

\$6,435,000*
Gilbert Community School District, Iowa
General Obligation School Bonds
Series 2025

(FAST Closing)
(Book Entry Only)
(PARITY© Bidding Available)

DATE: Monday, November 17, 2025
TIME: 11:00 AM CST
PLACE: District Office – Conference Room
103 Mathews Dr.
Gilbert, IA 50105

S&P's Rating: "A+" (negative outlook)

* 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 Gilbert Community School District, Iowa (the "Issuer")

Re: \$6,435,000* 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:

<u>Coupon</u>	<u>Yield</u>	<u>Due</u>	<u>Coupon</u>	<u>Yield</u>	<u>Due</u>
_____	_____	June 1, 2026	_____	_____	June 1, 2036
_____	_____	June 1, 2027	_____	_____	June 1, 2037
_____	_____	June 1, 2028	_____	_____	June 1, 2038
_____	_____	June 1, 2029	_____	_____	June 1, 2039
_____	_____	June 1, 2030	_____	_____	June 1, 2040
_____	_____	June 1, 2031	_____	_____	June 1, 2041
_____	_____	June 1, 2032	_____	_____	June 1, 2042
_____	_____	June 1, 2033	_____	_____	June 1, 2043
_____	_____	June 1, 2034	_____	_____	June 1, 2044
_____	_____	June 1, 2035	_____	_____	June 1, 2045

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

<u>Principal Amount</u>	<u>Month and Year (Inclusive)</u>	<u>Maturity Month and Year</u>
\$ _____	_____ 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:\$ _____ TRUE INTEREST COST _____ %
(Computed from the dated date)

Account Manager

Signature of Account Manager

The foregoing offer is hereby accepted by and on behalf of the Board of Directors of the Gilbert Community School District, in the Counties of Boone and Story, State of Iowa, this 17th day of November 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 \$6,435,000* 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 \$10,000,000.

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, 2034, 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 beginning on June 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 \$64,350* 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 99.5% 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.

Scaled Bidding: Sealed bids may be submitted and will be received at the office of the Superintendent, Gilbert Community School District, 103 Mathews Dr., Gilbert, 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:

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

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

No interest rate bid may be higher than 8%.

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.

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

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 13, 2025

NEW ISSUE - DTC BOOK ENTRY ONLY

S&P Rating: "A+" (negative outlook)

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"), interest on the Bonds is excludable from gross income for federal income tax purposes. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax on individuals; however, such interest 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 NOT be designated as "qualified tax-exempt obligations". See "TAX EXEMPTION AND RELATED MATTERS" section for a more detailed discussion.

\$6,435,000*

Gilbert 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 the Gilbert Community School District (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 June 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, 2034 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

<u>Bonds Due</u>	<u>Amount*</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip #'s **</u>	<u>Bonds Due</u>	<u>Amount*</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip #'s **</u>
June 1, 2026	\$520,000			375336 MB7	June 1, 2036	\$175,000			375336 MM3
June 1, 2027	115,000			375336 MC5	June 1, 2037	190,000			375336 MN1
June 1, 2028	125,000			375336 MD3	June 1, 2038	195,000			375336 MP6
June 1, 2029	130,000			375336 ME1	June 1, 2039	205,000			375336 MQ4
June 1, 2030	135,000			375336 MF8	June 1, 2040	210,000			375336 MR2
June 1, 2031	145,000			375336 MG6	June 1, 2041	220,000			375336 MS0
June 1, 2032	150,000			375336 MH4	June 1, 2042	230,000			375336 MT8
June 1, 2033	155,000			375336 MJ0	June 1, 2043	235,000			375336 MU5
June 1, 2034	165,000			375336 MK7	June 1, 2044	245,000			375336 MV3
June 1, 2035	175,000			375336 ML5	June 1, 2045	2,715,000			375336 MW1

\$ _____ % 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 & Cooney, P.C. is also serving as Disclosure Counsel to the Issuer in connection with the issuance of the Bonds. 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 18, 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, salesperson 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 INVOLVES 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 QUALIFICATION OF THESE SECURITIES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THESE SECURITIES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SECURITIES OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

FORWARD-LOOKING STATEMENTS

This Official Statement, including Appendix A, contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as "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 TO DIFFER. THE ISSUER 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
GILBERT COMMUNITY SCHOOL DISTRICT, IOWA
\$6,435,000* GENERAL OBLIGATION SCHOOL BONDS, SERIES 2025

INTRODUCTORY STATEMENT

This Official Statement presents certain information relating to the Gilbert Community School District, Iowa (the “Issuer”), in connection with the sale of the Issuer’s General Obligation School Bonds, Series 2025 (the “Bonds”). The Bonds, are being issued to provide funds to: (i) construct, build, furnish, and equip a new Elementary building and improve the site; (ii) to construct, build, furnish, and equip additions to the High School, Intermediate School, and Middle School (including, but not limited to, a secure entrance) buildings and related remodeling; (iii) remodel, repair and improve the High School, Intermediate School, and Middle School buildings; (iv) relocate the track from the Intermediate School site to the Middle School site; and (v) pay costs of issuance for the Bonds (the “Project”). See “**SOURCES AND USES OF FUNDS**” herein. The Bonds will be issued pursuant to a Resolution authorizing the issuance of Bonds expected to be adopted on or about December 8, 2025 (the “Resolution” or the “Bond Resolution”).

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 June 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 Chapter 296 of the Code of Iowa, 2025, as amended, approval of the District voters for issuance of \$35,000,000 General Obligation Bonds to fund the Project at an election held on November 7, 2023, and 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.

* 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 Participants 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 take 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 be 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 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 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 and Exchange Commission, and the current “Procedures” of DTC to be followed in dealing with Direct Participants are on file with DTC.

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

Transfer and Exchange

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

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

Prepayment

Optional Prepayment: The Bonds maturing after June 1, 2034, may be called for redemption by the Issuer and paid before maturity on said date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

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

Mandatory Sinking Fund Redemption The Bonds maturing on _____ are subject to mandatory redemption (by lot, as selected by the Registrar) on _____ 1 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:

(maturity)

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.

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 real property in the territory of the Issuer without limit as to rate or amount sufficient to pay the debt service deficiency.

The Resolution for the Bonds 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.

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 resolution for the Bonds) 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 “**THE BONDS - 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 property 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/Limitation or Delay in Remedies

There is no trustee or similar person to monitor or enforce the provisions of the resolution for the Bonds. 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 monthly 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 (market value), while its net pension liability at June 30, 2023, was approximately \$4.514 billion

(market value). 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 \$1,260,590. 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, 2024, at approximately \$6,353,518. 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 Global Ratings, a division of Standard & Poor’s Financial Services LLC (“S&P”) has assigned a rating of “A+” (negative outlook) to the Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of the Rating Agency, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

Forward-Looking Statements

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

Legislative Change Related to School Choice

In 2023 the Iowa General Assembly adopted Legislation (“HF68”) that established a standing unlimited State general fund appropriation for an Education Savings Account Fund (the “Fund”) under the control of the Department of Education (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. As of July 1, 2025, all students attending a nonpublic school became eligible to participate.

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 June 30, 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 38 students who resided within the boundaries of the Issuer but attended non-public schools for the 2022-23 school year and 39 students for the 2023-24 school year; and 41 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.

Proposed 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 and 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. The Issuer experienced a cyber incident in January of 2024, but has since made technology improvements with efforts to minimize the risk of future cyber security intrusions.

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

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 - Prepayment.”**

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 \$15,000,000 General Obligation School Bonds, Series 2024, plus the proceeds of the remaining General Obligation School Bonds authorized by the voters plus a portion of the proceeds of the previously issued \$19,400,000 School infrastructure Sales, Services, and Use Tax Revenue Bonds, Series 2025; plus the proceeds of the School Infrastructure Sales, Services and Use Tax Revenue Bonds, expected to be issued in calendar year 2026, 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.

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. Material failures 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, Not Bank Qualified, 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 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 NOT designate the Bonds as “qualified tax-exempt obligations” under the exception provided in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

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.

Risk of Audit

The Internal Revenue Service has an ongoing program to audit tax-exempt obligations to determine the legitimacy of the tax status of such obligations. No assurance can be given as to whether the Internal Revenue Service will commence an audit of the Bonds. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

General Fund Balance

The District’s general obligation bonds are currently rated “A+” by Standard and Poor’s. On August 29, 2025, Standard and Poor’s revised the outlook on the District’s general obligation debt from stable to negative, citing a decline in the District’s general fund balance and budgetary pressures. The District’s general fund balance is projected to decrease from \$1,189,048 in fiscal year 2024 to approximately \$463,356 in fiscal year 2025. It is anticipated that the fund balance will stabilize with a small recovery in fiscal year 2026 due to the additional levy for cash reserve implemented by the District for the FY2026 Budget. While the Bonds are secured by an unlimited ad valorem property tax as more fully described in “THE BONDS – Source of Security for the Bonds”, and not the general fund, prospective purchasers should consider the financial condition of the District, including the recent decline in fund balance and the revised outlook, in evaluating an investment in the Bonds.

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 material weaknesses in internal controls, which are described in more detail in the audited financial statements attached as Appendix D.

Changing priorities in federal policies can result in reductions to the level or priority of federal funding for a variety of federally funded programs, including education related programs. Such changes could have an adverse impact on the Issuer's operations or 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 Nolte, Cornman & Johnson P.C. to the extent and for the periods indicated in their report thereon. Such financial statements have been included herein without permission of said CPA, and said CPA expresses no opinion with respect to the Bonds or the Official Statement.

UNDERWRITING

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

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

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

THE PROJECT

The Bonds, are being issued to provide funds to (i) construct, build, furnish, and equip a new Elementary building and improve the site; (ii) to construct, build, furnish, and equip additions to the High School, Intermediate School, and Middle School (including, but not limited to, a secure entrance) buildings and related remodeling; (iii) remodel, repair and improve the High School, Intermediate School, and Middle School buildings; (iv) relocate the track from the Intermediate School site to the Middle School site; and (v) pay costs of issuance for the Bonds.

SOURCES AND USES OF FUNDS *

Sources of Funds	Bond Proceeds	\$6,435,000
	Reoffering Premium	TBD
Total Sources of Funds		TBD
Uses of Funds	Deposit to Project fund	TBD
	Costs of Issuance	TBD
	Underwriter's Discount	TBD
Total Uses of Funds		\$6,435,000

* Preliminary, subject to change

TAX EXEMPTION AND RELATED CONSIDERATIONS

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 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 may be taken into account in computing the alternative minimum tax imposed on certain 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.

NOT Qualified Tax Exemption Obligations

The Bonds will NOT 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").

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. 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 bond trustee or similar person to monitor or enforce the terms of the resolution for issuance of the Bonds. In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the 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.

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).

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds and with regard to the tax-exempt status of the interest thereon (see “**TAX EXEMPTION AND RELATED CONSIDERATIONS**” herein) are subject to the approving legal opinion of Ahlers & Cooney, P.C., Des Moines, Iowa, Bond Counsel, a form of which is attached hereto as “**APPENDIX B – FORM OF BOND COUNSEL OPINION**.” Signed copies of the opinion, dated and premised on law in effect as of the date of original delivery of the Bonds, will be delivered to the Underwriter at the time of such original delivery. The Bonds are offered subject to prior sale and to the approval of legality of the Bonds by Bond Counsel. Ahlers & Cooney, P.C. is also serving as Disclosure Counsel for the Issuer in connection with the issuance of the Bonds. Certain matters will be passed upon for the Municipal Advisor by Dorsey & Whitney LLP, Des Moines, Iowa.

Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements, or data contained in this Official Statement and will express no opinion with respect thereto. Bond Counsel has not participated in the preparation of this Official Statement other than to review or prepare information describing the terms of the Bonds, Iowa and Federal law pertinent to the validity of the Bonds, and the tax status of interest on the Bonds which can be found generally under the sections “**THE BONDS**”, “**THE BONDS - Source of Security for the Bonds**”, and “**TAX EXEMPTION AND RELATED CONSIDERATIONS**”. Additionally, Bond Counsel has provided its form of bond counsel opinion and Issuer’s continuing disclosure certificate, found in Appendices B and C.

The legal opinion to be delivered will express the professional judgment of Bond Counsel, and by rendering a legal opinion, Bond Counsel does not become an insurer or guarantor of the result indicated by that expression of professional judgment or of the transaction or the future performance of the parties to the transaction.

MUNICIPAL ADVISOR

The Issuer has retained Piper Sandler & Co. as municipal advisor (the “Municipal Advisor”) in connection with the issuance of the Bonds. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of, completion or fairness of such information and data in the Official Statement. 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 (the “Undertaking”) 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 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.

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 Bonds, 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 entirety 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 reviewed the information contained herein which relates to it 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.

GILBERT COMMUNITY SCHOOL DISTRICT, IOWA

/s/ Gail Hopkins
Board Secretary

APPENDIX A - INFORMATION ABOUT THE ISSUER

GILBERT COMMUNITY SCHOOL DISTRICT, IOWA

DISTRICT OFFICIALS

PRESIDENT	Josh Bennett
BOARD MEMBERS	Andrew Ricklefs Nathan Kerns (VP) Melissa Pearson Mindy Rash
SUPERINTENDENT	Dr. Christine Trujillo
DISTRICT SECRETARY	Gail Hopkins
DISTRICT TREASURER	Gail Hopkins
DISTRICT ATTORNEY	Ahlers & Cooney, P.C.

CONSULTANTS

BOND & 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 Gilbert Community School District (48.2 square miles) is located in central Iowa, approximately 35 miles north of Des Moines. Included within the District are portions of Story and Boone Counties, the city of Gilbert, and a portion of the city of Ames. The city of Gilbert serves as a trading center for the prosperous surrounding agricultural area.

In addition to the employment opportunities in nearby Ames, employers located within the District include: General Filters (filters); Todd and Sargent (livestock feed) and Hallett Construction Co., (gravel). Transportation facilities serving the District include Interstate 35, US. Highway 69, the Union Pacific Railway and an excellent network of paved county roads. Commercial airline service is available in nearby Des Moines. Continuing education opportunities for residents of the District are readily available at Iowa State University, Ames; DMACC, Ankeny & Boone; and Marshalltown Community College, Marshalltown.

District Facilities

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

<u>Building</u>	<u>Construction Date</u>	<u>Grades</u>
Gilbert Elementary	1974, 1989, 1991, 1999	PK – 2
Gilbert Intermediate	1959, 1963, 1967, 1973, 1974, 1979, 1989, 1995, 2005	3-5
Gilbert Middle School	2006, 2019	6-8
Gilbert High School	2013, 2019	9-12

Source: Gilbert CSD

Enrollment

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

	<u>Certified (Resident) (1)(2)</u>	<u>Open Enroll In (3)</u>	<u>Open Enroll Out (3)</u>	<u>Total Served</u>
October-25	1,594.0	183.8	128.4	1,649.4
October-24	1,590.5	165.8	136.3	1,620.0
October-23	1,607.6	169.3	130.9	1,646.0
October-22	1,586.7	173.0	133.8	1,625.9
October-21	1,562.7	163.0	127.8	1,597.9
October-20	1,534.0	158.8	146.7	1,546.1

Source: Department of Education

(1) Used for Sales Tax distribution

(2) Used for State Aid distribution

(3) 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.

Staff

Presented below is a list of the District's 259 employees.

Administrators:	10	Media Specialists:	1
Teachers:	121	Nurses:	2
Teacher Aids:	52	Guidance:	6
Custodians/Maintenance:	13	Secretaries:	13
Food Service:	15	Transportation:	15
Technology:	11		

Source: Gilbert CSD

Other Post-Employment Benefits (OPEB)

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

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	218
Total	222

Total OPEB Liability – The District’s total OPEB liability of \$385,836 was measured as of June 30, 2023, 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	2.50%
Rates of salary increase including inflation	3.25%
Discount rate including inflation	3.86%
Healthcare cost trend rate	7.60% initial rate decreasing by 0.5% annually to an ultimate rate of 3.90%

Discount Rate – The discount rate used to measure the total OPEB liability was 3.86%, 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, retirement and turnover probabilities are based on School assumptions for Regular Members in the June 2022 Iowa Public Employees’ Retirement System (IPERS) Demographic Assumptions Study.

Changes in the Total OPEB Liability:

Total OPEB obligation – beginning of year	\$625,075
Changes for the year	
	Service Cost 59,896
	Interest 24,764
	Differences between expected and actual experiences (129,603)
	Change in assumption (166,585)
	Benefit Payments (27,711)
Net Changes	(239,239)
Net OPEB obligation – end of year	\$385,836

Changes of assumptions reflect a change in the discount rate from 3.69% at June 30, 2023 to 3.86% at June 30, 2024.

Source: the Issuer’s Independent Audited Financial Statements for fiscal year ending June 30, 2024

Employee Pension Plan

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. However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Contributions. Although the actuarial contribution rates are calculated each year, the contribution rates were set by state law through June 30, 2012 and did not necessarily coincide with the actuarially calculated contribution rate. As a result, from June 30, 2002 through June 30, 2013, the rate allowed by statute was less than the actuarially required rate. Effective July 1, 2012, as a result of a 2010 law change, IPERS contribution rates for the Issuer and its employees are established by IPERS following the annual actuarial valuation (which applies IPERS’ Contribution Rate Funding Policy and Actuarial Amortization method.) State statute, however, limits the amount rates can increase or decrease

each year to one (1) percentage point. Therefore, any difference between the actuarial contribution rates and the contributions paid is due entirely to statutorily set contributions that may differ from the actual contribution rates. As a result, while the contribution rate in the fiscal year ended June 30, 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.

Fiscal Year	Issuer Contribution		Issuer Employees' Contribution	
	Amount Contributed	% of Covered Payroll	Amount Contributed	% of Covered Payroll
2020	996,714	9.44	664,124	6.29
2021	1,044,639	9.44	697,894	6.29
2022	1,064,047	9.44	743,064	6.29
2023	1,166,946	9.44	803,842	6.29
2024	1,260,590	9.44	839,948	6.29

SOURCE: Gilbert CSD

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

The following table sets forth certain information about the funding status of IPERS that has been extracted from the comprehensive annual financial reports of IPERS (collectively, the "IPERS ACFRs"), 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 2 – Funding Status of IPERS

Valuation Date	Actuarial Value of Assets [a]	Market Value of Assets [b]	Actuarial Accrued Liability [c]	Unfunded Actuarial Accrued Liability (Actuarial Value) [c]-[a]	Funded Ratio (Actuarial Value) [a]/[c]	Unfunded Actuarial Accrued Liability (Market Value) [c]-[b]	Funded Ratio (Market Value) [b]/[c]	Covered Payroll [d]	UAAL as a Percentage of Covered Payroll (Actuarial Value) [[c-a]/[d]]
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	40,191,566,259	43,969,714,606	4,615,482,227	89.50	3,778,148,347	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

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 ACFRs

Table 3 – Recent returns of IPERS

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

Fiscal Year Ended June 30	Investment Return %
2020	3.39
2021	29.63
2022	-3.90
2023	5.49
2024	9.07

Net Pension Liabilities.

At June 30, 2024, the Issuer reported a liability of \$6,353,518 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 Municipal Advisor, and counsel to the 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.

Investment of Public Funds

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

<u>Type of Investment</u>	<u>Amount Invested</u>
Local Bank Money Market	\$8,657,374.77
Local Bank Deposit Accounts	10,728,969.32
Local Bank Time CD's	0
ISJIT Diversified Fund	4,186,388.94
ISJIT Rolling Fixed Deposit Investment	2,756,656.61
Total	\$26,329,389.64

Source: Gilbert CSD

Population

Presented below are population figures for the periods indicated for the City of Gilbert:

<u>Year</u>	<u>Gilbert</u>
2020	1,211
2010	1,082
2000	987
1990	796
1980	805
1970	521
1960	318
1950	297
1940	226

Source: U.S. Census Bureau

Major Employers

Presented below is a summary of the largest employers in the Ames area:

<u>Employer</u>	<u>Type of Business</u>	<u>Number of Employees</u>
Iowa State University	Education	13875
Mary Greeley Medical Center	Health Care	1400
Iowa Department of Transportation	Headquarter of transportation	1200
Donnelly Marketing	Direct mail advertising	750
Ames Community School District	Education	680
City of Ames	Local government	500
McFarland Clinic	Medical clinic	520
Sauer—Danfoss Corporation	Hydro-transmission research and assembly	625
Ames Laboratory	Research	443
3M Company	Abrasive manufacturing and general distribution	430
Hy-Vee Food Stores	Food Stores	300
Gilbert Community School District	Education	259
National Animal Disease Center	Animal Disease Center	250
Hach Company	Water analysis equipment	250
Todd & Sargent	Grain Elevator building	250
Story County	County government	242
National Veterinary Service Lab	Veterinary laboratory	230
Wal-Mart	Retail store	230
Ball Corporation	PET bottles	180
Barilla	Pasta, noodles	150
Becker Underwood / Colorbiotics	Ag Colorant	unavailable

Source: Locationone.com

Property Tax Assessment

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

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

<u>Fiscal Year</u>	<u>Residential</u>	<u>Ag Land & Buildings</u>	<u>Commercial (3)</u>	<u>Multi-residential</u>	<u>Railroad (3)</u>	<u>Industrial (3)</u>	<u>Old Utilities</u>	<u>Ch 437 Utilities</u>	<u>Ch 428 & 438 Utilities</u>
2026-27	44.5345	59.4401	90.0000	NA	90.0000	90.0000	NA	94.2059	98.0000
2025-26	47.4316	73.8575	90.0000	NA	90.0000	90.0000	100.0000	Utilities	Utilities
2024-25	46.3428	71.8370	90.0000	NA	90.0000	90.0000	100.0000	Utilities	Utilities
2023-24	54.6501	91.6430	90.0000	NA	90.0000	90.0000	100.0000	Utilities	Utilities
2022-23	54.1302	89.0412	90.0000	63.7500	90.0000	90.0000	100.0000	Utilities	Utilities

Source: Iowa Department of Revenue

Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the following fiscal year. For example, the assessments finalized on January 1, 2023 are used to calculate tax liability for the tax year starting July 1, 2024 through June 30, 2025. Presented below are the historic property valuations of the Issuer by class of property.

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Property Valuations (1) (2)

Actual Valuation					
Valuation as of January	2024	2023	2022	2021	2020
<u>Fiscal Year</u>	<u>2025-26</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>
Residential:	1,380,192,733	1,336,972,120	1,047,319,771	1,006,324,708	952,264,267
Agricultural Land:	42,502,647	42,599,214	34,528,414	34,638,294	32,882,413
Ag Buildings:	2,671,164	2,606,914	1,759,697	1,583,557	1,276,622
Commercial:	67,265,954	66,859,900	60,574,100	59,625,200	53,636,400
Industrial:	15,041,800	15,041,800	14,868,900	14,868,900	12,961,700
Multiresidential:	0	0	0	2,997,600	2,997,600
Personal RE:	0	0	0	0	0
Railroads:	8,475,501	8,267,323	8,014,764	7,481,573	7,025,014
Utilities:	314,713	369,994	345,059	1,109,027	1,428,555
Other:	0	0	0	0	0
Total Valuation:	1,516,464,512	1,472,717,265	1,167,410,705	1,128,628,859	1,064,472,571
Less Military:	1,112,000	1,127,985			
Less Homestead:	5,915,379	2,830,843	501,892	514,856	522,264
Net Valuation:	1,509,437,133	1,468,758,437	1,166,908,813	1,128,114,003	1,063,950,307
TIF Valuation:	7,352,600	0	0	0	0
Utility Replacement:	18,929,593	18,656,571	14,288,720	14,110,877	14,176,926
Taxable Valuation					
Valuation as of January	2024	2023	2022	2021	2020
<u>Fiscal Year</u>	<u>2025-26</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>
Residential:	654,647,424	619,590,356	572,361,325	544,725,617	537,166,462
Agricultural Land:	31,391,391	30,601,996	31,642,880	30,842,352	27,631,244
Ag Buildings:	1,972,856	1,872,728	1,612,642	1,410,014	1,072,748
Commercial:	56,323,644	56,073,110	51,434,699	53,662,680	48,272,760
Industrial:	13,346,063	13,341,164	13,222,936	13,382,010	11,665,530
Multiresidential:	0	0	0	1,910,970	2,023,386
Personal RE:	0	0	0	0	0
Railroads:	7,622,175	7,434,666	7,208,491	6,733,416	6,322,513
Utilities:	314,713	369,994	345,059	1,109,027	1,407,826
Other:	0	0	0	0	0
Total Valuation:	765,618,266	729,284,014	677,828,032	653,776,086	635,562,469
Less Military:	1,112,000	1,127,985			
Less Homestead:	5,915,379	2,830,843	501,892	514,856	522,264
Net Valuation:	758,590,887	725,325,186	677,326,140	653,261,230	635,040,205
TIF Valuation:	6,546,502	0	0	0	0
Utility Replacement:	2,895,642	2,990,704	1,855,422	1,871,309	1,925,116
Valuation	Actual	% Change in	Taxable	% Change in	
<u>Year</u>	<u>Valuation</u>	<u>Actual</u>	<u>Valuation</u>	<u>Taxable</u>	
	<u>w/ Utilities (2)</u>	<u>Valuation</u>	<u>w/ Utilities</u>	<u>Valuation</u>	
2024	1,535,719,326	3.29%	768,033,031	5.45%	
2023	1,486,755,962	25.87%	728,315,890	7.23%	
2022	1,181,197,533	3.41%	679,181,562	3.67%	
2021	1,142,224,880	5.95%	655,132,539	2.85%	
2020	1,078,127,233	3.34%	636,965,321	5.41%	

(1) Source: Iowa Department of Management

(2) Source: Dallas and Polk County Auditor's office final County tax list. After the final property assessment appeal process, the final aggregated actual valuation was reported as \$1,486,755,962. The valuation information provided by class in the foregoing table from the Department of Management is utilizing an estimated aggregated actual valuation of \$1,487,415,008, and that information is not updated by the Department of Management.

Tax Rates

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

<u>Fiscal</u> <u>Year</u>	<u>Operating</u> <u>Fund</u>	<u>Management</u> <u>Fund</u>	<u>Board</u> <u>PPEL</u>	<u>Voter</u> <u>PPEL</u>	<u>Play</u> <u>Ground</u>	<u>Debt</u> <u>Service</u>	<u>School</u> <u>House</u>	<u>Total</u> <u>Levy</u>
2026	12.27487	0.00000	0.33000	1.34000	0.00000	4.05000	0.00000	17.99487
2025	11.28785	0.00000	0.33000	1.34000	0.00000	4.05000	0.00000	17.00785
2024	9.61182	1.47236	0.33000	1.34000	0.00000	4.05000	0.00000	16.80418
2023	9.81089	1.52641	0.33000	1.34000	0.00000	4.05000	0.00000	17.05730
2022	10.38626	1.09896	0.33000	1.34000	0.00000	4.05000	0.00000	17.20522
2021	11.20949	1.15836	0.33000	1.34000	0.00000	4.05000	0.00000	18.08785

Source: Iowa Department of Management

Historic Tax Rates

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

<u>Fiscal</u> <u>Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Ag Extens</u>	<u>Hospital</u>	<u>County</u>	<u>Total</u> <u>Levy Rate</u>
2026	12.71869	17.99487	0.78046	0.00000	0.49809	0.11254	0.99500	4.03184	37.13149
2025	12.71354	17.00785	0.75916	0.00180	0.51841	0.11259	0.93090	4.41532	36.45957
2024	12.33896	16.80418	0.74410	0.00180	0.39159	0.11735	0.93090	4.50196	35.83084
2023	11.99986	17.05730	0.69448	0.00240	0.49063	0.11527	0.93350	4.50207	35.79551
2022	12.81418	17.20522	0.67789	0.00260	0.50620	0.07582	0.27000	4.95627	36.50818
2021	10.64717	18.08785	0.63533	0.00270	0.44753	0.07960	0.90891	5.02778	35.83687

Source: Iowa Department of Management

Tax Collection History

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

<u>Fiscal</u> <u>Year</u>	<u>Amount</u> <u>Levied</u>	<u>Amount</u> <u>Collected</u>	<u>Percentage</u> <u>Collected</u>
2026	\$13,748,517	In Collection	NA
2025	12,387,086	\$12,420,609	100.27%
2024	11,413,089	\$11,394,230	99.83%
2023	11,174,793	\$11,203,233	100.25%
2022	10,959,129	\$10,978,661	100.18%
2021	10,930,506	\$11,004,169	100.67%

Source: Gilbert CSD

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Largest Taxpayers

Set forth in the following table are the persons or entities which represent the 2024 largest taxpayers within the Issuer, as provided by the Auditors Offices of each of said counties. 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 District. The District's tax levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the District 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.

<u>Taxpayer</u>	<u>2024 Taxable Valuation</u>	<u>Percent of Total</u>
Colorbiotics LLC	\$12,308,970	1.60%
Union Pacific Corporation	\$7,622,175	0.99%
Grayhawk Apartments, LLC	\$7,334,633	0.95%
Vintage Cooperative of Ames	\$6,112,226	0.80%
E I Sargent & Associates LLC	\$4,906,407	0.64%
Greater Iowa Credit Union	\$4,521,288	0.59%
Fareway Stores Inc	\$3,685,817	0.48%
Clinic Building Company Inc	\$3,445,067	0.45%
Ames Golf & Country Club	\$3,307,187	0.43%
Bailey Avenue Development LLC	\$3,200,897	0.42%
Total		7.35%

Source: Boone and Story County Auditors' Office

(1) Utility Property Tax Replacement

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

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

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DIRECT DEBT

General Obligation School Bonds (Debt Service)

Presented below are the principal and interest payments due on the District's outstanding general obligation bonds, presented by fiscal year and issue, including an estimate on the Bonds:

<u>Fiscal Year</u>	<u>7/24/18</u>	<u>1/23/19</u>	<u>4/28/21</u>	<u>4/1/22</u>	<u>9/10/24</u>	<u>12/18/25*</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total P&I</u>
2026	0	195,000	100,000	945,000	90,000	520,000	1,850,000	1,256,927	3,106,927
2027	0	200,000	100,000	985,000	95,000	115,000	1,495,000	1,339,017	2,834,017
2028	0	205,000	100,000	1,025,000	100,000	125,000	1,555,000	1,281,117	2,836,117
2029	0	215,000	100,000	1,045,000	100,000	130,000	1,590,000	1,242,217	2,832,217
2030	0	220,000	100,000	1,070,000	105,000	135,000	1,630,000	1,202,267	2,832,267
2031	0	225,000	100,000	1,095,000	110,000	145,000	1,675,000	1,161,067	2,836,067
2032	0	230,000	1,285,000		50,000	150,000	1,715,000	1,118,367	2,833,367
2033	0	240,000	1,300,000		55,000	155,000	1,750,000	1,084,120	2,834,120
2034	1,275,000	250,000			95,000	165,000	1,785,000	1,047,270	2,832,270
2035	1,325,000	250,000			100,000	175,000	1,850,000	986,670	2,836,670
2036	1,375,000	250,000			110,000	175,000	1,910,000	922,826	2,832,826
2037	1,435,000	250,000			105,000	190,000	1,980,000	856,895	2,836,895
2038	1,245,000	250,000			360,000	195,000	2,050,000	786,432	2,836,432
2039					1,920,000	205,000	2,125,000	712,220	2,837,220
2040					2,015,000	210,000	2,225,000	608,020	2,833,020
2041					2,095,000	220,000	2,315,000	519,020	2,834,020
2042					2,180,000	230,000	2,410,000	426,222	2,836,222
2043					2,270,000	235,000	2,505,000	329,316	2,834,316
2044					2,360,000	245,000	2,605,000	228,317	2,833,317
2045						2,715,000	2,715,000	122,990	2,837,990
Totals:	6,655,000	2,980,000	3,185,000	6,165,000	14,315,000	6,435,000	39,735,000	17,231,291	56,966,291

Source: Gilbert CSD

* Preliminary, subject to change

General Obligation School Capital Loan Notes (PPEL)

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

Anticipatory Warrants

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

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School Infrastructure Sales, Services & Use Tax Revenue Bonds

Presented below are the principal and interest payments due on the District's outstanding school infrastructure sales, services & use tax revenue bonds, presented by fiscal year and issue:

<u>Fiscal Year</u>	<u>12/2/19</u>	<u>09/30/25</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total P&I</u>
2026	770,000	0	770,000	658,662	1,428,662
2027	785,000	0	785,000	938,899	1,723,899
2028	802,000	0	802,000	922,555	1,724,555
2029	819,000	0	819,000	905,858	1,724,858
2030		560,000	560,000	888,806	1,448,806
2031		590,000	590,000	860,806	1,450,806
2032		620,000	620,000	831,306	1,451,306
2033		650,000	650,000	800,306	1,450,306
2034		685,000	685,000	767,806	1,452,806
2035		720,000	720,000	733,556	1,453,556
2036		755,000	755,000	697,556	1,452,556
2037		790,000	790,000	659,806	1,449,806
2038		830,000	830,000	620,306	1,450,306
2039		865,000	865,000	587,106	1,452,106
2040		900,000	900,000	552,506	1,452,506
2041		935,000	935,000	516,506	1,451,506
2042		975,000	975,000	477,938	1,452,938
2043		1,015,000	1,015,000	435,281	1,450,281
2044		1,060,000	1,060,000	390,875	1,450,875
2045		1,110,000	1,110,000	343,175	1,453,175
2046		1,155,000	1,155,000	293,225	1,448,225
2047		1,210,000	1,210,000	239,806	1,449,806
2048		1,265,000	1,265,000	183,844	1,448,844
2049		1,325,000	1,325,000	125,338	1,450,338
2050		1,385,000	1,385,000	64,056	1,449,056
2051			0	0	0
Totals:	3,176,000	19,400,000	22,576,000	14,495,887	37,071,887

Source: Gilbert CSD

Debt Limit (1)

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

Actual Valuation:	1,535,719,326
X	0.05
Statutory Debt Limit:	76,785,966
Total General Obligation Debt:	39,735,000
Total Loan Agreements:	
Capital Leases:	
Total Debt Subject to Limit:	39,735,000
Percentage of Debt Limit Obligated:	51.75%

The constitutional debt limit calculation does not include the District's School Infrastructure Sales, Services & Use Tax Revenue Bonds. If the District's School Infrastructure Sales, Services & Use Tax Revenue Bonds are included in the constitutional debt limit calculation, the "Total Debt Subject to Limit" would increase \$22,576,000 to be \$62,311,000, or 81.15% of the constitutional debt limit.

Source: Iowa Department of Management

(1) Preliminary, subject to change

Overlapping & Underlying Debt

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

<u>Taxing Authority</u>	<u>Outstanding Debt</u>	<u>2024 Taxable Valuation</u>	<u>Taxable Value Within Issuer</u>	<u>Percentage Applicable</u>	<u>Amount Applicable</u>
City Of Ames	\$74,205,000	3,683,666,474	391,336,397	10.62%	\$7,883,210
City Of Gilbert	2,660,000	70,263,438	70,263,438	100.00%	2,660,000
Story County	3,081,614	6,373,667,959	722,251,486	11.33%	349,202
Boone County	4,186,000	2,098,475,830	45,781,545	2.18%	91,324
Des Moines Area CC	68,145,000	70,226,515,406	768,033,031	1.09%	745,269
Heartland AEA	0	69,999,578,107	768,033,031	1.10%	0

Total Overlapping & Underlying Debt: \$11,729,005

Source: Iowa Department of Management

Financial Summary (1)

Actual Value of Property, 2024:	1,535,719,326
Taxable Value of Property, 2024:	768,033,031
Direct General Obligation Debt:	\$39,735,000
Overlapping Debt:	11,729,005
Direct & Overlapping General Obligation Debt:	\$51,464,005
Population, 2020 US Census:	7,993
Direct Debt per Capita:	\$4,971.22
Total Debt per Capita:	\$6,438.63
Direct Debt to Taxable Valuation:	5.17%
Total Debt to Taxable Valuation:	6.70%
Direct Debt to Actual Valuation:	2.59%
Total Debt to Actual Valuation:	3.35%
Actual Valuation per Capita:	\$192,133
Taxable Valuation per Capita:	\$96,088

Source: Iowa Department of Management

(1) Preliminary, subject to change

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 Gilbert Community School District in the Counties of Story and Boone, 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 18, 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.

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 Gilbert Community School District, State of Iowa (the "Issuer"), in connection with the issuance of \$_____ General Obligation School Bonds, Series 2025 (the "Bonds") dated December 18, 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 prepared as of the end of the preceding fiscal year, 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.

GILBERT 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: Gilbert Community School District, Iowa.

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

Dated Date of Issue: December 18, 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____.

GILBERT 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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GILBERT COMMUNITY SCHOOL DISTRICT

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

JUNE 30, 2024

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Gilbert Community School District

Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
(Before November 2023)		
Board of Education		
Andrew Ricklefs	President	2023
Josh Bennett	Vice President	2025
J. Tyler Holck	Board Member	2023
Jeff Mosiman	Board Member	2023
Melissa Pearson	Board Member	2023
(After November 2023)		
Board of Education		
Josh Bennett	President	2025
Andrew Ricklefs	Vice President	2027
Nathan Kerns	Board Member	2027
Mindy Rash	Board Member	2027
Melissa Pearson	Board Member	2025
School Officials		
Dr. Christine Trujillo	Superintendent	2024
Gail Hopkins	Board Secretary/Treasurer and School Business Official	2024
Ahlers & Cooney, P.C.	Attorney	2024

NOLTE, CORNMAN & JOHNSON P.C.
Certified Public Accountants
(a professional corporation)
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Telephone (641) 792-1910

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of Gilbert Community School District:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Gilbert Community School District, Gilbert, 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 our 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 Gilbert 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

We conducted our 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Gilbert Community School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Gilbert 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

Our 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 our 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, we:

- 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 Gilbert 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 our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Gilbert Community School District's ability to continue as a going concern for a reasonable period of time.

We are 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 we 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 7 through 16 and 44 through 50 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. We 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Gilbert Community School District's basic financial statements. We 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 7, including the Schedule of Expenditures of Federal Awards required by Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information, including the Schedule of Expenditures of Federal Awards, 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 our opinion, the supplementary information in Schedules 1 through 7, including the Schedule of Expenditures of Federal Awards, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Information

Management is responsible for the other information in the independent auditor's report. The other information comprises the officials page but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated April 11, 2025 on our consideration of Gilbert Community School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of 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 Gilbert Community School District's internal control over financial reporting and compliance.



NOLTE, CORNMAN & JOHNSON, P.C.

April 11, 2025
Newton, Iowa

MANAGEMENT'S DISCUSSION AND ANALYSIS

Gilbert 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

- The District's total net position increased from \$30,172,664 at June 30, 2023 to \$32,568,059 at June 30, 2024. Total revenues increased 4.24% from \$27,910,350 in fiscal year 2023 to \$29,093,573 in fiscal year 2024, while total expenses increased 8.26% from \$24,660,899 in fiscal year 2023 to \$26,698,178 in fiscal year 2024. Revenues from unrestricted state grants increased \$455,390 which was the primary reason for the increase in total revenues. Instruction program expenses increased \$1,274,383 which was the primary reason for the increase in total expenses.
- The District's General Fund balance decreased from \$2,736,268 at June 30, 2023 to \$1,147,012 at June 30, 2024. Total General Fund revenues increased from \$19,338,926 in fiscal year 2023 to \$20,209,170 in fiscal year 2024, while total General Fund expenditures increased from \$20,493,114 in fiscal year 2023 to \$21,798,426 in fiscal year 2024. Revenues from state sources increased \$572,877 which was the primary reason for the increase in total revenues. Regular instruction expenditures increased \$490,906 which was the primary reason for the increase in total expenditures.

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 Gilbert 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 were financed in the short term as well as what remains for future spending. Fund financial statements report Gilbert Community School District's operations in more detail than the government-wide statements by providing information about the most significant funds.

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.

Figure A-1 shows how the various parts of this annual report are arranged and relate to one another.

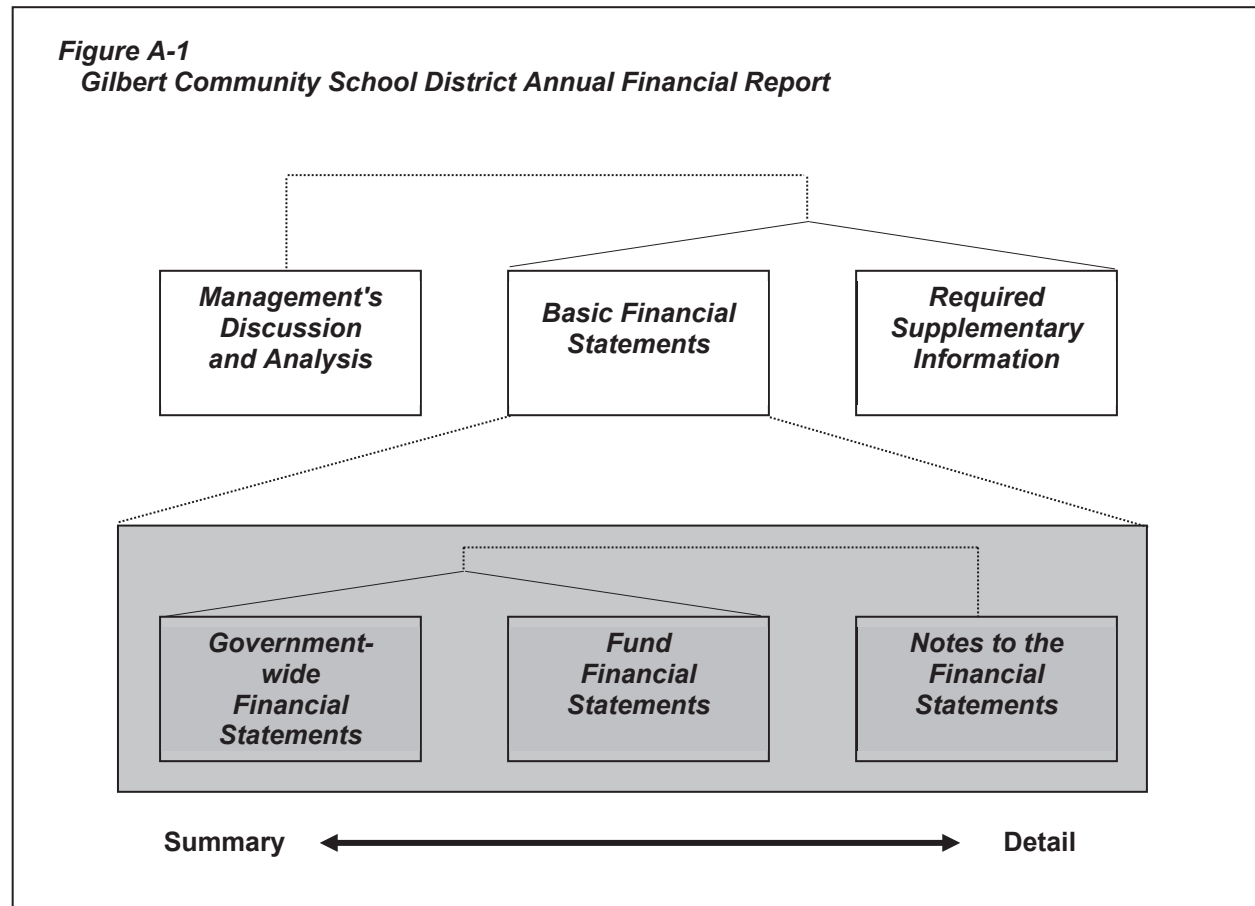


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain.

Figure A-2			
Major Features of the Government-Wide and Fund Financial Statements			
	Government-wide Statements	Fund Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food service
Required financial statements	· Statement of net position · Statement of activities	· Balance sheet · Statement of revenues, expenditures, and changes in fund balances	· Statement of net position · Statement of revenues, expenses and changes in fund net position · Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of deferred outflow / inflow information	Consumption/acquisition of net position that is applicable to a future reporting period	Consumption/ acquisition of fund balance that is applicable to a future reporting period	Consumption/ acquisition of net position that is applicable to a future reporting period
Type of inflow / outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

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

The District has two 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 Capital Projects Fund and the Debt Service Fund.

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, Statement of Revenues, Expenses and Changes in Fund Net Position and a Statement of Cash Flows.

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-3 below provides a summary of the District's net position at June 30, 2024 compared to June 30, 2023.

Figure A-3 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	2023-24
Current and other assets	\$ 24,849,812	26,467,332	610,707	638,181	25,460,519	27,105,513	-6.07%
Capital assets	52,092,139	50,355,177	77,392	77,240	52,169,531	50,432,417	3.44%
Total assets	76,941,951	76,822,509	688,099	715,421	77,630,050	77,537,930	0.12%
Deferred outflows of resources	2,670,118	1,683,697	67,196	42,028	2,737,314	1,725,725	58.62%
Long-term liabilities	31,556,242	33,604,656	168,451	140,528	31,724,693	33,745,184	-5.99%
Other liabilities	2,903,947	2,715,272	78,715	89,690	2,982,662	2,804,962	6.34%
Total liabilities	34,460,189	36,319,928	247,166	230,218	34,707,355	36,550,146	-5.04%
Deferred inflows of resources	13,070,646	12,514,560	21,304	26,285	13,091,950	12,540,845	4.39%
Net position:							
Net investment in capital assets	27,106,800	22,522,626	77,392	77,240	27,184,192	22,599,866	20.28%
Restricted	8,012,313	9,211,893	-	-	8,012,313	9,211,893	-13.02%
Unrestricted	(3,037,879)	(2,062,801)	409,433	423,706	(2,628,446)	(1,639,095)	-60.36%
Total net position	\$ 32,081,234	29,671,718	486,825	500,946	32,568,059	30,172,664	7.94%

The District's total net position increased 7.94%, or \$2,395,395, from the prior year.

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

Restricted net position represents resources that are subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. The District's restricted net position decreased \$1,199,580, or 13.02%, from the prior year. This decrease is primarily due to the decrease in the amount restricted for school infrastructure.

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 \$989,351, or 60.36%. This decrease in unrestricted net position is primarily a result of the decrease in the unassigned General Fund balance.

Figure A-4 shows the changes in net position for the year ended June 30, 2024 compared to the year ended June 30, 2023.

Figure A-4 Changes in Net Position							
	Governmental Activities		Business Type Activities		Total District		Total Change
	2024	2023	2024	2023	2024	2023	2023-24
Revenues:							
Program revenues:							
Charges for service	\$ 2,279,313	2,225,539	680,739	662,159	2,960,052	2,887,698	2.51%
Operating grants, contributions and restricted interest	1,713,065	1,498,594	325,025	421,862	2,038,090	1,920,456	6.13%
Capital grants, contributions and restricted interest	200,021	45,204	-	-	200,021	45,204	342.49%
General revenues:							
Property tax	11,401,866	11,211,650	-	-	11,401,866	11,211,650	1.70%
Statewide sales, services and use tax	2,090,258	2,134,490	-	-	2,090,258	2,134,490	-2.07%
Unrestricted state grants	9,788,928	9,333,538	-	-	9,788,928	9,333,538	4.88%
Unrestricted investment earnings	531,946	297,166	20,436	7,758	552,382	304,924	81.15%
Other	52,747	63,436	9,229	8,954	61,976	72,390	-14.39%
Total revenues	28,058,144	26,809,617	1,035,429	1,100,733	29,093,573	27,910,350	4.24%
Program expenses:							
Instruction	14,862,479	13,588,096	-	-	14,862,479	13,588,096	9.38%
Support services	7,394,239	6,698,346	20,670	9,963	7,414,909	6,708,309	10.53%
Non-instructional programs	-	-	1,028,880	940,739	1,028,880	940,739	9.37%
Other expenses	3,391,910	3,423,755	-	-	3,391,910	3,423,755	-0.93%
Total expenses	25,648,628	23,710,197	1,049,550	950,702	26,698,178	24,660,899	8.26%
Excess (Deficiency) of revenues over (under) expenses	2,409,516	3,099,420	(14,121)	150,031	2,395,395	3,249,451	-26.28%
Transfers	-	(10,000)	-	10,000	-	-	0.00%
Change in net position	2,409,516	3,089,420	(14,121)	160,031	2,395,395	3,249,451	-26.28%
Net position beginning of year	29,671,718	26,582,298	500,946	340,915	30,172,664	26,923,213	12.07%
Net position end of year	\$ 32,081,234	29,671,718	486,825	500,946	32,568,059	30,172,664	7.94%

In fiscal year 2024, property tax and unrestricted state grants accounted for 75.52% of governmental activities revenues, while charges for service and operating grants, contributions and restricted interest accounted for 97.14% of the business type activities revenues.

The District's total revenues were approximately \$29.09 million, of which approximately \$28.06 million was for governmental activities and approximately \$1.03 million was for business type activities.

As shown in Figure A-4, the District as a whole experienced a 4.24% increase in revenues and a 8.26% increase in expenses. Revenues from unrestricted state grants increased \$455,390 which was the primary reason for the increase in total revenues. Instruction program expenses increased \$1,274,383 which was the primary reason for the increase in total expenses.

Governmental Activities

Revenues for governmental activities were \$28,058,144 and expenses were \$25,648,628 for the year ended June 30, 2024.

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

	Figure A-5					
	Total and Net Cost of Governmental Activities					
	Total Cost of Services			Net Cost of Services		
	2024	2023	Change 2023-24	2024	2023	Change 2023-24
Instruction	\$ 14,862,479	13,588,096	9.38%	11,661,120	10,691,167	9.07%
Support services	7,394,239	6,698,346	10.39%	7,170,951	6,563,928	9.25%
Other expenses	3,391,910	3,423,755	-0.93%	2,624,158	2,685,765	-2.29%
Total	<u>\$ 25,648,628</u>	<u>23,710,197</u>	<u>8.18%</u>	<u>21,456,229</u>	<u>19,940,860</u>	<u>7.60%</u>

For the year ended June 30, 2024:

- The cost financed by users of the District's programs was \$2,279,313.
- Federal and state governments, along with contributions from local sources, subsidized certain programs and projects with grants and contributions totaling \$1,913,086.
- The net cost of governmental activities was financed with \$11,401,866 in property tax, \$2,090,258 in statewide sales, services and use tax, \$9,788,928 in unrestricted state grants, \$531,946 in interest income and \$52,747 in other general revenues.

Business Type Activities

Revenues of the District's business type activities for the year ended June 30, 2024 were \$1,035,429 and expenses were \$1,049,550. The District's business type activities include the School Nutrition Fund. Revenues of these activities were comprised of charges for services, federal and state reimbursements, investment income and other general revenues.

INDIVIDUAL FUND ANALYSIS

As previously noted, Gilbert 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 combined fund balances of \$9,890,748, below last year's ending fund balances of \$12,715,611. The primary reason for the decrease in combined fund balances is the decrease in the Capital Project Fund balance.

Governmental Fund Highlights

- The District's General Fund financial position is the product of many factors. Total expenditures outpaced total revenues resulting in a decrease in fund balance from \$2,736,268 at June 30, 2023 to \$1,147,012 at June 30, 2024.
- The Capital Projects Fund balance decreased from \$6,784,743 at the end of fiscal year 2023 to \$5,000,061 at the end of fiscal year 2024. This decrease is primarily a result of an increase in capital outlay expenditures associated with the District's on-going capital improvement projects.

- The Debt Service Fund balance increased slightly from \$1,033,556 at June 30, 2023 to \$1,044,835 at June 30, 2024.

Proprietary Fund Highlights

The School Nutrition Fund net position decreased from \$500,946 at June 30, 2023 to \$486,825 at June 30, 2024, representing a decrease of 2.82%.

BUDGETARY HIGHLIGHTS

Over the course of the year, Gilbert Community School District amended its budget one time to reflect additional expenditures.

The District's revenues were \$479,515 more than budgeted revenues, a variance of 1.68%. The most significant variance resulted from the District receiving more from federal sources than originally anticipated.

Total expenditures were less than budgeted, due primarily to the District's budget for the General Fund. It is the District's practice to budget expenditures at the maximum authorized spending authority for the General Fund. The District then manages or controls General Fund spending through its line-item budget. As a result, the District's certified budget should always exceed actual expenditures for the year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024, the District had invested \$52,169,531, net of accumulated depreciation/amortization, in a broad range of capital assets, including land, buildings, athletic facilities, computers, audio-visual equipment and transportation equipment. (See Figure A-6) This amount represents a net increase of 3.44% from last year. More detailed information about the District's capital assets is presented in Note 4 to the financial statements. Depreciation/amortization expense for the year was \$2,248,503 for governmental activities and \$29,740 for business type activities.

The largest change in capital asset activity during the year occurred in the construction in progress category. The District's construction on progress totaled \$2,667,456 at June 30, 2024, compared to \$0 reported at June 30, 2023. The increase is a result of on-going construction activity associated with the District's capital improvement projects.

Figure A-6							
Capital Assets, Net of Depreciation/Amortization							
	Governmental Activities		Business Type Activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2024	2023	2024	2023	2024	2023	2023-24
Land	\$ 1,543,909	1,543,909	-	-	1,543,909	1,543,909	0.00%
Construction in progress	2,667,456	-	-	-	2,667,456	-	100.00%
Buildings	45,699,152	46,876,936	-	-	45,699,152	46,876,936	-2.51%
Land improvements	937,958	967,641	-	-	937,958	967,641	-3.07%
Machinery and equipment	1,091,126	763,307	77,392	77,240	1,168,518	840,547	39.02%
Right-to-use leased assets	152,538	203,384	-	-	152,538	203,384	-25.00%
Total	\$ 52,092,139	50,355,177	77,392	77,240	52,169,531	50,432,417	3.44%

Long-Term Debt

At June 30, 2024, the District had \$24,985,339 of total long-term debt outstanding. This represents a decrease of 10.23% from the prior year (See Figure A-7). Additional information about the District's long-term debt is presented in Note 6 to the financial statements.

The District had outstanding general obligation bonded indebtedness of \$20,160,000 at June 30, 2024.

The District had outstanding revenue bonded indebtedness of \$4,668,000 at June 30, 2024, payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District.

The District had outstanding lease agreement indebtedness of \$157,339 at June 30, 2024.

Figure A-7				
Outstanding Long-Term Obligations				
	Total District		Total Change	
	June 30,		June 30,	
	2024	2023	2023-24	
General obligation bonds	\$ 20,160,000	22,235,000	-9.33%	
Revenue bonds	4,668,000	5,391,000	-13.41%	
Lease agreements	157,339	206,551	-23.83%	
Total	\$ 24,985,339	27,832,551	-10.23%	

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

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

- October 1, 2023 enrollment increased 1.1% for Total School Age Students Provided Instructional Programs/Services by the Gilbert CSD. This enrollment is a slight decrease to the previous year of 1.7%. The 2023-24 school year is the first-year students were eligible for an Education Savings Account (ESA). Eligibility is phased-in over the following three-year period through 2025-26. Gilbert CSD had 14 resident students funded by the ESA and attending a non-public school.
- The General Obligation Bonds Election held on November 7, 2023 not to exceed \$35M to provide funds for the following projects: New Elementary Building, HS Renovation and Classroom Addition, MS Secured Entrance, Move Track from IS to MS, IS Renovation and Classroom Addition and MS Renovation and Classroom Addition and Gymnasium passed with an 82.54% approval. The District Office Building and Transportation/Maintenance Hub will be funded with cash on hand using the SAVE Fund. At the August 14, 2023 board meeting, the board approved Denovo as the Construction Manager as Agent (CMA) and CMBA Architects as the architectural firm for the Facilities Master Plan Projects.
- 2023 Legislation passed State of Iowa House File 718, which included additional requirements for FY25 budgets, as required by Iowa Code 24.2A. There is an additional public hearing (public hearing #1) for the Proposed Property Tax and a required Proposed Tax Notice mailing to taxpayers by county auditors, which includes information about public hearing #1. March 25, 2024 the district held a Public Hearing #1 on the Proposed Property Tax Levy for FY 25. This new process has the general public confused and upset with the "proposed" tax information. Since the SSA has not been approved at the time of the hearing, the district publishes a maximum levy rate to protect the district from the possibility of a 0% SSA, but does not intend to levy the maximum levy for the FY25 Budget.

-
- In FY24 the District received 3.0% supplemental state aid, which was an increase of .5% received in FY23. Special Education funding continues to be insufficient to cover actual special education expenses. FY24 the district realized a (\$799,432) deficit passed onto taxpayers, this was an increase compared to FY23 (\$707,571) and FY22 (\$153,029). The district anticipates the special education program to continue a deficit in FY25, due to the increase in special education needs, resulting in additional staff and tuitioning students to other districts or programs to meet their needs.
 - On January 10, 2024, the district suffered a data compromise on a non-primary server. The district worked with Travelers Insurance (district's cyber carrier), Mullen Coughlin Law Firm, and Arete Advisors LLC. The compromise did not stop any business activities. As of June 30, 2024, the district had \$42,035.98 total expenses related to the data compromise. Transactions related to the data compromise will continue into FY25.
 - The School Nutrition Fund continues to be solvent, with a healthy ending Cash Balance of \$486,825 closing FY2024. All salaries and benefits were reimbursed to the General Fund and all bills were paid.

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 Gail Hopkins, Board Secretary/Treasurer and School Business Official, Gilbert Community School District, 103 Mathews Drive, Gilbert, Iowa 50105.

BASIC FINANCIAL STATEMENTS

GILBERT COMMUNITY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business Type Activities	Total
Assets			
Cash and pooled investments	\$ 10,634,078	590,595	11,224,673
Receivables:			
Property tax:			
Delinquent	15,989	-	15,989
Succeeding year	12,387,086	-	12,387,086
Accounts	112,902	393	113,295
Due from other governments	913,163	-	913,163
Prepaid expenses	786,594	-	786,594
Capital assets not being depreciated/amortized	4,211,365	-	4,211,365
Capital assets, net of accumulated depreciation/amortization	47,880,774	77,392	47,958,166
Total assets	76,941,951	688,099	77,630,050
Deferred Outflows of Resources			
Pension related deferred outflows	2,637,031	66,119	2,703,150
OPEB related deferred outflows	33,087	1,077	34,164
Total deferred outflows of resources	2,670,118	67,196	2,737,314
Liabilities			
Accounts payable	528,421	1,177	529,598
Salaries and benefits payable	2,043,557	49,505	2,093,062
Accrued interest payable	100,510	-	100,510
Unamortized bond premiums/discounts	231,459	-	231,459
Unearned revenue	-	28,033	28,033
Long-term liabilities:			
Portion due within one year:			
General obligation bonds	1,175,000	-	1,175,000
Revenue bonds	738,000	-	738,000
Lease agreements	50,795	-	50,795
Portion due after one year:			
General obligation bonds	18,985,000	-	18,985,000
Revenue bonds	3,930,000	-	3,930,000
Lease agreements	106,544	-	106,544
Net pension liability	6,197,221	156,297	6,353,518
Total OPEB liability	373,682	12,154	385,836
Total liabilities	34,460,189	247,166	34,707,355
Deferred Inflows of Resources			
Succeeding year property tax revenue	12,387,086	-	12,387,086
Pension related deferred inflows	126,896	3,199	130,095
OPEB related deferred inflows	556,664	18,105	574,769
Total deferred inflows of resources	13,070,646	21,304	13,091,950
Net Position			
Net investment in capital assets	27,106,800	77,392	27,184,192
Restricted for:			
Categorical funding	155,681	-	155,681
Debt service	157,731	-	157,731
Management levy purposes	2,457,442	-	2,457,442
Student activities	241,398	-	241,398
School infrastructure	3,680,095	-	3,680,095
Physical plant and equipment	1,319,966	-	1,319,966
Unrestricted	(3,037,879)	409,433	(2,628,446)
Total net position	\$ 32,081,234	486,825	32,568,059

SEE NOTES TO FINANCIAL STATEMENTS.

**GILBERT COMMUNITY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Service	Contributions and Restricted Interest	Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total
Functions/Programs:							
Governmental activities:							
Instruction:							
Regular	\$ 9,738,308	1,316,796	101,781	-	(8,319,731)	-	(8,319,731)
Special	2,441,184	532,537	246,448	-	(1,662,199)	-	(1,662,199)
Other	2,682,987	424,733	579,064	-	(1,679,190)	-	(1,679,190)
	14,862,479	2,274,066	927,293	-	(11,661,120)	-	(11,661,120)
Support services:							
Student	675,785	-	-	-	(675,785)	-	(675,785)
Instructional staff	1,045,182	-	-	-	(1,045,182)	-	(1,045,182)
Administration	2,595,394	-	-	-	(2,595,394)	-	(2,595,394)
Operation and maintenance of plant	2,261,321	-	-	200,021	(2,061,300)	-	(2,061,300)
Transportation	816,557	5,247	18,020	-	(793,290)	-	(793,290)
	7,394,239	5,247	18,020	200,021	(7,170,951)	-	(7,170,951)
Long-term debt interest	778,430	-	-	-	(778,430)	-	(778,430)
Other expenditures:							
AEA flowthrough	767,752	-	767,752	-	-	-	-
Depreciation/amortization (unallocated)*	1,845,728	-	-	-	(1,845,728)	-	(1,845,728)
	2,613,480	-	767,752	-	(1,845,728)	-	(1,845,728)
Total governmental activities	25,648,628	2,279,313	1,713,065	200,021	(21,456,229)	-	(21,456,229)
Business type activities:							
Support services:							
Administration	658	-	-	-	-	(658)	(658)
Operation and maintenance of plant	20,012	-	-	-	-	(20,012)	(20,012)
	20,670	-	-	-	-	(20,670)	(20,670)
Non-instructional programs:							
Food service operations	1,028,880	680,739	325,025	-	-	(23,116)	(23,116)
Total business type activities	1,049,550	680,739	325,025	-	-	(43,786)	(43,786)
Total	\$ 26,698,178	2,960,052	2,038,090	200,021	(21,456,229)	(43,786)	(21,500,015)
General Revenues:							
Property tax levied for:							
General purposes					\$ 7,521,778	-	7,521,778
Debt service					2,742,153	-	2,742,153
Capital outlay					1,137,935	-	1,137,935
Statewide sales, services and use tax					2,090,258	-	2,090,258
Unrestricted state grants					9,788,928	-	9,788,928
Unrestricted investment earnings					531,946	20,436	552,382
Other					52,747	9,229	61,976
Total general revenues					23,865,745	29,665	23,895,410
Change in net position					2,409,516	(14,121)	2,395,395
Net position beginning of year					29,671,718	500,946	30,172,664
Net position end of year					\$ 32,081,234	486,825	32,568,059

* This amount excludes the depreciation/amortization that is included in the direct expense of various programs.

SEE NOTES TO FINANCIAL STATEMENTS.

GILBERT COMMUNITY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General	Capital Projects	Debt Service	Nonmajor	Total
Assets					
Cash and pooled investments	\$ 2,677,953	5,010,190	251,857	2,694,078	10,634,078
Receivables:					
Property tax:					
Delinquent	9,153	1,592	3,843	1,401	15,989
Succeeding year	8,221,120	1,216,287	2,949,679	-	12,387,086
Accounts	90,212	1,705	2,541	18,444	112,902
Due from other governments	720,829	192,334	-	-	913,163
Prepaid expenses	-	-	786,594	-	786,594
Total assets	\$ 11,719,267	6,422,108	3,994,514	2,713,923	24,849,812
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ 307,578	205,760	-	15,083	528,421
Salaries and benefits payable	2,043,557	-	-	-	2,043,557
Total liabilities	2,351,135	205,760	-	15,083	2,571,978
Deferred inflows of resources:					
Unavailable revenues:					
Succeeding year property tax	8,221,120	1,216,287	2,949,679	-	12,387,086
Fund balances:					
Nonspendable	-	-	786,594	-	786,594
Restricted for:					
Categorical funding	155,681	-	-	-	155,681
Debt service	-	-	258,241	-	258,241
Management levy purposes	-	-	-	2,457,442	2,457,442
Student activities	-	-	-	241,398	241,398
School infrastructure	-	3,680,095	-	-	3,680,095
Physical plant and equipment	-	1,319,966	-	-	1,319,966
Unassigned	991,331	-	-	-	991,331
Total fund balances	1,147,012	5,000,061	1,044,835	2,698,840	9,890,748
Total liabilities, deferred inflows of resources and fund balances	\$ 11,719,267	6,422,108	3,994,514	2,713,923	24,849,812

SEE NOTES TO FINANCIAL STATEMENTS.

GILBERT COMMUNITY SCHOOL DISTRICT
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total fund balances of governmental funds (page 20) \$ 9,890,748

Amounts reported for governmental activities in the Statement of Net Position are different because:

Net capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 52,092,139

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. (100,510)

Net premiums/discounts associated with bond issuances are amortized over the life of the bonds in the government-wide financial statements. (231,459)

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

Deferred outflows of resources	\$ 2,670,118	
Deferred inflows of resources	<u>(683,560)</u>	1,986,558

Long-term liabilities, including bonds payable, lease agreements payable, net pension liability, and total OPEB liability are not due and payable in the current year and, therefore, are not reported in the governmental funds. (31,556,242)

Net position of governmental activities (page 18) \$ 32,081,234

SEE NOTES TO FINANCIAL STATEMENTS.

GILBERT COMMUNITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General	Capital Projects	Debt Service	Nonmajor	Total
Revenues:					
Local sources:					
Local tax	\$ 6,523,733	1,137,935	2,742,153	998,045	11,401,866
Tuition	1,684,533	-	-	-	1,684,533
Other	612,099	194,541	2,541	532,859	1,342,040
State sources	10,847,281	2,096,184	13,595	5,110	12,962,170
Federal sources	473,094	194,441	-	-	667,535
Total revenues	20,140,740	3,623,101	2,758,289	1,536,014	28,058,144
Expenditures:					
Current:					
Instruction:					
Regular	9,955,459	80,298	-	107,237	10,142,994
Special	2,424,021	-	-	-	2,424,021
Other	2,433,479	14,964	-	482,915	2,931,358
	14,812,959	95,262	-	590,152	15,498,373
Support services:					
Student	690,383	-	-	21,538	711,921
Instructional staff	550,256	680,802	-	-	1,231,058
Administration	2,524,028	113,823	-	54,983	2,692,834
Operation and maintenance of plant	1,805,316	167,156	-	290,424	2,262,896
Transportation	645,878	116,178	-	42,975	805,031
	6,215,861	1,077,959	-	409,920	7,703,740
Capital outlay	-	3,440,162	-	-	3,440,162
Long-term debt:					
Principal	-	-	2,847,212	-	2,847,212
Interest and fiscal charges	-	-	790,035	-	790,035
	-	-	3,637,247	-	3,637,247
Other expenditures:					
AEA flowthrough	767,752	-	-	-	767,752
Total expenditures	21,796,572	4,613,383	3,637,247	1,000,072	31,047,274
Excess (Deficiency) of revenues over (under) expenditures	(1,655,832)	(990,282)	(878,958)	535,942	(2,989,130)
Other financing sources (uses):					
Insurance proceeds	61,264	86,826	-	-	148,090
Proceeds from the sale of equipment	7,166	9,011	-	-	16,177
Transfer in	-	-	890,237	1,854	892,091
Transfer out	(1,854)	(890,237)	-	-	(892,091)
Total other financing sources (uses)	66,576	(794,400)	890,237	1,854	164,267
Change in fund balances	(1,589,256)	(1,784,682)	11,279	537,796	(2,824,863)
Fund balances beginning of year	2,736,268	6,784,743	1,033,556	2,161,044	12,715,611
Fund balances end of year	\$ 1,147,012	5,000,061	1,044,835	2,698,840	9,890,748

SEE NOTES TO FINANCIAL STATEMENTS.

GILBERT COMMUNITY SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Change in fund balances - total governmental funds (page 22) \$ (2,824,863)

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, those costs are not reported in the Statement of Activities and are allocated over their estimated useful lives as depreciation/amortization expense in the Statement of Activities. Capital outlay expenditures, depreciation/amortization expense and loss on disposal in the current year are as follows:

Capital outlay	\$ 3,990,365		
Depreciation/amortization expense	(2,248,503)		
Loss on disposal	<u>(4,900)</u>		1,736,962

Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in Statement of Net Position. 2,847,212

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. 11,605

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. 1,229,958

District costs associated with the total OPEB liability implicit subsidy after the measurement date but before year end. 22,153

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

Pension expense	(645,684)		
Total OPEB liability and related expenses	<u>(893)</u>		(646,577)

Premiums/discounts on bond issuances are recorded in the governmental funds as they occur, but are amortized over the life of the bonds in the government-wide financial statements. 33,066

Change in net position of governmental activities (page 19) \$ 2,409,516

SEE NOTES TO FINANCIAL STATEMENTS.

GILBERT COMMUNITY SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2024

	Business Type Activities: Enterprise Funds
	School Nutrition
Assets	
Current assets:	
Cash and pooled investments	\$ 590,595
Accounts receivable	393
Inventories	19,719
Total current assets	610,707
Noncurrent assets:	
Capital assets, net of accumulated depreciation	77,392
Total assets	688,099
Deferred Outflows of Resources	
Pension related deferred outflows	66,119
OPEB related deferred outflows	1,077
Total deferred outflows of resources	67,196
Liabilities	
Current liabilities:	
Accounts payable	1,177
Salaries and benefits payable	49,505
Unearned revenue	28,033
Total current liabilities	78,715
Noncurrent liabilities:	
Net pension liability	156,297
Total OPEB liability	12,154
Total noncurrent liabilities	168,451
Total liabilities	247,166
Deferred Inflows of Resources	
Pension related deferred inflows	3,199
OPEB related deferred inflows	18,105
Total deferred inflows of resources	21,304
Net Position	
Net investment in capital assets	77,392
Unrestricted	409,433
Total net position	\$ 486,825

SEE NOTES TO FINANCIAL STATEMENTS.

GILBERT COMMUNITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2024

	Business Type Activities: Enterprise Funds
	School Nutrition
Operating revenues:	
Local sources:	
Charges for service	\$ 680,739
Miscellaneous	9,229
Total operating revenues	<u>689,968</u>
Operating expenses:	
Support services:	
Administration:	
Services	658
Operation and maintenance of plant:	
Services	20,012
Total support services	<u>20,670</u>
Non-instructional programs:	
Food service operations:	
Salaries	334,235
Benefits	100,625
Services	996
Supplies	563,284
Depreciation	29,740
	<u>1,028,880</u>
Total operating expenses	<u>1,049,550</u>
Operating loss	<u>(359,582)</u>
Non-operating revenues:	
State sources	5,822
Federal sources	319,203
Interest income	20,436
Total non-operating revenues	<u>345,461</u>
Change in net position	(14,121)
Net position beginning of year	<u>500,946</u>
Net position end of year	<u>\$ 486,825</u>

SEE NOTES TO FINANCIAL STATEMENTS.

GILBERT COMMUNITY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2024

	Business Type Activities: Enterprise Funds
	School Nutrition
Cash flows from operating activities:	
Cash received from sale of lunches and breakfasts	\$ 670,831
Cash received from miscellaneous	9,229
Cash payments to employees for services	(438,012)
Cash payments to suppliers for goods or services	(493,483)
Net cash used in operating activities	(251,435)
Cash flows from non-capital financing activities:	
State grants received	5,822
Federal grants received	244,016
Net cash provided by non-capital financing activities	249,838
Cash flows from capital and related financing activities:	
Purchase of capital assets	(29,892)
Cash flows from investing activities:	
Interest on investments	20,436
Net decrease in cash and pooled investments	(11,053)
Cash and pooled investments beginning of year	601,648
Cash and pooled investments end of year	\$ 590,595
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (359,582)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Commodities consumed	75,187
Depreciation	29,740
Change in assets and liabilities:	
Inventories	15,905
Accounts receivable	516
Accounts payable	375
Salaries and benefits payable	(926)
Net pension liability	29,396
Deferred outflows of resources	(25,168)
Deferred inflows of resources	(4,981)
Unearned revenue	(10,424)
Total OPEB liability	(1,473)
Net cash used in operating activities	\$ (251,435)

Non-cash investing, capital and related financing activities:

During the year ended June 30, 2024, the District received \$75,187 of federal commodities.

SEE NOTES TO FINANCIAL STATEMENTS.

GILBERT COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

(1) Summary of Significant Accounting Policies

Gilbert Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve and special education pre-kindergarten. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as career and technical and recreational courses. The geographic area served includes the City of Gilbert, Iowa and the predominate agricultural territory in Boone and Story 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, Gilbert 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 District has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organizations - The District participates in a jointly governed organization that provides services to the District but do 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 Boone and Story County Assessors' Conference Boards.

B. Basis of Presentation

Government-wide financial statements - The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the District. For the most part, the effect of 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.

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

The District reports the following major governmental funds:

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

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

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 to following nonmajor proprietary fund:

The Enterprise, School Nutrition Fund is used to account for the food service operations of the District.

C. Measurement Focus and Basis of Accounting

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

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

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

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

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are

incurred, there are both restricted and unrestricted net position available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

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

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

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

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

Property Tax Receivable - Property tax in 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.

Prepaid Expenses - Prepaid expenses represent principal and interest payments on the District's revenue bonded indebtedness due July 1, 2024 which were remitted before year-end.

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 and equipment reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position. Capital assets, which include property, machinery and equipment and intangibles acquired after July 1, 1980, 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 the 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
Land improvements	5,000
Intangibles	25,000
Right-to-use leased assets	25,000
Machinery and equipment:	
School Nutrition Fund equipment	500
Other machinery and equipment	5,000

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

Asset Class	Estimated Useful Lives
Buildings	50 years
Land improvements	20 years
Intangibles	2+ years
Right-to-use leased assets	2+ years
Machinery and equipment	5-12 years

Leases - Gilbert Community School District is the lessee for a noncancellable lease of equipment. The District has recognized a lease liability and an intangible right-to-use lease equipment (lease asset) in the government-wide financial statements. The District recognized 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 the 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 basis over its useful life.

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

Gilbert 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 and OPEB expense, the unamortized portion of the net difference between projected and actual earnings on pension plan investments and contributions from the employer after the measurement date but before the end of the employer's reporting period.

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

Unamortized Bond Premiums/Discounts - Premiums and discounts associated with bond issuances are amortized over the life of the bonds in the government-wide financial statements. Premiums and discounts are shown combined on the Statement of Net Position and are amortized using the straight-line method.

Unearned Revenues - Unearned revenues are monies collected for lunches that have not yet been served. The lunch account balances will either be reimbursed or served lunches. The lunch account balances are reflected on the Statement of Net Position in the Enterprise, School Nutrition Fund.

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

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

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

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 revenue in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current 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 other receivables not collected within sixty days after year end and succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied.

Deferred inflows of resources on the Statement of Net Position consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied and unrecognized items not yet charged to pension and OPEB expense.

Fund Balance - Board policy #701.04 describes the District's fund balance designations. In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts which cannot be spent because they are legally or contractually required to be intact or are not expected to be converted to cash.

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 classifications.

E. Budgets and Budgetary Accounting

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

(2) **Cash and Pooled Investments**

The District's deposits 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 (ISJIT) Direct Government Obligation Portfolio which are valued at an amortized cost of \$3,413,961. There were no limitations or restrictions on withdrawals of the ISJIT investments. The investments in ISJIT were rated AAAM by Standard & Poor's Financial Services.

(3) **Interfund Transfers**

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

Transfer to	Transfer from	Amount
Student Activity	General	\$ 1,854
Debt Service	Capital Projects: Statewide Sales, Services and Use Tax	835,188
Debt Service	Capital Projects: Physical Plant and Equipment Levy	55,049
Total		<u>\$ 892,091</u>

The transfer from the General Fund to the Student Activity Fund was reimbursement for General Fund expenditures paid from the Student Activity Fund.

The transfer from the Capital Projects: Statewide Sales, Services and Use Tax Fund to the Debt Service Fund was for principal and interest payments on the District's revenue bonded indebtedness.

The transfer from the Capital Projects: Physical Plant and Equipment Levy Fund to the Debt Service Fund was for principal and interest payments on the District's lease agreement indebtedness.

(4) Capital Assets

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

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated/amortized:				
Land	\$ 1,543,909	-	-	1,543,909
Construction in progress	-	2,667,456	-	2,667,456
Total capital assets not being depreciated/amortized	1,543,909	2,667,456	-	4,211,365
Capital assets being depreciated/amortized:				
Buildings	63,791,904	583,146	-	64,375,050
Land improvements	2,297,106	55,115	-	2,352,221
Intangible assets	32,263	-	-	32,263
Machinery and equipment	5,066,084	684,648	284,103	5,466,629
Right-to-use leased assets	254,230	-	-	254,230
Total capital assets being depreciated/amortized	71,441,587	1,322,909	284,103	72,480,393
Less accumulated depreciation/amortization for:				
Buildings	16,914,968	1,760,930	-	18,675,898
Land improvements	1,329,465	84,798	-	1,414,263
Intangible assets	32,263	-	-	32,263
Machinery and equipment	4,302,777	351,929	279,203	4,375,503
Right-to-use leased assets	50,846	50,846	-	101,692
Total accumulated depreciation/amortization	22,630,319	2,248,503	279,203	24,599,619
Total capital assets being depreciated/amortized, net	48,811,268	(925,594)	4,900	47,880,774
Governmental activities capital assets/amortized, net	\$ 50,355,177	1,741,862	4,900	52,092,139
Business type activities:				
Machinery and equipment	\$ 592,448	29,892	-	622,340
Less accumulated depreciation	515,208	29,740	-	544,948
Business type activities capital assets, net	\$ 77,240	152	-	77,392

Depreciation/amortization expense was charged to the following functions:

Governmental activities:	
Instruction:	
Regular	\$ 36,980
Other	40,846
Support services:	
Instructional staff	71,055
Administration	52,493
Operation and maintenance of plant	71,870
Transportation	129,531
	402,775
Unallocated depreciation/amortization	1,845,728
Total governmental activities depreciation/amortization expense	\$ 2,248,503
Business type activities:	
Food service operations	\$ 29,740

(5) Construction Commitments

The District has entered into contracts totaling \$7,613,996 for various capital improvement projects. As of June 30, 2024, costs of \$2,667,456 had been incurred against the contracts. The balance remaining at June 30, 2024 will be paid as work on the projects progresses.

(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	\$22,235,000	-	2,075,000	20,160,000	1,175,000
Revenue bonds	5,391,000	-	723,000	4,668,000	738,000
Lease agreements	206,551	-	49,212	157,339	50,795
Termination benefits	-	34,150	34,150	-	-
Net pension liability	5,160,657	1,036,564	-	6,197,221	-
Total OPEB liability	611,448	-	237,766	373,682	-
Total	<u>\$33,604,656</u>	<u>1,070,714</u>	<u>3,119,128</u>	<u>31,556,242</u>	<u>1,963,795</u>
Business type activities:					
Net pension liability	\$ 126,901	29,396	-	156,297	-
Total OPEB liability	13,627	-	1,473	12,154	-
Total	<u>\$ 140,528</u>	<u>29,396</u>	<u>1,473</u>	<u>168,451</u>	<u>-</u>

General Obligation Bonds

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

Year Ending June 30,	Bonds Issued July 24, 2018			Bonds Issued January 23, 2019		
	Interest Rate	Principal	Interest	Interest Rate	Principal	Interest
2025	% \$	-	276,306	5.00	% \$ 185,000	102,388
2026		-	226,362	3.00	195,000	93,138
2027		-	226,362	3.00	200,000	87,288
2028		-	226,362	3.00	205,000	81,287
2029		-	226,362	3.00	215,000	75,137
2030-2034	3.25	1,275,000	1,131,810	3.00-3.13	1,165,000	275,488
2035-2038	3.38-3.50	5,380,000	462,508	3.25-3.38	1,000,000	83,436
Total		<u>\$ 6,655,000</u>	<u>2,776,072</u>		<u>\$ 3,165,000</u>	<u>798,162</u>

Year Ending June 30,	Bonds Issued April 28, 2021			Bonds Issued April 1, 2022			Total		
	Interest Rate	Principal	Interest	Interest Rate	Principal	Interest	Principal	Interest	Total
2025	2.00 % \$	100,000	46,798	4.00 % \$	890,000	197,500	1,175,000	622,992	1,797,992
2026	2.00	100,000	44,798	4.00	945,000	161,900	1,240,000	526,198	1,766,198
2027	2.00	100,000	42,798	4.00	985,000	124,100	1,285,000	480,548	1,765,548
2028	1.00	100,000	40,798	2.00	1,025,000	84,700	1,330,000	433,147	1,763,147
2029	1.10	100,000	39,797	2.00	1,045,000	64,200	1,360,000	405,496	1,765,496
2030-2034	1.20-1.45	2,785,000	131,241	2.00	2,165,000	65,200	7,390,000	1,603,739	8,993,739
2035-2038		-	-		-	-	6,380,000	545,944	6,925,944
Total		<u>\$ 3,285,000</u>	<u>346,230</u>		<u>\$ 7,055,000</u>	<u>697,600</u>	<u>\$20,160,000</u>	<u>4,618,064</u>	<u>24,778,064</u>

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,	Bonds Issued December 2, 2019				
	Interest Rate		Principal	Interest	Total
2025	2.08	% \$	738,000	89,505	827,505
2026	2.08		754,000	73,974	827,974
2027	2.08		770,000	58,109	828,109
2028	2.08		785,000	41,921	826,921
2029	2.08		802,000	25,400	827,400
2030	2.08		819,000	8,526	827,526
Total			<u>\$ 4,668,000</u>	<u>297,435</u>	<u>4,965,435</u>

The District has pledged future statewide sales, services and use tax revenues to repay the \$7,540,000 of bonds issued December 2019. The bonds were issued for the purpose of refunding the remaining outstanding revenue bonds issued February 1, 2012 and July 1, 2013. 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 2030. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limit of the District. Annual principal and interest payments on the bonds are expected to require approximately 39% of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the bonds is \$4,965,435. For the current year, \$723,000 of principal and \$104,714 of interest was paid on the bonds and statewide sales, services and use tax revenues were \$2,090,258.

Lease Agreements

On May 20, 2022, the District entered into a sixty-month copier lease agreement with Access Systems for fifteen copiers. The agreement requires sixty monthly payments of \$4,587 and has an implicit interest rate of 3.17%. Details of the District's June 30, 2024 lease agreement indebtedness are as follows:

Year Ending June 30,	Copier Lease Agreement - May 20, 2022				
	Interest Rate		Principal	Interest	Total
2025	3.17	% \$	50,795	4,254	55,049
2026	3.17		52,429	2,620	55,049
2027	3.17		54,115	934	55,049
Total			<u>\$ 157,339</u>	<u>7,808</u>	<u>165,147</u>

Termination Benefits

In July 2023, the District approved a voluntary early retirement plan for employees. The plan was only offered to employees for one year. Eligible employees must have completed at least twelve years of continuous service to the District and must have reached the age of fifty-five on or before June 30, 2024. The applications for early retirement were subject to approval by the Board of Education.

Early retirement benefits equal 48% of the employee's regular contracted salary from fiscal year 2024, exclusive of any extended contract, teacher salary supplement, teacher quality, over-time or other such salary or wages paid with a one-time disbursement to an employer sponsored 403(b) Special Pay Plan. Actual early retirement benefits for the two approved fiscal year 2024 retirees totaled \$34,150 and were disbursed before year end.

(7) Bond Defeasement

During the fiscal years ended June 30, 2019, June 30, 2020, and June 30, 2023, the District approved additional debt service levies to advance refund \$165,000, \$345,000, and \$950,000, respectively, of general obligation bonds issued July 24, 2018 when the bonds become callable on June 1, 2025. The amount collected from the additional levies totaled \$1,460,000, and has been placed in an irrevocable escrow account and invested in U.S. Government obligations certified to be sufficient to pay \$1,460,000 in principal maturing between June 1, 2034 and June 1, 2038. The anticipated interest costs savings provided by the combined surplus levies is \$571,444.

As a result, \$1,460,000 of the general obligation bonds issued July 24, 2018 are considered defeased in substance and the corresponding liability for those bonds has been removed from the appropriate financial statements and schedules.

The District remains contingently liable in the remote possibility the escrow account is insufficient to repay the refunding bonds at the call date. At June 30, 2024, \$1,460,000 of such bonds are outstanding.

(8) 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 information purposes only. Refer to the plan documents for more information.

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

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

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

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

Disability and Death Benefits - A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the

member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

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

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 were \$1,260,590.

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 \$6,353,518 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 0.140762%, which was an increase of 0.000811% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$665,379. 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	\$ 537,516	26,115
Changes of assumptions	-	101
Net difference between projected and actual earnings on IPERS' investments	588,412	-
Changes in proportion and differences between District contributions and the District's proportionate share of contributions	316,632	103,879
District contributions subsequent to the measurement date	1,260,590	-
Total	<u>\$ 2,703,150</u>	<u>130,095</u>

\$1,260,590 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 Ended June 30,	Amount
2025	\$ (53,225)
2026	(411,104)
2027	1,454,583
2028	275,327
2029	46,884
Total	<u>\$ 1,312,465</u>

There were no non-employer contributing entities at 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 2023 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

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	<u>100.0%</u>	

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

active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$13,508,994	6,353,518	357,110

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.

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

Retired participants must be age 55 or older at retirement. At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	4
Active employees	218
Total	222

Total OPEB Liability – The District's total OPEB liability of \$385,836 was measured as of June 30, 2023 and was determined by an actuarial valuation of that date.

Actuarial Assumptions - Total OPEB liability for the June 30, 2024 reporting date 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	2.50% per annum.
Rates of salary increase	3.25% per year plus merit and promotion increases.
Discount rate	3.86% compounded annually, including inflation.
Healthcare cost trend rate	7.60% for FY2024, decreasing to an ultimate rate of 3.90%.

Discount Rate - The discount rate used to measure the total OPEB liability was 3.86% 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, retirement and turnover probabilities are based on School assumptions for Regular Members in the 2022 Iowa Public Employees' Retirement System (IPERS) Demographic Assumptions Study.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Total OPEB liability beginning of year	\$ 625,075
Changes for the year:	
Service cost	59,896
Interest	24,764
Differences between expected and actual experiences	(129,603)
Changes in assumptions	(166,585)
Benefit payments	(27,711)
Net changes	<u>(239,239)</u>
Total OPEB liability end of year	<u>\$ 385,836</u>

Changes of assumptions reflect a change in the discount rate from 3.69% in fiscal year 2023 to 3.86% 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 1% lower (2.86%) or 1% higher (4.86%) than the current discount rate.

	1% Decrease (2.86%)	Discount Rate (3.86%)	1% Increase (4.86%)
Total OPEB liability	\$ 413,746	385,836	359,654

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 well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates 1% lower (6.60%) or 1% higher (8.60%) than the current healthcare cost trend rates.

	1% Decrease (6.60%)	Healthcare Cost Trend Rate (7.60%)	1% Increase (8.60%)
Total OPEB liability	\$ 346,360	385,836	432,554

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended June 30, 2024, the District recognized OPEB expense of \$10,325. At June 30, 2024, the District reported deferred outflows of resources and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	217,616
Changes in assumptions	11,290	357,153
Contributions between measurement date and reporting date	22,874	-
Total	<u>\$ 34,164</u>	<u>574,769</u>

\$22,874 reported as deferred outflows of resources related to OPEB resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended June 30,	Amount
2025	\$ (74,335)
2026	(74,335)
2027	(73,687)
2028	(70,833)
2029	(70,554)
Thereafter	<u>(199,735)</u>
Total	<u>\$ (563,479)</u>

(10) Risk Management

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

(11) Area Education Agency

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the Area Education Agency. The District's actual amount for this purpose totaled \$767,752 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.

(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
Teacher Leadership State Aid	\$ 54,864
Four-Year-Old Preschool State Aid	56,841
Teacher Salary Supplement	18,021
Professional Development	<u>25,955</u>
Total	<u>\$ 155,681</u>

(13) 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

The City of Gilbert 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 the 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 Gilbert	Chapter 404 tax abatement program	\$ 57,311

(14) Reconciliation of Governmental Fund Balances to Net Position

Reconciliation of certain governmental fund balances to net position is as follows:

	Net investment in Capital Assets	Debt Service	Unassigned/ Unrestricted
Fund balance (Exhibit C)	\$ -	258,241	991,331
Capital assets, net of accumulated depreciation/amortization	52,092,139	-	-
General obligation bond capitalized indebtedness	(20,160,000)	-	-
Revenue bond capitalized indebtedness	(4,668,000)	-	-
Lease agreement capitalized indebtedness	(157,339)	-	-
Accrued interest payable	-	(100,510)	-
Unamortized bond premiums/discounts, net	-	-	(231,459)
Pension related deferred outflows	-	-	2,637,031
Pension related deferred inflows	-	-	(126,896)
Net pension liability	-	-	(6,197,221)
Total OPEB liability	-	-	(373,682)
OPEB related deferred outflows	-	-	33,087
OPEB related deferred inflows	-	-	(556,664)
Nonspendable fund balance	-	-	786,594
Net position (Exhibit A)	<u>\$ 27,106,800</u>	<u>157,731</u>	<u>(3,037,879)</u>

(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 the Districts will continue to flow through to each AEA, while 60% of the funding will be retained by the District that generated the funds.

REQUIRED SUPPLEMENTARY INFORMATION

GILBERT COMMUNITY SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES AND
CHANGES IN BALANCES -
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS
AND PROPRIETARY FUND
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024

	Governmental Funds Actual	Proprietary Funds Actual	Total Actual	Budgeted Amounts		Final to Actual Variance
				Original	Final	
Revenues:						
Local sources	\$ 14,428,439	710,404	15,138,843	15,022,371	15,022,371	116,472
State sources	12,962,170	5,822	12,967,992	12,951,687	12,951,687	16,305
Federal sources	667,535	319,203	986,738	640,000	640,000	346,738
Total revenues	28,058,144	1,035,429	29,093,573	28,614,058	28,614,058	479,515
Expenditures/Expenses:						
Instruction	15,498,373	-	15,498,373	15,130,000	15,630,000	131,627
Support services	7,703,740	20,670	7,724,410	8,195,200	8,695,200	970,790
Non-instructional programs	-	1,028,880	1,028,880	930,000	1,230,000	201,120
Other expenditures	7,845,161	-	7,845,161	6,023,851	10,000,000	2,154,839
Total expenditures/expenses	31,047,274	1,049,550	32,096,824	30,279,051	35,555,200	3,458,376
Excess (Deficiency) of revenues over (under) expenditures/expenses	(2,989,130)	(14,121)	(3,003,251)	(1,664,993)	(6,941,142)	3,937,891
Other financing sources, net	164,267	-	164,267	-	-	164,267
Excess (Deficiency) of revenues and other financing sources over (under) expenditures/expenses	(2,824,863)	(14,121)	(2,838,984)	(1,664,993)	(6,941,142)	4,102,158
Balances beginning of year	12,715,611	500,946	13,216,557	10,063,194	10,063,194	3,153,363
Balances end of year	\$ 9,890,748	486,825	10,377,573	8,398,201	3,122,052	7,255,521

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

GILBERT COMMUNITY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY REPORTING
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 comparison for the General Fund and each major Special Revenue Fund.

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

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functions, not by fund. These four functions are instruction, support services, 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, increase budgeted expenditures by \$5,276,149.

GILBERT COMMUNITY SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
FOR THE LAST TEN FISCAL YEARS *
REQUIRED SUPPLEMENTARY INFORMATION

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.140762%	0.139951%	0.055368%	0.133041%	0.130486%	0.125626%	0.123554%	0.104409%	0.130878%	0.130115%
District's proportionate share of the net pension liability	\$ 6,353,518	5,287,558	191,145	9,345,751	7,555,998	7,949,901	8,230,241	6,570,771	6,465,981	5,160,235
District's covered payroll	\$ 12,361,717	11,271,685	11,065,000	10,558,416	9,933,144	9,441,952	9,222,539	7,492,755	8,966,294	8,514,166
District's proportionate share of the net pension liability as a percentage of its covered payroll	51.40%	46.91%	1.73%	88.51%	76.07%	84.20%	89.24%	87.69%	72.11%	60.61%
IPERS' net position as a percentage of the total pension liability	90.13%	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.

GILBERT 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	\$ 1,260,590	1,166,946	1,064,047	1,044,639	996,714	937,688	843,166	823,573	669,103	800,690
Contributions in relation to the statutorily required contribution	(1,260,590)	(1,166,946)	(1,064,047)	(1,044,639)	(996,714)	(937,688)	(843,166)	(823,573)	(669,103)	(800,690)
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
District's covered payroll	\$ 13,353,708	12,361,717	11,271,685	11,065,000	10,558,416	9,933,144	9,441,952	9,222,539	7,492,755	8,966,294
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.

GILBERT COMMUNITY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION LIABILITY
YEAR ENDED JUNE 30, 2024

Changes in benefit terms:

There are no significant changes in benefit terms.

Changes in 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%.

GILBERT COMMUNITY SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S
TOTAL OPEB LIABILITY, RELATED RATIOS AND NOTES
FOR THE LAST SEVEN YEARS
REQUIRED SUPPLEMENTARY INFORMATION

	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 59,896	74,983	90,988	81,033	75,752	71,808	74,064
Interest cost	24,764	13,601	21,800	24,267	28,352	25,589	19,838
Differences between expected and actual experiences	(129,603)	-	(87,694)	-	(77,335)	-	-
Changes in assumptions	(166,585)	(87,074)	(170,283)	18,642	(12,928)	(3,411)	(33,682)
Benefit payments	(27,711)	(19,652)	(20,796)	(18,031)	(35,991)	(31,058)	(6,063)
Net change in total OPEB liability	(239,239)	(18,142)	(165,985)	105,911	(22,150)	62,928	54,157
Total OPEB liability beginning of year	625,075	643,217	809,202	703,291	725,441	662,513	608,356
Total OPEB liability end of year	<u>\$ 385,836</u>	<u>625,075</u>	<u>643,217</u>	<u>809,202</u>	<u>703,291</u>	<u>725,441</u>	<u>662,513</u>
Covered-employee payroll	\$ 11,431,280	10,827,052	9,989,562	9,446,960	9,232,541	9,473,030	8,934,281
Total OPEB liability as a percentage of covered-employee payroll	3.38%	5.77%	6.44%	8.57%	7.62%	7.66%	7.42%

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

GILBERT COMMUNITY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – OPEB LIABILITY AND RELATED
RATIOS
YEAR ENDED JUNE 30, 2024

No assets are accumulated in a trust that meet 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:

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	3.86%
Year ended June 30, 2023	3.69%
Year ended June 30, 2022	1.92%
Year ended June 30, 2021	2.45%
Year ended June 30, 2020	3.13%
Year ended June 30, 2019	3.62%
Year ended June 30, 2018	3.56%
Year ended June 30, 2017	2.92%

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

SUPPLEMENTARY INFORMATION

GILBERT COMMUNITY SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2024

	Special Revenue		
	Management Levy	Student Activity	Total
Assets			
Cash and pooled investments	\$ 2,442,726	251,352	2,694,078
Receivables:			
Property tax:			
Delinquent	1,401	-	1,401
Accounts	13,315	5,129	18,444
Total assets	\$ 2,457,442	256,481	2,713,923
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable	\$ -	15,083	15,083
Fund balances:			
Restricted for:			
Management levy purposes	2,457,442	-	2,457,442
Student activities	-	241,398	241,398
Total fund balances	2,457,442	241,398	2,698,840
Total liabilities, deferred inflows of resources and fund balances	\$ 2,457,442	256,481	2,713,923

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

GILBERT COMMUNITY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2024

	Special Revenue		
	Management Lewy	Student Activity	Total
Revenues:			
Local sources:			
Local tax	\$ 998,045	-	998,045
Other	28,826	504,033	532,859
State sources	5,110	-	5,110
Total revenues	1,031,981	504,033	1,536,014
Expenditures:			
Current:			
Instruction:			
Regular	107,237	-	107,237
Other	-	482,915	482,915
Support services:			
Student	21,538	-	21,538
Administration	54,983	-	54,983
Operation and maintenance of plant	290,424	-	290,424
Transportation	42,975	-	42,975
Total expenditures	517,157	482,915	1,000,072
Excess of revenues over expenditures	514,824	21,118	535,942
Other financing sources:			
Transfer in	-	1,854	1,854
Change in fund balances	514,824	22,972	537,796
Fund balances beginning of year	1,942,618	218,426	2,161,044
Fund balances end of year	\$ 2,457,442	241,398	2,698,840

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

GILBERT COMMUNITY SCHOOL DISTRICT
SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND, STUDENT ACTIVITY ACCOUNTS
YEAR ENDED JUNE 30, 2024

Account	Balance Beginning of Year	Revenues	Expenditures	Interfund/ Intrafund Transfers	Balance End of Year
<u>Elementary</u>					
Elementary Health Club	\$ 4,817	947	1,253	2,857	7,368
<u>Intermediate School</u>					
Student Activity	86	-	-	-	86
<u>Middle School</u>					
MS Musical	3,761	4,446	1,928	-	6,279
MS Student Activity	3,953	1,232	3,570	-	1,615
MS Student Council	5,700	7,283	3,299	-	9,684
MS Yearbook	4,778	7,252	5,111	-	6,919
	18,192	20,213	13,908	-	24,497
<u>Classes</u>					
Class of 2023	1,194	-	-	(1,194)	-
Class of 2024	2,590	7,860	8,578	-	1,872
Class of 2025	-	9,390	4,766	-	4,624
	3,784	17,250	13,344	(1,194)	6,496
<u>Music</u>					
5-8 Band Resale	59	766	825	-	-
9-12 Band	567	15,925	17,934	1,854	412
6-8 Vocal	3,490	-	386	-	3,104
9-12 Vocal	5,804	6,948	8,434	-	4,318
Band/Vocal Travel	405	-	-	-	405
	10,325	23,639	27,579	1,854	8,239
<u>Miscellaneous</u>					
Athletic Boosters	1,550	87,637	89,187	-	-
Backpack Buddies	2,857	-	-	(2,857)	-
GEF	-	3,256	3,256	-	-
General Activity	15,774	7,965	1,224	1,167	23,682
	20,181	98,858	93,667	(1,690)	23,682
<u>Athletic Support</u>					
Cheer-HS Basketball	1,451	-	-	(1,451)	-
Cheer-HS Football	2,294	2,077	4,292	-	79
Cheer-HS Wrestling	536	-	-	(536)	-
Cheer-Winter	-	2,212	2,180	1,987	2,019
Cheer-HS Competition	124	21,987	11,895	-	10,216
FCA	3,347	3,290	2,938	-	3,699
	7,752	29,566	21,305	-	16,013

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

Account	Balance Beginning of Year	Revenues	Expenditures	Interfund/ Intrafund Transfers	Balance End of Year
<u>Athletics</u>					
Baseball	344	-	-	-	344
Boys Golf	4,451	311	3,338	-	1,424
Boys Basketball	190	90	250	-	30
Boys Soccer	1,572	216	198	-	1,590
Girls' Track	335	3,710	3,228	-	817
Cross Country	887	807	1,020	-	674
Football	2,808	46,106	30,498	-	18,416
General Athletics	45,872	159,579	179,323	-	26,128
Girls Basketball	737	5,435	5,986	-	186
Girls Soccer	1,334	-	52	-	1,282
Softball	292	150	404	-	38
Volleyball	1,997	4,419	2,047	-	4,369
Wrestling	997	560	907	-	650
	61,816	221,383	227,251	-	55,948
<u>HS Clubs/Organizations</u>					
Agriculture Education	2,094	1,516	1,345	-	2,265
CTSO HS	413	855	635	-	633
DECA	974	35,190	30,440	-	5,724
Dance	3,212	10,290	7,035	-	6,467
Drama	1,341	3,097	3,806	-	632
Esports HS	-	516	215	-	301
FCCLA	2,154	3,461	1,705	-	3,910
FFA	33,454	22,940	23,142	-	33,252
Fine Arts Boosters	-	4,490	4,490	-	-
HS Student Activity	1,167	-	-	(1,167)	-
HS Student Council	4,877	2,747	3,233	1,194	5,585
Industrial Education Projects	549	50	10	-	589
Key Club	2,075	570	544	-	2,101
Spanish Club	2,886	-	60	-	2,826
Thespian Society	80	-	-	-	80
Yearbook	36,197	6,455	7,948	-	34,704
	91,473	92,177	84,608	27	99,069
Total	\$ 218,426	504,033	482,915	1,854	241,398

GILBERT COMMUNITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUND ACCOUNTS
JUNE 30, 2024

	Capital Projects		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
Assets			
Cash and pooled investments	\$ 3,647,549	1,362,641	5,010,190
Receivables:			
Property tax:			
Delinquent	-	1,592	1,592
Succeeding year	-	1,216,287	1,216,287
Accounts	-	1,705	1,705
Due from other governments	192,334	-	192,334
Total assets	\$ 3,839,883	2,582,225	6,422,108
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable	\$ 159,788	45,972	205,760
Deferred inflows of resources:			
Unavailable revenues:			
Succeeding year property tax	-	1,216,287	1,216,287
Fund balances:			
Restricted for:			
School infrastructure	3,680,095	-	3,680,095
Physical plant and equipment	-	1,319,966	1,319,966
Total fund balances	3,680,095	1,319,966	5,000,061
Total liabilities, deferred inflows of resources and fund balances	\$ 3,839,883	2,582,225	6,422,108

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

GILBERT COMMUNITY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 CAPITAL PROJECTS FUND ACCOUNTS
 YEAR ENDED JUNE 30, 2024

	Capital Projects		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
Revenues:			
Local sources:			
Local tax	\$ -	1,137,935	1,137,935
Other	188,961	5,580	194,541
State sources	2,090,258	5,926	2,096,184
Federal sources	-	194,441	194,441
Total revenues	2,279,219	1,343,882	3,623,101
Expenditures:			
Current:			
Instruction:			
Regular	-	80,298	80,298
Other	-	14,964	14,964
Support services:			
Instructional staff	75,214	605,588	680,802
Administration	-	113,823	113,823
Operation and maintenance of plant	-	167,156	167,156
Transportation	76,405	39,773	116,178
Capital outlay	2,795,962	644,200	3,440,162
Total expenditures	2,947,581	1,665,802	4,613,383
Deficiency of revenues under expenditures	(668,362)	(321,920)	(990,282)
Other financing sources (uses):			
Insurance proceeds	-	86,826	86,826
Proceeds from the sale of equipment	-	9,011	9,011
Transfer out	(835,188)	(55,049)	(890,237)
Total other financing sources (uses)	(835,188)	40,788	(794,400)
Change in fund balances	(1,503,550)	(281,132)	(1,784,682)
Fund balances beginning of year	5,183,645	1,601,098	6,784,743
Fund balances end of year	\$ 3,680,095	1,319,966	5,000,061

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

**GILBERT 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	\$ 11,401,866	11,211,650	10,986,362	11,012,128	10,862,415	10,158,511	9,275,768	8,780,836	7,694,989	7,069,952
Tuition	1,684,533	1,737,833	1,558,329	1,339,665	1,473,673	1,315,019	1,433,206	1,477,959	1,364,329	1,325,907
Other	1,342,040	1,056,843	766,059	565,315	817,697	958,303	722,911	879,526	987,657	863,692
State sources	12,962,170	12,409,726	11,614,963	11,166,601	10,942,332	10,432,078	9,796,413	9,484,303	8,900,671	8,775,107
Federal sources	667,535	393,565	545,702	733,144	361,899	354,751	336,014	272,367	249,270	424,416
Total	\$ 28,058,144	26,809,617	25,471,415	24,816,853	24,458,016	23,218,662	21,564,312	20,894,991	19,196,916	18,459,074
Expenditures:										
Instruction:										
Regular	\$ 10,142,994	9,725,581	9,171,727	9,080,063	8,808,035	8,538,499	7,974,430	7,968,003	7,429,364	6,711,513
Special	2,424,021	2,366,780	1,922,026	1,985,345	2,156,279	1,828,836	1,758,745	1,566,734	1,588,213	1,225,019
Other	2,931,358	2,412,149	2,233,528	2,210,432	2,181,527	2,116,380	2,197,416	2,320,414	1,918,459	2,193,111
Support services:										
Student	711,921	630,161	612,940	455,659	451,919	308,272	263,433	328,156	382,889	443,744
Instructional staff	1,231,058	790,269	815,056	705,086	792,762	714,203	582,375	470,670	444,596	884,626
Administration	2,692,834	2,660,497	2,121,444	2,093,917	2,004,565	1,759,497	1,542,907	1,554,600	1,479,463	1,491,807
Operation and maintenance of plant	2,262,896	2,318,157	1,989,104	2,080,773	1,706,523	1,577,520	1,446,429	1,404,622	1,421,340	1,212,276
Transportation	805,031	911,515	833,282	668,478	663,005	651,237	637,012	623,796	551,703	639,385
Non-instructional programs	-	-	-	-	-	-	16,670	3,145	1,120	368
Capital outlay	3,440,162	583,525	522,010	1,289,105	7,973,734	5,961,202	863,035	218,125	235,173	754,601
Long-term debt:										
Principal	2,847,212	2,664,071	10,722,445	6,670,000	10,435,000	2,060,000	2,145,000	1,725,000	1,685,000	1,685,000
Interest	790,035	924,184	981,909	1,081,099	1,225,212	1,052,190	776,175	819,586	826,077	907,978
Other expenditures:										
AEA flowthrough	767,752	737,990	711,608	699,221	676,642	640,009	602,792	570,309	540,175	526,962
Total	\$ 31,047,274	26,724,879	32,637,079	29,019,178	39,075,203	27,207,845	20,806,419	19,573,160	18,503,572	18,676,390

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT

**GILBERT COMMUNITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Grantor/Program	Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures
Indirect:			
U.S. Department of Agriculture:			
Passed through Iowa Department of Agriculture and Land Stewardship:			
Local Food for Schools Cooperative Agreement Program	10.185	FY24	\$ 8,000 *
Passed through Iowa Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	FY24	25,344
National School Lunch Program	10.555	FY24	270,597 *
Special Milk Program for Children	10.556	FY24	1,666
Total - Child Nutrition Cluster:			297,607 **
Child Nutrition Discretionary Grants Limited Availability	10.579	FY24	13,596
Total U.S. Department of Agriculture			319,203
U.S. Department of Treasury:			
Passed through State of Iowa:			
Coronavirus State and Local Fiscal Recovery Funds	21.027	FY24	194,441
U.S. Department of Education:			
Passed through Iowa Department of Education:			
Title I Grants to Local Educational Agencies	84.010	FY24	47,693
Supporting Effective Instruction State Grants	84.367	FY24	17,930
Student Support and Academic Enrichment Program	84.424	FY24	11,298
Education Stabilization Fund:			
Industry-Recognized Credentials - Credentials to Careers Grant	84.425	FY24	111,025
COVID-19, American Rescue Plan - Elementary and Secondary School Relief (ARP ESSER)	84.425U	FY24	10,950
Total Education Stabilization Fund:			121,975
Passed through Heartland Area Education Agency:			
Special Education Cluster (IDEA):			
Special Education Grants to States	84.027	FY24	66,714 ***
English Language Acquisition State Grants	84.365	FY24	1,840
Passed through Ames Community School District:			
Career and Technical Education - Basic Grants to States	84.048	FY24	29,536
Total U.S. Department of Education			296,986
Total			\$ 810,630

* - Includes \$75,187 of non-cash awards

** - Total for Child Nutrition Cluster is \$297,607

*** - Total for Special Education Cluster (IDEA) is \$66,714

Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Gilbert Community School District under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only selected portion of the operations of Gilbert Community School District, it is not intended to and does not represent the financial position, changes in financial position or cash flows of Gilbert Community School District.

Summary of Significant Accounting Policies - Expenditures reported in the Schedule are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Subrecipients - No federal expenditures presented in this schedule were provided to subrecipients.

Indirect Cost Rate - Gilbert Community School District did not use a federally negotiated indirect cost rate as allowed under the Uniform Guidance.

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT.

NOLTE, CORNMAN & JOHNSON P.C.
Certified Public Accountants
(a professional corporation)
115 North 3rd Avenue West, Newton, Iowa 50208-3218
Telephone (641) 792-1910

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 Gilbert Community School District:

We 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 Gilbert 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 our report thereon dated April 11, 2025.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in Part II of the accompanying Schedule of Findings and Questioned Costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Gilbert Community School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters which are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance or other matters which are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

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

Gilbert Community School District's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedure on Gilbert Community School District's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Gilbert Community School District's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

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

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



NOLTE, CORNMAN & JOHNSON, P.C.

April 11, 2025
Newton, Iowa

NOLTE, CORNMAN & JOHNSON P.C.
Certified Public Accountants
(a professional corporation)
115 North 3rd Avenue West, Newton, Iowa 50208-3218
Telephone (641) 792-1910

Independent Auditor's Report on Compliance
for Each Major Federal Program and on Internal Control over Compliance
Required by the Uniform Guidance

To the Board of Education of Gilbert Community School District:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Gilbert Community School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of Gilbert Community School District's major federal programs for the year ended June 30, 2024. Gilbert Community School District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Gilbert Community School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Gilbert Community School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Gilbert Community School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Gilbert Community School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Gilbert Community School District's compliance based on our audit. 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, Government Auditing Standards and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence judgement made by a reasonable user of the report on compliance about Gilbert Community School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Gilbert Community School District's compliance with the compliance requirements referred to above and performing other such procedures as we considered necessary in the circumstances.
- Obtain an understanding of Gilbert Community School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Gilbert Community School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2024-002 to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Gilbert Community School District's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Gilbert Community School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

A handwritten signature in black ink, appearing to read "Nolte, Cornman & Johnson PC". The signature is stylized and cursive.

NOLTE, CORNMAN & JOHNSON, P.C.

April 11, 2025
Newton, Iowa

GILBERT COMMUNITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Part I: Summary of the Independent Auditor's Results:

- (a) Unmodified opinions were issued on the financial statements prepared in accordance with U.S. generally accepted accounting principles.
- (b) A material weakness in internal control over financial reporting was disclosed by the audit of the financial statements. No significant deficiencies were reported.
- (c) The audit did not disclose any noncompliance which is material to the financial statements.
- (d) A material weakness in internal control over major programs was disclosed by the audit of the financial statements.
- (e) An unmodified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit disclosed an audit finding which is required to be reported in accordance with the Uniform Guidance, Section 200.516(a)
- (g) Major programs were as follows:
 - Child Nutrition Cluster
 - Assistance Listing Number 10.553 - School Breakfast Program
 - Assistance Listing Number 10.555 - National School Lunch Program
 - Assistance Listing Number 10.556 - Special Milk Program for Children
 - Assistance Listing Number 21.027 - Coronavirus State and Local Fiscal Recovery Funds
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (i) Gilbert Community School District did not qualify as a low-risk auditee.

GILBERT COMMUNITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Part II: Findings Related to the Financial Statements:

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

2024-001 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 - One individual has control over one or more of the following areas for the District:

- 1) Cash - initiating cash receipt and disbursement transactions and handling and recording cash.
- 2) Inventories - ordering, receiving, issuing and storing.
- 3) Capital assets - purchasing, recording and reconciling.
- 4) Payroll - recordkeeping, preparation.
- 5) Computer systems - performing all general accounting functions and controlling all data input and output.
- 6) Journal entries - writing, posting and approving.

Cause - The District has a limited number of employees and procedures have not been designed to adequately segregate duties or provide compensating controls through additional oversight of transactions and processes.

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 - We realize that with a limited number of office employees, segregation of duties is difficult. However, the District should review its control procedures to obtain the maximum internal control possible under the circumstances.

Response and Corrective Action Planned - The District will continue to look at best practices for internal controls to be used for the district. The District will utilize all office employees when possible to achieve the highest level of segregation of duties as possible.

Conclusion - Response accepted.

GILBERT COMMUNITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Part III: Findings and Questioned Costs for Federal Awards:

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

Assistance Listing Number 10.553: School Breakfast Program
Assistance Listing Number 10.555: National School Lunch Program
Assistance Listing Number 10.556: Special Milk Program for Children
Pass-Through Entity Identifying Number: FY24
Federal Award Year: 2024
Prior Year Finding Number: N/A
U.S. Department of Agriculture
Passed through the Iowa Department of Education

Assistance Listing Number 21.027: Coronavirus State and Local Fiscal Recovery Funds
Pass-Through Entity Identifying Number: FY24
Federal Award Year: 2024
Prior Year Finding Number: N/A
U.S. Department of Treasury
Passed through the State of Iowa

2024-002 Segregation of Duties – The District did not properly segregate custody, record-keeping and reconciling functions for revenues, including those related to federal programs. See finding 2024-001.

GILBERT COMMUNITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Part IV: Other Findings Related to Required Statutory Reporting:

2024-A Certified Budget – District expenditures for the year ended June 30, 2024 did not exceed the certified budgeted amounts.

2024-B Questionable Expenditures - No expenditures we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

2024-C 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.

2024-D Business Transactions - The following business transactions between the District and District employees were noted.

Name, Title and Business Connection	Transaction Description	Amount
Hannah Schmidt, Teacher Husband owns Schmidt-Youngblade Construction	Services	\$64,338
Robert Gibson, Bus Driver Rents storage unit to District	Services	\$75
Amy Griffin, Principal Son is athletic official	Services	\$270
Andrew Ricklefs, Board Vice President Account executive at Knapp-Tedesco Insurance Agency	Insurance	Indeterminable
Daniel Schmidt, Wrestling Coach Rents wrestling barn to District	Services	\$600

In accordance with an Attorney General's opinion dated November 9, 1976, the above transactions with relatives of a District employee do not appear to represent a conflict of interest.

In accordance with an Attorney General's opinion dated July 2, 1990, the above transactions with the District employees do not appear to represent conflicts of interest.

In accordance with the Chapter 279.7A of the Code of Iowa, the above transactions with the board member does not appear to represent a conflict of interest.

2024-E 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.

2024-F 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.

2024-G Board Minutes - We noted no transactions requiring Board approval which have not been approved by the Board.

2024-H Certified Enrollment - We noted variances in the certified enrollment data certified to the Iowa Department of Education. The District's enrollment data was understated by 2.00 students.

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

Response - The District's auditors will contact the Iowa Department of Education and the Iowa Department of Management to resolve this matter.

Conclusion - Response accepted.

2024-I Supplementary Weighting - No variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.

2024-J Deposits and Investments - No instances of non-compliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the District's investment policy.

2024-K Certified Annual Report - The Certified Annual Report certified timely with the Iowa Department of Education and we noted no significant deficiencies in amounts reported.

2024-L Categorical Funding - No instances of categorical funding being used to supplant rather than supplement other funds were noted.

2024-M 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 for the statewide sales, services and use tax revenue in the District's CAR:

Beginning balance		\$ 5,183,645
Revenues:		
Sales tax revenues	\$ 2,090,258	
Other local revenues	188,961	2,279,219
Expenditures/transfers out:		
School infrastructure construction	2,795,962	
Other	151,619	
Transfers to other funds:		
Debt service fund	835,188	3,782,769
Ending balance		\$ 3,680,095

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.

APPENDIX E – FORM OF ISSUE PRICE CERTIFICATE

EXHIBIT A GILBERT COMMUNITY SCHOOL DISTRICT, IOWA \$6,435,000 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, 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 (November 24, 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 Gilbert Community School District.
 - e. Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.
 - f. Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
 - g. Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is November 17, 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 18, 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
GILBERT COMMUNITY SCHOOL DISTRICT, IOWA
\$6,435,000 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 November 17, 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 18, 2025

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)