

Property tax receivable is recognized in these funds on the levy or lien date, which is the date the tax asking is certified by the Board of Education. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the District is required to certify its budget in April of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is reported as a deferred inflow of resources 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, 2022 assessed property valuations; is for the tax accrual period July 1, 2023 through June 30, 2024 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2023.

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

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

Capital Assets - Capital assets are tangible and intangible assets, which include property, furniture, equipment and right-to-use lease assets, are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed under "Leases" below) if purchased or constructed. 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 repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class. Reportable 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	$ 5,000
Buildings	$ 5,000
Improvements other than buildings	$ 5,000
Right-to-use lease asset	$ 5,000
Furniture and equipment:	
School Nutrition Fund equipment	$ 500
Other furniture and equipment	$ 5,000

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment and the right-to-use leased assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Life
Buildings and improvements	20-50 years
Improvements other than buildings	20 years
Right-to-use lease asset	2-10 years
Furniture and equipment	4-15 years

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

Leases - The District is the lessee for a noncancellable lease of computers. The District has recognized a lease liability and an intangible right-to-use leased asset (lease asset) in the government-wide financial statements. The District recognizes leases with an initial, individual value of $5,000 or more.

At the commencement of the lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line bases over its useful life.

Key estimates and judgments related to leases include how the District determines the discount rate is uses to discount the expected lease payments to present value, lease term and lease payments.

> Durant Community School District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
>
> The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and a purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Deferred Outflows of Resources - Deferred outflows of resources represent a consumption of net position applicable 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, the unamortized portion of the net difference between projected and actual earnings on pension plan investments and contributions from the District after the measurement date but before the end of the District's reporting period.

Salaries and Benefits Payable - Payroll and related expenditures for hourly employees' hours worked in June, not paid until July, 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.

Unearned Revenues - Unearned revenues consist of unspent federal grant proceeds not yet earned due to eligibility and monies collected for lunches that have not yet been served. The lunch account balances will either be reimbursed or served lunches.

Termination Benefits - District employees meeting certain requirements are eligible for early retirement benefits. A liability is recorded when incurred in the government-wide financial statements. A liability for those amounts is reported in the governmental fund financial statements only for employees that have retired. The early retirement liability has been computed based on rates of pay in effect at June 30, 2024. The early retirement attributable to the governmental funds is paid primarily from the Management Fund.

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

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

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 in the fund financial statements consist of property tax receivable and income surtax and other receivables not collected within sixty days after year end and succeeding year property tax receivable that will not be recognized until the year for which it is levied.

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 unrecognized items not yet charged to pension expense.

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

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

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 are imposed by law through constitutional provisions or enabling legislation.

Unassigned - All amounts not included in the preceding classification.

Net Position - In the district-wide Statement of Net Position, net position is reported as restricted when constraints placed on net position use are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Net position restricted through enabling legislation includes $471,856 for management levy purposes, $120,859 for physical plant and equipment, $73,713for student activities and $1,238,885 for school infrastructure.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2024, expenditures in the instruction function exceeded the amount budgeted.

F. Estimates

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

Note 2. Cash, Cash Equivalents and Pooled Investments

The District's deposits in banks at June 30, 2024 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

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

At June 30, 2024, the District had investments in the Iowa Schools Joint Investment Trust Diversified Portfolio which are valued at an amortized cost of $454,160. There were no limitations or restrictions on withdrawals of the ISJIT investments. The investments in the Iowa Schools Joint Investment Trust were rated AAAm by Standard & Poor's Financial Services.

The District had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

Note 3. Due From and Due to Other Funds

The detail of interfund receivables and payables at June 30, 2024 is as follows:

Receivable Fund	Payable Fund	Amount
Major governmental	Nonmajor enterprise	
General	School nutrition	$ 21,916

The amount due to the General Fund from the School Nutrition Fund was for salaries and benefits. The balances will be repaid during the year ending June 30, 2025.

Note 4. Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2024 is as follows:

Transfer to	Transfer from	Amount
Major governmental	Major capital projects	
Debt service	Statewide Sales, Services and Use Tax	$ 102,244
Major capital projects	Major capital projects	
Construction project	Statewide Sales, Services and Use Tax	3,227,340
Major governmental	Nonmajor enterprise fund	
General	School Nutrition	21,916
		$ 3,351,500

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources. The transfer from the Statewide Sales, Service and Use Tax Fund to the Debt Service Fund were for principal and interest payments on long-term debt. The transfer from the Statewide Sales, Service and Use Tax Fund to the Construction Project Fund were to move the proceeds of the revenue bonds to the fund that will record the expenditures for the project. The transfers from School Nutrition Fund to the General Fund were for payroll expenditures.

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2024 was as follows:

Governmental activities	Balance Beginning of Year	Additions	Deletions	Balance, End of Year
Capital assets not being depreciated:				
Land	$ 135,364	$ -	$ -	$ 135,364
Capital assets being depreciated/amortized:				
Buildings and improvements	11,261,482	-	-	11,261,482
Improvements other than buildings	706,963	-	-	706,963
Right-to-use lease assets	-	396,813	-	396,813
Furniture and equipment	2,787,618	324,019	-	3,111,637
Total capital assets being depreciated/amortized	14,756,063	720,832	-	15,476,895

Less accumulated depreciation/amortization for:				
Buildings and improvements	6,635,910	270,933	-	6,906,843
Improvements other than buildings	602,305	17,099	-	619,404
Right-to-use lease assets	-	99,203	-	99,203
Furniture and equipment	1,879,708	254,501	-	2,134,209
Total accumulated depreciation/amortization	9,117,923	641,736	-	9,759,659
Total capital assets being depreciated/amortized, net	5,638,140	79,096	-	5,717,236
Governmental activities capital assets, net	$5,773,504	$ 79,096	$ -	$5,852,600
Business type activities				
Furniture and equipment	$ 115,073	$ 1,308	$ -	$ 116,381
Less accumulated depreciation	57,969	6,738	-	64,707
Business type activities capital assets, net	$ 57,104	$ (5,430)	$ -	$ 51,674

Depreciation/amortization expense was charged to the following functions:

Governmental activities	
Instruction	
Regular	$249,062
Special	1,154
Other	-
Support services	
Student support	17,363
Instructional staff	-
Administration	2,425
Operation and maintenance of plant	16,157
Transportation	62,031
	348,192
Unallocated	293,544
Total governmental activities depreciation/amortization expense	$641,736
Business type activities	
Food services	$ 6,738

Note 6. Long-term Liabilities

Changes in long-term liabilities for the year ended June 30, 2024 are summarized as follows:

	Balance Beginning of Year,	Additions	Reductions	Balance, End of Year	Due Within One Year
Governmental activities					
General obligation bonds	$ -	$ 6,710,000	$ -	$ 6,710,000	$ 510,000
Revenue bonds	-	3,150,000	-	3,150,000	235,000
Lease agreements	-	396,813	(100,509)	296,304	97,061
Termination benefits	109,675	50,180	(70,676)	89,179	63,576
Net pension liability	2,251,800	359,523	-	2,611,323	-
Total OPEB liability	189,772	4,227	-	193,999	14,390
Totals	$ 2,551,247	$ 10,670,743	$ (171,185)	$ 13,050,805	$ 920,027
Business type activities					
Net pension liability	$ 68,519	$ 11,115	$ -	$ 79,634	$ -

Interest costs incurred and charged to expense for the year ended June 30, 2024 was $1,735. During the year ended June 30, 2024, the District made principal payments of $100,509 on long-term debt.

Lease Agreements

On July 10, 2023, the District entered into a lease agreement for computers. An initial lease liability was recorded in the amount of $396,813. The agreement requires annual payments of $102,244 over four years with an implicit interest rate of 1.7493% and final payment due July 10, 2026. During the year ended June 30, 2024, principal and interest paid were $100,509 and $1,735, respectively.

Year Ending June 30,	Computer Lease Interest Rates	Principal	Interest	Total
2025	1.7493%	$ 97,061	$ 5,182	$ 102,243
2026	1.7493%	98,758	3,485	102,243
2027	1.7493%	100,485	1,758	102,243
Totals		$ 296,304	$ 10,425	$ 306,729

General Obligation Bonds

On June 4, 2024, the District issued $6,710,000 of general obligation bonds for demolition of gym and construction of a new gym along with ceiling upgrades in the building. The bonds bear interest at 4% per annum. During the year ended June 30, 2024, no interest or principal payments were made on these bonds.

Details of the District's June 30, 2024 general obligation bonded indebtedness are as follows:

Year Ending June 30,	Bond Issue of June 4, 2024 Interest Rates	Principal	Interest	Total
2025	4.00%	$ 510,000	$ 266,163	$ 776,163
2026	4.00%	520,000	248,000	768,000
2027	4.00%	220,000	227,200	447,200
2028	4.00%	230,000	218,400	448,400
2029	4.00%	240,000	209,200	449,200
2030-2034	4.00%	1,350,000	894,000	2,244,000
2035-2039	4.00%	1,645,000	601,400	2,246,400
2040-2044	4.00%	1,995,000	245,000	2,240,000
Totals		$ 6,710,000	$ 2,909,363	$ 9,619,363

Revenue Bonds

Details of the District's June 30, 2024 statewide sales, services and use tax revenue bonded indebtedness are as follows:

Year Ending June 30,	Bond Issue of April 1, 2024 Interest Rates	Principal	Interest	Total
2025	5.00%	$ 235,000	$ 151,521	$ 386,521
2026	5.00%	270,000	118,125	388,125
2027	5.00%	280,000	104,625	384,625
2028	5.00%	295,000	90,625	385,625
2029	5.00%	310,000	75,875	385,875
2030-2034	4.0-3.125%	1,760,000	176,369	1,936,369
Totals		$ 3,150,000	$ 717,140	$ 3,867,140

The District has pledged future statewide sales, services and use tax revenues to repay the $3,150,000 of bonds issued in 2024. The bonds were issued to finance a portion of the construction of a new gym. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2034. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District. Annual principal and interest payments on the bonds are expected to require approximately 60% of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the bonds is $3,867,140. There were no principal or interest payments made on these bonds during the year ended June 30, 2024. Statewide sales, services and use tax revenues were $663,292.

The resolution providing for the issuance of statewide sales, services and use tax revenue bonds requires the District to set aside each month an amount equal to 1/6 of the upcoming bi-annual interest payments and 1/12 of the upcoming annual principal payments.

Early Retirement Termination Benefits

The District offered a voluntary early retirement plan to its employees. Eligible employees must be at least 55 years of age at the end of the current contract year of the year early retirement is to take place. The employee must have served the District for at least fifteen years. Employees must complete an application on or before February 1 that is required to be approved by the Board of Education. Employees approved for the early retirement benefit will receive the retirement benefit in January of the fiscal year following retirement and in the subsequent year for a total of two equal, annual installments. Payments will be deposited into a special pay deferral program.

Benefits are computed as follows:

> Certified Staff - Base payment of $15,000 plus $80 per day for unused sick leave and unused personal days.
>
> Classified Staff - (Administration, Department Heads, Technical Directors & Secretaries) – 30% of salary plus $50 per day for unused sick leave days, unused personal days and unused vacation days.
>
> Classified Staff - (Associates, Drivers, Custodians and Food Service) – 35% of salary plus $50 per day for unused sick leave days, unused personal days and unused vacation days.

The liability for early retirement benefits as of June 30, 2024 was $89,179, payable to ten retirees. During the year ended June 30, 2024, the District made payments of $70,676 for early retirement payments.

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 the Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

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

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

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

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

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

<u>Disability and Death Benefits</u> - 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.

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

In fiscal year 2024, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the District contributed 9.44% of covered payroll, for a total rate of 15.73%.

The District's contributions to IPERS for the year ended June 30, 2024 totaled $513,866.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2024, the District reported a liability of $2,690,957 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2023, the District's proportion was 0.058319%, which was a decrease of 0.000141% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense of $157,885. At June 30, 2024, 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	$ 227,659	$ 11,061
Changes of assumptions	-	43
Net difference between projected and actual earnings on IPERS' investments	249,215	-
Changes in proportion and differences between District contributions and the District's proportionate share of contributions	-	452,756
District contributions subsequent to the measurement date	513,865	-
Total	$ 990,739	$ 463,860

$513,865 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. 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
2025	$ (182,177)
2026	(302,397)
2027	509,039
2028	11,746
2029	(23,197)
Total	$ 13,014

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions - The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement.

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

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2023 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2022.

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

Asset Class	Asset Allocation	Long-term Expected Real Rate of Return
Domestic equity	21.0 %	4.56 %
International equity	16.5	6.22
Global smart beta equity	5.0	5.22
Core plus fixed income	23.0	2.69
Public credit	3.0	4.38
Cash	1.0	1.59
Private equity	17.0	10.44
Private real assets	9.0	3.88
Private credit	4.5	4.60
Total	100.0 %	

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	$5,721,574	$2,690,957	$151,250

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

Payables to IPERS - At June 30, 2024, the District reported payables to IPERS of $104,763 for legally required District contributions and $69,805 for legally required employee contributions withheld from employee wages which had not yet been remitted to IPERS.

Note 8. Other Postemployment Benefits (OPEB)

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

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

Retired participants must be age 55 or older at retirement. At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	4
Active employees	82
Total	86

Total OPEB Liability - The District's total OPEB liability of $193,999 was measured as of June 30, 2024 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions - The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation (effective June 30, 2024)	2.75% per IPERS + .25% additional for insurance company.
Rates of salary increase (effective June 30, 2024)	0% OPEB directly determined by service years, not salary.
Discount rate (effective June 30, 2024)	4.75% compounded annually, including inflation.
Healthcare cost trend rate (effective June 30, 2024)	6.00% per annum.

Discount Rate - The discount rate used to measure the total OPEB liability was 4.75% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the RP 2014 annuity mortality table. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB liability beginning of year	$ 189,772
Changes for the year:	
Service cost	14,803
Interest	9,435
Differences between expected and actual experiences	-
Changes in assumptions	(54,967)
Demographic changes	55,837
Recognition of deferred inflows/outflows	(6,491)
Benefit payments	(14,390)
Net changes	4,227
Total OPEB liability end of year	$ 193,999

Changes of assumptions reflect a change in the discount rate from 2.37% in fiscal year 2023 to 4.75% in fiscal year 2024.

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.75%) or 1% higher (5.75%) than the current discount rate.

	1% Decrease (3.75%)	Discount Rate (4.75%)	1% Increase (5.75%)
Total OPEB liability	$212,260	$193,999	$177,636

Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the District as what the District's total OPEB liability would be it were calculated using healthcare cost trend rates that are 1% lower (5.00%) or 1% higher (7.00%) than the current healthcare cost trend rates.

	1% Decrease (5.0%)	Healthcare Cost Trend Rate (6.0%)	1% Increase (7.0%)
Total OPEB liability	$171,486	$193,999	$220,469

OPEB Expense and Deferred Outflows of Resources Related to OPEB - For the year ended June 30, 2024, the District recognized OPEB expense of $4,227. At June 30, 2024 the District reported no deferred inflows or outflows of resources related to OPEB.

Note 9. Risk Management

The District is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. 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 Agency

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the Area Education Agency. The District's actual amount for this purpose totaled $242,896 for the year ended June 30, 2024 and is recorded in the General Fund by making a memorandum adjusting entry to the cash basis financial statements.

Note 11. Contingencies

Grant Funding - The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants were subjected to local audit but still remain open to audit by the appropriate grantor government. If expenditures are disallowed by the grantor government due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2024, significant amounts of grant expenditures have not been audited by granting authorities but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

Note 12. Categorical Funding

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

The following is a schedule of the categorical funding restricted in the General Fund at June 30, 2024.

Program	Amount
Gifted and Talented	$ 3,624
Returning dropout and dropout prevention program	42,192
Teacher leadership	49,358
Flex fund - TLC	91,385
Teacher salary supplement	1,563
Statewide voluntary preschool	31,239
Early literacy	39,254
Educator quality, professional development	30,488
	$ 289,103

Note 13. Deficit Net Position

The District had deficit unrestricted net position of $470,131 in the governmental activities at June 30, 2024.

Note 14. Tax Abatements

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

Tax Abatements of Other Entities

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

Property tax revenues of the District were reduced by the following amounts for the year ended June 30, 2024 under agreements entered into by the following entities:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Durant	Urban renewal revitalization	$36,337
City of Durant	Economic development projects	$9,051

The State of Iowa reimburses the District an amount equivalent to the increment of valuation on which property tax is divided times $5.40 per $1,000 of taxable valuation. For the year ended June 30, 2024, this reimbursement amounted to $5,230.

Note 15. Change in Area Education Agency Funding

The Governor signed House File 2612 on March 27, 2024, which changes the percentage of educational and media services funding generated through local property taxes by Districts which flow through to each Area Education Agency (AEA) beginning July 1, 2024. For fiscal year 2025, 40% of the educational and media services funds generated by District will continue to flow through to each AEA, while 60% of the funding will be retained by the District that generated the funds.

Note 16. Subsequent Events

The District has evaluated subsequent events through February 28, 2025 which is the date that the financial statements were available to be issued.

The District has issued general obligation bonds and revenue bonds to finance demolition of gym and construction of a new gym, as well as ceiling improvements throughout the building. This project will be starting in the fall of 2024 and should be completed in the summer of 2025.

Required Supplementary Information

DURANT COMMUNITY SCHOOL DISTRICT

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

All Governmental Funds and Proprietary Fund

Required Supplementary Information

For the Year Ended June 30, 2024

	Governmental Funds Actual	Proprietary Fund Actual	Total Actual	Budgeted Amounts Original	Budgeted Amounts Final	Final to Actual Variance
Revenues						
Local sources	$ 5,700,888	$ 282,515	$ 5,983,403	$5,560,720	$ 5,560,720	$ 422,683
Intermediate sources	16,205	-	16,205	12,000	12,000	4,205
State sources	4,285,777	2,330	4,288,107	4,250,162	4,250,162	37,945
Federal sources	473,257	234,478	707,735	588,124	588,124	119,611
Total revenues	10,476,127	519,323	10,995,450	10,411,006	10,411,006	584,444
Expenditures/Expenses						
Instruction	6,658,003	-	6,658,003	6,258,448	6,420,000	(238,003)
Support services	3,009,978	-	3,009,978	3,291,982	3,500,000	490,022
Non-instructional programs	-	458,944	458,944	564,168	600,000	141,056
Other expenditures	884,983	-	884,983	936,966	1,300,000	415,017
Total expenditures/expenses	10,552,964	458,944	11,011,908	11,051,564	11,820,000	808,092
Excess (deficiency) of revenues over (under) expenditures/expenses	(76,837)	60,379	(16,458)	(640,558)	(1,408,994)	1,392,536
Net other financing sources (uses)	10,418,041	(21,916)	10,396,125	(20,000)	(20,000)	10,416,125
Change in balance	10,341,204	38,463	10,379,667	(660,558)	(1,428,994)	11,808,661
Balance beginning of year	3,385,678	523,076	3,908,754	2,369,632	2,369,632	1,539,122
Balance end of year	$13,726,882	$ 561,539	$14,288,421	$1,709,074	$ 940,638	$13,347,783

See accompanying Independent Auditor's Report.

DURANT COMMUNITY SCHOOL DISTRICT
Notes to Required Supplementary Information – Budgetary Reporting
For the Year Ended June 30, 2024

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 Private Purpose Trust Funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on the GAAP basis.

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functions, not by fund. These four functions are instruction, support services, non-instructional programs and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated function level, not by fund. The Code of Iowa also provides 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 $768,436.

During the year ended June 30, 2024, expenditures in the instruction function exceeded the amount budgeted.

DURANT COMMUNITY SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Iowa Public Employees' Retirement System
For the Last Ten Years*
Required Supplementary Information

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.058319%	0.058460%	0.059056%	0.059452%	0.059630%	0.061808%	0.060790%	0.059206%	0.058911%	0.058869%
District's proportionate share of the net pension liability	$2,690,957	$2,320,319	$ 82,791	$4,147,198	$3,476,144	$3,910,122	$4,013,172	$3,692,253	$2,928,731	$2,382,481
District's covered payroll	$5,235,657	$4,946,310	$4,793,086	$4,685,303	$4,576,650	$4,643,976	$4,486,316	$4,210,336	$4,062,217	$3,930,974
District's proportionate share of the net pension liability as a percentage of its covered payroll	51.40%	46.91%	1.73%	88.52%	75.95%	84.20%	89.45%	87.69%	72.10%	60.61%
IPERS' net position as a percentage of the total pension liability	0.00%	91.40%	100.81%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

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

See accompanying Independent Auditor's Report.

DURANT COMMUNITY SCHOOL DISTRICT
Schedule of District Contributions
Iowa Public Employees' Retirement System
For the Last Ten Fiscal Years
Required Supplementary Information

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 513,866	$ 494,246	$ 466,932	$ 452,467	$ 442,293	$ 432,036	$ 414,707	$ 400,628	$ 375,983	$ 362,756
Contributions in relation to the statutorily required contribution	(513,866)	(494,246)	(466,932)	(452,467)	(442,293)	(432,036)	(414,707)	(400,628)	(375,983)	(362,756)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$5,443,491	$5,235,657	$4,946,310	$4,793,086	$4,685,303	$4,576,650	$4,643,976	$4,486,316	$4,210,336	$4,062,217
Contributions as a percentage of covered payroll	9.44%	9.44%	9.44%	9.44%	9.44%	9.44%	8.93%	8.93%	8.93%	8.93%

See accompanying Independent Auditor's Report.

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

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

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

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

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

Durant Community School District
Schedule of Changes in the District's
Total OPEB Liability and Related Ratios
For the Last Seven Years
Required Supplementary Information

	2024	2023	2022	2021	2020	2019	2018
Service cost	$ 14,803	$ 17,982	$ 17,985	$ 14,172	$ 14,172	$ 21,083	$ 21,087
Interest cost	9,435	4,665	4,409	5,415	4,954	8,197	7,402
Difference between expected and actual experiences	-	-	(14,814)	-	-	-	-
Changes in assumptions	(54,967)	-	5,456	-	(77,689)	-	-
Demographic changes	55,837	-	-	-	-	-	-
Recognition of deferred inflows/outflows	(6,491)	(4,559)	(3,894)	(3,214)	(3,360)	(6,821)	(7,123)
Benefit payments	(14,390)	(6,001)	(4,886)	(984)	(1,754)	-	-
Net change in total OPEB liability	4,227	12,087	4,256	15,389	(63,677)	22,459	21,366
Total OPEB liability beginning of year	189,772	177,685	173,429	158,040	221,717	199,258	177,892
Total OPEB liability end of year	$ 193,999	$ 189,772	$ 177,685	$ 173,429	$ 158,040	$ 221,717	$ 199,258
Covered-employee payroll	$ 5,404,967	$ 5,203,616	$ 4,941,724	$ 4,751,131	$ 4,663,672	$ 4,572,324	$ 4,633,002
Total OPEB liability as a percentage of covered -employee payroll	3.59%	3.65%	3.60%	3.65%	3.39%	4.85%	4.30%

See accompanying Independent Auditor's Report.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Changes in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

There were no significant changes in assumptions.

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

Year ended June 30, 2024	4.75%
Year ended June 30, 2023	2.37%
Year ended June 30, 2022	2.37%
Year ended June 30, 2021	3.15%
Year ended June 30, 2020	3.15%
Year ended June 30, 2019	3.72%
Year ended June 30, 2018	3.72%
Year ended June 30, 2017	2.50%

Note: GASB Statement No. 75 requires 10 years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Supplementary Information

DURANT COMMUNITY SCHOOL DISTRICT

Schedule 1

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue		Capital Projects	
	Student Activity	Management Levy	Physical Plant and Equipment Levy	Total
Assets				
Cash, cash equivalents and pooled investments	$ 73,278	$ 558,867	$ 120,091	$ 752,236
Receivables				
Property tax				
Delinquent	-	2,568	768	3,336
Succeeding year	-	300,000	95,046	395,046
Accounts receivable	1,000	-	-	1,000
Total assets	$ 74,278	$ 861,435	$ 215,905	$ 1,151,618
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	$ 565	$ 400	$ -	$ 965
Deferred inflows of resources				
Unavailable revenue				
Succeeding year property tax	-	300,000	95,046	395,046
Fund balances				
Restricted for				
Student activities	73,713	-	-	73,713
Management levy purposes	-	561,035	-	561,035
Physical plant and equipment	-	-	120,859	120,859
Total fund balances	73,713	561,035	120,859	755,607
Total liabilities, deferred inflows of resources and fund balances	$ 74,278	$ 861,435	$ 215,905	$ 1,151,618

See accompanying Independent Auditor's Report.

DURANT COMMUNITY SCHOOL DISTRICT

Schedule 2

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue		Capital Projects	
	Student Activity	Management Levy	Physical Plant and Equipment Levy	Total
Revenues				
Local sources				
Local taxes	$ -	$ 304,296	$ 91,358	$ 395,654
Other	224,270	23,383	4,572	252,225
State sources	-	1,775	531	2,306
Total revenues	224,270	329,454	96,461	650,185
Expenditures				
Current				
Instruction				
Regular	229,986	69,524	-	299,510
Support services				
Operation and maintenance of plant	-	50,921	12,700	63,621
Total expenditures	229,986	120,445	12,700	363,131
Change in fund balances	(5,716)	209,009	83,761	287,054
Fund balances, beginning of year	79,429	352,026	37,098	468,553
Fund balances, end of year	$ 73,713	$ 561,035	$ 120,859	$ 755,607

See accompanying Independent Auditor's Report.

DURANT COMMUNITY SCHOOL DISTRICT

Schedule 3

Schedule of Changes in Special Revenue Fund, Student Activity Accounts

For the Year Ended June 30, 2024

Account	Balance, Beginning of Year	Revenues	Expenditures	Intrafund Transfers	Balance, End of Year
Interest	$ 1,258	$ 2,583	$ -	$ (1,258)	$ 2,583
Drama	2,705	10,896	8,980	331	4,952
Vocal	9,404	3,604	7,502	414	5,920
Band	5,154	38,564	40,761	144	3,101
Boys Basketball	3,127	11,203	9,647	-	4,683
Boys Basketball Fundraiser	1,645	223	627	13	1,254
Football	1,959	17,275	22,359	3,125	-
Football Fundraiser	5,658	3,850	-	(4,013)	5,495
Boys Soccer	-	162	803	640	(1)
Baseball	500	11,702	14,229	2,527	500
Baseball Fundraiser	7,746	18,291	11,480	(8,198)	6,359
Boys Track	120	7,316	11,694	4,258	-
Boys Track Fundraiser	1,591	-	378	23	1,236
Boys Golf	535	3,824	3,316	-	1,043
Boys Golf Fundraiser	657	-	-	9	666
Boys Bowling	145	3,635	3,485	-	295
Boys Bowling Fundraiser	200	-	-	3	203
Wrestling	-	5,411	6,247	836	-
Wrestling Fundraiser	521	5,718	5,718	8	529
Girls Basketball	2,040	10,608	8,353	-	4,295
Girls Basketball Fundraiser	1,512	-	-	20	1,532
Volleyball	5,080	8,036	4,741	-	8,375
Volleyball Fundraiser	1,868	2,741	219	(4,335)	55
Girls Soccer	-	1,162	803	-	359
Softball	608	10,698	11,611	805	500
Softball Fundraiser	1	1,825	1,825	-	1
Girls Track	300	6,839	10,096	2,957	-
Girls Track Fundraiser	414	1,628	900	20	1,162
Girls Golf	-	6,174	5,599	-	575
Girls Golf Fundraiser	1,616	-	362	17	1,271
Girls Bowling	40	3,685	3,290	-	435
Girls Bowling Fundraiser	200	-	-	3	203
Girls Wrestling	-	4,086	4,686	600	-

See acoompanying Independent Auditor's Report.

DURANT COMMUNITY SCHOOL DISTRICT
Schedule of Changes in Special Revenue Fund, Student Activity Accounts
For the Year Ended June 30, 2024

Account (continued)	Balance, Beginning of Year	Revenues	Expenditures	Intrafund Transfers	Balance, End of Year
Juniors	$ 345	$ -	$ -	$ (345)	$ -
Seniors	620	770	1,783	640	247
Graduate Class	5,641	-	6,343	702	-
European Trip	4	-	-	-	4
HS Student Council	2,776	5,035	5,440	(430)	1,941
JH Student Council	2,106	113	104	31	2,146
Fund Balance	-	2,156	1,731	-	425
Yearbook	632	2,220	2,263	203	792
K-8 Memory Book	-	34	-	(34)	-
NHS	5	1,269	1,535	386	125
FCCLA	543	939	1,086	6	402
Spanish	490	-	-	-	490
Cheerleaders	5,325	4,639	4,372	67	5,659
HS Dance	1,232	-	18	11	1,225
Outdoor Classroom	234	-	-	2	236
Book Club	40	-	-	(40)	-
Misc HS Activities	13	-	-	(13)	-
EL/MS Art	96	-	-	(96)	-
Playground	221	500	-	3	724
Physical Fitness	166	-	-	2	168
8th Grade Trip	835	1,594	2,371	(59)	(1)
Student Newspaper	1,501	3,262	3,229	15	1,549
Totals	$ 79,429	$ 224,270	$ 229,986	$ -	$ 73,713

See acoompanying Independent Auditor's Report.

Schedule 4

DURANT COMMUNITY SCHOOL DISTRICT
Schedule of Revenues by Source and Expenditures by Function
All Governmental Funds
For the Last Ten Years

Modified Accrual Basis

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Local sources										
Local tax	$ 3,031,890	$ 2,793,749	$ 2,909,415	$ 3,331,348	$ 3,362,871	$ 3,105,165	$ 2,751,433	$ 2,593,739	$ 2,736,826	$ 3,054,635
Tuition	1,991,434	1,768,477	1,327,373	925,642	841,909	896,946	881,618	845,598	821,242	945,616
Other	677,564	634,583	436,626	379,862	432,029	553,113	521,210	498,367	569,318	494,364
Intermediate sources	16,205	13,060	7,500	23,115	3,360	3,780	3,605	15,664	3,728	17,700
State sources	4,285,777	4,328,015	4,165,589	4,128,167	4,153,150	4,123,334	4,141,220	4,101,403	3,984,649	3,568,978
Federal sources	473,257	359,976	503,673	504,427	239,056	248,372	150,395	144,459	131,308	129,384
Total revenues	$10,476,127	$ 9,897,860	$ 9,350,176	$ 9,292,561	$ 9,032,375	$ 8,930,710	$ 8,449,481	$ 8,199,230	$ 8,247,071	$ 8,210,677
Expenditures										
Current										
Instruction										
Regular	$ 4,367,643	$ 3,849,402	$ 3,491,384	$ 3,409,167	$ 3,318,238	$ 3,090,047	$ 2,990,152	$ 2,973,871	$ 3,532,692	$ 2,902,035
Special	1,431,805	1,141,519	959,680	891,352	857,605	793,829	855,063	819,650	655,779	773,741
Other	858,555	794,876	992,742	1,022,173	1,087,590	1,167,119	1,184,854	1,131,395	1,148,244	1,070,871
Support services										
Student	407,790	377,710	363,022	379,174	348,742	292,917	173,923	166,757	150,904	141,645
Instructional staff	311,583	321,847	365,432	346,371	393,095	508,561	508,769	479,898	262,432	254,814
Administration	995,102	1,009,946	964,775	932,315	873,748	779,590	788,521	791,265	855,030	865,333
Operation and maintenance of plant	848,213	882,966	811,653	763,999	774,139	821,010	683,648	672,566	641,744	701,347
Transportation	447,290	624,773	399,838	525,794	299,484	322,097	432,938	313,853	431,326	317,438
Non-instructional programs	-	6,538	6,639	6,219	6,020	6,554	7,097	901	1,139	1,362
Other expenditures										
Facilities acquisition	539,843	170,559	395,999	1,090,649	269,367	434,174	217,259	105,005	242,866	468,829
Long-term debt										
Principal	100,509	-	98,116	96,211	330,058	225,000	621,582	602,917	608,618	1,966,354
Interest and other charges	1,735	-	1,942	3,847	6,200	10,651	20,248	29,665	28,436	69,299
AEA flowthrough	242,896	250,530	251,816	252,297	246,842	244,820	245,873	231,103	234,478	229,863
Total expenditures	$10,552,964	$ 9,430,666	$ 9,103,038	$ 9,719,568	$ 8,811,128	$ 8,696,369	$ 8,729,927	$ 8,318,846	$ 8,793,688	$ 9,762,931

See accompanying Independent Auditor's Report.

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Education of Durant Community School District:

I have audited 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, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Durant Community School District as of and for the year ended June 30, 2024, and the related Notes to Financial Statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated February 28, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Durant Community School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Durant Community School District's internal control. Accordingly, I do not express an opinion on the effectiveness of Durant Community School District's internal control.

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

My 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 were not identified. I identified a certain deficiency in internal control, described in Part I of the accompanying Schedule of Findings as item A that I consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Durant Community School District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of non-compliance or other matters which are required to be reported under Government Auditing Standards. However, I noted certain immaterial instances of non-compliance or other matters which are described in Part II of the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2024 are based exclusively on knowledge obtained from procedures performed during my audit of the financial statements of the District. Since my audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Durant Community School District's Responses to the Findings

Government Auditing Standards require the auditor to perform limited procedure on Durant Community School District's responses to the findings identified in my audit and described in the accompanying Schedule of Findings. Durant Community School District's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.

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

Kay L. Chapman, CPA

Kay L. Chapman, CPA PC
February 28, 2025

DURANT COMMUNITY SCHOOL DISTRICT
Schedule of Findings
For the Year Ended June 30, 2024

Part I. Findings Related to the Financial Statements

INSTANCES OF NON-COMPLIANCE

No matters were noted.

INTERNAL CONTROL DEFICIENCY
MATERIAL WEAKNESS

A. Segregation of Duties

Criteria - Management is responsible for establishing and maintaining internal control. A good system of internal control provides for adequate segregation of duties so no one individual handles a transaction from its inception to completion. In order to maintain proper internal control, duties should be segregated so the authorization, custody and recording of transactions are not under the control of the same employee. This segregation of duties helps prevent losses from employee error or dishonesty and maximizes the accuracy of the District's financial statements.

Condition - Generally, one or two individuals has control over each of the following areas for which minimal or no compensating controls exist:

- Investments - investing, detailed recordkeeping, custody of investments and reconciling earnings.
- Receipts - recording, journalizing, posting and reconciling.
- Disbursements - preparation, signing, and recording of checks.
- Capital assets - purchasing, recording and reconciling.
- Long-term debt - recording and reconciling.
- Wire transfers - processing and approving.
- Payroll - recording approved pay rates and deductions, recordkeeping, preparation, posting and distribution.
- Transfers - preparing and approving.
- Financial reporting - preparing, reconciling and approving.
- Computer systems - performing all general accounting functions and controlling all data input and output.
- Journal entries - preparing, approving and posting.

Cause - The limited number of accounting personnel makes it difficult to achieve adequate internal accounting control through the segregation of duties and responsibilities. A small staff makes it difficult to establish an ideal system of automatic internal checks on accounting record accuracy and reliability. This is not an unusual condition, but it is important the District officials are aware that the condition exists.

Effect - Inadequate segregation of duties could adversely affect the District's ability to prevent or detect and correct misstatements, errors or misappropriation on a timely basis by employees in the normal course of performing their assigned functions.

Recommendation - I realize segregation of duties is difficult with a limited number of office employees. However, the District should review its procedures to obtain the maximum internal control possible under the circumstances utilizing currently available staff, including elected officials, to provide additional controls through review of financial transactions, reconciliations and reports. These independent reviews should be documented by the signature or initials of the reviewer and the date of the review.

Response and Corrective Action Planned - We will review our procedures and implement changes to improve internal control, as we deem necessary.

Conclusion - Response accepted.

Part II. Other Findings Related to Statutory Reporting:

1. Certified Budget - Expenditures for the year ended June 30, 2024 exceeded the amounts budgeted in the instruction function.

   Recommendation - The certified budget should have been amended in accordance with Chapter 24.9 of the Code of Iowa before expenditures were allowed to exceed the budget.

   Response - Future budgets will be amended in sufficient amounts to ensure the certified budget is not exceeded.

   Conclusion - Response accepted.

2. Questionable Expenditures - I noted no expenditures that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.

3. 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.

4. Business Transactions - No business transactions between the District and District officials or employees were noted.

5. Restricted Donor Activity - No transactions were noted between the District, District officials or District employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

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

7. Board Minutes - I noted no transactions requiring Board approval which had not been approved by the Board.

8. Certified Enrollment - Variances in the basic enrollment data certified to the Iowa Department of Education were noted. The resident students reported to the Iowa Department of Education was overstated by 2 students who were inadvertently included on the District's certified count reported to the State of Iowa.

   Recommendation - The District should contact the Iowa Department of Education and Iowa Department of Management to resolve this issue.

   Response - We have contacted the Iowa Department of Education and the Iowa Department of Management, as recommended.

   Conclusion - Response accepted.

9. Supplementary Weighting - Variances regarding the supplementary weighting certified to the Iowa Department of Education were noted. Weighted enrollment was overstated by 0.088 due to the District including concurrent classes that were not allowable for supplementary weighting and reporting classes that should not have been funded for the fall session.

   Recommendation - The District should contact the Iowa Department of Management and the Iowa Department of Education to resolve this issue.

   Response - We have contacted the Iowa Department of Management and the Iowa Department of Education, as recommended.

   Conclusion - Response accepted.

10. Deposits and Investments - I noted no instances of non-compliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the District's investment policy.

11. Certified Annual Reports - The Certified Annual Report was certified timely to the Iowa Department of Education.

12. Categorical Funding - No instances were noted of categorical funding used to supplant rather than supplement other funds.

13. Statewide Sales, Services and Use Tax - No instances of non-compliance with the allowable uses of the statewide sales, services and use tax revenue provided in Chapter 423F.3 of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales, services and use tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2024, the District reported the following information regarding the statewide sales, services and use tax revenue in the District's CAR:

Beginning balance		$1,037,419
Revenues		
Statewide sales and services tax revenue	$ 663,292	
Interest earned	52,951	
Contributions and donations	9,500	
Other local revenues	8,696	
Bond proceeds	3,150,000	
Bond premium	115,842	
Lease agreement	396,813	4,397,094
Expenditures/transfers out		
School infrastructure		
School infrastructure construction	$ 468,747	
Equipment	448,253	
Bond discount	38,501	
Transfers to other funds		
Debt service fund	3,329,584	4,285,085
Ending balance		$1,149,428

For the year ended June 30, 2024, the District did not reduce any levies as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa.

14. Deficit Net Position - The District's governmental activities had negative unrestricted net position of $470,131 at June 30, 2024.

Recommendation - The District should continue to monitor these funds and investigate alternatives to eliminate this deficit in order to return them to sound financial condition.

Response - This deficit was a result of adopting GASB Statement No. 68 during the year ended June 30, 2016. We will review the situation and implement changes as we deem necessary.

Conclusion - Response accepted.

DURANT COMMUNITY SCHOOL DISTRICT
Audit Staff
June 30, 2024

This audit was performed by

Kay Chapman, CPA
Terri Slater, staff accountant

APPENDIX E – FORM OF ISSUE PRICE CERTIFICATES

EXHIBIT A
DURANT COMMUNITY SCHOOL DISTRICT, IOWA
$4,350,000 GENERAL OBLIGATION SCHOOL BONDS, SERIES 2025

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser") 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 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 Terms of Offering, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it 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 (October 21, 2025), or (ii) the date on which Purchaser has 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 Durant 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 October 14, 2025.

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'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 Ahlers & Cooney, P.C., 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: December 1, 2025

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

EXHIBIT A
DURANT COMMUNITY SCHOOL DISTRICT, IOWA
$4,350,000 GENERAL OBLIGATION SCHOOL BONDS, SERIES 2025

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 October 14, 2025.

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 the 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 Ahlers & Cooney, P.C., 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: December 1, 2025

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)