



\$55,000,000*

**Iowa Western Community College, Iowa
(Merged Area XIII)
General Obligation School Bonds
Series 2026**

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

DATE: Monday, March 16, 2026
TIME: 11:00 AM

Moody's Rating: "Aa1"

* 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 Iowa Western Community College, (Merged Area XIII) Iowa (the "Issuer")

Re: \$55,000,000* General Obligation School Bonds, Series 2026, 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, 2029	_____	_____	June 1, 2038
_____	_____	June 1, 2030	_____	_____	June 1, 2039
_____	_____	June 1, 2031	_____	_____	June 1, 2040
_____	_____	June 1, 2032	_____	_____	June 1, 2041
_____	_____	June 1, 2033	_____	_____	June 1, 2042
_____	_____	June 1, 2034	_____	_____	June 1, 2043
_____	_____	June 1, 2035	_____	_____	June 1, 2044
_____	_____	June 1, 2036	_____	_____	June 1, 2045
_____	_____	June 1, 2037	_____	_____	

_____ 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):

TRUE INTEREST RATE _____ %
(Computed from the dated date)

Account Manager

Signature of Account Manager

The foregoing offer is hereby accepted by and on behalf of the Board of Directors of the Iowa Western Community College, in the Counties of Adair, Adams, Audubon, Cass, Crawford, Fremont, Harrison, Mills, Monona, Montgomery, Page, Pottawattamie and Shelby, State of Iowa, this 16th day of March, 2026.

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 2026, in the principal amount of \$55,000,000* 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 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, 2035, may be called for redemption by the Issuer and paid before maturity on said date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

Interest: Interest on said Bonds will be payable on December 1, 2026 and semiannually on the 1st day of June and December thereafter. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

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

Good Faith Deposit: A Good Faith Deposit ("Deposit") in the form of a certified or cashier's check or a wire in the amount of \$550,000* 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 facsimile and email, within 10 minutes of the stated time when bids are due. If the wire is not received at the time indicated above, the Issuer will abandon its plan to award to the Purchaser, and will contact the next highest bidder received and offer said bidder the opportunity to become the Purchaser, on the terms as outlined in said bidder's bid, so long as said bidder submits a good faith wire within two hours of the time offered. The Issuer will not award the Bonds to the Purchaser absent receipt of the Deposit prior to action awarding the Bonds. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its bid, the Deposit will be retained by the Issuer.

* Preliminary, subject to change

Form of Bids: All bids shall be unconditional for the entire issue of Bonds for a price of not less than 100% 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 System.

Award will be on a True Interest Cost Basis. 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 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.

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. In the events of conflict with information provided by the Internet Bid System and the Official Bid terms, the Issuer, in its sole discretion, shall choose a path to resolve the conflict. 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 rate bid may be more than 2% higher than any other interest rate bid

No rate bid for maturities 2037 to 2045 may be lower than the interest rate bid in the immediately preceding maturity (level or ascending interest rates only, 2036 base year).

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

Establishment of Issue Price: (a) The winning bidder shall assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. All communications required of the Issuer under this Official Terms of Offering to establish the issue price of the Bonds may be communicated on behalf of the Issuer by the Issuer's municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer's municipal advisor.

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

- (1) the Issuer shall disseminate this Official Term of Offering to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Official Terms of Offering.

Any bid submitted pursuant to this Official Terms of Offering shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the winning bidder. The Issuer may determine to treat (i) the first price at which 10% of a maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the Issuer if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Issuer shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the Issuer determines to apply the hold-the-offering-price rule to any maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

(d) By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(e) If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the Issuer the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the winning bidder’s reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel.

(f) The Issuer acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

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

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

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

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

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

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

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

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

CUSIP Numbers: It is anticipated that CUSIP numbers will be printed on the Bonds. In no event will the Issuer be responsible for or Bond Counsel review or express any opinion of the correctness of such numbers, and incorrect numbers on said Bonds

shall not be cause for the purchaser to refuse to accept delivery of the Bonds. The fee will be paid for by the Issuer.

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

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

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

For more information see the Continuing Disclosure section herein.

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

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

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 26, 2026

NEW ISSUE - DTC BOOK ENTRY ONLY

Rating: "Aa1"

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.



\$55,000,000*

**Iowa Western Community College, Iowa (Merged Area XIII)
General Obligation School Bonds, Series 2026**

Dated: Date of Delivery

The General Obligation School Bonds, Series 2026 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 Issuer nor the Registrar will have any responsibility or obligation to such DTC Participants, indirect participants or the persons for whom they act as nominee with respect to the Bonds.

Interest on the Bonds is payable on June 1, and December 1 in each year, beginning December 1, 2026 to the registered owners thereof. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

The Bonds maturing after June 1, 2035 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, 2029	\$385,000				June 1, 2038	\$4,245,000			
June 1, 2030	680,000				June 1, 2039	4,455,000			
June 1, 2031	750,000				June 1, 2040	4,680,000			
June 1, 2032	1,305,000				June 1, 2041	4,915,000			
June 1, 2033	1,390,000				June 1, 2042	5,160,000			
June 1, 2034	2,340,000				June 1, 2043	5,145,000			
June 1, 2035	2,415,000				June 1, 2044	5,690,000			
June 1, 2036	2,535,000				June 1, 2045	5,975,000			
June 1, 2037	2,665,000								
	\$ _____		% _____	Term bond due		Priced to yield			CUSIP # _____

The Bonds are being offered when, as and if issued by the Issuer and accepted by the Underwriter, subject to receipt of an opinion as to legality, validity and tax exemption by Ahlers & Cooney, P.C. Des Moines, Iowa, Bond Counsel. It is expected that the Bonds in the definitive form will be available for delivery through the facilities of DTC on or about April 13, 2026. 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 _____, 2026

* Preliminary, subject to change

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

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

No dealer, 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 and Exchange Commission. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

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

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.

FORWARD-LOOKING STATEMENTS

This Official Statement, including appendices attached hereto, contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as "anticipated," "plan," "expect," "estimate," "budget," "pro forma," "forecast," "intent," 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 DISTRICT DOES NOT EXPECT OR INTEND TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

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

OFFICIAL STATEMENT
IOWA WESTERN COMMUNITY COLLEGE, IOWA (MERGED AREA XIII)
\$55,000,000* GENERAL OBLIGATION SCHOOL BONDS, SERIES 2026

INTRODUCTORY STATEMENT

This Official Statement presents certain information relating to the Iowa Western Community College, Iowa (the “Issuer”), in connection with the sale of the Issuer’s General Obligation School Bonds, Series 2026 (the “Bonds”). The Bonds are being issued to provide funds for i) to defray the cost of any one or more of the following purposes: to construct, furnish, and equip a new Career and Technical Education facility for automotive/diesel mechanic, commercial drivers' license, and logistics programming; to expand, improve, remodel, repair, furnish and equip existing buildings for expanded programming including HVAC, plumbing, welding, electrical, and construction technology for credit and non-credit programming, and ii) to pay costs of issuance for the Bonds. 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 March 23, 2026 (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 property valuation of the Issuer. See “**THE BONDS – Source of Security for the Bonds**” herein.

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

THE BONDS

General

The Bonds are dated as of the date of delivery and will bear interest at the rates to be set forth on the cover page herein, interest payable on June 1 and December 1 in each year, beginning on December 1, 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 260C of the Code of Iowa, 2025, as amended, approval of the Issuer’s voters for the issuance of not to exceed \$55,000,000 General Obligation Bonds to fund the Project at an election held on November 4, 2025, and the 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 into 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 interest 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 of 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 Resolution 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, 2035, 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:

_____ Term Bond
Mandatory Sinking Fund Date Principal Amount
§

(maturity)

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

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

Source of Security for the Bonds

The Bonds are general obligations of the Issuer. Per Iowa Code section 76.2, prior to issuing general obligation debt the governing authority of Iowa political subdivision shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years. A certified copy of this resolution must be filed with the county auditor or the auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditors to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full. Upon issuance of the Bonds, the Issuer will levy taxes for the years and in amounts sufficient to provide 100% of annual principal and interest due on the Bonds. If, however, the amount credited to the debt service fund for payment of the Bonds is insufficient to pay principal and interest, whether from transfers or from original levies, the Issuer is required to levy ad valorem taxes upon all taxable property in the Issuer without limit as to rate or amount sufficient to pay the debt service deficiency.

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

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

BONDHOLDERS' RISKS

An investment in the Bonds is subject to certain risks. No person should purchase the Bonds unless such person understands the risks described below and is willing to bear those risks. There may be other risks not listed below which may adversely affect the value of the Bonds. In order to identify risk factors, make an informed investment decision, and if the Bonds are an appropriate investment, potential investors should be thoroughly familiar with this entire Official Statement (including the Appendices hereto).

Tax Levy Procedures

The Bonds are general obligations of the Issuer, payable from and secured by a continuing ad-valorem tax levied against all of the taxable property located within the boundaries of 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 taxable property located within the boundaries of 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. Any alteration in property tax structure 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 its potential negative impact, if any, on the Issuer’s financial position. As noted in “Source of Security of the Bonds,” per Iowa Code section 76.2 the Issuer has by resolution provided for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years.

Matters Relating to Enforceability of Agreements

There is no Bond trustee or similar person to monitor or enforce the provisions of the 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 with respect to such assets will result in sufficient funds to pay all amounts due under the Bond Resolution or the Loan Agreement, including principal of and interest on the Bonds.

Secondary Market

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

EACH PROSPECTIVE PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE BONDS AND MUST BE ABLE TO BEAR THE ECONOMIC RISK OF SUCH INVESTMENT. THE SECONDARY MARKET FOR THE BONDS, IF ANY, COULD BE LIMITED.

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, 2025 (the “IPERS ACFR”), indicates that as of June 30, 2025, the date of the most recent actuarial valuation for IPERS, the funded ratio of IPERS was 92.17%, and the unfunded actuarial liability was approximately \$3.841 billion. The IPERS ACFR identifies the IPERS Net Pension Liability at June 30, 2025, at approximately \$2.323 billion (market value), while its net pension liability at June 30, 2024, was approximately \$3.641 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, 2025, the Issuer's IPERS contribution totaled approximately \$1,408,243. 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, 2025, at approximately \$5,399,428. 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

Moody's Investor Service (the "Rating Agency") has assigned a rating of "Aa1" to the Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of the Rating Agency, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

Forward-Looking Statements

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

Pending Federal Tax Legislation

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

DTC-Beneficial Owners

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

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

Risks as Employer

The Issuer is a major employer, combining a complex mix of tenured and untenured full-time faculty, part-time faculty, technical and clerical support staff and other types of workers in a single operation. As with all large employers, the Issuer bears a wide variety of risks in connection with its employees. These risks include discrimination claims, personal tort actions, work-related

injuries, exposure to hazardous materials, interpersonal torts (such as between employees or between employees and students) and other risks that may flow from the relationships between employer and employee or between students and employees. Certain of these risks are not covered by insurance, and certain of them cannot be anticipated or prevented in advance.

Cybersecurity

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

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

Debt Payment History

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

Redemption Prior to Maturity/Loss of Premium from Redemption

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

Clean up Costs and Liens under Environmental Statutes

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

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 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 Issuer's Facilities

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

Financial Condition of the Issuer from time to time

No representation is made as to the future financial condition of the Issuer. Certain risks discussed herein could adversely affect the financial condition and/or operations of the Issuer in the future. However, the Bonds are secured by an unlimited ad valorem property tax as described more fully in the "THE BONDS – Source of Security for the Bonds" herein.

Continuing Disclosure

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

Suitability of Investment

The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an 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.

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.

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.

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 Issuer 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 these bonds.

ACCOUNTANT

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

UNDERWRITING

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

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

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

THE PROJECT

The Bonds are being issued to provide funds for i) to defray the cost of any one or more of the following purposes: to construct, furnish, and equip a new Career and Technical Education facility for automotive/diesel mechanic, commercial drivers' license, and logistics programming; to expand, improve, remodel, repair, furnish and equip existing buildings for expanded programming including HVAC, plumbing, welding, electrical, and construction technology for credit and non-credit programming, and ii) to pay costs of issuance for the Bonds.

SOURCES AND USES OF FUNDS *

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

* Preliminary, subject to change

TAX EXEMPTION AND RELATED 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 Preliminary Official Statement and will express no opinion with respect thereto. Bond Counsel has not participated in the preparation of this Preliminary 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.

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

MUNICIPAL ADVISOR

The Issuer has retained Piper Sandler & Co. as municipal advisor (the “Municipal Advisor”) in connection with the issuance of the Bonds. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of 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.

During the past five (5) years, the Issuer believes it has complied with the Rule in all material respects. However, the Issuer provides the following disclosure for the sole purpose of assisting Underwriters in complying with the Rule. The Issuer did not timely file, or in some cases properly link, certain annual financial statements and operating data tables for various issues for fiscal years ending 2020 through 2024. In addition, the College did not timely file notice of missed sinking fund redemption payments scheduled for June 1, 2021 and June 1, 2022 on certain Taxable Industrial New Jobs Training Certificates. For certain of the aforementioned filings, the Issuer did not timely file notice of its failure to provide such information on or before the date specified in the applicable Undertakings.

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 entireties by reference to such documents, and the description herein of the Bonds is qualified in its entirety by reference to the form thereof and the information with respect thereto included in the aforesaid documents. Copies of such documents may be obtained from the Issuer.

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

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

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

The Issuer has 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.

APPENDIX A - INFORMATION ABOUT THE ISSUER

IOWA WESTERN COMMUNITY COLLEGE, STATE OF IOWA, MERGED AREA XIII

BOARD OF DIRECTORS

Officer

Connie Hornbeck	President
Dr John Marshall	Vice President
Matt Johnson	
Kirk Madsen	
Randy Pash	
Chris Blake	
Thomas Riley	
Kerry Newman	
Gilbert Thomas	

EXECUTIVE OFFICERS

PRESIDENT	Dr. Daniel Kinney
VICE PRESIDENT OF FINANCE AND OPERATIONS/BOARD TREASURER	Edwin Holtz
VICE PRESIDENT OF ACADEMIC AFFAIRS	Dr. Jenny Kruger
VICE PRESIDENT OF STUDENT SERVICES	Kimberly Vrba
VICE PRESIDENT OF MARKETING/PUBLIC RELATIONS	Donald Kohler
VICE PRESIDENT OF INSTITUTIONAL ADVANCEMENT	Molly Noon
VICE PRESIDENT OF BUSINESS AND COMMUNITY EDUCATION	Matt Mancuso
DIRECTOR OF ATHLETICS	Shane Larson
EXECUTIVE DIRECTOR OF INFORMATION TECHNOLOGY	Victoria Hoskovec
ADMINISTRATIVE ASSISTANT TO PRESIDENT/ BOARD SECRETARY	Erin McKee

General Information

Iowa Western Community College, founded in 1966, is a state supported institution of post high school education and is comprised of all or a major portion of Cass, Fremont, Harrison, Mills, Page, Pottawattamie and Shelby counties and a minor part of six additional counties located in southwest Iowa. The College offers instruction in career education, adult and continuing education and the first two years of college and university study. Iowa Western exists to serve the needs of adults who can benefit from further education and guidance, whether by specially designed occupational programs, pre-professional college transfer programs or adult education of another type.

Iowa Western Community College is a state-supported community college. The North Central Association of Colleges and Schools, the Iowa State Board of Education and the Veterans Administration for the training of veterans under the provisions of the G.I. Bill of Rights accredit the College. The college is an institutional member of the American Association of Community Colleges and the Iowa Association of Community College Trustees. All courses equivalent to college and university work are accepted by colleges and universities of Iowa and by most educational institutions outside of Iowa.

The Council Bluffs Campus, which includes the college administrative offices, is situated on a 282-acre site located 2½ miles northeast of the Council Bluffs business district. The instructional services offered at the Council Bluffs Campus are administered through the departments of Business, Fine Arts, Health and Physical Education, Language Arts, Science and Mathematics, Social Sciences, Agriculture, Health Occupations, Office Occupations and Trade and Industrial Education and the Dr. John & Jean Marshall Wellness Center. In addition, Student Services, and the Learning Resources Center provide supportive services for students and staff. College educational facilities include Clark Hall, Stuart Hall, Kanseville Center, Looft Hall, Dodge Hall, Art Center, Aviation Maintenance, Ashley Hall, Fremont Hall, Lewis Hall and Kinney Hall.

Enrollment (1) (2)

<u>Fiscal Year</u>	<u>Credit Hours</u>	<u>Total Contact Hours*</u>	<u>Full Time Equivalent Enrollment (FTEE)</u>
2024-25	120,914	2,790,812	5,498
2023-24	120,271	2,794,655	5,377
2022-23	114,574	2,710,521	5,109
2021-22	118,061	2,766,596	5,227
2020-21	119,360	2,762,261	5,271

Staff (1)

Presented below are the total full-time employees of the College:

<u>Fiscal Year</u>	<u>Employees</u>
2024-25	367
2023-24	360
2022-23	387
2021-22	403
2020-21	416

(1) Source: the Issuer

(2) Contact Hours includes in addition to the categories of "Arts & Sciences" and Vocational Education, the categories of "Adult/Continuing Education"

Pensions (1)

The College is a participating employer in two employee retirement plans, Iowa Public Employees Retirement System (IPERS) and TIAA.

TIAA is a nationwide retirement and financial services system for people who work at colleges, universities, independent schools and other nonprofit education and research institutions throughout the United States. A nonprofit organization, TIAA-CREF is really two companies working together as one. TIAA is a Teachers Insurance and Annuity Association, an insurance company founded in 1918 by the Carnegie Foundation for the Advance of Teaching. All permanent employees of the College are eligible for and must participate in one of either IPERS or TIAA

<u>Fiscal Year</u>	<u>Amount contributed to TIAA</u>	<u>% of Covered Payroll paid by Issuer</u>	<u>% paid by Employee</u>
2025	\$956,734	9.44	6.29
2024	944,356	9.44	6.29
2023	924,937	9.44	6.29
2022	929,457	9.44	6.29
2021	902,287	9.44	6.29
2020	889,844	9.44	6.29

Plan Description. Iowa Public Employees’ Retirement System (“IPERS”) membership is mandatory for employees of the College. College 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. A College employee who completed seven years of covered service or has reached the age of 65 while in IPERS covered employment becomes vested. If a College 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 College employees and benefits to the employees’ beneficiaries upon their death of the eligible employee. See “**APPENDIX C–AUDITED FINANCIAL STATEMENTS OF THE ISSUER**” 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 College and its employees are established by IPERS following the annual actuarial valuation (which applies IPERS’ Contribution Rate Funding Policy and Actuarial Amortization method.) State statute, however, limits the amount rates can increase or decrease each year to one (1) percentage point. Therefore, any difference between the actuarial contribution rates and the contributions paid is due entirely to statutorily set contributions that may differ from the actual contribution rates. As a result, while the contribution rate in the fiscal year ended June 30, 2014 equaled the actuarially required rate, there is no guarantee, due to this statutory limitation on rate increases, that the contribution rate will meet or exceed the actuarially required rate in the future.

In fiscal year 2025, pursuant to the IPERS’ required rate, the College’s employees contributed 6.29% of pay and the College contributed 9.44% for a total rate of 15.73%. The College’s contributions to IPERS for the year ended June 30, 2025 was \$1,408,243, which amount is not less than its actuarially determined calculated annual actuarial valuation. The College’s share of the contribution, payable from the applicable funds of the College, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The College has always made its full required contributions to IPERS.

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

College and Its Employees Contributions to IPERS

<u>Fiscal Year</u>	<u>College Contribution</u>		<u>College Employees’ Contribution</u>	
	<u>Amount Contributed</u>	<u>% of Covered Payroll</u>	<u>Amount Contributed</u>	<u>% of Covered Payroll</u>
2025	1,408,243	9.44	NA	6.29
2024	1,293,193	9.44	861,672	6.29
2023	1,225,092	9.44	816,296	6.29
2022	1,174,648	9.44	790,630	6.29
2021	1,158,605	9.44	771,969	6.29
2020	1,095,934	9.44	730,212	6.29

(1) Source: The Issuer

The College 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 College. 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 College 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 annual comprehensive financial reports of IPERS for the period indicated (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.

Funding Status of IPERS (Dollars in thousands) (1)

Valuation Date	Actuarial Value of Assets	Market Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (Actuarial Value)	Funded Ratio (Actuarial Value)	Unfunded Actuarial Accrued Liability (Market Value)	Funded Ratio (Market Value)	Covered Payroll	UAAL as a Percentage of Covered Payroll (Actuarial Value)
	{a}	{b}	{c}	{c}-{a}	{a}/{c}	{c}-{b}	{b}/{c}	{d}	[(c-a)/{d}]
2025	45,222,324,002	46,740,552,175	49,063,230,575	3,840,906,573	92.17	2,322,678,400	95.27	10,525,039,254	36.49
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
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
2022	39,354,232,379	40,186,392,289	43,969,714,606	4,615,482,227	89.50	3,783,322,317	91.40	9,018,019,950	51.18
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
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

According to IPERS, the market value investment return on program assets is as follows (1):

Fiscal Year Ended June 30	Investment Return %
2025	9.87
2024	9.07
2023	5.41
2022	-3.90
2021	29.63
2020	3.39

(1) SOURCE: IPERS ACFRs and IPERS Actuarial Reports For a description of the assumptions used when calculating the funding status of IPERS, see IPERS ACFRs.

Net Pension Liabilities.

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

At June 30, 2025, the College reported a liability of \$5,399,428 for its proportional share of the IPERS net pension liability. The net pension liability was measured as of June 30, 2024 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 College’s proportion of the net pension liability was based on the College’s share of contributions to the pension plan relative to the contributions of all IPERS participating employers. See “**APPENDIX C–AUDITED FINANCIAL STATEMENTS OF THE ISSUER**” for additional information related to the College’s deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity.

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

Bond Counsel, Disclosure Counsel, the Issuer, the Underwriter, 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 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.

GASB 45 (1)

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

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

In addition, the College has provided a Voluntary Early Retirement Program. This program provides cash benefits payable in three installments during the following fiscal year, as well as health insurance coverage up to a specified amount until the staff member reaches the age of 65. This explicit benefit is included in this valuation reflected below. There was most recently 367 eligible active employees that may choose this option upon retirement, and 36 retired employees for which this benefit is already being utilized. This retirement option remains available as a choice for future retirees at this time.

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

The following table shows the components of the College's annual OPEB cost for the year ended June 30, 2025, the amount actually contributed to the plan and changes in the College's net OPEB obligation:

Net OPEB obligation – beginning of year		\$299,683
Changes for the year		
	Service Cost	12,600
	Interest	16,148
	Differences between expected and actual experience	126,280
	Changes in assumptions	16,009
	Benefit Payments	(87,360)
Net Changes		<u>83,677</u>
Net OPEB obligation – end of year		<u>\$383,360</u>

(1) Source: the Issuer

Population (1)

Presented below are the current populations of the thirteen counties that the college primarily serves, as provided by the 2020 CENSUS:

<u>County</u>	<u>Population</u>	<u>County</u>	<u>Population</u>
Adair	7,496	Mills	14,484
Adams	3,704	Monona	8,751
Audubon	5,674	Montgomery	10,330
Cass	13,127	Page	15,211
Crawford	16,525	Pottawattamie	93,667
Fremont	6,605	Shelby	11,746
Harrison	14,582		

Labor Force Data (2)

Presented below are the unemployment rates for each County within the Agency, the State of Iowa and the National unemployment average, for November 2025:

<u>County</u>	<u>Unemployment %</u>	<u>County</u>	<u>Unemployment %</u>
Adair	2.4	Mills	3.3
Adams	2.3	Monona	2.7
Audubon	2.5	Montgomery	2.9
Cass	2.9	Page	2.5
Crawford	3.4	Pottawattamie	3.6
Fremont	3.6	Shelby	2.8
Harrison	2.6		
National Average	4.6	State Average	3.5

Retail Sales (3)

Presented below is a listing of retail sales by county for twelve counties that the College primarily serves, for the year ended June 30, 2024:

<u>County</u>	<u>Taxable Retail Sales</u>
Adair	84,852,555
Adams	38,501,355
Audubon	50,206,409
Cass	195,022,304
Crawford	169,650,317
Fremont	63,951,665
Harrison	92,330,061
Mills	120,559,283
Monona	68,026,562
Montgomery	100,483,271
Page	147,161,408
Pottawattamie	1,564,617,225
Shelby	109,569,295

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- (1) Source: Census Bureau
 - (2) Source: Iowa Workforce Development
 - (3) Source: Iowa Department of Revenue

Major Employers in the Merged Area (1)

Presented below are the 25 largest employers in the Merged Area.

<u>Name</u>	<u>Business</u>	<u>Number of Employees</u>
Alegent Health/Mercy Hospital	Health Care	500-999
American Games	Manufacturing	250-499
Ameristar Casino	Gaming/resort	1000-1500
Bass Pro Shops	Retail	100-249
Bethany Lutheran Home	Nursing Home	100-249
ConAgra Frozen Foods	Food processor	500-999
Council Bluffs CSD	Education	1000-1500
Dillards	Department Store	100-249
Griffin Pipe Products Co	Cast Iron Pipe	250-499
Harrah's Casino Hotel	Gaming/hotel	1000-1500
Horseshoe Casino	Gaming	1000-1500
Hy-Vee Stores	Grocery store	250-499
Iowa Western Community College	Education	250-499
Jennie Edmundson	Health care	500-999
Kohl's	Department Store	100-249
Menards	Retail store	100-249
Mid America Center	Convention center	100-249
Mid-American Energy Co.	Electric and natural gas utility	250-499
No Frills Supermarket	Grocery store	100-249
Omaha Standard	Truck bodies	250-499
Park Place	Health services	250-499
Peerless Wiping Cloth	Wholesale	100-249
Physicians Clinic	Medical Clinic	100-249
Pinnacle Customer Solutions	Telemarketing	100-249
Plumrose USA	Manufacturing	250-499
Risen Son Christian Village	Nursing Home	100-249
Sam's Club	Wholesale	100-249
Sapp Brothers	Truckstop	100-249
Super Saver Stores	Grocery Store	250-499
Target	Retail store	100-249
Tyson-Cooked meats	Food processing	100-249
Union Pacific Railroad	Transportation	500-999
Wal-Mart	Retail/grocery store	500-999
Warren Distribution	Manufacturing	250-499

Property Tax Assessment (2)

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

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

Fiscal Year	Residential	Ag Land & Buildings	Commercial (4)	Multi-residential	Railroad (4)	Industrial (4)	Old Utilities	Ch 437 Utilities	Ch 428 & 438 Utilities
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

(1) Source: Iowa Department of Management

(2) Source: the Issuer

(3) Source: Iowa Department of Revenue

(4) In 2023, the Legislature created a rollback for small commercial, small railroad and small industrial properties that receive the same rollback rate as residential properties receive for said year, for the valuation of those classes up to \$150,000. Valuation above \$150,000 is taxed at the above rollback rate for each of commercial, railroad and industrial.

Property Valuations (1)

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. Presented on the following page are the historic property valuations of the Issuer by class of property:

Actual Valuation					
Valuation as of January	2025	2024	2023	2022	2021
<u>Fiscal Year</u>	<u>2026-27</u>	<u>2025-26</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>
Residential:	14,784,333,744	12,991,708,412	12,649,049,371	10,183,822,041	9,607,821,444
Agricultural Land:	5,795,896,277	4,614,032,699	4,615,633,180	3,357,317,063	3,359,227,631
Ag Buildings:	263,050,491	228,529,414	217,848,036	126,806,387	119,342,568
Commercial:	2,802,568,648	2,282,605,867	2,186,537,664	2,037,058,206	1,996,870,284
Industrial:	1,245,335,772	1,095,385,510	1,006,791,179	629,365,903	611,327,585
Multi-residential:	0	0	0	0	376,732,258
Personal RE:	0	0	0	0	0
Railroads:	290,092,946	313,720,358	314,387,876	295,112,013	273,680,376
Utilities:	186,034,726	187,740,586	207,472,840	193,850,692	206,533,547
Other:	1,904,428	1,746,775	1,763,972	1,425,422	1,425,422
Total Valuation:	25,369,217,032	21,715,469,621	21,199,484,118	16,824,757,727	16,552,961,115
Less Military:	27,282,901	28,558,428	29,451,172	13,980,681	14,602,092
Less Homestead	81,323,246	73,573,241	35,403,177		
Net Valuation:	25,260,610,885	21,613,337,952	21,134,629,769	16,810,777,046	16,538,359,023
TIF Valuation:	642,057,930	477,679,412	518,981,312	397,887,497	385,250,535
Utility Replacement:	3,737,481,619	3,364,541,173	3,522,766,039	3,237,173,692	2,281,181,919
Taxable Valuation					
Valuation as of January	2025	2024	2023	2022	2021
<u>Fiscal Year</u>	<u>2026-27</u>	<u>2025-26</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>
Residential:	6,529,042,618	6,121,245,155	5,844,202,551	5,163,411,457	5,525,809,847
Agricultural Land:	3,444,783,943	3,406,796,557	3,317,232,902	2,990,746,397	3,076,399,738
Ag Buildings:	155,928,563	168,291,771	156,008,610	105,929,182	115,939,959
Commercial:	2,270,962,906	1,835,020,979	1,767,311,176	1,786,042,984	1,655,870,339
Industrial:	1,099,070,486	964,980,709	885,204,057	546,548,335	549,263,212
Multi-residential:	0	0	0	227,019,822	0
Personal RE:	0	0	0	0	0
Railroads:	261,043,688	281,510,725	282,090,067	246,312,343	264,905,249
Utilities:	182,264,818	187,740,586	207,472,840	206,533,547	193,850,692
Other:	1,698,693	1,746,460	1,575,091	1,425,422	1,425,422
Total Valuation:	13,944,795,715	12,967,332,942	12,461,097,294	11,273,969,489	11,383,464,458
Less Military:	27,282,901	28,558,428	29,451,172	14,602,092	13,980,681
Less Homestead	81,323,246	73,573,241	35,442,177		
Net Valuation:	13,836,189,568	12,865,201,273	12,396,203,945	11,259,367,397	11,369,483,777
TIF Valuation:	478,200,342	379,961,056	351,716,540	354,849,540	352,982,265
Utility Replacement:	462,619,537	430,538,950	422,968,988	427,971,839	413,676,332

Valuation	Actual Valuation	% Change in Actual Valuation	Taxable Valuation	% Change in Taxable Valuation
<u>Year</u>	<u>w/ Utilities</u>	<u>Valuation</u>	<u>w/ Utilities</u>	<u>Valuation</u>
2025	29,640,150,434	16.439%	14,777,009,447	8.053%
2024	25,455,558,537	1.109%	13,675,701,279	3.833%
2023	25,176,377,120	23.137%	13,170,889,473	9.373%
2022	20,445,838,235	6.462%	12,042,188,776	-0.774%
2021	19,204,791,477	5.314%	12,136,142,374	5.661%
2020	18,235,658,087	4.980%	11,485,941,467	4.227%

(1) Source: Iowa Department of Management

Property Tax Rates

All taxable property within a merged area community college is taxed by each county at a rate not to exceed \$0.2025 per \$1,000 of assessed value on such property for the operation of the area vocational school or the area community college such as the College. In addition to the tax authorized for the operation of a merged area community college, the voters in any merged area may vote a tax not to exceed \$0.2025 per \$1,000 of assessed value for a period not to exceed ten years for capital improvements to the merged area. The board of directors of a merged area may also certify a levy not to exceed \$0.03 per \$1,000 of assessed value for equipment replacement and they are authorized to levy to pay certain insurance expenses of the merged area.

Tax Rates (1)

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

<u>Year</u>	<u>General</u>	<u>Unemployment</u>	<u>Tort Liability</u>	<u>Insurance</u>	<u>Early Retirement</u>	<u>Equipment</u>	<u>Standby</u>	<u>Plant Fund</u>	<u>Debt Service</u>	<u>Total Levy Rate</u>
2026	0.20250	0.00000	0.06769	0.37982	0.03679	0.09000	0.00000	0.20250	0.49455	1.47385
2025	0.20250	0.00000	0.09361	0.29253	0.15798	0.09000	0.00000	0.20250	0.43731	1.47643
2024	0.20250	0.00424	0.06365	0.35220	0.00000	0.09000	0.00000	0.20250	0.47458	1.38967
2023	0.20250	0.00428	0.06417	0.33797	0.00000	0.09000	0.00000	0.20250	0.47643	1.37785
2022	0.20250	0.00316	0.05865	0.26620	0.34340	0.09000	0.00000	0.20250	0.29167	1.45808

Property Tax Collection

Each county is required by State law to collect all tax levies within its jurisdiction and remit, before the fifteenth of each month, the amount collected through the last day of the preceding month to underlying units of government, including the College. Property tax payments are made at the office of each county treasurer in full or one-half by September 30 or March 31, pursuant to the Code of Iowa, Sections 445.36 and 445.37. Where the first half of any property tax has not been paid by October 1, such installment becomes delinquent. If the second installment is not paid, it becomes delinquent on April 1. Delinquent taxes and special assessments are subject to a penalty at the rate of one and one-half percent per month, to a maximum of eighteen percent per annum.

If taxes are not paid when due, the property may be offered at the regular tax sale on the third Tuesday of June following the delinquency date. Purchasers at the tax sale must pay an amount equal to the taxes, special assessments, interest and penalties due on the property, and funds so received are applied to the payment of taxes. A property owner may redeem from the regular tax sale, but failing redemption within two years, the tax sale purchaser is entitled to a deed which in general conveys the title free and clear of all liens except future installments of taxes.

Utility Property Tax Replacement

Property owned by entities involved primarily in the production, delivery, service and sale of electricity and natural gas (“Utilities”) pay a replacement tax based upon the delivery of energy by Utilities in lieu of property taxes. All replacement taxes are allocated among local taxing bodies 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. Utility properties paying the replacement tax are exempt from the levy of property tax by political subdivisions. In addition to the replacement tax, 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.

By statute, the replacement tax collected by the State and allocated among local taxing bodies (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. It is possible that the general obligation debt capacity of the Issuer could be adjudicated to be proportionately reduced in future years if Utility property were determined to be other than “taxable property” for purposes of computing the Issuer’s debt limit under Article XI of the Constitution of the State of Iowa. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the Issuer can issue or (ii) adversely affect the Issuer’s ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations, including the Bonds. Approximately 7% of the Issuer’s tax base currently is Utility property.

Notwithstanding the foregoing, Iowa Code 76.2 provides that when an Iowa political subdivision issues general obligation bonds, “the governing authority of these political subdivisions before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years. A certified copy of this resolution shall be filed with the county auditor or the auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditor 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.”

(1) Source: Iowa Department of Management

Tax Collection History (1)

Presented below are the taxes levied and collected for the periods indicated:

<u>Fiscal Year</u>	<u>Amount Levied</u>	<u>Amount Collected</u>	<u>Percentage Collected</u>
2025	18,455,936	19,490,400	105.67%
2024	15,967,349	17,067,382	106.89%
2023	16,542,196	16,549,054	100.04%
2022	15,702,152	16,608,097	105.77%
2021	13,954,136	14,451,186	103.56%

Funds on Hand (1)

The College invests its funds pursuant to Chapter 12B of the Code. Presented below is a summary of the investments of the College as of December 31, 2025.

<u>Type of Investment</u>	<u>Amount Invested</u>
Local Bank Money Market	\$44,159,323
Local Bank Time CD's	2,447,320
ISJIT Money Market	8,273,229
ISJIT Time CD's	0
ISJIT Economic Development	0

Debt Limit (2)

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

	<u>FY26</u>
Actual Value of Property (x000)	25,455,558,537
X	5.00%
Statutory Debt Limit:	1,272,777,927

Makeup of Obligations Subject to Debt Limit (1)

The College has issued obligations secured by the taxpayers of the College in three different classes: (voter approved) General Obligation Bonds; Plant Fund Capital Loan Notes; and New Job Training Certificates. Presented below is a summary of the outstanding debt of the College by type of issue:

General Obligation Bonds	80,615,000
New Jobs Training Certificates	4,645,000
Capital Loan Notes	14,155,000
Other	0
Total Debt Subject to Limit:	99,415,000
Percentage of Debt Limit Obligated:	7.81%

(1) Source: The Issuer

(2) Valuation source: Iowa Department of Management

Direct Debt – New Job Training Certificates (1)

Presented below is the principal and interest on the College’s New Job Training Certificates, of which 7 different series are currently outstanding:

<u>Fiscal Year</u>	<u>3/8/17</u>	<u>2/12/18</u>	<u>3/5/19</u>	<u>6/4/20</u>	<u>5/31/22</u>	<u>1/22/24</u>	<u>7/17/25</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total P&I</u>
6/1/26	70,000	190,000	110,000	60,000	210,000	135,000	35,000	810,000	165,698	975,698
6/1/27		210,000	115,000	60,000	215,000	140,000	45,000	785,000	141,795	926,795
6/1/28			125,000	60,000	245,000	145,000	50,000	625,000	115,863	740,863
6/1/29				60,000	230,000	170,000	55,000	515,000	94,350	609,350
6/1/30				65,000	235,000	160,000	55,000	515,000	76,010	591,010
6/1/31					250,000	165,000	65,000	480,000	57,700	537,700
6/1/32					275,000	180,000	60,000	515,000	38,965	553,965
6/1/33						195,000	65,000	260,000	18,588	278,588
6/1/34							65,000	65,000	6,790	71,790
6/1/35							75,000	75,000	3,638	78,638

Totals: 70,000 400,000 350,000 305,000 1,660,000 1,290,000 570,000 4,645,000 719,396 5,364,396

Direct Debt –Capital Loan Notes (1)

<u>Fiscal Year</u>	<u>6/1/16</u>	<u>6/8/17</u>	<u>3/5/19</u>	<u>Total Principal</u>	<u>Total interest</u>	<u>Total P&I</u>
6/1/26	1,000,000		150,000	1,150,000	426,419	1,576,419
6/1/27		400,000	755,000	1,155,000	401,919	1,556,919
6/1/28		415,000	720,000	1,135,000	367,269	1,502,269
6/1/29		425,000	750,000	1,175,000	333,219	1,508,219
6/1/30		440,000	780,000	1,220,000	297,969	1,517,969
6/1/31		450,000	815,000	1,265,000	261,369	1,526,369
6/1/32		465,000	845,000	1,310,000	223,419	1,533,419
6/1/33		485,000	875,000	1,360,000	183,538	1,543,538
6/1/34		500,000	910,000	1,410,000	141,525	1,551,525
6/1/35		520,000	940,000	1,460,000	96,838	1,556,838
6/1/36		540,000	975,000	1,515,000	49,913	1,564,913

Totals: 1,000,000 4,640,000 8,515,000 14,155,000 2,783,394 16,938,394

Direct Debt – Dorm Revenue Bonds (1)

<u>Fiscal Year</u>	<u>5/18/21A</u>	<u>6/15/21B</u>	<u>6/8/17</u>	<u>5/1/18A</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total P&I</u>
6/1/26	330,000	775,000		925,000	2,030,000	613,273	2,643,273
6/1/27	360,000	750,000		975,000	2,085,000	573,648	2,658,648
6/1/28	610,000	540,000		975,000	2,125,000	531,498	2,656,498
6/1/29	690,000	630,000		850,000	2,170,000	486,888	2,656,888
6/1/30	795,000	645,000		775,000	2,215,000	441,588	2,656,588
6/1/31		2,260,000			2,260,000	392,544	2,652,544
6/1/32		1,350,000	430,000		1,780,000	347,344	2,127,344
6/1/33			1,650,000		1,650,000	306,906	1,956,906
6/1/34			1,700,000		1,700,000	253,281	1,953,281
6/1/35			1,760,000		1,760,000	195,906	1,955,906
6/1/36			1,820,000		1,820,000	134,306	1,954,306
6/1/37			1,885,000		1,885,000	68,331	1,953,331

Totals: 2,785,000 6,950,000 9,245,000 4,500,000 23,480,000 4,345,511 27,825,511

(1) Source: the Issuer

Direct Debt – General Obligation Bonds (1) (2) (4)

Presented below is a summary of the existing general obligation debt of the College as of this issue, including this issue with an estimated 5% interest rate.

Fiscal Year	6/8/17	3/2/20	3/23/20	6/4/20	5/17/21	4/13/26	Early retired	Total Principal	Total Interest	Total P&I
6/1/26	620,000	550,000	500,000	450,000	755,000			2,875,000	858,674	3,733,674
6/1/27	640,000	600,000	500,000	465,000	725,000		0	2,930,000	3,913,565	6,843,565
6/1/28	655,000	575,000	535,000	485,000	725,000		0	2,975,000	3,483,336	6,458,336
6/1/29	675,000	625,000	550,000	500,000	120,000	385,000	0	2,855,000	3,417,261	6,272,261
6/1/30	695,000	575,000	550,000	525,000	120,000	680,000	0	3,145,000	3,125,561	6,270,561
6/1/31	720,000	600,000	550,000	550,000	125,000	750,000	-50,000	3,245,000	3,028,636	6,273,636
6/1/32	740,000	600,000	575,000	575,000	125,000	1,305,000	-575,000	3,345,000	2,927,724	6,272,724
6/1/33	760,000	600,000	575,000	575,000	130,000	1,390,000	-575,000	3,455,000	2,814,411	6,269,411
6/1/34	930,000			600,000	305,000	2,340,000	-600,000	3,575,000	2,696,036	6,271,036
6/1/35	1,310,000			625,000		2,415,000	-625,000	3,725,000	2,544,694	6,269,694
6/1/36	1,355,000			650,000		2,535,000	-650,000	3,890,000	2,379,731	6,269,731
6/1/37	1,400,000			675,000		2,665,000	-675,000	4,065,000	2,207,250	6,272,250
6/1/38				725,000		4,245,000	-725,000	4,245,000	2,026,750	6,271,750
6/1/39				750,000		4,455,000	-750,000	4,455,000	1,814,500	6,269,500
6/1/40				775,000		4,680,000	-775,000	4,680,000	1,591,750	6,271,750
6/1/41						4,915,000		4,915,000	1,357,750	6,272,750
6/1/42						5,160,000		5,160,000	1,112,000	6,272,000
6/1/43						5,415,000		5,415,000	854,000	6,269,000
6/1/44						5,690,000		5,690,000	583,250	6,273,250
6/1/45						5,975,000		5,975,000	298,750	6,273,750
Totals:	10,500,000	4,725,000	4,335,000	8,925,000	3,130,000	55,000,000	-6,000,000	80,615,000	43,035,630	123,650,630

Direct Debt - General Obligation Bonds After FY26 early retirement (1) (2) (3) (4)

Fiscal Year	6/8/17	3/2/20	3/23/20	6/4/20	5/17/21	4/13/26	Early retired	Total Principal	Total Interest	Total P&I
6/1/26	620,000	550,000	500,000	450,000	755,000			2,875,000	858,674	3,733,674
6/1/27	640,000	600,000	500,000	465,000	725,000			2,930,000	3,846,909	6,776,909
6/1/28	655,000	575,000	535,000	485,000	725,000			2,975,000	3,416,680	6,391,680
6/1/29	675,000	625,000	550,000	500,000	120,000	385,000		2,855,000	3,350,605	6,205,605
6/1/30	695,000	575,000	550,000	525,000	120,000	680,000	-525,000	2,620,000	3,023,030	5,643,030
6/1/31	720,000	600,000	550,000	550,000	125,000	750,000	-550,000	2,745,000	2,944,480	5,689,480
6/1/32	740,000	600,000	575,000	575,000	125,000	1,305,000	-575,000	3,345,000	2,861,068	6,206,068
6/1/33	760,000	600,000	575,000	575,000	130,000	1,390,000	-575,000	3,455,000	2,747,755	6,202,755
6/1/34	930,000			600,000	305,000	2,340,000	-600,000	3,575,000	2,629,380	6,204,380
6/1/35	1,310,000			625,000		2,415,000	-625,000	3,725,000	2,478,038	6,203,038
6/1/36	1,355,000			650,000		2,535,000	-1,225,000	3,315,000	2,313,075	5,628,075
6/1/37	1,400,000			675,000		2,665,000	-2,075,000	2,665,000	2,160,000	4,825,000
6/1/38				725,000		4,245,000	-725,000	4,245,000	2,026,750	6,271,750
6/1/39				750,000		4,455,000	-750,000	4,455,000	1,814,500	6,269,500
6/1/40				775,000		4,680,000	-775,000	4,680,000	1,591,750	6,271,750
6/1/41						4,915,000		4,915,000	1,357,750	6,272,750
6/1/42						5,160,000		5,160,000	1,112,000	6,272,000
6/1/43						5,415,000		5,415,000	854,000	6,269,000
6/1/44						5,690,000		5,690,000	583,250	6,273,250
6/1/45						5,975,000		5,975,000	298,750	6,273,750
Totals:	10,500,000	4,725,000	4,335,000	8,925,000	3,130,000	55,000,000	-9,000,000	77,615,000	42,268,443	119,883,443

(1) Debt source: the Issuer

(2) In fiscal years 2023, 2024 and 2025, the Issuer levied surplus levies totaling \$6M, the proceeds of which were deposited into an escrow and will be used to retire the all of the maturities 2032-2040 and part of the 2031 maturity of the issuer's General Obligation School Bonds Series 2020C dated June 4, 2020, on its first call date of 6/1/29,

(3) In fiscal year 2026, the Issuer levied \$1,025,000 in surplus levies, and per the resolution authorizing that levy, the issuer will deposit into an escrow, on June 1, 2026, \$1,025,000 to retire the balance of the 2031 and the 2030 maturities of the issuer's General Obligation School Bonds Series 2020C, dated June 4, 2020, on June 1, 2029; and in addition, the Issuer levied \$1,975,000 in surplus levies, the proceeds of which will be used on June 1, 2026 to call the 2037 maturity and part of the 2036 maturity of the Issuer's General Obligation School Bonds, Series 2017, dated June 8, 2017

(4) Preliminary, subject to change

Some of the Largest Taxpayers (1)

Set forth in the following table are the persons or entities which represent the 2024 largest taxpayers within the Counties that have a majority of their land in the College, 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 College. The College's tax levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the College 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:

Adair County Taxpayer	<u>2024 Taxable Valuation</u>	Adams County Taxpayer	<u>2024 Taxable Valuation</u>
Mid American Energy	16,834,530	Erickson, J & J Trust Jackie L &	262,639
Nishnia Valley AG Enterprises Inc.	874,884	Farm Power Inc	243,139
J & J Irlmeier Farms, LLC	820,912	Condon, Wendi	29,361
Stephenson, Mx & Martha D Co Trustees	411,964	Southwest Iowa Rural Electric Coop	2,950
Morris, Benjamin C & Joann B Trustees	409,393		
Steele, Doug A Trustee	404,584		
Solo, David M Hogty Management Corp	349,493		
Brown, Nancy A 1/2 INT & Brown Nancy A Trustee 1/2 INT	325,173		
Stephenson, Lynn D & Becky J	313,538		
AM Farmland, LLC Farmland Opportunity	300,386		
Audubon County Taxpayer	<u>2024 Taxable Valuation</u>	Cass County Taxpayer	<u>2024 Taxable Valuation</u>
Hoegh Berryhill Family Trust	1,128,941	Mid American Energy	160,377,794
Jensen, Alan L 2022 Trust Und 1/2 & Jensen, Maureen V 2022 Trust Und 1/2 Int	1,031,069	Elite Octane, LLC	42,111,967
Mid American Energy Tower #4	936,930	Mid American Energy Company	18,134,276
Mid American Energy Tower #1	920,967	Northern Natural Gas Company	16,501,407
Mid American Energy Tower #2	920,967	Wal-Mart Real Estate Investment Company	9,296,147
Mid American Energy Tower #3	889,040	Iowa Interstate Railroad Ltd	6,927,896
Petersen, Allan D & Carol J	726,545	Oneok North System	6,756,619
Christensen, Delbert J & Mary	718,988	E&F Farm Corporation	5,727,944
Christofferson, Duane L	714,289	Landus Cooperative	5,041,035
Johnson, Lynn W & Constance L	708,559	Mid American Energy Company	4,593,136
Crawford County Taxpayer	<u>2024 Taxable Valuation</u>	Fremont County Taxpayer	<u>2024 Taxable Valuation</u>
Union Pacific Corporation	2,583,362	Burlington Northern Railroad	25,152,194
Meeves, Paul & Betty Family LP	765,053	Green Plains Shenandoah LLC	21,982,472
Dunham Farms LLC	756,127	Mid American Energy	12,592,291
Klein, Thomas	694,421	Trigen LLC	7,098,356
Buresh, Robert W & Shelly L	690,541	Heartland Property Coop	6,087,258
Grote, Dennis G	685,382	bartlett and Company	5,471,485
Grote, Dennis G	661,587	Hendrickson, Darin L Revocable Trust	5,460,721
Chicago Central & Pacific RR	587,325	Manildra Energy Corporation	4,297,109
Roberts, Scott L & mary C	582,794	Sapp Bros Real Estate Investment Co.	3,849,365
Muff, Tom & Karen	580,739	Rollin' Hills Farm LLC	3,451,545
Harrison County Taxpayer	<u>2024 Taxable Valuation</u>	Mills County Taxpayer	<u>2024 Taxable Valuation</u>
Union Pacific	76,498,770	Mid American Energy Corporate Tax	78,423,126
Heartland Property Coop	11,332,356	Burlington Northern & Santa Fe	48,941,807
MidAmerican Energy Company	10,128,800	Bunge Corporation	27,696,772
Chicago Central & Pacific	7,952,784	Northern Natural Gas Co. Property Tax Dept.	26,362,783
Burlington Northern RR	7,213,400	Natural Gas Pipeline Co.	25,539,657
Cogdill Farm Supply, Inc.	5,569,893	Iowa Waste Services, LLC	12,709,651
Landko farms, LLC	4,090,856	Steel Beacon Council Bluffs I, LLC	11,723,604
Rolling Hills Farms, Inc	3,821,978	Hughes, James R & Monica A	11,528,023
LBP, LLC	3,802,032	QRS Investments LLC	7,495,990
Sullivan Supply Real Estate, LLC	3,691,748	Rhoden, Rodney D Trustee	7,008,269

(1) Source: counties to which the valuations apply

Some of the Largest Taxpayers, continued (1)

Monona County Taxpayer	<u>2024 Taxable Valuation</u>	Montgomery County Taxpayer	<u>2024 Taxable Valuation</u>
Bolton Family, LLC	1,299,409	Burlington Northern & Santa Fe	38,450,569
Gorham, Chadwich E	916,432	Natural Gas Pipeline of America	14,516,928
Brummer Willow Farm, LLC	854,638	Mid American Energy	13,732,252
Melby, Randy A	819,030	New Merger Cooperative, Inc.	11,336,263
Behrendt, Nick	697,628	Farmers Mercantile Co.	8,613,918
Melby, Randy	683,300	Interstate Power & Light Electric Division	5,417,478
Smith, Mary Lou Irrevocable Tr	665,758	AVE-PLP Properties, LLC	3,717,057
Gorham, Chadwick E-Trust	652,510	1200 Senate Avenue, LLC	2,712,557
Gorham, Gary E Rev Trust	565,061	Parker Hannifin Corporation	2,686,202
M.A. Murphy, LLC A SD LLC	546,572	Morales, Rodolfo	2,676,212
Page County Taxpayer	<u>2024 Taxable Valuation</u>	Pottawattamie County Taxpayer	<u>2024 Taxable Valuation</u>
Mid American Energy-Trans	71,676,810	Questa LLC	297,037,888
Interstate Power & Light (Elec)	25,520,077	Mid American Electric	218,271,452
Mid American Energy-Elec	20,037,636	MidAmerican Energy Co.	91,001,342
Interstate Power & Light (Gas)	19,126,566	Horseshoe Council Bluffs LLC	79,948,624
Burlington Northern	13,357,203	Pinnacle Entertainment Inc.	62,627,987
NSK Corporation	8,852,990	Menards Inc.	61,252,797
Agriland FS Inc	7,584,730	Harrahs Council Bluffs LLC	55,645,115
Wal-Mart Real Estate Business Trust	7,200,000	Northern Natural Gas Pipeline	55,331,571
Northwest Electric Power Coop	4,003,548	Tetra LLC	54,954,283
Mid American Energy-Elec	3,947,852	Southwest Iowa Renewable Energy	50,405,358
Shelby County	<u>2024 Taxable Valuation</u>		
Burlington Northern-Sante Fe	22,873,644		
Kirkman Farms, LLP	6,470,364		
Mid American Energy Co.	6,189,202		
AMPC Land Co	4,529,066		
Farm Services Coop of Harlan	4,212,017		
Cogdill Farm Supply Inc.	3,915,296		
Hansen House Harlan LLC	3,456,423		
Monogram Prepared meats, LLC	3,447,001		
Jacobs Corporation	2,846,938		
Con Way Freight, Inc.	2,667,792		

(1) Source: counties to which the valuations apply

Overlapping & Underlying Obligations (1) (2)

Presented below is a listing of the overlapping and underlying obligations as of June 30, 2025 secured by ad-valorem property taxes outstanding of issuers who are wholly or partially within the boundaries of 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>
COUNCIL BLUFFS CSD	30,695,000	2,837,906,154	2,837,906,154	100.00%	30,695,000
LEWIS CENTRAL CSD	20,500,000	1,969,501,519	1,969,501,519	100.00%	20,500,000
GLENWOOD CSD	1,425,000	865,876,670	865,876,670	100.00%	1,425,000
HARLAN CSD	21,855,000	693,273,459	693,273,459	100.00%	21,855,000
AHSTW CSD	10,775,000	633,242,043	633,242,043	100.00%	10,775,000
ATLANTIC CSD	1,270,000	611,499,510	611,499,510	100.00%	1,270,000
RIVERSIDE CSD	8,193,000	444,523,898	444,523,898	100.00%	8,193,000
EAST MILLS CSD	19,635,000	416,733,614	416,733,614	100.00%	19,635,000
MISSOURI VALLEY CSD	3,015,000	382,914,347	382,914,347	100.00%	3,015,000
UNDERWOOD CSD	12,620,000	362,545,686	362,545,686	100.00%	12,620,000
GRISWOLD CSD	6,480,000	345,430,008	345,430,008	100.00%	6,480,000
TREYNOR CSD	9,895,000	304,652,543	304,652,543	100.00%	9,895,000
LOGAN-MAGNOLIA CSD	7,990,000	255,250,503	255,250,503	100.00%	7,990,000
WOODBINE CSD	7,024,000	250,805,755	250,805,755	100.00%	7,024,000
FREMONT-MILLS CSD	3,810,000	242,841,220	242,841,220	100.00%	3,810,000
SIDNEY CSD	7,945,000	224,999,672	224,999,672	100.00%	7,945,000
BOYER VALLEY CSD	7,205,000	300,477,446	174,531,550	58.08%	4,185,006
HAMBURG CSD	3,133,327	173,024,571	173,024,571	100.00%	3,133,327
IKM-MANNING CSD	970,000	525,889,845	158,302,348	30.10%	291,988
EXIRA-ELK HORN-KIMBALLTON CSD	3,342,000	296,423,877	130,193,898	43.92%	1,467,857
City of COUNCIL BLUFFS	61,320,000	3,798,941,941	3,798,941,941	100.00%	61,320,000
City of ATLANTIC	5,283,000	259,332,456	259,332,456	100.00%	5,283,000
City of GLENWOOD	5,190,000	217,646,472	217,646,472	100.00%	5,190,000
City of HARLAN	3,000,000	217,477,091	217,477,091	100.00%	3,000,000
City of CARTER LAKE	3,055,000	203,590,317	203,590,317	100.00%	3,055,000
City of SHENANDOAH	4,045,000	192,379,582	192,379,582	100.00%	4,045,000
City of CLARINDA	5,320,000	161,088,085	161,088,085	100.00%	5,320,000
City of MISSOURI VALLEY	865,000	106,826,641	106,826,641	100.00%	865,000
City of AVOCA	224,000	80,740,880	80,740,880	100.00%	224,000
City of WOODBINE	2,080,000	71,819,521	71,819,521	100.00%	2,080,000
City of UNDERWOOD	760,000	70,971,511	70,971,511	100.00%	760,000
City of SHELBY	2,976,464	67,535,523	67,535,523	100.00%	2,976,464
City of OAKLAND	1,809,000	62,812,725	62,812,725	100.00%	1,809,000
City of TREYNOR	1,750,000	54,160,885	54,160,885	100.00%	1,750,000
City of DUNLAP	64,000	53,817,049	53,817,049	100.00%	64,000
City of LOGAN	2,367,328	51,224,889	51,224,889	100.00%	2,367,328
City of MALVERN	1,294,000	48,784,246	48,784,246	100.00%	1,294,000
City of CRESCENT	220,000	40,853,565	40,853,565	100.00%	220,000
City of HAMBURG	1,150,000	40,392,582	40,392,582	100.00%	1,150,000
City of NEOLA	522,722	39,206,639	39,206,639	100.00%	522,722
City of ANITA	592,530	36,098,357	36,098,357	100.00%	592,530
City of CARSON	661,000	33,179,372	33,179,372	100.00%	661,000
City of GRISWOLD	715,631	29,112,328	29,112,328	100.00%	715,631
City of WALNUT	394,000	24,516,774	24,516,774	100.00%	394,000
City of ELK HORN	119,000	21,615,793	21,615,793	100.00%	119,000
City of MINDEN	255,000	20,533,819	20,533,819	100.00%	255,000

(1) Valuation source: Iowa Department of Management

(2) Debt source: EMMA, Treasurer, State of Iowa, the Issuer

Overlapping & Underlying Obligations, continued (1) (2)

<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 EARLING	567,429	13,662,628	13,662,628	100.00%	567,429
City of EMERSON	710,000	12,982,467	12,982,467	100.00%	710,000
City of MASSENA	2,757,035	9,811,055	9,811,055	100.00%	2,757,035
City of RANDOLPH	642,457	9,579,378	9,579,378	100.00%	642,457
City of IRWIN	1,922,267	9,025,101	9,025,101	100.00%	1,922,267
City of LEWIS	70,130	8,393,093	8,393,093	100.00%	70,130
City of ELLIOTT	369,694	6,251,060	6,251,060	100.00%	369,694
City of RIVERTON	16,000	5,382,795	5,382,795	100.00%	16,000
City of PISGAH	535,668	4,459,589	4,459,589	100.00%	535,668
City of THURMAN	15,717	2,983,257	2,983,257	100.00%	15,717
City of WIOTA	64,955	2,913,344	2,913,344	100.00%	64,955
POTTAWATTAMIE COUNTY	19,250,000	6,685,427,044	6,684,654,880	99.99%	19,247,777
MILLS COUNTY	6,775,000	1,417,903,708	1,417,903,708	100.00%	6,775,000
HARRISON COUNTY	4,005,000	1,313,676,744	1,306,470,133	99.45%	3,983,029
CASS COUNTY	2,106,000	1,304,380,106	1,303,757,644	99.95%	2,104,995
SHELBY COUNTY	1,009,100	1,154,333,836	1,113,801,163	96.49%	973,667
PAGE COUNTY	9,420,000	896,677,186	866,286,467	96.61%	9,100,732
FREMONT COUNTY	4,075,000	777,548,430	777,548,430	100.00%	4,075,000
MONTGOMERY COUNTY	3,506,813	752,869,502	75,023,776	9.97%	349,455
AUDUBON COUNTY	20,805,000	685,992,951	51,625,144	7.53%	1,565,703
ADAIR COUNTY	16,315,000	1,094,738,083	27,634,118	2.52%	411,834
ADAMS COUNTY	5,245,000	545,361,550	538,089	0.10%	5,175
				Total:	344,501,571

(1) Valuation source: Iowa Department of Management
(2) Debt source: EMMA, Treasurer, State of Iowa, the Issuer

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

Actual Value of Property	25,455,558,537
Taxable Value of Property	13,675,701,279
Direct General Obligation Debt:	80,615,000
Plant Fund Capital Loan Notes:	14,155,000
Industrial New Jobs Training Certificates:	4,645,000
<hr/>	
Total Direct Debt	99,415,000
Less Self-Supported General Obligation Debt:	-4,645,000
<hr/>	
Net Direct General Obligation Debt:	94,770,000
Overlapping Debt:	344,501,571
<hr/>	
Net Direct & Overlapping General Obligation Debt:	439,271,571
Population, 2020 US Census:	171,433
Direct Debt per Capita:	470
Total Net Debt per Capita:	2,562
Net Direct Debt to Taxable Valuation:	0.69%
Total Debt to Taxable Valuation:	3.21%
Net Direct Debt to Actual Valuation:	0.37%
Total Debt to Actual Valuation:	1.73%
Actual Valuation per Capita:	148,487
Taxable Valuation per Capita:	79,773

- (1) Valuation source: Iowa Department of Management
(2) Debt source: EMMA, Treasurer, State of Iowa
(3) Debt Source: The Issuer, EMMA, Treasurer, State of Iowa
(4) Population Source: U.S. Census

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 Iowa Western Community College in the Counties of Adair, Adams, Audubon, Cass, Crawford, Fremont, Harrison, Mills, Monona, Montgomery, Page, Pottawattamie and Shelby, State of Iowa, and acts of administrative officers of the Community College (the "Issuer"), relating to the issuance of General Obligation School Bonds, Series 2026, by said Issuer, dated April ____, 2026, 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 Iowa Western Community College, State of Iowa (the "Issuer"), in connection with the issuance of \$ _____ General Obligation School Bonds, Series 2026 (the "Bonds") dated April ____, 2026. The Bonds are being issued pursuant to a Resolution of the Issuer approved on _____, 2026 (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 _____, 2026.

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

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

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

- a. If the amendment or waiver relates to the provisions of Section 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;
- b. The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- c. The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

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

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

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

permitted by law. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

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

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

Section 13. 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 _____, 2026.

IOWA WESTERN COMMUNITY COLLEGE,
STATE OF IOWA

By: _____
President of the Board of Directors

ATTEST:

By: _____
Secretary of the Board of Directors

EXHIBIT A

NOTICE TO NATIONAL REPOSITORY OF
FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: Iowa Western Community College, Iowa.

Name of Bond Issue: \$ _____ General Obligation School Bonds, Series 2026

Dated Date of Issue: April ____, 2026

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__.

IOWA WESTERN COMMUNITY COLLEGE,
STATE OF IOWA

By: _____
Its: _____

APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THE ISSUER

This Appendix contains the entire 2025 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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Iowa Western Community College

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

June 30, 2025

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Iowa Western Community College
OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Board of Trustees		
Connie Hornbeck	President	2027
Dr. John Marshall	Vice President	2027
Randy Pash	Member	2025
Kirk Madsen	Member	2025
Tom Riley	Member	2027
Matt Johnson	Member	2025
Chris Blake	Member	2025
Gilbert Thomas	Member	2027
Kerry Newman	Member	2027
Community College		
Dr. Daniel Kinney	President	
Edwin Holtz	Board Treasurer	
Erin McKee	Board Secretary	

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Iowa Western Community College
Council Bluffs, Iowa

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business type activities and the fiduciary activities of Iowa Western Community College (the College), and its discretely presented component unit as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business type activities and the fiduciary activities of Iowa Western Community College and its discretely presented component unit as of June 30, 2025, 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 audits 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Iowa Western Community College and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the component unit Iowa Western Community College Foundation were not audited in accordance with *Government Auditing Standards*.

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 Iowa Western Community College'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 generally accepted auditing standards 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment 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 Iowa Western Community College'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Iowa Western Community College'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 that the management's discussion and analysis on pages 7 through 14, and the schedules of College's proportionate share of the net pension liability, College contributions, and changes in College's total OPEB liability and related ratios on pages 45 through 49 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College'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, 2024 (which are not presented herein) and expressed unmodified opinions on those financial statements. The other supplementary information included in Schedules 1 through 12, 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.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information in Schedules 1 through 12, 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2025, on our consideration of Iowa Western Community College'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 College'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 the College's internal control over financial reporting and compliance.

Denman CPA LLP
Denman CPA LLP

West Des Moines, Iowa
December 8, 2025

Iowa Western Community College MANAGEMENT'S DISCUSSION AND ANALYSIS

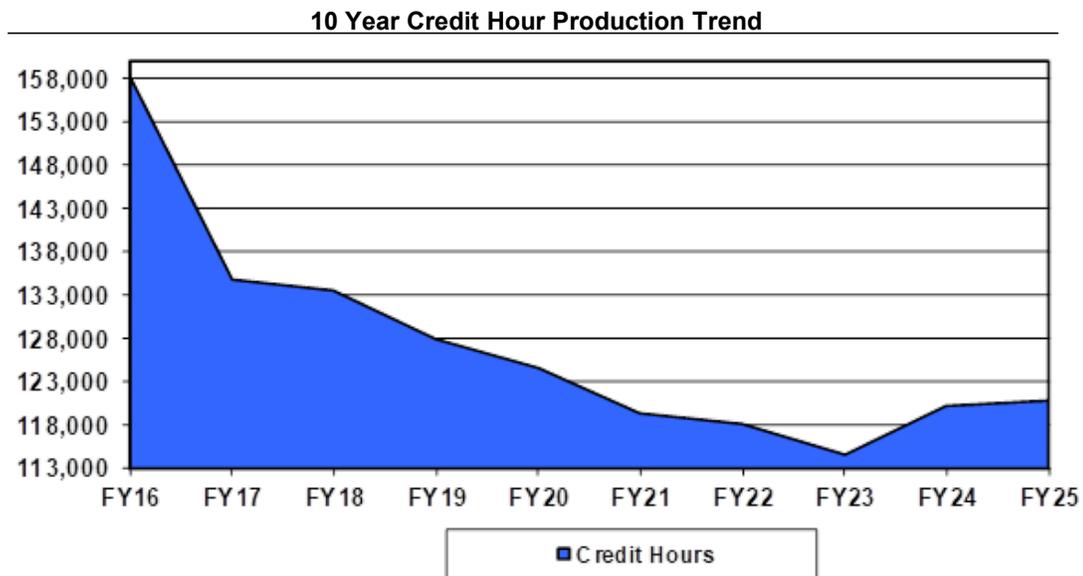
Management of Iowa Western Community College (the College or IWCC) provides this Management's Discussion and Analysis of IWCC's annual financial statements. This narrative overview and analysis of the financial activities of the College is for the fiscal year ended June 30, 2025. We encourage readers to consider this information in conjunction with the College's financial statements, which follow.

The Management's Discussion and Analysis is displayed in a comparative form enabling the reader to make year-to-year comparisons about the College's operating results and financial position.

Iowa Western Community College has implemented Governmental Accounting Standards Board pronouncements which require the primary reporting government (IWCC) to include associated entities in its financial reporting. An associated entity is generally an organization that raises and holds economic resources for the direct benefit of a governmental unit. For the fiscal year ended June 30, 2025, Iowa Western Community College will include financial information for the Iowa Western Community College Foundation in discrete presentation format. Other related organizations (if any) will be identified using the note disclosure method.

FINANCIAL HIGHLIGHTS

- Total operating revenue decreased by 5.1%, or \$1,884,172 and totaled \$35,073,795 for the fiscal year ended June 30, 2025. Tuition and fees revenue, net of scholarships and financial aid, decreased 2.4% or \$476,733 and totaled \$19,556,347. Credit hour production for the academic year showed credit hours totaling 120,914 in FY25. FY25 reflects a slight credit hour production increase of 0.5% compared to FY24.



- State appropriations increased 5.5% in FY25, which was the result of an increase in new funding for jobs training programs, state aid for students, and new grant funding for institutional projects. Use of Federal Pell dollars increased \$1,302,599 or 18.2%.
- Operating expenditures increased in FY25 by \$948,773 versus FY24 and totaled \$73,326,284. Expenditures within the Unrestricted General Fund for general operations increased by \$1,834,493 in FY25.
- Net non-operating revenues increased by \$4,317,224 in FY25 versus FY24. IWCC taxable valuations for its 13-county service district rose in FY25 by 8.8% and totaled \$12,819,172,933 compared to FY24 value of \$11,783,160,109 district wide.

Iowa Western Community College
MANAGEMENT'S DISCUSSION AND ANALYSIS

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to IWCC's basic financial statements. The College's basic financial statements consist of a series of financial statements. The Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows (on pages 16 through 20) provide information about the activities of the College as a whole and present a longer-term view of the College's finances. The remaining financial statements provide information about activities in which the College acts solely as an agent or custodian for the benefit of those outside of College government (custodial funds, on pages 21 through 22). These basic financial statements also include the notes to financial statements and explain some of the information in the statements and provide more detail. Required and other supplementary information are in schedule form and begin on page 45.

THE COLLEGE AS A WHOLE

The Statement of Net Position

The Statement of Net Position presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the College as a whole, as of the end of the fiscal year. The Statement of Net Position is a point-in-time financial statement. The purpose of this statement is to present a fiscal snapshot of the College to the readers of the financial statements. The Statement of Net Position includes year-end information concerning current and non-current assets, deferred outflows of resources, current and non-current liabilities, deferred inflows of resources, and net position. Over time, readers of the financial statements are able to determine the College's financial position by analyzing the increases and decreases in net position. This statement is also a good source for readers to determine how much the College owes to outside vendors and creditors. The statement also presents the available assets that can be used to satisfy those liabilities.

The largest portion of the College's net position, 67.2%, is the Net Investment in Capital Assets (e.g., land, infrastructure, buildings, and equipment, net of accumulated depreciation and amortization). The debt related to the Net Investment in Capital Assets is liquidated with sources other than capital assets. The restricted portion of the net position, 10.5%, includes resources that are subject to external restrictions. The remaining net position, 22.3%, is the unrestricted net position.

Condensed Statements of Net Position

	June 30	
	2025	2024
Current assets	\$ 103,164,608	\$ 100,521,634
Noncurrent assets	164,146,485	165,252,404
Total assets	267,311,093	265,774,038
Deferred outflows of resources	2,049,637	2,484,249
Current liabilities	42,748,933	41,615,538
Noncurrent liabilities	76,244,663	85,155,729
Total liabilities	118,993,596	126,771,267
Deferred inflows of resources	19,943,759	19,322,555
Net position		
Net investment in capital assets	87,572,157	85,794,141
Restricted	13,748,286	24,518,653
Unrestricted	29,102,932	11,851,653
Total net position	\$ 130,423,375	\$ 122,164,447

Iowa Western Community College
MANAGEMENT'S DISCUSSION AND ANALYSIS

THE COLLEGE AS A WHOLE (continued)

The Statement of Revenues, Expenses and Changes in Net Position

Changes in total net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The purpose of the statement is to present the revenues received by the College, both operating and nonoperating, and the expenses paid by the College, operating and nonoperating, and any other revenues, expenses, gains and losses received or spent by the College.

In general, a public College such as Iowa Western Community College will report an operating loss, as the financial reporting model classifies state appropriations, Pell grants, and property taxes as nonoperating revenues. Operating revenues are received for providing goods and services to the various students, customers and constituencies of the College. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the mission of the College. Nonoperating revenues are revenues received for which goods and services are not provided. The utilization of capital assets is reflected in the financial statements as depreciation/amortization, which allocates the cost of an asset over its expected useful life.

Condensed Statements of Revenues, Expenses and Changes in Net position		
	Year ended June 30	
	2025	2024
Operating revenues		
Tuition and fees, net	\$ 19,556,347	\$ 20,033,080
Federal appropriations	1,642,701	1,683,808
Iowa Industrial New Jobs Training Program (NJTP)	1,394,474	2,653,195
Auxiliary enterprises, net	10,524,155	11,030,770
Miscellaneous	<u>1,956,118</u>	<u>1,557,114</u>
Total operating revenues	35,073,795	36,957,967
Total operating expenses	<u>73,326,284</u>	<u>72,377,511</u>
Operating loss	<u>(38,252,489)</u>	<u>(35,419,544)</u>
Nonoperating revenues (expenses)		
State appropriations	19,454,212	18,447,668
Pell Grant	8,467,668	7,165,069
Property tax	19,496,400	17,067,382
Interest and investment income	1,428,616	1,835,240
Interest on indebtedness	(2,174,355)	(2,320,881)
Other revenues (expenses)	<u>(161,142)</u>	<u>(303)</u>
Net nonoperating revenues	<u>46,511,399</u>	<u>42,194,175</u>
Transfers from custodial funds	<u>—</u>	<u>490,188</u>
Change in net position	8,258,910	7,264,819
Net position beginning of year	<u>122,164,465</u>	<u>114,899,646</u>
Net position end of year	<u>\$ 130,423,375</u>	<u>\$ 122,164,465</u>

The Statement of Revenues, Expenses and Changes in Net Position reflects an increase in net position at the end of the fiscal year of \$8,258,910.

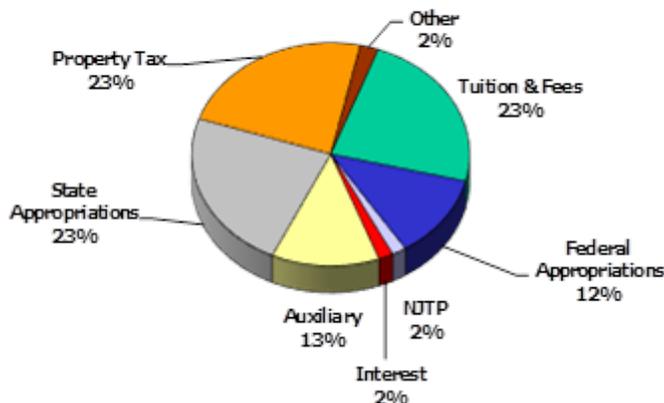
**Iowa Western Community College
MANAGEMENT'S DISCUSSION AND ANALYSIS**

THE COLLEGE AS A WHOLE (continued)

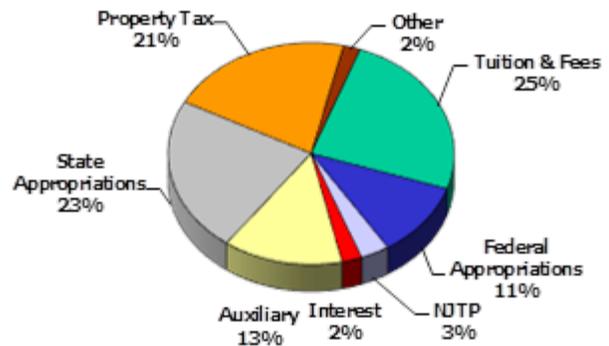
The Statement of Revenues, Expenses and Changes in Net Position (continued)

	Total Revenues by Source	
	Year ended June 30	
	2025	2024
Tuition and fees, net	\$ 19,556,347	\$ 20,033,080
Federal appropriations	10,110,369	8,848,877
Iowa Industrial New Jobs Training Program (NJTP)	1,394,474	2,653,195
Interest and investment income	1,428,616	1,835,240
Auxiliary enterprises, net	10,524,155	11,030,770
State appropriations	19,454,212	18,447,668
Property tax	19,496,400	17,067,382
Miscellaneous	1,794,976	1,556,811
Total	<u>\$ 83,759,549</u>	<u>\$ 81,473,023</u>

Revenue Types FY2025



Revenue Types FY2024



In fiscal year 2025, total revenues decreased by \$2,286,526 or 2.8%. Following is an analysis of individual revenue sources:

- Credit hours totaled 120,914 in FY25 compared to 120,271 in FY24. Net tuition and fees revenue decreased by \$476,733 or 2.4% compared to the previous year.
- Total federal appropriations received by the College increased in FY25 by 14.3%. Pell Grant dollars awarded increased by \$1,302,599 from \$7,165,069 in FY24 to \$8,467,668 in FY25. The total increase in federal appropriations is the result of an increase in students eligible for and taking advantage of Pell Grants in FY25 as compared to FY24.
- State appropriations increased by 5.5%, which was the result of an increase in new funding for jobs training programs, state aid for students, and new grant funding for institutional projects. The state economy has been stable during the past fiscal year.
- Net auxiliary enterprises revenue decreased by \$506,615 in FY25 compared to FY24. Auxiliary enterprises include the College store, food service, and housing. The majority of the decrease was due to food service and student housing in FY25.
- Local support in the form of property tax revenue totaled \$19,496,400 in FY25. Taxable valuations within the College's service district grew by over \$1 billion, an increase of 8.8%.

Iowa Western Community College
MANAGEMENT'S DISCUSSION AND ANALYSIS

THE COLLEGE AS A WHOLE (continued)

The Statement of Revenues, Expenses and Changes in Net Position (continued)

Operating Expenses	Year ended June 30	
	2025	2024
	Education and support	
Liberal arts and sciences	\$ 8,767,553	\$ 8,509,145
Career and technical	8,521,052	7,937,335
Adult education	4,313,538	3,460,507
Cooperative services	1,724,290	3,145,857
Administration	5,096,437	4,589,837
Student services	7,029,965	6,528,314
Learning resources	262,181	219,676
Physical plant	8,295,965	7,399,289
General institution	8,250,680	10,806,280
Auxiliary enterprises	12,200,012	11,648,939
Depreciation and amortization	8,864,611	8,132,332
Total operating expenses	\$ 73,326,284	\$ 72,377,511

In fiscal year 2025, operating expenses increased \$948,773 or 1.3% as a net result of the following changes:

- Salary and benefit costs remain the largest category of expense totaling \$37,642,168 in FY25. In total, salary and benefit costs were up \$258,862 compared to FY24. This increase is due to annual salary increases that were offset by a decrease due to early retirement incentives that were offered in FY24 but not in FY25. The College continues to manage overall salary and benefit costs by controlling employment levels and health care expenses. As a result of increased enrollment, employment levels and related expenses are continuously reviewed.
- The Adult Education division expenses increased \$853,031, or 24.7%.
- The Cooperative Services division expenses decreased \$1,421,567, or 45.2% in FY25, primarily due to a decrease in overall expenses related to new jobs training programs during the year.
- The Administration division expenses increased \$506,600, or 11.0%.
- The Physical Plant division expenses increased \$896,676, or 12.1% in FY25
- The General Institution division expenses decreased \$2,555,600, or 23.6% in FY25. This decrease is due to overall decreases in all expense categories in this division (i.e., salaries and benefit costs, services, materials and supplies) resulting from no early retirement incentives offered in FY25 and a general focus on cost management.
- The Auxiliary Enterprises division expenses increased \$551,073, or 4.7% in FY25
- IWCC continues to invest in its physical facilities, through both new construction and renovations of existing structures. During FY25, IWCC completed construction on renovations to the Harrison County Career Academy building, a new concessions building in the athletic complex, and various other upgrade projects. The College still has a few open projects, which include the John & Harriet Wiebe Football and Soccer Complex, a new transportation and logistics building, and energy savings initiatives College-wide.

Iowa Western Community College
MANAGEMENT'S DISCUSSION AND ANALYSIS

THE COLLEGE AS A WHOLE (continued)

The Statement of Cash Flows

The final statement included in the College's basic financial statements is the Statement of Cash Flows. The Statement of Cash Flows is an important tool in helping the users to assess an entity's ability to generate future net cash flows, its ability to meet its obligations as they come due, and its need for external financing. The Statement of Cash Flows presents information related to cash inflows and outflows, summarized by operating, noncapital financing, capital and related financing, and investing activities.

Condensed Statements of Cash Flows		
	Year ended June 30	
	2025	2024
Cash flows from		
Operating activities	\$ (31,290,690)	\$ (29,323,914)
Noncapital financing activities	46,606,280	44,509,817
Capital and related financing activities	(16,306,058)	(16,114,782)
Investing activities	1,428,616	1,835,240
Change in cash and short-term pooled investments	438,148	906,361
Cash and short-term pooled investments, beginning of year	50,007,910	49,101,549
Cash and short-term pooled investments, end of year	\$ 50,446,058	\$ 50,007,910

Cash flows from operating activities include tuition, fees, grants and contracts along with payments to employees and to suppliers. Cash flows from noncapital financing activities include state appropriations, local property taxes received by the College, and the receipt and disbursement of federal direct loan program proceeds. Cash flows from capital and related financing activities represent the proceeds from debt, the principal and interest payments of debt, the purchase of capital assets, and contributions received for capital and other projects. Cash flows from investing activities include interest and investment income earned.

COMPONENT UNIT FINANCIAL STATEMENTS

The Iowa Western Community College Foundation (the Foundation) is a private nonprofit organization that reports under the Not-for-Profit Entities Topic of the *FASB Accounting Standards Codification*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences.

Condensed Statements of Net position		
	June 30	
	2025	2024
Total assets	\$ 38,640,445	\$ 38,570,389
Total liabilities	\$ 3,756,001	\$ 4,683,365
Total net position	34,884,444	33,887,024
Total liabilities and net position	\$ 38,640,445	\$ 38,570,389

Condensed Statements Revenues, Expenses and Changes in Net Position		
	Year ended June 30	
	2025	2024
Total revenues and investment gains	\$ 7,766,400	\$ 6,556,113
Total expenses	6,768,980	6,374,205
Change in net position	\$ 997,420	\$ 181,908

Iowa Western Community College
MANAGEMENT'S DISCUSSION AND ANALYSIS

COMPONENT UNIT FINANCIAL STATEMENTS (continued)

Financial highlights of the Foundation include the following:

- Net position increased \$997,420 from June 30, 2024 to June 30, 2025. The Foundation's investment portfolio increased in FY25 as the national economy and the United States stock markets continued to improve. Investment assets at June 30, 2025 totaled \$33,046,897 and generated \$744,371 in interest and dividend income, net of fees and had realized and unrealized gains of \$2,646,668. Public support and contributions remain strong as the Foundation continues to build relationships (fundraising) in the metropolitan area, within the service district, and with alumni.
- FY25 contribution funding increased 8.4% compared to FY24 contribution funding. This funding increase was mainly due to scholarship funding increases in various scholarship awards.

CAPITAL ASSETS

At June 30, 2025, the College has \$160,971,881 invested in capital assets, which is net of accumulated depreciation and amortization of \$108,636,391. Depreciation and amortization charges totaled \$8,864,611 for the 2025 fiscal year. Details for the capital assets are shown below.

Capital Assets, Net of Accumulated Depreciation and Amortization		
June 30		
	2025	2024
Land	\$ 560,164	\$ 560,164
Buildings	63,322,047	65,564,219
Construction in progress	8,114,367	5,527,945
Other structures and improvements	80,484,975	81,882,701
Furniture and equipment	5,113,372	5,191,690
Transportation assets	510,831	280,269
Right-of-use leased assets	674,748	945,855
Right-of-use subscription assets	1,674,961	1,165,067
Software	516,416	560,737
Total	\$ 160,971,881	\$ 161,678,647

DEBT AND NONCURRENT LIABILITIES

At June 30, 2025, the College had \$84,768,221 in outstanding debt and noncurrent liabilities. The table below summarizes these amounts by type.

Outstanding Debt and Noncurrent Liabilities		
June 30		
	2025	2024
Retirement incentives payable	\$ 1,873,916	\$ 2,977,104
Net pension liability	5,399,428	6,668,087
Total OPEB liability	383,360	299,683
Total noncurrent liabilities other than debt	7,656,704	9,944,874
Certificates payable	4,072,356	4,876,956
Notes payable	14,189,747	15,307,984
Revenue bonds	23,480,980	25,492,001
General obligation bonds payable	32,707,338	35,597,306
Lease agreements payable	766,491	1,036,474
IT subscription liabilities	1,235,748	1,262,595
Equipment financing payable	658,857	428,489
Total debt	77,111,517	84,001,805
Total debt and noncurrent liabilities	\$ 84,768,221	\$ 93,946,679

Iowa Western Community College
MANAGEMENT'S DISCUSSION AND ANALYSIS

DEBT AND NONCURRENT LIABILITIES (continued)

Total outstanding debt and noncurrent liabilities decreased \$9,178,458 in fiscal year 2025. During FY25, the College had \$2,111,055 of additions to total debt and noncurrent liabilities and \$11,289,513 of reductions, net of unamortized discount/premium, to total debt and noncurrent liabilities. The overall decrease is primarily due to payments of \$6,720,000 on certificates, notes, and bonds payable, reductions in retirement incentives payable of \$1,103,188, reductions in the net pension liability of \$1,268,659, a decrease in lease agreements payable of \$269,983, and a net decrease in IT subscription liabilities of \$26,847.

ECONOMIC FACTORS

Iowa Western Community College's long-term economic outlook remains strong. The College's continued investment in new programs and updated technology and facilities has it well positioned to meet the changing landscape that is higher education. In FY25, this investment is reflected in the 0.5% increase in credit hour production and the 2% increase in gross capital assets. The College continues to monitor operations to enable it to efficiently and effectively respond to regional employers' workforce demands and potential changes in future state and federal appropriations.

Located in Council Bluffs, Iowa, and as part of a major metropolitan area in the Midwest, the local and regional economy has proven to be relatively more stable than economies located on the coasts of the U.S. This economic stability coupled with the area's cultural and recreational opportunities enables IWCC to expand its recruiting base outside its southwest Iowa service district. With a continued expansion of facilities and upgrading of instructional equipment, IWCC will continue to meet the educational needs and expectations of a growing student population.

The Board of Trustees, College Administration, faculty and staff continue to work diligently to identify solutions to meet the growing demand for the educational opportunities provided by Iowa Western Community College. The College must continue to find alternative sources of funding that will lessen its reliance on state general appropriations. New revenue streams will also ease the shift of the financial burden IWCC students are increasingly asked to bear.

CONTACTING COLLEGE FINANCIAL MANAGEMENT

This financial report is designed to provide our customers, taxpayers in the community college district, and our creditors with a general overview of the College's finances and to demonstrate the College's accountability for the resources it receives. If you have questions about the report or need additional financial information, contact Iowa Western Community College, 2700 College Road, Council Bluffs, Iowa 51503.

BASIC FINANCIAL STATEMENTS

Iowa Western Community College
STATEMENT OF NET POSITION
June 30, 2025

	<u>College</u>	<u>Foundation</u>
ASSETS		
Current Assets		
Cash and short-term pooled investments	\$ 50,446,058	\$ 208,399
Investments	-	33,046,897
Receivables		
Accounts receivable, net of allowance for uncollectible accounts of \$1,161,825	26,059,291	-
Contributions and other receivables	-	44,284
Property tax		
Delinquent	52,176	-
Succeeding year	19,783,946	-
Iowa Industrial New Jobs Training Program	34,800	-
Due from other governments	2,059,777	-
Due from Iowa Western Community College Foundation (component unit)	2,913,457	-
Due from Iowa Western Community College	-	2,179,775
Due from other funds	491,207	-
Inventories	220,855	-
Prepaid expenses	1,103,041	2,122,940
Other assets	-	379,293
Net investment in leases	-	658,857
Total current assets	<u>103,164,608</u>	<u>38,640,445</u>
Noncurrent Assets		
Iowa Industrial New Jobs Training Program receivable	3,174,604	-
Capital assets, net of accumulated depreciation and amortization	<u>160,971,881</u>	-
Total noncurrent assets	<u>164,146,485</u>	-
Total assets	<u>267,311,093</u>	<u>38,640,445</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related deferred outflows	1,902,055	-
OPEB related deferred outflows	<u>147,582</u>	-
Total deferred outflows of resources	<u>2,049,637</u>	-

Iowa Western Community College
STATEMENT OF NET POSITION (continued)
June 30, 2025

	<u>College</u>	<u>Foundation</u>
LIABILITIES		
Current Liabilities		
Accounts payable	2,457,161	10,584
Due to Iowa Western Community College Foundation (component unit)	2,179,775	-
Due to Iowa Western Community College	-	2,913,457
Salaries and benefits payable	5,044,485	-
Accrued interest payable	180,251	-
Unearned revenues		
Tuition, Iowa Industrial New Jobs Training Program and other	22,450,636	-
Retirement incentives payable	415,566	-
Compensated absences	867,242	-
Deposits held in custody for others	1,045,825	831,960
Certificates payable	775,000	-
Bonds payable	4,905,000	-
Notes payable	1,150,000	-
Equipment financing payable	145,105	-
Lease agreements payable	243,274	-
IT subscription liabilities	889,613	-
Total current liabilities	<u>42,748,933</u>	<u>3,756,001</u>
Noncurrent Liabilities		
Retirement incentives payable	1,458,350	-
Certificates payable	3,297,356	-
Bonds payable	51,283,318	-
Notes payable	13,039,747	-
Equipment financing payable	513,752	-
Lease agreements payable	523,217	-
IT subscription liabilities	346,135	-
Net pension liability	5,399,428	-
Total other postemployment benefits (OPEB) liability	383,360	-
Total noncurrent liabilities	<u>76,244,663</u>	<u>-</u>
Total liabilities	<u>118,993,596</u>	<u>3,756,001</u>
DEFERRED INFLOWS OF RESOURCES		
Succeeding year property tax	19,783,946	-
Pension related deferred inflows	10,349	-
OPEB related deferred inflows	149,464	-
Total deferred inflows of resources	<u>19,943,759</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	<u>87,572,157</u>	<u>-</u>
Restricted		
Nonexpendable	-	3,799,669
Expendable		
Scholarships and fellowships	837,041	21,831,649
Loans	3,024	-
Debt service	6,247,431	-
Cash reserve	361,092	-
Other	6,299,698	925,581
Total restricted	<u>13,748,286</u>	<u>26,556,899</u>
Unrestricted	<u>29,102,932</u>	<u>8,327,545</u>
Total net position	<u>\$130,423,375</u>	<u>\$ 34,884,444</u>

See Notes to Financial Statements.

Iowa Western Community College
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year ended June 30, 2025

	<u>College</u>	<u>Foundation</u>
OPERATING REVENUES		
Tuition and fees, net of scholarship allowances of \$6,643,835	\$ 19,556,347	\$ —
Federal appropriations	1,642,701	—
Iowa Industrial New Jobs Training Program	1,394,474	—
Auxiliary enterprises revenue, net of scholarship allowances of \$3,316,349	10,524,155	—
Contributions	—	4,359,891
Miscellaneous	1,956,118	15,470
Total operating revenues	<u>35,073,795</u>	<u>4,375,361</u>
OPERATING EXPENSES		
Education and support		
Liberal arts and sciences	8,767,553	—
Career and technical	8,521,052	—
Adult education	4,313,538	—
Cooperative services	1,724,290	—
Administration	5,096,437	2,818,813
Student services	7,029,965	—
Learning resources	262,181	—
Physical plant	8,295,965	—
General institution	8,250,680	—
Auxiliary enterprises	12,200,012	—
Scholarships and grants	—	3,950,167
Depreciation and amortization	8,864,611	—
Total operating expenses	<u>73,326,284</u>	<u>6,768,980</u>
OPERATING (LOSS)	<u>(38,252,489)</u>	<u>(2,393,619)</u>
NONOPERATING REVENUES (EXPENSES)		
State appropriations	19,454,212	—
Pell grant	8,467,668	—
Property tax	19,496,400	—
Interest and investment income	1,428,616	3,391,039
Interest on indebtedness	(2,174,355)	—
(Loss) on disposition of capital assets	(154,142)	—
Other expenses	(7,000)	—
Total nonoperating revenues (expenses), net	<u>46,511,399</u>	<u>3,391,039</u>
CHANGE IN NET POSITION	8,258,910	997,420
NET POSITION, beginning of year	<u>122,164,465</u>	<u>33,887,024</u>
NET POSITION, end of year	<u>\$130,423,375</u>	<u>\$ 34,884,444</u>

Iowa Western Community College
STATEMENT OF CASH FLOWS
Year ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Tuition and fees	\$ 19,235,705
Federal appropriations	1,804,461
Iowa Industrial New Jobs Training Program (NJTP)	1,618,454
Payment to employees for salaries and benefits	(40,411,167)
Payment to suppliers for goods and services	(24,561,036)
Payments to NJTP recipients	(138,385)
Scholarships	(1,318,995)
Auxiliary enterprise receipts	10,524,155
Other receipts	<u>1,956,118</u>
Net cash flows from operating activities	<u>(31,290,690)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

State appropriations	19,527,064
Pell grant	8,467,668
Property tax	19,493,202
Principal paid on certificates payable	(810,000)
Interest paid on certificates payable	(169,635)
Change in deposits held in custody for others	<u>97,981</u>
Net cash flows from noncapital financing activities	<u>46,606,280</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Proceeds from disposal of capital assets	21,000
Acquisition of capital assets	(6,392,969)
Principal paid on equipment financing payable	(129,632)
Principal paid on long-term debt, lease agreements payable and IT subscription liabilities	(7,786,848)
Interest paid on long-term debt and lease agreements payable and IT subscription liabilities	<u>(2,017,609)</u>
Net cash flows from capital and related financing activities	<u>(16,306,058)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and investment income	<u>1,428,616</u>
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CHANGE IN CASH AND SHORT-TERM POOLED INVESTMENTS

438,148

CASH AND SHORT-TERM POOLED INVESTMENTS, beginning of year50,007,910**CASH AND SHORT-TERM POOLED INVESTMENTS, end of year**\$ 50,446,058

Iowa Western Community College
STATEMENT OF CASH FLOWS (continued)
Year ended June 30, 2025

**RECONCILIATION OF OPERATING LOSS TO NET CASH
FLOWS FROM OPERATING ACTIVITIES**

Operating loss	(38,252,489)
Adjustments to reconcile net operating loss to net cash flows from operating activities	
Depreciation and amortization	8,864,611
Amortization of premium/discount on long-term debt	(103,826)
Changes in assets and liabilities	
Accounts receivable	(3,175,824)
Due from other governments	161,760
Due from (to) Iowa Western Community College Foundation	1,170,342
Iowa Industrial New Jobs Training Program	223,980
Inventories	33,596
Prepaid expenses	627,406
Deferred outflows of resources	434,612
Accounts payable	(926,429)
Salaries and benefits payable	(1,852,625)
Deferred inflows of resources	(82,327)
Net pension liability	(1,268,659)
Unearned revenues	<u>2,855,182</u>
Net cash flows from operating activities	<u>\$ (31,290,690)</u>

NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES

The College entered into subscription-based information technology arrangements during the year ended June 30, 2025, with initial IT subscription liabilities and right-of-use subscription assets with a value of \$1,580,018.

The College entered into an equipment financing arrangement with Iowa Western Community College Foundation during the year ended June 30, 2025 for the lease of a bus in the amount of \$360,000.

Iowa Western Community College
STATEMENT OF FIDUCIARY NET POSITION—CUSTODIAL FUNDS
June 30, 2025

ASSETS

Cash and short-term pooled investments	\$ 476,149
Receivables	
Other	<u>173,895</u>
Total assets	<u>650,044</u>

LIABILITIES

Salaries and benefits payable	66
Due to other funds	<u>491,207</u>
Total liabilities	<u>491,273</u>

NET POSITION

Restricted	
Other	<u>\$ 158,771</u>

Iowa Western Community College
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION—CUSTODIAL FUNDS
Year ended June 30, 2025

ADDITIONS	
Federal appropriations	\$ 128,941
Loan advances from lenders	9,333,125
Interest and investment income	<u>2,012</u>
Total additions	<u>9,464,078</u>
DEDUCTIONS	
Loan payments to student accounts	9,236,765
Other	128,941
Transfers	<u>77,087</u>
Total deductions	<u>9,442,793</u>
CHANGE IN NET POSITION	21,285
NET POSITION , beginning of year	<u>137,486</u>
NET POSITION , end of year	<u>\$ 158,771</u>

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Iowa Western Community College (the College or IWCC) is a publicly supported school established and operated by Merged Area XIII under the provisions of Chapter 260C of the Code of Iowa. The College offers programs of adult and continuing education, lifelong learning, community education, and up to two years of liberal arts, pre-professional or occupational instruction partially fulfilling the requirements for a baccalaureate degree but confers no more than an associate degree. The College also offers up to two years of career and technical education, training or retraining to persons who are preparing to enter the labor market. The College maintains a campus in Council Bluffs, Iowa, with centers in Cass County, Harrison County, Fremont County, Page County, and Shelby County, and has its administrative offices in Council Bluffs. The College is governed by a Board of Trustees whose members are elected from each director district within Merged Area XIII.

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

Reporting Entity

For financial reporting purposes, the College has included all funds, organizations, agencies, boards, commissions and authorities including KIWR-FM Radio. The College 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 College are such that exclusion would cause the College's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the College 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 College.

These financial statements present Iowa Western Community College (the primary government) and its component unit. The component unit discussed below is included in the College's reporting entity because of the significance of its operational and financial relationship with the College. Certain disclosures about the component unit are not included because the component unit has been audited separately and a report has been issued under separate cover. The audited financial statements are available at the College.

Component Unit and Related Organizations

The Iowa Western Community College Foundation (the Foundation) is a legally separate nonprofit organization whose goal is to provide support to the College and its students. The Foundation primarily receives funds through donations to provide scholarships to students. The governing board of this organization has members who are also officers of the College. However, these members do not comprise a majority in the Foundation's board. In accordance with GASB pronouncements, the Foundation is considered a component unit of the College requiring discrete presentation in the College's financial statements and has been included as such.

The Foundation is a private nonprofit organization that reports under the Not-for-Profit Entities Topic of the *FASB Accounting Standards Codification*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences. The Foundation reports net assets, which is equivalent to net position reported by the College. Complete financial statements of the Foundation can be obtained from their administrative offices at 2700 College Road, Council Bluffs, Iowa 51503.

Financial Statement Presentation

GASB Statement No. 35 establishes standards for external financial reporting for public Colleges and universities and requires resources to be classified for accounting and reporting purposes into the following net position categories:

Net Investment in Capital Assets - Capital assets, net of accumulated depreciation and outstanding debt obligations attributable to the acquisition, construction or improvement of those assets. The portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Statement Presentation (continued)

Restricted Net Position

Nonexpendable – Net position subject to externally imposed stipulations that they be maintained permanently by the College including the College's permanent endowment funds.

Expendable – Net position whose use by the College is subject to externally imposed stipulations that can be fulfilled by actions of the College, pursuant to those stipulations or that expire by the passage of time.

Unrestricted Net Position - Net position that is not subject to externally imposed stipulations. Examples include: student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. Resources may be designated for specific purposes by action of management or by the Board of Trustees or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for academic and general programs of the College.

The basic financial statements (the statement of net position, the statement of revenues, expenses and changes in net position, and the statement of cash flows) report information on all of the activities of the College. The effect of interfund activity has been removed from these statements.

Other Supplementary Information

The other supplementary information of the College is presented on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenues and expenditures. For reporting purposes, funds that have similar characteristics have been combined into fund groups. The various fund groups and their designated purposes are as follows:

Current Funds – The Current Funds are utilized to account for those economic resources that are expendable for the purpose of performing the primary and supporting missions of the College and consist of the following:

Unrestricted Fund – The Education and Support subgroup of the Unrestricted Fund accounts for the general operations of the College. All property tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this subgroup. From this subgroup are paid the general operating expenses, the fixed charges and the expenditures for plant assets that are not paid from other funds.

The Auxiliary Enterprises subgroup accounts for activities which are intended to provide non-instructional services for sales to students, staff and/or institutional departments, and which are supplemental to the educational and general objectives of the College. In addition, it accounts for activities which provide instructional and laboratory experiences for students and which incidentally create goods and services that may be sold to students, faculty, staff and the general public.

Restricted Fund – The Restricted Fund is used to account for resources that are available for the operation and support of the educational program but which are restricted as to their use by donors or outside agencies.

Loan Fund – The Loan Fund is used to account for loans to students and is financed primarily by the federal government.

Plant Funds – The Plant Funds are used to account for transactions relating to investment in the College properties, and consist of the following self-balancing subfunds:

Unexpended – This subfund is used to account for the unexpended resources derived from various sources for the acquisition or construction of plant assets.

Retirement of Indebtedness – This subfund is used to account for the accumulation of resources for principal and interest payments on plant indebtedness.

Investment in Plant – This subfund is used to account for the excess of the carrying value of plant assets over the related liabilities.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other Supplementary Information (continued)

Custodial Funds – The Custodial Funds are used to account for assets held by the College in a custodial capacity or as an agent for others.

The Budgetary Comparison Schedule of Expenditures - Budget to Actual provides a comparison of the budget to actual expenditures for those funds and/or levies required to be budgeted. Since the College uses Business-Type Activities reporting, this budgetary comparison information is included as other supplementary information.

Measurement Focus and Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities as defined in GASB Statement No. 34. Accordingly, the basic financial statements of the College have been prepared 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 met.

Schedules presented in other supplementary information are reported using the current financial resources measurement focus and the accrual basis of accounting with modifications for depreciation and other items included in the adjustments column. The schedule of revenues, expenditures and changes in fund balances is a schedule of financial activities related to the current reporting period. It does not purport to present the results of operations or net income or loss for the period as would a statement of income or a statement of revenues and expenses.

Cash and Short-Term Pooled Investments

Investments are stated at fair value except for the investment in the Iowa Schools Joint Investment Trust, which is valued at amortized cost, and non-negotiable certificates of deposit which are stated at 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, have a maturity date no longer than three months.

Property Tax Receivable

Property tax receivable is recognized on the levy or lien date, which is the date that the tax asking is certified by the Board of Trustees to the appropriate County Auditors. Delinquent property tax receivable represents unpaid taxes from the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Trustees to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Trustees is required to certify its budget to the County Auditor prior to June 1 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 and will not be recognized as revenue until the year for which it is levied.

Due from Other Governments

This represents state aid, grants and reimbursements due from the State of Iowa and grants and reimbursements due from the federal government.

Allowance for Uncollectible Accounts

An allowance for uncollectible accounts, which offsets the total gross accounts receivable, is calculated based upon historical collection data, specific account analysis and management's judgment.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Iowa Industrial New Jobs Training Program (NJTP) Receivable (Liability)

The receivable represents the amount to be remitted to the College for training projects entered into between the College and employers under the provisions of Chapter 260E of the Code of Iowa. The receivable amount is based on expenditures incurred through June 30, 2025 on NJTP projects, including interest incurred on NJTP certificates, less revenues received to date. The liability represents the excess of the payments received from employers for training projects over the amounts due for the project.

Inventories

Inventories are valued at lower of cost (first-in, first-out method) or market. The cost is recorded as an expense at the time individual inventory items are consumed.

Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, furniture and equipment, software, transportation assets, right-of-use leased assets and right-of-use subscription assets, are recorded at historical cost if purchased or constructed, except for right-of-use leased assets and right-of-use subscription assets, the measurement of which is discussed under "Leases" and "Subscription-Based Information Technology Arrangements (SBITAs)" sections below, respectively. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repair that do not add to the value of the assets or materially extend asset lives are not capitalized.

Capital assets are defined by the College as assets with initial, individual costs in excess of the following thresholds and estimated useful lives in excess of two years:

<u>Asset Class</u>	<u>Amount</u>
Land, buildings and improvements other than buildings	\$ 25,000
Furniture and equipment and transportation assets	5,000
Intangible assets, including software	5,000
Right-of-use leased assets	5,000
Right-of-use subscription assets	5,000

Capital assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Years</u>
Buildings and improvements other than buildings	10-50
Furniture and equipment, software and transportation assets	2-25
Right-of-use leased assets	6-32
Right-of-use subscription assets	2-10

The College does not capitalize or depreciate library books. The value of each book falls below the capital asset threshold and the balance was deemed immaterial to the financial statements.

Leases

The College is the lessee for various noncancellable leases of land and equipment. The College has recognized lease liabilities and intangible right-of-use leased assets (lease assets) in the financial statements.

At the commencement of a lease, the College initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payment 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, typically over its useful life or the lease term, whichever is shorter.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

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

The College uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the College 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, if applicable, any purchase option price the College is reasonably certain to exercise.

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

Lease assets are reported with capital assets and lease liabilities are reported as lease agreements payable on the statement of net position.

Subscription-Based Information Technology Arrangements (SBITAs)

The College has entered into contracts that convey control of the right to use information technology software. The College has recognized IT subscription liabilities and right-of-use subscription assets (subscription assets) in the financial statements.

At the commencement of the IT subscription term, the College initially measures the IT subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the IT subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the IT subscription liability, adjusted for payments made at or before the commencement date, plus capitalization of implementation costs less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Subsequently, the subscription asset is amortized on a straight-line basis, typically over its useful life or the subscription term, whichever is shorter.

Key estimates and judgments related to IT subscription arrangements include how the College determines the discount rate it uses to discount the expected payments to present value, subscription term, and payments.

The College uses the interest rate charged by the IT subscription vendor as the discount rate. When the interest rate charged by the vendor is not provided, the College generally uses its estimated incremental borrowing rate as the discount rate.

The subscription term includes the noncancellable period of the subscription. Payments included in the measurement of the IT subscription liability are composed of fixed payments.

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

Subscription assets are reported with capital assets and IT subscription liabilities are reported as IT subscription liabilities on the statement of net position.

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position applicable to a future period(s) which will not be recognized as an outflow of resources (expense) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the College after the measurement date but before the end of the College's reporting period.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Salaries and Benefits Payable

Payroll and related expenses for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities at June 30.

Unearned Revenues

Unearned revenues represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets have not been spent for their intended purpose. Unearned revenues consist of unspent grant proceeds, unearned student tuition, and unearned administrative and training revenue for NJTP projects.

Compensated Absences

College employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when each of the following have occurred: the leave is attributable to services already rendered, the leave accumulates and carries forward from one reporting period to the next, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2025.

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.

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 College's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources in the statement of net position consist of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied, unrecognized items not yet charged to pension expense, the unamortized portion of the net difference between projected and actual earnings on pension plan investments, and the unamortized portion of the changes of assumptions in the OPEB plan.

Auxiliary Enterprise Revenues

Auxiliary enterprise revenues primarily represent revenues generated by the bookstore, food service, central stores, student housing and athletics.

Tuition and Fees

Tuition and fees revenues are reported net of scholarship allowances, while stipends and other payments made directly to students are presented as scholarship expenses.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating and Nonoperating Activities

Operating activities, as reported in the statement of revenues, expenses and changes in net position, are transactions that result from exchange transactions, such as payments received for providing services and payments made for services or goods received. Nonoperating activities include state appropriations, Pell grants, property tax and interest income.

Scholarship Allowances and Student Aid

Financial aid to students is reported in the financial statements under the alternative method, as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid (loans, funds provided to students as awarded by third parties and Federal Direct Lending) is accounted for as third party payments (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a total College basis by allocating the cash payments to students, excluding payments for services, on the ratio of all aid to the aid not considered to be third party aid.

Use of Estimates

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

NOTE 2 CASH AND SHORT-TERM POOLED INVESTMENTS

The College's cash and deposits in banks (certificates of deposit) at June 30, 2025 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 College 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 Trustees; 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, 2025, the College's cash and short-term pooled investments are as follows:

<u>Deposits</u>	
Cash	\$ 42,197,198
Non-negotiable certificates of deposit	2,340,108
<u>Investments</u>	
Iowa Schools Joint Investment Trust Diversified Portfolio	<u>5,908,752</u>
Total cash and short-term pooled investments	<u>\$ 50,446,058</u>

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

The investments in Iowa Schools Joint Investment Trust (ISJIT) are valued at an amortized cost. There were no limitations or restrictions on withdrawals for the ISJIT investments. The investments in the ISJIT were rated AAA by Standard & Poor's Financial Services.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 2 CASH AND SHORT-TERM POOLED INVESTMENTS (continued)

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

Component Unit

The Iowa Western Community College Foundation (Foundation) categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Foundation has the following recurring fair value measurements as of June 30, 2025:

<u>Investments</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>
Money market funds	\$ 122,879	\$ 122,879	\$ -
Government obligation bonds	1,049,764	-	1,049,764
Exchange-traded funds	12,716,428	12,716,428	-
Mutual funds	<u>19,157,826</u>	<u>19,157,826</u>	<u>-</u>
Totals	<u>\$ 33,046,897</u>	<u>\$ 31,997,133</u>	<u>\$ 1,049,764</u>

Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The fair value of the money market funds, exchange-traded funds, and mutual funds held at the Foundation is based on unadjusted quoted prices in active markets for identical assets, Level 1 inputs. The fair value of the government obligation bonds held by the Foundation is based on unadjusted quoted prices in inactive markets, Level 2 inputs. The Foundation held no investments valued based on Level 3 inputs as of June 30, 2025.

NOTE 3 INVENTORIES

The College's inventories at June 30, 2025 are as follows:

<u>Type</u>	<u>Amount</u>
Graphic arts	\$ 7,412
Bookstore	129,497
Auto parts	49,477
Food service	<u>34,469</u>
Total	<u>\$ 220,855</u>

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 4 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2025 is as follows:

	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Transfers</u>	<u>Deletions</u>	<u>Balance end of year</u>
Capital assets not being depreciated					
Land	\$ 560,164	\$ —	\$ —	\$ —	\$ 560,164
Construction in progress	5,527,945	5,453,805	(2,867,383)	—	8,114,367
Total capital assets not being depreciated/amortized	<u>6,088,109</u>	<u>5,453,805</u>	<u>(2,867,383)</u>	<u>—</u>	<u>8,674,531</u>
Capital assets being depreciated/amortized					
Right-of-use leased assets – land	147,408	—	—	—	147,408
Buildings	117,309,448	—	—	—	117,309,448
Right-of-use leased assets – building	141,963	—	—	—	141,963
Improvements other than buildings	115,333,879	59,626	2,867,383	(491,685)	117,769,203
Furniture and equipment	16,248,680	879,538	—	(281,909)	16,846,309
Right-of-use leased assets – furniture and equipment	1,370,585	—	—	—	1,370,585
Software	1,644,162	—	—	—	1,644,162
Right-of-use subscription assets	2,330,134	1,580,018	—	—	3,910,152
Transportation assets	1,434,511	360,000	—	—	1,794,511
Total capital assets being depreciated/amortized	<u>255,960,770</u>	<u>2,879,182</u>	<u>2,867,383</u>	<u>(773,594)</u>	<u>260,933,741</u>
Less accumulated depreciation/amortization					
Right-of-use leased assets – land	14,039	4,680	—	—	18,719
Buildings	51,745,229	2,242,172	—	—	53,987,401
Right-of-use leased assets – building	91,822	46,284	—	—	138,106
Improvements other than buildings	33,451,178	4,162,445	—	(329,395)	37,284,228
Furniture and equipment	11,056,990	945,004	—	(269,057)	11,732,937
Right-of-use leased assets – furniture and equipment	608,240	220,143	—	—	828,383
Software	1,083,425	44,321	—	—	1,127,746
Right-of-use subscription assets	1,165,067	1,070,124	—	—	2,235,191
Transportation assets	1,154,242	129,438	—	—	1,283,680
Total accumulated depreciation/amortization	<u>100,370,232</u>	<u>8,864,611</u>	<u>—</u>	<u>(598,452)</u>	<u>108,636,391</u>
Capital assets, net	<u>\$161,678,647</u>	<u>\$ (531,624)</u>	<u>\$ —</u>	<u>\$ (175,142)</u>	<u>\$160,971,881</u>

Construction in progress at June 30, 2025 includes costs for design, engineering, and construction related primarily to the football/soccer complex, the logistics building, and energy savings projects. The College has entered into contracts for these projects of approximately \$3,592,000 of which approximately \$1,949,000 has been completed. The College has \$140,000 in accounts payable due on these projects as of June 30, 2025. Total unpaid contracts, excluding retainage, at June 30, 2025 were approximately \$1,643,000.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 5 CHANGES IN NONCURRENT LIABILITIES

A summary of changes in noncurrent liabilities for the year ended June 30, 2025 is as follows:

	Retirement Incentives Payable (Note 12)	Certificates Payable	Bonds Payable	Notes Payable	Lease Agreements Payable
Balance, beginning of year	\$ 2,977,104	\$ 4,885,000	\$ 59,900,000	\$ 15,260,000	\$ 1,036,474
Additions	—	—	—	—	—
Reductions	<u>(1,103,188)</u>	<u>(810,000)</u>	<u>(4,805,000)</u>	<u>(1,105,000)</u>	<u>(269,983)</u>
	1,873,916	4,075,000	55,095,000	14,155,000	766,491
Plus net unamortized Premium (discount)	<u>—</u>	<u>(2,644)</u>	<u>1,093,318</u>	<u>34,747</u>	<u>—</u>
Balance, end of year	<u>\$ 1,873,916</u>	<u>\$ 4,072,356</u>	<u>\$ 56,188,318</u>	<u>\$ 14,189,747</u>	<u>\$ 766,491</u>
Due within one year	<u>\$ 415,566</u>	<u>\$ 775,000</u>	<u>\$ 4,905,000</u>	<u>\$ 1,150,000</u>	<u>\$ 243,274</u>

	IT Subscription Liabilities	Equipment Financing Payable (Note 6)	Net Pension Liability (Note 7)	Total OPEB Liability (Note 9)	Total
Balance, beginning of year	\$ 1,262,595	\$ 428,489	\$ 6,668,087	\$ 299,683	\$ 92,717,432
Additions	1,580,018	360,000	—	171,037	2,111,055
Reductions	<u>(1,606,865)</u>	<u>(129,632)</u>	<u>(1,268,659)</u>	<u>(87,360)</u>	<u>(11,185,687)</u>
	1,235,748	658,857	5,399,428	383,360	83,642,800
Plus net unamortized premium	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,125,421</u>
Balance, end of year	<u>\$ 1,235,748</u>	<u>\$ 658,857</u>	<u>\$ 5,399,428</u>	<u>\$ 383,360</u>	<u>\$ 84,768,221</u>
Due within one year	<u>\$ 889,613</u>	<u>\$ 145,105</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 8,523,558</u>

Certificates Payable

In accordance with agreements dated between March 8, 2017 and December 18, 2023, the College issued certificates totaling \$7,632,000 with interest rates ranging from 1.000% to 5.500%. The debt was incurred to fund the development and training costs incurred relative to implementing Chapter 260E of the Code of Iowa, Iowa Industrial New Jobs Training Program (NJTP). NJTP's purpose is to provide tax-aided training for employees of industries which are new to or are expanding their operations within the State of Iowa. Interest is payable semiannually, while principal payments are due annually. The certificates are to be retired by proceeds from anticipated job credits from withholding taxes, budgeted reserves and, in the case of default, from standby property tax.

The certificates will mature as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 775,000	\$ 142,613	\$ 917,613
2027	740,000	117,403	857,403
2028	575,000	93,405	668,405
2029	460,000	74,043	534,043
2030	460,000	58,068	518,068
2031-2033	<u>1,065,000</u>	<u>77,343</u>	<u>1,142,343</u>
Totals	<u>\$ 4,075,000</u>	<u>\$ 562,875</u>	<u>\$ 4,637,875</u>

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 5 CHANGES IN NONCURRENT LIABILITIES (continued)

Notes Payable

The College has issued capital loan notes for the purchase, construction and renovation of College properties as allowed by Section 260C.19 of the Code of Iowa. Interest rates range from 2.000% to 3.375% per annum. Interest is due semiannually and principal is due annually in varying amounts through 2036. Collateral on the capital loan notes payable is the underlying capital assets that the proceeds were used for.

Details of the College's June 30, 2025 notes payable indebtedness are as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,150,000	\$ 426,419	\$ 1,576,419
2027	1,155,000	401,919	1,556,919
2028	1,135,000	367,268	1,502,268
2029	1,175,000	333,219	1,508,219
2030	1,220,000	297,969	1,517,969
2031-2035	6,805,000	906,687	7,711,687
2036	1,515,000	49,913	1,564,913
Totals	<u>\$ 14,155,000</u>	<u>\$ 2,783,394</u>	<u>\$ 16,938,394</u>

Bonds Payable

The College has issued general obligation and dorm revenue bonds for the purchase, construction and renovation of College properties as allowed by Section 260C.19 of the Code of Iowa. Interest rates on the general obligation bonds range from 1.000% to 3.500% per annum. Interest is due semiannually and principal is due annually in varying amounts through 2040.

Details of the College's June 30, 2025 general obligation bonds payable indebtedness are as follows:

<u>Year ending June 30</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 2,875,000	\$ 858,673	\$ 3,733,673
2027	2,930,000	796,899	3,726,899
2028	2,975,000	733,336	3,708,336
2029	2,470,000	667,262	3,137,262
2030	2,465,000	604,811	3,069,811
2031-2035	11,570,000	2,050,878	13,620,878
2036-2040	6,330,000	526,981	6,856,981
Totals	<u>\$ 31,615,000</u>	<u>\$ 6,238,840</u>	<u>\$ 37,853,840</u>

Interest rates on the dorm revenue bonds range from 1.000% to 3.625% per annum. Interest is due semiannually and principal is due annually in varying amounts through 2037.

Details of the College's June 30, 2025 dorm revenue bonds payable indebtedness are as follows:

<u>Year ending June 30</u>	<u>Dorm Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 2,030,000	\$ 613,272	\$ 2,643,272
2027	2,085,000	573,647	2,658,647
2028	2,125,000	531,497	2,656,497
2029	2,170,000	486,887	2,656,887
2030	2,215,000	441,587	2,656,587
2031-2035	9,150,000	1,495,981	10,645,981
2036-2037	3,705,000	202,637	3,907,637
Totals	<u>\$ 23,480,000</u>	<u>\$ 4,345,508</u>	<u>\$ 27,825,508</u>

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 5 CHANGES IN NONCURRENT LIABILITIES (continued)

Bonds Payable (continued)

The College has pledged future dormitory system revenues, net of specified operating expenses, to repay the remaining \$23,480,000 in dorm revenue bonds issued in June 2017, May 2018, May 2021 and June 2021. Proceeds from the bonds provided financing for construction of the dormitory system. The bonds are payable solely from dormitory system net revenues, including dining and other incidental facilities, and are payable through 2037. The College shall maintain the rental rates and dining and other facility rates and charges at a level necessary so the Net Revenues of the Dormitory System are equal to at least 125% coverage of all debt service due on the bonds and other dormitory revenue bonds with a lien on the Net Revenues of the Dormitory System within the designated period. Net revenues for the year ended June 30, 2025, excluding debt service payments, more than met the coverage requirements.

The resolutions providing for the issuance of the revenue bonds include the following provisions:

- (1) The bonds will only be redeemed from the future revenue from the dormitory system and the bondholders hold a lien on those future revenues.
- (2) Sufficient monthly transfers shall be made to the bond and interest sinking fund for the purpose of making the bond principal and interest payments when due.
- (3) Additional monthly transfers shall be made to a reserve fund until specific minimum balances have been accumulated. These accounts are restricted for the purpose of paying bond principal and interest payments due when insufficient money is available in the sinking funds.

During the year ended June 30, 2025, the College was in compliance with the revenue bond provisions.

Lease Agreements Payable

The College has entered into lease agreements for the rental of land and various equipment. These lease agreements require varying monthly or semi-annual payments, totaling approximately \$274,000 on an annual basis over lease periods ranging from approximately 2 to 28 years. An implicit interest rate of 5.625% is applicable to all lease agreements payable. During the year ended June 30, 2025, principal and interest paid on the lease agreements payable were \$269,983 and \$49,244, respectively.

Future principal and interest payments on the lease agreements payable as of June 30, 2025 are as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 243,274	\$ 36,679	\$ 279,953
2027	255,236	22,889	278,125
2028	110,003	10,722	120,725
2029	7,337	9,136	16,473
2030	3,826	9,344	13,170
2031-2035	2,760	45,773	48,533
2036-2040	17,706	38,416	56,122
2041-2045	33,131	31,443	64,574
2046-2050	55,104	19,270	74,374
2051-2053	38,114	2,832	40,946
Totals	<u>\$ 766,491</u>	<u>\$ 226,504</u>	<u>\$ 992,995</u>

IT Subscription Liabilities

The College has entered into subscription license and services information technology agreements with various vendors for financial and educational software. These agreements require varying monthly, quarterly, or annual payments or prepayments during the term of the agreements, which terminate in approximately three years. An implicit interest rate ranging from 3.510% to 5.625% is applicable to the subscription agreements. During the year ended June 30, 2025, principal and interest paid on the IT subscription liabilities were \$1,606,865 and \$57,205, respectively.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 5 CHANGES IN NONCURRENT LIABILITIES (continued)

IT Subscription Liabilities (continued)

Future principal and interest payments on the IT subscription liabilities as of June 30, 2025 are as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 889,613	\$ 57,741	\$ 947,354
2027	217,108	14,146	231,254
2028	129,027	5,329	134,356
Totals	<u>\$ 1,235,748</u>	<u>\$ 77,216</u>	<u>\$ 1,312,964</u>

Long-Term Debt

A summary of maturities of all long-term debt obligations, including the certificates payable, notes payable, general obligation bonds payable, dorm revenue bonds payable, lease agreements payable, and IT subscription liabilities above are as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 7,962,887	\$ 2,135,397	\$ 10,098,284
2027	7,382,344	1,926,903	9,309,247
2028	7,049,030	1,741,557	8,790,587
2029	6,282,337	1,570,547	7,852,884
2030	6,363,826	1,411,779	7,775,605
2031-2035	28,592,760	4,576,662	33,169,422
2036-2040	11,567,706	817,947	12,385,653
2041-2045	33,131	31,443	64,574
2046-2050	55,104	19,270	74,374
2051-2053	38,114	2,832	40,946
Totals	<u>\$ 75,327,239</u>	<u>\$ 14,234,337</u>	<u>\$ 89,561,576</u>

Total interest cost for the year ended June 30, 2025 was \$2,174,355.

NOTE 6 EQUIPMENT FINANCING PAYABLE AND RELATED PARTY TRANSACTIONS

The College has financed the purchase of four transportation assets (buses) with the Iowa Western Community College Foundation (a component unit). The balance of the property held under the equipment financing arrangements as of June 30, 2025 is as follows:

<u>Class of property</u>	<u>Amount</u>
Transportation assets	\$ 1,794,511
Less accumulated amortization	<u>(1,283,680)</u>
Net transportation assets	<u>\$ 510,831</u>

Following is a schedule of future minimum payments under equipment financing arrangements as of June 30, 2025:

<u>Year ending June 30</u>	<u>Amount</u>
2026	\$ 189,669
2027	189,669
2028	114,104
2029	65,094
2030	51,718
Thereafter	<u>222,758</u>
Total	833,012
Less interest	<u>174,155</u>
Equipment financing payable	<u>\$ 658,857</u>

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 7 IOWA PUBLIC EMPLOYEES RETIREMENT SYSTEM (IPERS)

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

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

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

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

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting on or after July 1, 2012, the reduction is 0.50% for each month that 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 that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2025, pursuant to the required rate, regular members contributed 6.29% of covered payroll and the College contributed 9.44% of covered payroll, for a total rate of 15.73%.

The College's contributions to IPERS for the year ended June 30, 2025 totaled \$1,408,243.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 7 IOWA PUBLIC EMPLOYEES RETIREMENT SYSTEM (IPERS) (continued)

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2025, the College reported a liability of \$5,399,428 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on the College's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2024, the College's proportion was 0.148275%, which was an increase of 0.000544% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the College recognized pension expense of \$635,061. At June 30, 2025, the College 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	\$ 426,283	\$ –
Changes of assumptions	–	75
Net difference between projected and actual earnings on IPERS' investments	67,529	–
Changes in proportion and difference between College contributions and the College's proportionate share of contributions	–	10,274
College contributions subsequent to the measurement date	1,408,243	–
Totals	\$ 1,902,055	\$ 10,349

\$1,408,243 reported as deferred outflows of resources related to pensions resulting from the College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30		Amount
2026	\$	(690,600)
2027		1,299,546
2028		39,481
2029		(170,536)
2030		5,572
Total	\$	483,463

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2024 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.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 7 IOWA PUBLIC EMPLOYEES RETIREMENT SYSTEM (IPERS) (continued)

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2024 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:

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	21.0 %	3.52 %
International equity	13.0	5.18
Global smart beta equity	5.0	4.12
Core plus fixed income	25.5	3.04
Public credit	3.0	4.53
Cash	1.0	1.69
Private equity	17.0	8.89
Private real assets	9.0	4.25
Private credit	<u>5.5</u>	6.62
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 that employee contributions will be made at the contractually required rate and that contributions from the College 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 of 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 College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the College's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
College's proportionate share of the net pension liability	\$ 13,250,099	\$ 5,399,428	\$ (1,175,551)

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.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 8 TEACHERS INSURANCE AND ANNUITY ASSOCIATION (TIAA)

As required by Chapter 97B.42 of the Code of Iowa, all eligible College employees must participate in a retirement plan from the date they are employed. In lieu of participating in IPERS, eligible employees may participate in the Iowa Association of Community College Trustees 403(a) plan, which is a defined contribution pension plan administered by the Teachers Insurance and Annuity Association (TIAA). The defined contribution retirement plan provides individual annuities for each plan participant.

Benefit terms, including contribution requirements, for TIAA are established and specified by the contract with TIAA and in accordance with the Code of Iowa. For each employee in the pension plan, the College is required to contribute 9.44% of annual salary, including overtime pay, to an individual employee account. Each employee is required to contribute 6.29%. Contributions made by both the College and employees vest immediately. For the year ended June 30, 2025, employee contributions totaled \$637,484 and the College recognized pension expense of \$956,734.

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description – The College administers a single-employer benefit plan which provides medical, prescription drug and dental benefits for retirees and their eligible dependents. 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 College and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement if they are age 55 with 10 years of service. Coverage during retirement continues in the group health and dental plans. Employees covered by the plan make contributions toward the plan premiums. Eligible retirees pay the same plan premiums as active employees, which results in an implicit rate subsidy and an OPEB liability.

At June 30, 2025, the following employees were covered by the benefit terms:

Inactive members currently receiving benefits	36
Active employees	<u>367</u>
Total	<u><u>403</u></u>

Total OPEB liability – The College's total OPEB liability of \$383,360 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024.

Actuarial Assumptions – The total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation (effective July 1, 2024)	3.00% per annum.
Rates of salary increase (effective July 1, 2024)	4.00% per annum, including inflation.
Discount rate (effective July 1, 2024)	3.93% compounded annually, including inflation.
Healthcare cost trend rate (effective July 1, 2024)	5.00% for all fiscal years.

Discount Rate – The discount rate used to measure the total OPEB liability was 3.93%, which reflects the index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the RP 2014 annuitant distinct mortality table adjusted to 2006 with MP 2021 generational projection of future mortality improvement. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB liability, beginning of year	\$ 299,683
Changes for the year:	
Service cost	12,600
Interest	16,148
Differences between expected and actual experience	126,280
Changes in assumptions	16,009
Benefit payments	(87,360)
Net change	83,677
Total OPEB liability, end of year	\$ 383,360

Changes in assumptions reflect a change in the discount rate from 3.54% in fiscal year 2024 to 3.93% in fiscal year 2025.

Sensitivity of the College's Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.93%) or 1% higher (4.93%) than the current discount rate.

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	\$ 401,071	\$ 383,360	\$ 367,550

Sensitivity of the College's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (4.00%) or 1% higher (6.00%) than the current healthcare cost trend rates.

	1% Decrease (4.00%)	Discount Rate (5.00%)	1% Increase (6.00%)
Total OPEB liability	\$ 364,974	\$ 383,360	\$ 404,155

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2025, the College recognized OPEB expense of \$32,391. At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 105,921	\$ 120,706
Changes of assumptions	41,661	28,758
Totals	\$ 147,582	\$ 149,464

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

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

<u>Year ending June 30</u>	
2026	\$ 3,643
2027	3,643
2028	3,445
2029	1,660
2030	7,750
Thereafter	<u>(22,023)</u>
Total	<u>\$ (1,882)</u>

NOTE 10 RELATED PARTY TRANSACTIONS

The College transferred \$100,000 in fiscal year 1995 and \$550,000 in fiscal year 1998 to the Iowa Western Community College Foundation (the Foundation). The provisions of the gifts specify that the corpus, and any income generated through the investment of the corpus, shall be restricted in use for the sole benefit of the College for scholarships, grants, and such other purposes for the benefit of the College or the students thereof. There were no such transfers in fiscal year 2025.

Foundation salaries and other operating expenses are paid by the College. In management's estimate, the value of such expenses was approximately \$687,000 in fiscal year 2025.

The College received contributions from the Foundation for scholarships totaling \$3,950,167 in fiscal year 2025.

The College has a receivable from the Foundation in the amount of \$2,421,233 related to amounts due to the College for scholarships. The College has a receivable from the Foundation in the amount of \$492,224 related to various amounts due to the College. The College has a liability to the Foundation in the amount of \$1,573,806 related to various amounts due to the Foundation.

The College has a liability to the Foundation in the amount of \$605,969 related to amounts payable on costs associated with the Dr. John and Jean Marshall Baseball-Softball Complex turf upgrade project. The College reimburses the Foundation for this payable by making monthly payments of principal and interest in the amount of \$9,706. Total principal and interest paid by the College during the year ended June 30, 2025 was \$65,140 and \$51,335, respectively. The balance of this payable at June 30, 2025 is as follows:

<u>Year ending June 30</u>	<u>Amount</u>
2026	\$ 116,475
2027	116,475
2028	116,475
2029	116,475
2030	116,475
Thereafter	<u>203,830</u>
Total	786,205
Less interest	<u>180,236</u>
Due to Iowa Western Community College Foundation	<u>\$ 605,969</u>

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 11 NEW JOBS TRAINING PROGRAMS

The College administers the Iowa Industrial New Jobs Training Program (NJTP) in Merged Area XIII in accordance with Chapter 260E of the Code of Iowa. NJTP's purpose is to provide tax-aided training or retraining for employees of industries which are new to or are expanding their operations within the State of Iowa. Certificates are sold by the College to fund approved projects and are to be retired by proceeds from anticipated jobs credits from withholding taxes, budgeted reserves and, in the case of default, from standby property taxes. Since inception, the College has administered one hundred twenty-four projects with two currently receiving project funding. Of the remaining projects, one hundred fourteen projects have been completed and paid in full, six are in withholding repayment, and two have been completed and only repayment of the certificates is left. In cases where projects exceed the budgeted amounts, the College intends to obtain additional withholding revenue from the companies.

The College administers the Iowa Jobs Training Program in Merged Area XIII in accordance with Chapter 260F of the Code of Iowa. The current program's purpose is to provide tax-aided training or retraining for employees of businesses whose training costs cannot be economically funded under Chapter 260F. Approved businesses receive forgivable loans from the Workforce Development Fund, a State administered fund. In the last ten years of this program, the College has administered four hundred forty-four projects. Of these projects, zero have defaulted, zero have withdrawn, and twenty-seven are active projects.

NOTE 12 RETIREMENT INCENTIVES PAYABLE

The College offered retirement incentives to eligible employees in fiscal years 2012, 2016, 2017, 2018, 2021 and 2024. Eligible staff members who accept retirement incentives will receive cash benefits payable in three installments during the following fiscal year, as well as health insurance coverage up to a specified amount until the staff member reaches the age of 65.

The liability at June 30, 2025 for those employees who have elected retirement incentives was \$1,873,916 and has been recorded as a liability in the statement of net position (\$415,566 as a current liability and \$1,458,350 as a noncurrent liability). Retirement incentives will be fully funded through property tax levies.

NOTE 13 SELF-INSURANCE PROGRAM

The College has established a self-insurance medical program, which is accounted for in the Restricted Fund. This program provides employee health benefit coverage up to a maximum of \$125,000 per employee per year and the maximum liability coverage of approximately \$7,000,000 per year. The College purchases commercial insurance for claims in excess of this coverage and all other risks of loss. Payments include certain administrative expenses.

Payments are made to the self-insurance cost center based on actuarial estimates of the amounts needed to pay current year claims. The unpaid claims liability of approximately \$381,000 is based on GASB Statement No. 10, which requires that a liability be recorded when it has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. The unpaid claims liability has been recorded with salaries and benefits payable in the statement of net position.

NOTE 14 COMMITMENTS AND CONTINGENCIES

The College 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 commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Iowa Western Community College
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 15 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.

College Tax Abatements

The College provides tax abatements for industrial new jobs training projects with the tax increment financing as provided for in Chapter 403.19 of the Code of Iowa and/or state income tax withholding as provided for in Chapter 260E.5 of the Code of Iowa. For these types of projects, the College enters into agreements with employers which require the College, after employers meet the terms of the agreements, to pay the employers for the costs of on-the-job training not to exceed 50% of the annual gross payroll costs for up to one year of the new jobs. No other commitments were made by the College as part of these agreements.

For the year ended June 30, 2025, the College had no abatements of property tax and \$730,493 of state income tax withholding under the projects.

Tax Abatements of Other Entities

Property tax revenues of the College were reduced by the following amounts for the year ended June 30, 2025 under agreements entered into by the following entities:

<u>Entity</u>	<u>Tax Abatement Program</u>	<u>Amount of Tax Abated</u>
City of Clarinda	Other tax abatement program	\$ 5,099
City of Clarinda	Urban renewal and economic development projects	685
City of Council Bluffs	Other tax abatement program	55,092
City of Glenwood	Other tax abatement program	3,875
City of Harlan	Urban renewal and economic development projects	761
City of Malvern	Other tax abatement program	3,619
City of Shelby	Other tax abatement program	85
City of Treynor	Other tax abatement program	4,042
City of Underwood	Other tax abatement program	12,590
City of Woodbine	Other tax abatement program	7,559
Cass County	Other tax abatement program	16,824
Mills County	Other tax abatement program	754
Shelby County	Other tax abatement program	<u>10,086</u>
Total		<u>\$ 121,071</u>

NOTE 16 SUBSEQUENT EVENTS

The College issued a New Jobs Training Program bond in the amount of \$570,000 on July 10, 2025.

The College received more than 70% voter approval on November 4, 2025, for its proposal to issue \$55,000,000 in general obligation notes. The funds will be used to construct a new logistics and transportation building.

REQUIRED SUPPLEMENTARY INFORMATION

Iowa Western Community College
SCHEDULE OF COLLEGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Iowa Public Employees' Retirement System
For the Last Ten Fiscal Years
(In Thousands)

Required Supplementary Information

	Year ended June 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
College's proportion of the net pension liability	0.148275%	0.147731%	0.154498%	(0.060843)%	0.145254%	0.145695%	0.146847%	0.151680%	0.155888%	0.161814%
College's proportionate share of the net pension liability	\$ 5,399	\$ 6,668	\$ 5,837	\$ 210	\$ 10,204	\$ 8,437	\$ 9,293	\$ 10,104	\$ 9,881	\$ 7,994
College's covered-employee payroll	\$ 14,918	\$ 13,699	\$ 12,978	\$ 12,443	\$ 12,273	\$ 11,610	\$ 11,112	\$ 11,041	\$ 11,333	\$ 10,142
College's proportionate share of the net pension liability as a percentage of its covered-employee payroll	36.19%	48.68%	44.98%	1.69%	83.14%	72.67%	83.63%	91.51%	87.19%	78.82%
Plan fiduciary net position as a percentage of the total pension liability	92.30%	90.13%	91.40%	100.81%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%

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

**Iowa Western Community College
SCHEDULE OF COLLEGE CONTRIBUTIONS
Iowa Public Employees' Retirement System
For the Last Ten Years
(In Thousands)**

Required Supplementary Information

	Year ended June 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutory required contribution	\$ 1,408	\$ 1,293	\$ 1,225	\$ 1,175	\$ 1,159	\$ 1,096	\$ 1,049	\$ 986	\$ 1,012	\$ 911
Contributions in relation to the statutorily required contribution	<u>(1,408)</u>	<u>(1,293)</u>	<u>(1,225)</u>	<u>(1,175)</u>	<u>(1,159)</u>	<u>(1,096)</u>	<u>(1,049)</u>	<u>(986)</u>	<u>(1,012)</u>	<u>(911)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
College's covered-employee payroll	\$ 14,918	\$ 13,699	\$ 12,978	\$ 12,443	\$ 12,273	\$ 11,610	\$ 11,112	\$ 11,041	\$ 11,333	\$ 10,142
Contributions as a percentage of covered-employee payroll	9.44%	9.44%	9.44%	9.44%	9.44%	9.44%	9.44%	8.93%	8.93%	8.93%

See Accompanying Independent Auditor's Report.

Iowa Western Community College
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PENSION LIABILITY
Year ended June 30, 2025

CHANGES OF BENEFIT TERMS

There are no significant changes in benefit terms.

CHANGES OF ASSUMPTIONS

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

- Changed the 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 the 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%.

Iowa Western Community College
SCHEDULE OF CHANGES IN COLLEGE'S TOTAL OPEB LIABILITY AND RELATED RATIOS
For the last eight fiscal years

Required Supplementary Information

	Year ended June 30							
	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 12,600	\$ 23,990	\$ 23,067	\$ 30,730	\$ 29,548	\$ 24,509	\$ 23,567	\$ 18,600
Interest cost	16,148	10,333	9,290	8,472	7,735	14,048	12,809	11,076
Differences between expected and actual experiences	126,280	-	(110,519)	-	(102,278)	-	1,780	-
Changes of assumptions	16,009	-	(37,274)	-	50,784	-	(8,755)	21,615
Benefit payments	(87,360)	(5,097)	(2,501)	(6,854)	(3,344)	(6,900)	(3,692)	(8,478)
Net change in total OPEB liability	83,677	29,226	(117,937)	32,348	(17,555)	31,657	25,709	42,813
Total OPEB liability, beginning of year	299,683	270,457	388,394	356,046	373,601	341,944	316,235	273,422
Total OPEB liability, end of year	<u>\$ 383,360</u>	<u>\$ 299,683</u>	<u>\$ 270,457</u>	<u>\$ 388,394</u>	<u>\$ 356,046</u>	<u>\$ 373,601</u>	<u>\$ 341,944</u>	<u>\$ 316,235</u>
Covered-employee payroll	<u>\$ 20,759,352</u>	<u>\$ 20,848,958</u>	<u>\$ 20,047,075</u>	<u>\$ 20,623,303</u>	<u>\$ 19,830,099</u>	<u>\$ 19,625,252</u>	<u>\$ 18,870,435</u>	<u>\$ 17,234,408</u>
Total OPEB liability as a percentage of covered-employee payroll	1.85%	1.44%	1.35%	1.88%	1.80%	1.90%	1.81%	1.83%

See Accompanying Independent Auditor's Report.

Iowa Western Community College
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – TOTAL OPEB LIABILITY
Year ended June 30, 2025

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, 2025	3.93%
Year ended June 30, 2024	3.54%
Year ended June 30, 2023	3.54%
Year ended June 30, 2022	2.21%
Year ended June 30, 2021	2.21%
Year ended June 30, 2020	3.87%
Year ended June 30, 2019	3.87%
Year ended June 30, 2018	3.58%
Year ended June 30, 2017	4.50%

OTHER SUPPLEMENTARY INFORMATION

Iowa Western Community College
BUDGETARY COMPARISON SCHEDULE OF EXPENDITURES--BUDGET AND ACTUAL
Year ended June 30, 2025

<u>Funds/Levy</u>	<u>Original and final budget</u>	<u>Actual</u>	<u>Over (under) budget</u>
General (unrestricted and non-levy restricted)	\$ 57,717,303	\$ 59,488,978	\$ 1,771,675
Restricted			
Unemployment	25,000	2,317	(22,683)
Tort liability	918,143	553,015	(365,128)
Insurance	4,034,438	5,254,964	1,220,526
Early retirement	1,562,179	(149,098)	(1,711,277)
Equipment replacement	-	1,486,259	1,486,259
Total restricted	<u>6,539,760</u>	<u>7,147,457</u>	<u>607,697</u>
Total unrestricted/restricted	64,257,063	66,636,435	2,379,372
Plant	26,696,973	10,721,184	(15,975,789)
Bonds and interest	<u>5,759,732</u>	<u>1,901,098</u>	<u>(3,858,634)</u>
Total operating expenditures	<u>\$ 96,713,768</u>	<u>\$ 79,258,717</u>	<u>\$ (17,455,051)</u>

NOTE TO BUDGETARY REPORTING

The Board of Trustees annually prepares a budget designating the proposed expenditures for operation of the College on a basis consistent with accounting principles generally accepted in the United States of America. Following required public notice and hearing, and in accordance with Chapter 260C of the Code of Iowa, the Board of Trustees certifies the approved budget to the appropriate county auditors and then submits the budget to the State Board of Education for approval. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Formal and legal budgetary control is based on total operating expenditures.

Budgets are not required to be adopted for the Auxiliary Enterprises subgroup, Workforce Improvement Act Accounts, Scholarships and Grants Accounts, Loan Funds, Endowment Funds and Custodial Funds.

For the year ended June 30, 2025, the College's expenditures did not exceed the amount budgeted.

Iowa Western Community College
 COMBINING BALANCE SHEET – ALL FUNDS
 June 30, 2025

	Current Funds		Loan Fund	Plant Funds			Adjustments	Total
	Unrestricted	Restricted		Unexpended	Retirement of indebtedness	Investment in Plant		
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES								
ASSETS								
Cash and short-term pooled investments	\$ 18,925,493	\$ 12,001,445	\$ 1,818	\$ 14,765,708	\$ 6,339,106	\$ (1,587,512)	\$ -	\$ 50,446,058
Receivables								
Accounts (less allowance of \$1,161,825)	21,962,021	4,003,014	-	9,481	76,692	8,083	-	26,059,291
Property tax								
Delinquent	23,962	28,214	-	-	-	-	-	52,176
Succeeding year	2,692,397	7,635,830	-	-	9,455,719	-	-	19,783,946
Due from other governments	(14,249)	2,072,820	1,206	-	-	-	-	2,059,777
Due from Iowa Western Community College Foundation (component unit)	2,807,440	-	-	106,017	-	-	-	2,913,457
Due from other funds	491,207	-	-	-	-	-	-	491,207
Inventories	220,855	-	-	-	-	-	-	220,855
Prepaid expenses	921,688	181,353	-	-	-	-	-	1,103,041
Iowa Industrial New Jobs Training Program		3,209,404	-	-	-	-	-	3,209,404
Capital assets								
Land	-	-	-	-	-	560,164	-	560,164
Buildings	-	-	-	-	-	117,309,448	-	117,309,448
Improvements other than buildings	-	-	-	-	-	117,769,203	-	117,769,203
Furniture and equipment	-	-	-	-	-	16,846,309	-	16,846,309
Transportation assets	-	-	-	-	-	1,794,511	-	1,794,511
Software	-	-	-	-	-	1,644,162	-	1,644,162
Construction in progress	-	-	-	8,114,367	-	-	-	8,114,367
Right-of-use leased assets	-	-	-	-	-	-	1,659,956	1,659,956
Right-of-use subscription assets	-	-	-	-	-	-	3,910,152	3,910,152
Accumulated depreciation and amortization	-	-	-	-	-	(105,415,992)	(3,220,399)	(108,636,391)
Total assets	<u>48,030,814</u>	<u>29,132,080</u>	<u>3,024</u>	<u>22,995,573</u>	<u>15,871,517</u>	<u>148,928,376</u>	<u>2,349,709</u>	<u>267,311,093</u>
DEFERRED OUTFLOWS OF RESOURCES								
Pension related deferred outflows	-	-	-	-	-	-	1,902,055	1,902,055
OPEB related deferred outflows	-	-	-	-	-	-	147,582	147,582
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,049,637</u>	<u>2,049,637</u>
Total assets and deferred outflows of resources	<u>\$ 48,030,814</u>	<u>\$ 29,132,080</u>	<u>\$ 3,024</u>	<u>\$ 22,995,573</u>	<u>\$ 15,871,517</u>	<u>\$ 148,928,376</u>	<u>\$ 4,399,346</u>	<u>\$ 269,360,730</u>

See Accompanying Independent Auditor's Report.

Iowa Western Community College
COMBINING BALANCE SHEET – ALL FUNDS (continued)
June 30, 2025

	Current Funds		Loan Fund	Plant Funds		Investment in Plant	Adjustments	Total
	Unrestricted	Restricted		Unexpended	Retirement of Indebtedness			
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts payable	\$ 548,635	\$ 1,163,231	\$ –	\$ 745,295	\$ –	\$ –	\$ –	\$ 2,457,161
Salaries and benefits payable	2,923,248	2,121,237	–	–	–	–	–	5,044,485
Accrued interest payable	–	11,884	–	–	168,367	–	–	180,251
Due to Iowa Western Community College Foundation (component unit)	2,179,775	–	–	–	–	–	–	2,179,775
Unearned revenues - Tuition, New Jobs Training Program and other	17,457,030	4,993,606	–	–	–	–	–	22,450,636
Retirement incentives payable	–	1,873,916	–	–	–	–	–	1,873,916
Compensated absences	764,473	102,769	–	–	–	–	–	867,242
Deposits held in custody for others	1,045,825	–	–	–	–	–	–	1,045,825
Certificates payable	–	4,072,356	–	–	–	–	–	4,072,356
Bonds payable	–	–	–	9,680,703	–	46,507,615	–	56,188,318
Notes payable	–	–	–	–	–	14,189,747	–	14,189,747
Equipment financing payable	–	–	–	–	–	658,857	–	658,857
Lease agreements payable	–	–	–	–	–	–	766,491	766,491
IT subscription liabilities	–	–	–	–	–	–	1,235,748	1,235,748
Net pension liability	–	–	–	–	–	–	5,399,428	5,399,428
Total OPEB liability	<u>362,848</u>	<u>20,512</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>383,360</u>
Total liabilities	<u>25,281,834</u>	<u>14,359,511</u>	<u>–</u>	<u>10,425,998</u>	<u>168,367</u>	<u>61,356,219</u>	<u>7,401,667</u>	<u>118,993,596</u>
DEFERRED INFLOWS OF RESOURCES								
Succeeding year property tax	2,692,397	7,635,830	–	–	9,455,719	–	–	19,783,946
Pension related deferred inflows	–	–	–	–	–	–	10,349	10,349
OPEB related deferred inflows	–	–	–	–	–	–	149,464	149,464
Total deferred inflows of resources	<u>2,692,397</u>	<u>7,635,830</u>	<u>–</u>	<u>–</u>	<u>9,455,719</u>	<u>–</u>	<u>159,813</u>	<u>19,943,759</u>
FUND BALANCES								
Net investment in capital assets	–	–	–	–	–	87,572,157	–	87,572,157
Restricted, Expendable								
Scholarships and fellowships	–	837,041	–	–	–	–	–	837,041
Loans	–	–	3,024	–	–	–	–	3,024
Debt service	–	–	–	–	6,247,431	–	–	6,247,431
Cash reserve	361,092	–	–	–	–	–	–	361,092
Other	–	6,299,698	–	–	–	–	–	6,299,698
Unrestricted	6,310,160	–	–	12,569,575	–	–	(3,162,134)	15,717,601
Auxiliary enterprises	<u>13,385,331</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>13,385,331</u>
Total fund balances	<u>20,056,583</u>	<u>7,136,739</u>	<u>3,024</u>	<u>12,569,575</u>	<u>6,247,431</u>	<u>87,572,157</u>	<u>(3,162,134)</u>	<u>130,423,375</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 48,030,814</u>	<u>\$ 29,132,080</u>	<u>\$ 3,024</u>	<u>\$ 22,995,573</u>	<u>\$ 15,871,517</u>	<u>\$ 148,928,376</u>	<u>\$ 4,399,346</u>	<u>\$ 269,360,730</u>

See Accompanying Independent Auditor's Report.

Iowa Western Community College
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year ended June 30, 2025

	<u>Current Funds</u>		<u>Loan Fund</u>	<u>Plant Funds</u>			<u>Adjustments</u>	<u>Total</u>
	<u>Unrestricted</u>	<u>Restricted</u>		<u>Unexpended</u>	<u>Retirement of Indebtedness</u>	<u>Investment in Plant</u>		
REVENUES								
General								
State appropriations	\$ 15,102,813	\$ 4,351,399	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,454,212
Tuition and fees	26,187,067	1,275	-	11,840	-	-	(6,643,835)	19,556,347
Property tax	2,623,340	8,214,853	-	1,085,407	7,572,800	-	-	19,496,400
Federal appropriations	17,998	10,092,371	-	-	-	-	-	10,110,369
Sales and services	373,219	371,186	-	-	-	-	(104,064)	640,341
Interest and investment income	330,641	447,309	118	429,655	220,893	-	-	1,428,616
Iowa Industrial New Jobs Training Program	-	1,394,474	-	-	-	-	-	1,394,474
Gifts and grants	-	289,432	-	-	-	-	-	289,432
Miscellaneous	641,463	396,942	-	2,529,319	-	2,437,380	(4,978,759)	1,026,345
Increase in plant investment due to plant expenditures	-	-	-	-	-	918,166	(918,166)	-
Total general revenues	<u>45,276,541</u>	<u>25,559,241</u>	<u>118</u>	<u>4,056,221</u>	<u>7,793,693</u>	<u>3,355,546</u>	<u>(12,644,824)</u>	<u>73,396,536</u>
Auxiliary enterprises								
State appropriations	9,059	-	-	-	-	-	-	9,059
Sales and services	12,698,366	-	-	-	-	-	(3,704,615)	8,993,751
Interest and investment income	499,570	-	-	-	-	-	-	499,570
Gifts and grants	53,317	-	-	-	-	-	-	53,317
Miscellaneous	968,458	-	-	-	-	-	-	968,458
Total auxiliary revenues	<u>14,228,770</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,704,615)</u>	<u>10,524,155</u>
Total revenues	<u>59,505,311</u>	<u>25,559,241</u>	<u>118</u>	<u>4,056,221</u>	<u>7,793,693</u>	<u>3,355,546</u>	<u>(16,349,439)</u>	<u>83,920,691</u>

Iowa Western Community College
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (continued)
Year ended June 30, 2025

	<u>Current Funds</u>		<u>Loan Fund</u>	<u>Plant Funds</u>		<u>Investment in Plant</u>	<u>Adjustments</u>	<u>Total</u>
	<u>Unrestricted</u>	<u>Restricted</u>		<u>Unexpended</u>	<u>Retirement of Indebtedness</u>			
EXPENDITURES								
Education and support								
Liberal arts and sciences	8,794,876	—	—	—	—	—	(27,323)	8,767,553
Career and technical	7,094,687	1,654,907	—	—	—	—	(228,542)	8,521,052
Adult education	2,629,262	1,697,719	—	—	—	—	(13,443)	4,313,538
Cooperative services	458,337	1,271,327	—	—	—	—	(5,374)	1,724,290
Administration	5,884,621	7,850	—	—	—	—	(796,034)	5,096,437
Student services	6,862,622	189,251	—	—	—	—	(21,908)	7,029,965
Learning resources	262,998	—	—	—	—	—	(817)	262,181
Physical plant	4,731,417	5,593,860	—	—	—	—	(2,029,312)	8,295,965
General institution	5,716,255	3,343,459	—	—	—	—	(809,034)	8,250,680
Total education and support	42,435,075	13,758,373	—	—	—	—	(3,931,787)	52,261,661
Auxiliary enterprises	12,752,967	—	—	—	—	—	(552,955)	12,200,012
Scholarships and grants	—	9,960,184	—	—	—	—	(9,960,184)	—
Retirement of indebtedness	—	—	—	—	5,910,000	—	(5,910,000)	—
Disposal of plant assets	—	—	—	—	—	154,142	—	154,142
Increase in plant investment due to retirement of debt	—	—	—	—	—	(5,910,000)	5,910,000	—
Interest on indebtedness	—	166,808	—	(48,674)	2,010,327	(60,555)	106,449	2,174,355
Depreciation and amortization	—	—	—	—	—	7,523,380	1,341,231	8,864,611
Miscellaneous	—	—	—	4,804,184	7,000	—	(4,804,184)	7,000
Total expenditures	55,188,042	23,885,365	—	4,755,510	7,927,327	1,706,967	(17,801,430)	75,661,781
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,317,269	1,673,876	118	(699,289)	(133,634)	1,648,579	1,451,991	8,258,910
TRANSFERS								
Nonmandatory transfers	(4,694,299)	(350,522)	—	16,875,589	(11,960,205)	129,437	—	—
Total transfers	(4,694,299)	(350,522)	—	16,875,589	(11,960,205)	129,437	—	—
CHANGES IN FUND BALANCES	(377,030)	1,323,354	118	16,176,300	(12,093,839)	1,778,016	1,451,991	8,258,910
FUND BALANCES, beginning of year	20,433,613	5,813,385	2,906	(3,606,725)	18,341,270	85,794,141	(4,614,125)	122,164,465
FUND BALANCES, end of year	<u>\$ 20,056,583</u>	<u>\$ 7,136,739</u>	<u>\$ 3,024</u>	<u>\$ 12,569,575</u>	<u>\$ 6,247,431</u>	<u>\$ 87,572,157</u>	<u>\$ (3,162,134)</u>	<u>\$ 130,423,375</u>

See Accompanying Independent Auditor's Report.

Iowa Western Community College
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - UNRESTRICTED FUND
EDUCATION AND SUPPORT
Year ended June 30, 2025

	Education				Support					Total
	Liberal Arts and Sciences	Career and Technical	Adult Education	Cooperative Services	Administration	Student Services	Learning Resources	Physical Plant	General Institution	
REVENUES										
State appropriations	\$ -	\$ -	\$ 40	\$ 108,810	\$ 14,993,963	\$ -	\$ -	\$ -	\$ -	\$ 15,102,813
Tuition and fees	7,725,518	11,417,667	1,805,097	4,904,132	18,000	316,653	-	-	-	26,187,067
Property tax	-	-	-	-	2,623,340	-	-	-	-	2,623,340
Federal appropriations	-	-	(553)	-	-	18,551	-	-	-	17,998
Sales and services	6,159	197,952	15,326	-	93,852	37,650	-	21,250	1,030	373,219
Interest and investment income	-	-	-	-	330,641	-	-	-	-	330,641
Miscellaneous	2,526	6,324	2,937	-	135,327	292,210	32,691	145,305	24,143	641,463
Total revenues	<u>7,734,203</u>	<u>11,621,943</u>	<u>1,822,847</u>	<u>5,012,942</u>	<u>18,195,123</u>	<u>665,064</u>	<u>32,691</u>	<u>166,555</u>	<u>25,173</u>	<u>45,276,541</u>
EXPENDITURES										
Salaries and benefits	8,651,490	5,969,493	2,190,457	366,329	1,957,409	6,188,909	185,175	1,941,090	4,066,117	31,516,469
Services	44,110	129,996	124,307	40,144	769,426	473,169	28,241	2,494,778	1,387,692	5,491,863
Materials and supplies	80,879	262,631	293,256	5,065	22,079	108,138	47,300	637,377	146,934	1,603,659
Travel	18,325	17,345	18,088	6,402	70,083	52,495	2,282	5,264	57,100	247,384
Loan cancellations and collection costs	-	-	170	-	319,569	-	-	-	-	319,739
Plant asset acquisitions	-	4,946	-	-	10,733	3,250	-	(29,679)	44,131	33,381
Cost of goods sold	-	121,772	2,948	-	14,538	-	-	-	-	139,258
Miscellaneous	72	588,504	36	40,397	2,720,784	36,661	-	(317,413)	14,281	3,083,322
Total expenditures	<u>8,794,876</u>	<u>7,094,687</u>	<u>2,629,262</u>	<u>458,337</u>	<u>5,884,621</u>	<u>6,862,622</u>	<u>262,998</u>	<u>4,731,417</u>	<u>5,716,255</u>	<u>42,435,075</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,060,673)</u>	<u>4,527,256</u>	<u>(806,415)</u>	<u>4,554,605</u>	<u>12,310,502</u>	<u>(6,197,558)</u>	<u>(230,307)</u>	<u>(4,564,862)</u>	<u>(5,691,082)</u>	<u>2,841,466</u>
TRANSFERS										
Nonmandatory transfers	(7,169)	86,701	221,521	-	(515,500)	(668,491)	-	(1,933,286)	38,024	(2,778,200)
Total transfers	<u>(7,169)</u>	<u>86,701</u>	<u>221,521</u>	<u>-</u>	<u>(515,500)</u>	<u>(668,491)</u>	<u>-</u>	<u>(1,933,286)</u>	<u>38,024</u>	<u>(2,778,200)</u>
CHANGES IN FUND BALANCES	<u>\$(1,067,842)</u>	<u>\$ 4,613,957</u>	<u>\$ (584,894)</u>	<u>\$ 4,554,605</u>	<u>\$ 11,795,002</u>	<u>\$(6,866,049)</u>	<u>\$(230,307)</u>	<u>\$(6,498,148)</u>	<u>\$(5,653,058)</u>	\$ 63,266
FUND BALANCES , beginning of year										<u>6,607,986</u>
FUND BALANCES , end of year										<u>\$ 6,671,252</u>

See Accompanying Independent Auditor's Report.

Iowa Western Community College
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - UNRESTRICTED FUND
AUXILIARY ENTERPRISES
Year ended June 30, 2025

	<u>College Store</u>	<u>Vending</u>	<u>Food Services</u>	<u>Student Housing</u>	<u>Auto Parts</u>	<u>Athletics</u>	<u>Miscellaneous</u>	<u>Total</u>
REVENUES								
State appropriations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,059	\$ 9,059
Sales and services	2,696,017	43,209	3,464,005	5,535,937	306,102	123,374	529,722	12,698,366
Interest and investment income	-	499,570	-	-	-	-	-	499,570
Gifts and grants	-	-	-	-	-	-	53,317	53,317
Miscellaneous	126	268	329	(75)	-	727,120	240,690	968,458
Total revenues	<u>2,696,143</u>	<u>543,047</u>	<u>3,464,334</u>	<u>5,535,862</u>	<u>306,102</u>	<u>850,494</u>	<u>832,788</u>	<u>14,228,770</u>
EXPENDITURES								
Salaries and benefits	388,440	-	1,500,858	808,006	-	59,061	532,966	3,289,331
Services	85,377	-	317,448	1,214,299	2,479	197,613	393,114	2,210,330
Materials and supplies	18,259	-	86,811	187,954	449	781,440	151,547	1,226,460
Travel	-	-	-	8,789	-	1,538,673	26,165	1,573,627
Loan cancellations and collection costs	38,224	-	91,580	291,145	1,887	-	(2,155)	420,681
Plant asset acquisitions	-	-	9,091	(50,630)	-	216,255	9,201	183,917
Cost of goods sold	1,782,951	-	1,639,516	-	280,430	10,583	-	3,713,480
Miscellaneous	21,448	65,000	514	7,666	8,946	5,069	26,498	135,141
Total expenditures	<u>2,334,699</u>	<u>65,000</u>	<u>3,645,818</u>	<u>2,467,229</u>	<u>294,191</u>	<u>2,808,694</u>	<u>1,137,336</u>	<u>12,752,967</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>361,444</u>	<u>478,047</u>	<u>(181,484)</u>	<u>3,068,633</u>	<u>11,911</u>	<u>(1,958,200)</u>	<u>(304,548)</u>	<u>1,475,803</u>
TRANSFERS								
Nonmandatory transfers	-	(435,000)	175,000	(3,072,212)	-	1,425,500	(9,387)	(1,916,099)
Total transfers	<u>-</u>	<u>(435,000)</u>	<u>175,000</u>	<u>(3,072,212)</u>	<u>-</u>	<u>1,425,500</u>	<u>(9,387)</u>	<u>(1,916,099)</u>
CHANGES IN FUND BALANCES	<u>\$ 361,444</u>	<u>\$ 43,047</u>	<u>\$ (6,484)</u>	<u>\$ (3,579)</u>	<u>\$ 11,911</u>	<u>\$ (532,700)</u>	<u>\$ (313,935)</u>	<u>(440,296)</u>
FUND BALANCES, beginning of year								<u>13,825,627</u>
FUND BALANCES, end of year								<u>\$ 13,385,331</u>

Iowa Western Community College
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - RESTRICTED FUND
Year ended June 30, 2025

	Scholarships and Grants	Student Support Services	Clarinda Corrections Program	Corrections Title I	Iowa Small Business New Jobs Training Program	Iowa Industrial New Jobs Training Program	Casualty Insurance Tax Levy	Tort Liability Tax Levy	Unemploy- ment Comp Tax Levy	Worker's Comp Tax Levy
REVENUES										
State appropriations	\$ 1,003,258	\$ -	\$ 385,988	\$ 20,000	\$ 322,018	\$ -	\$ -	\$ -	\$ -	\$ -
Tuition and fees	-	-	-	-	-	-	-	-	-	-
Property tax	-	-	-	-	-	-	3,636,722	1,212,702	39,435	152,929
Federal appropriations	8,609,955	341,584	-	-	-	-	-	-	-	-
Sales and services	-	-	-	-	-	-	-	-	-	-
Interest and investment income	-	-	-	-	-	-	-	-	-	-
Iowa Industrial New Jobs Training Program	-	-	-	-	-	1,394,474	-	-	-	-
Gifts and grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>9,613,213</u>	<u>341,584</u>	<u>385,988</u>	<u>20,000</u>	<u>322,018</u>	<u>1,394,474</u>	<u>3,636,722</u>	<u>1,212,702</u>	<u>39,435</u>	<u>152,929</u>
EXPENDITURES										
Salaries and benefits	-	278,812	369,531	20,000	-	-	-	-	2,317	152,929
Services	-	38,506	11,252	-	322,941	138,385	5,102,035	553,015	-	-
Materials and supplies	-	10,454	1,644	-	-	-	-	-	-	-
Travel	-	13,812	1,371	-	-	-	-	-	-	-
Plant asset acquisitions	-	-	-	-	-	-	-	-	-	-
Interest on indebtedness	-	-	-	-	-	166,808	-	-	-	-
Miscellaneous	-	-	2,190	-	-	810,000	-	-	-	-
Pell grant program	8,467,668	-	-	-	-	-	-	-	-	-
Supplemental educational opportunity grant	173,521	-	-	-	-	-	-	-	-	-
Private scholarships	1,318,995	-	-	-	-	-	-	-	-	-
Total expenditures	<u>9,960,184</u>	<u>341,584</u>	<u>385,988</u>	<u>20,000</u>	<u>322,941</u>	<u>1,115,193</u>	<u>5,102,035</u>	<u>553,015</u>	<u>2,317</u>	<u>152,929</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(346,971)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(923)</u>	<u>279,281</u>	<u>(1,465,313)</u>	<u>659,687</u>	<u>37,118</u>	<u>-</u>
TRANSFERS										
Nonmandatory transfers	-	-	-	-	923	-	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>923</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGES IN FUND BALANCES	<u>\$ (346,971)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 279,281</u>	<u>\$ (1,465,313)</u>	<u>\$ 659,687</u>	<u>\$ 37,118</u>	<u>\$ -</u>

Iowa Western Community College
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - RESTRICTED FUND (continued)
Year ended June 30, 2025

	<u>Equipment Replacement Tax Levy</u>	<u>Early Retirement Tax Levy</u>	<u>Economic Development</u>	<u>KIWR</u>	<u>Gap Tuition Asst</u>	<u>Adult Lit HiSet</u>	<u>Small Business Development Center</u>	<u>PACE Pathways</u>	<u>Corrections Edu. Navigator</u>	<u>CDL Grant</u>
REVENUES										
State appropriations	\$ -	\$ -	\$ -	\$ -	\$ 120,711	\$ 235,982	\$ 145,660	\$ 312,353	\$ 39,612	\$ 53,373
Tuition and fees	-	-	1,275	-	-	-	-	-	-	-
Property tax	1,165,921	2,007,144	-	-	-	-	-	-	-	-
Federal appropriations	-	-	-	-	-	-	-	-	-	-
Sales and services	-	-	280,969	89,958	-	-	-	-	-	-
Interest and investment income	-	-	-	-	-	-	-	-	-	-
Iowa Industrial New Jobs Training Program	-	-	-	-	-	-	-	-	-	-
Gifts and grants	-	-	-	171,665	-	-	-	-	-	-
Miscellaneous	-	-	-	376,323	-	-	-	-	-	-
Total revenues	<u>1,165,921</u>	<u>2,007,144</u>	<u>282,244</u>	<u>637,946</u>	<u>120,711</u>	<u>235,982</u>	<u>145,660</u>	<u>312,353</u>	<u>39,612</u>	<u>53,373</u>
EXPENDITURES										
Salaries and benefits	-	(149,098)	217,767	454,977	-	220,769	144,131	206,581	39,612	-
Services	328,365	-	21,232	253,985	342,745	1,977	8	57,976	-	53,373
Materials and supplies	486,956	-	189	22,103	7,111	11,215	-	20,807	-	-
Travel	-	-	7,756	2,093	-	2,021	1,521	3,355	-	-
Plant asset acquisitions	670,938	-	-	-	-	-	-	2,712	-	-
Interest on indebtedness	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	(9,000)	26,179	-	-	-	1,260	-	-
Pell grant program	-	-	-	-	-	-	-	-	-	-
Supplemental educational opportunity grant	-	-	-	-	-	-	-	-	-	-
Private scholarships	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>1,486,259</u>	<u>(149,098)</u>	<u>237,944</u>	<u>759,337</u>	<u>349,856</u>	<u>235,982</u>	<u>145,660</u>	<u>292,691</u>	<u>39,612</u>	<u>53,373</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(320,338)</u>	<u>2,156,242</u>	<u>44,300</u>	<u>(121,391)</u>	<u>(229,145)</u>	<u>-</u>	<u>-</u>	<u>19,662</u>	<u>-</u>	<u>-</u>
TRANSFERS										
Nonmandatory transfers	-	-	(44,300)	-	229,145	-	-	(19,662)	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>(44,300)</u>	<u>-</u>	<u>229,145</u>	<u>-</u>	<u>-</u>	<u>(19,662)</u>	<u>-</u>	<u>-</u>
CHANGES IN FUND BALANCES	<u>\$ (320,338)</u>	<u>\$ 2,156,242</u>	<u>\$ -</u>	<u>\$ (121,391)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Iowa Western Community College
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - RESTRICTED FUND (continued)
Year ended June 30, 2025

	Skills Grant	WTED	FAA Grant	Perkins Grant	AEFLA Grant	CAIF Grant	CAIF Grant Glenwood Academy	Miscellaneous	Total
REVENUES									
State appropriations	\$ -	\$ 1,135,665	\$ -	\$ -	\$ -	\$ 348,831	\$ 144,276	\$ 83,672	\$ 4,351,399
Tuition and fees	-	-	-	-	-	-	-	-	1,275
Property tax	-	-	-	-	-	-	-	-	8,214,853
Federal appropriations	-	-	390,765	418,052	187,353	-	-	144,662	10,092,371
Sales and services	-	-	-	-	-	-	-	259	371,186
Interest and investment income	-	-	-	-	-	-	-	447,309	447,309
Iowa Industrial New Jobs Training Program	-	-	-	-	-	-	-	-	1,394,474
Gifts and grants	26,151	-	-	-	-	-	-	91,616	289,432
Miscellaneous	-	-	-	-	-	-	-	20,619	396,942
Total revenues	<u>26,151</u>	<u>1,135,665</u>	<u>390,765</u>	<u>418,052</u>	<u>187,353</u>	<u>348,831</u>	<u>144,276</u>	<u>788,137</u>	<u>25,559,241</u>
EXPENDITURES									
Salaries and benefits	-	138,428	46,454	221,429	180,553	-	-	291,176	2,836,368
Services	15,651	430,238	23,112	26,881	-	124,641	39,301	59,605	7,945,224
Materials and supplies	-	73,643	53,534	181	6,800	186,926	44,466	14,013	940,042
Travel	-	4,464	171	19,566	-	-	-	7,057	63,187
Plant asset acquisitions	-	30,398	203,455	63,294	-	35,982	60,509	3,548	1,070,836
Interest on indebtedness	-	-	-	-	-	-	-	-	166,808
Miscellaneous	-	-	-	-	-	-	-	8,048	838,677
Pell grant program	-	-	-	-	-	-	-	-	8,467,668
Supplemental educational opportunity grant	-	-	-	-	-	-	-	-	173,521
Private scholarships	-	-	64,039	-	-	-	-	-	1,383,034
Total expenditures	<u>15,651</u>	<u>677,171</u>	<u>390,765</u>	<u>331,351</u>	<u>187,353</u>	<u>347,549</u>	<u>144,276</u>	<u>383,447</u>	<u>23,885,365</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES									
	<u>10,500</u>	<u>458,494</u>	<u>-</u>	<u>86,701</u>	<u>-</u>	<u>1,282</u>	<u>-</u>	<u>404,690</u>	<u>1,673,876</u>
TRANSFERS									
Nonmandatory transfers	(10,500)	(437,918)	-	(86,701)	-	-	-	18,491	(350,522)
Total transfers	<u>(10,500)</u>	<u>(437,918)</u>	<u>-</u>	<u>(86,701)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,491</u>	<u>(350,522)</u>
CHANGE IN FUND BALANCES									
	<u>\$ -</u>	<u>\$ 20,576</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,282</u>	<u>\$ -</u>	<u>\$ 423,181</u>	<u>1,323,354</u>
FUND BALANCE, beginning of year									
									<u>5,813,385</u>
FUND BALANCE, end of year									
									<u>\$ 7,136,739</u>

Iowa Western Community College
COMBINING BALANCE SHEET - CUSTODIAL FUNDS
June 30, 2025

	<u>WIOA</u>	<u>Federal Student Loan Account</u>	<u>Miscellaneous</u>	<u>Total</u>
ASSETS				
Cash and short-term pooled investments	\$ 230,365	\$ 55,657	\$ 190,127	\$ 476,149
Receivables				
Other	-	171,395	2,500	173,895
Total assets	<u>230,365</u>	<u>227,052</u>	<u>192,627</u>	<u>650,044</u>
LIABILITIES				
Salaries and benefits payable	66	-	-	66
Due to other funds	<u>253,519</u>	<u>134,221</u>	<u>103,467</u>	<u>491,207</u>
Total liabilities	<u>253,585</u>	<u>134,221</u>	<u>103,467</u>	<u>491,273</u>
FUND BALANCE				
Restricted				
Other	<u>\$ (23,220)</u>	<u>\$ 92,831</u>	<u>\$ 89,160</u>	<u>\$ 158,771</u>

Iowa Western Community College
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION - CUSTODIAL FUNDS
Year ended June 30, 2025

	<u>WIOA</u>	<u>Federal Student Loan Account</u>	<u>Miscellaneous</u>	<u>Total</u>
ADDITIONS				
Federal appropriations	\$ —	\$ 128,941	\$ —	\$ 128,941
Loan advances from lenders	—	9,333,125	—	9,333,125
Interest and investment income	—	2,012	—	2,012
Total additions	<u>—</u>	<u>9,464,078</u>	<u>—</u>	<u>9,464,078</u>
DEDUCTIONS				
Loan payments to student accounts	—	9,236,765	—	9,236,765
Other	—	128,941	—	128,941
Transfers	—	180,731	(103,644)	77,087
Total deductions	<u>—</u>	<u>9,546,437</u>	<u>(103,644)</u>	<u>9,442,793</u>
CHANGES IN NET POSITION	—	(82,359)	103,644	21,285
BALANCE , beginning of year	<u>(23,220)</u>	<u>175,190</u>	<u>(14,484)</u>	<u>137,486</u>
BALANCE , end of year	<u>\$ (23,220)</u>	<u>\$ 92,831</u>	<u>\$ 89,160</u>	<u>\$ 158,771</u>

Iowa Western Community College
SCHEDULE OF CREDIT AND CONTACT HOURS
For the period from August 19, 2024 to July 25, 2025

<u>Category</u>	<u>Credit Hours</u>			<u>Contact Hours</u>		
	<u>Eligible for Aid</u>	<u>Not Eligible for Aid</u>	<u>Total</u>	<u>Eligible for Aid</u>	<u>Not Eligible for Aid</u>	<u>Total</u>
Arts and Sciences	77,697	-	77,697	1,517,866	-	1,517,866
Career and Technical	43,217	-	43,217	997,131	-	997,131
Adult/Continuing Education	-	-	-	241,199	34,616	275,815
Totals	<u>120,914</u>	<u>-</u>	<u>120,914</u>	<u>2,756,196</u>	<u>34,616</u>	<u>2,790,812</u>

Iowa Western Community College
SCHEDULE OF TAX AND INTERGOVERNMENTAL REVENUES
For the Last Ten Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>Year ended June 30</u>		<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
					<u>2021</u>	<u>2020</u>				
Local (property tax)	\$ 19,496,400	\$ 17,067,382	\$ 16,549,055	\$ 16,608,095	\$ 14,451,186	\$ 12,509,108	\$ 13,535,827	\$ 13,434,306	\$ 12,480,353	\$ 14,079,386
State										
General	19,454,212	18,447,668	19,305,172	17,050,645	16,919,451	17,101,538	15,558,456	15,470,453	16,305,571	15,752,992
Auxiliary	9,059	7,978	16,782	11,478	12,832	8,273	10,059	9,535	70,236	72,136
Federal										
General	10,110,369	8,848,877	10,775,409	20,419,854	16,211,474	13,433,618	10,661,721	11,213,636	10,829,129	12,332,345
Auxiliary	—	—	7,350	—	—	7,420	10,018	—	4,279	6,793
Total	<u>\$ 49,070,040</u>	<u>\$ 44,371,905</u>	<u>\$ 46,653,768</u>	<u>\$ 54,090,072</u>	<u>\$ 47,594,943</u>	<u>\$ 43,059,957</u>	<u>\$ 39,776,081</u>	<u>\$ 40,127,930</u>	<u>\$ 39,689,568</u>	<u>\$ 42,243,652</u>

Iowa Western Community College
SCHEDULE OF CURRENT FUND REVENUES BY SOURCE AND
EXPENDITURES BY FUNCTION

	Year ended June 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
REVENUES										
State appropriations	\$19,454,212	\$18,447,668	\$19,305,172	\$17,050,645	\$16,919,451	\$17,101,538	\$15,558,456	\$15,470,453	\$16,305,571	\$15,752,992
Tuition and fees	26,188,342	25,628,477	22,766,642	23,321,432	23,114,651	23,218,602	23,114,859	22,395,504	23,104,386	23,239,680
Property tax	10,838,193	8,546,427	8,172,749	10,891,895	6,976,601	4,266,560	6,377,590	6,591,455	6,273,343	8,111,549
Federal appropriations	10,110,369	8,848,877	10,775,409	20,419,854	16,211,474	13,433,618	10,661,721	11,213,636	10,829,129	12,332,345
Sales and services	744,405	583,258	755,338	797,774	533,590	578,060	733,707	803,328	934,651	538,709
Interest on investments	777,950	1,117,430	800,414	40,913	146,697	270,275	404,731	219,789	71,757	43,370
Iowa Industrial New Jobs Training Program	1,394,474	2,653,195	1,005,428	1,980,849	243,914	554,969	1,672,964	852,550	371,188	863,256
Gifts and grants	289,432	338,531	186,821	270,222	366,140	229,879	275,950	285,227	297,105	286,657
Miscellaneous	1,038,405	744,896	716,970	541,791	226,800	614,504	250,720	559,197	381,556	162,508
Auxiliary enterprises	14,228,770	14,260,790	13,156,472	13,005,504	11,410,343	11,011,542	13,341,974	13,564,063	14,028,276	14,272,681
Totals	<u>\$85,064,552</u>	<u>\$81,169,549</u>	<u>\$77,641,415</u>	<u>\$88,320,879</u>	<u>\$76,149,661</u>	<u>\$71,279,547</u>	<u>\$72,392,672</u>	<u>\$71,955,202</u>	<u>\$72,596,962</u>	<u>\$75,603,747</u>
EXPENDITURES										
Liberal arts and sciences	\$ 8,794,876	\$ 8,536,514	\$ 8,551,409	\$ 8,689,782	\$ 8,776,135	\$ 8,677,419	\$ 8,537,937	\$ 8,573,835	\$ 9,300,286	\$ 9,234,994
Career and technical	8,749,594	8,094,969	8,631,499	7,581,035	6,827,591	6,669,448	6,087,487	6,796,821	8,112,449	8,737,715
Adult education	4,326,981	3,735,887	3,128,178	2,803,319	2,790,702	2,714,033	2,764,140	2,754,659	3,134,086	3,467,937
Cooperative services	1,729,664	3,155,975	1,436,614	1,966,722	616,074	800,741	2,096,037	993,849	861,539	1,023,043
Administration	5,892,471	5,377,647	4,428,439	4,883,208	4,854,850	4,879,792	4,889,520	4,482,504	3,695,297	3,857,674
Student services	7,051,873	6,554,586	6,086,668	12,643,444	7,104,309	7,009,307	5,205,614	5,074,095	4,582,709	4,396,002
Learning resources	262,998	220,383	219,167	203,638	197,129	225,621	219,136	208,547	563,733	404,062
Physical plant	10,325,277	8,988,250	7,084,012	6,498,796	6,658,156	6,342,286	6,026,735	5,103,986	5,687,168	4,738,903
General institution	9,059,714	11,455,157	10,037,323	11,177,860	14,114,319	7,639,181	8,711,871	9,383,490	8,990,131	10,771,458
Auxiliary enterprises	12,752,967	12,163,157	10,591,739	10,680,958	9,431,664	9,223,044	10,317,069	9,835,214	10,437,165	10,535,380
Scholarships and grants	9,960,184	8,468,877	8,145,220	8,927,178	9,321,429	9,663,920	10,346,141	10,929,968	10,048,565	11,216,399
Interest on indebtedness	166,808	168,002	138,520	103,185	119,441	130,520	121,282	95,059	51,644	123,550
Totals	<u>\$79,073,407</u>	<u>\$76,919,404</u>	<u>\$68,478,788</u>	<u>\$76,159,125</u>	<u>\$70,811,799</u>	<u>\$63,975,312</u>	<u>\$65,322,969</u>	<u>\$64,232,027</u>	<u>\$65,464,772</u>	<u>\$68,507,117</u>

Iowa Western Community College
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	New Loans and New Loan Guarantees
U.S. DEPARTMENT OF AGRICULTURE				
Direct				
Child and Adult Care Food Program	10.558		\$ 9,059	\$ -
Indirect				
SNAP Food Assistance Employment & Training	10.561	ACFS-22-092	4,742	-
Total U.S. Department of Agriculture			<u>13,801</u>	<u>-</u>
U.S. DEPARTMENT OF TRANSPORTATION				
Direct				
Aviation Maintenance Technical Workforce Grant Program	20.112		388,212	-
Total U.S. Department of Transportation			<u>388,212</u>	<u>-</u>
U.S. DEPARTMENT OF THE TREASURY				
Indirect				
<i>Passed Through Iowa Workforce Development</i>				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	54,540	-
Total U.S. Department of the Treasury			<u>54,540</u>	<u>-</u>
SMALL BUSINESS ADMINISTRATION				
Indirect				
<i>Passed Through Iowa State University</i>				
Small Business Development Center	59.037	SBAOEDSB240068 & JYKUF44SKXL9	145,660	-
Total Small Business Administration			<u>145,660</u>	<u>-</u>
DEPARTMENT OF VETERANS AFFAIRS				
Direct				
Post 9/11 GI Bill	64.028		237,726	-
Veteran Information and Assistance	64.115		57,748	-
Total Department of Veterans Affairs			<u>295,474</u>	<u>-</u>
U.S. DEPARTMENT OF EDUCATION				
Student Financial Assistance Cluster				
Direct				
Federal Supplemental Educational Opportunity Grants (SEOG)	84.007		173,521	-
Federal Work-Study Program (FWS)	84.033		130,109	-
Federal Pell Grant Program	84.063		8,467,668	-
Federal Direct Student Loans (Direct Loans)	84.268		-	8,579,780
Total Student Financial Assistance Cluster			<u>8,771,298</u>	<u>8,579,780</u>
Federal Trio Cluster				
Direct				
TRIO - Student Support Services Program	84.042		341,584	-

Iowa Western Community College
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
Year ended June 30, 2025

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>New Loans and New Loan Guarantees</u>
U.S. DEPARTMENT OF EDUCATION (continued)				
Indirect				
<i>Passed Through Iowa Department of Education</i>				
Adult Education - Basic Grants to States Program	84.002	40002A22015	297,287	-
Adult Education - Basic Grants to States Program	84.002	V002A200015	<u>187,353</u>	-
Total Adult Education - Basic Grants to States Program			<u>484,640</u>	-
<i>Passed Through Iowa Department of Corrections</i>				
Title I State Agency Prog. for Neglected and Delinquent Children and Youth	84.013	S013A200015	405,988	-
Neglected, Delinquent, or At-Risk - Title I, Part D	84.013A	N/A	<u>89,610</u>	-
Total Title I State Agency Prog. for Neglected and Delinquent Children and Youth			<u>495,598</u>	-
<i>Passed Through Iowa Department of Education</i>				
Fund for the Improvement of Postsecondary Education	84.116Z	N/A	<u>69,094</u>	-
<i>Passed Through Iowa Department of Education</i>				
Career and Technical Education - Basic Grants to States	84.048	V048A200015	418,053	-
CCTC Perkins	84.048	N/A	<u>59,938</u>	-
Total Career and Technical Education - Basic Grants to States			<u>477,991</u>	-
Total U.S. Department of Education			<u>10,640,205</u>	<u>8,579,780</u>
Total Expenditures of Federal Awards			<u>\$ 11,537,892</u>	<u>\$ 8,579,780</u>

Iowa Western Community College
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2025

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (schedule) includes the federal award activity of Iowa Western Community College (the College) under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2, *U.S. Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the College.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures

Expenditures reported in the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Certain expenditures of federal funds are not separately identifiable in the accounting records of the College. These programs are jointly funded with College monies and are not required to be accumulated in the accounting records by funding source. For report purposes, the amount of federal expenditures is shown equal to the amount of federal awards received.

Program Activity

Various reimbursement procedures are used for federal awards received by the College. Additionally, the federal grant periods are variable, while the College's year end is June 30. Consequently, timing differences between expenditures and program reimbursement can exist at the beginning and end of the year. These timing differences will be resolved over the term of the grant period.

NOTE 3 INDIRECT COST RATE

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

NOTE 4 STUDENT FINANCIAL ASSISTANCE

The College is responsible only for the performance of certain administrative duties with respect to the Federal Direct Student Loan Program and, accordingly, these loans are not included in its financial statements. It is not practical to determine the balance of the loans outstanding to students and former students of the College under this program at June 30, 2025.

**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**

Board of Trustees
Iowa Western Community College
Council Bluffs, Iowa

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 business type activities and the fiduciary activities of Iowa Western Community College (the College), and its discretely presented component unit as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 8, 2025. The financial statements of the discretely presented component unit, Iowa Western Community College Foundation, were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the discretely presented component unit.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College'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 that are required to be reported under *Government Auditing Standards*.

Comments involving statutory and other legal matters about the College's operations for the year ended June 30, 2025 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the College. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The logo for Denman CPA LLP features the name 'Denman CPA LLP' in a stylized, cursive script font. Below the script, the words 'Denman CPA LLP' are written in a clean, sans-serif font.

West Des Moines, Iowa
December 8, 2025

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

Board of Trustees
Iowa Western Community College
Council Bluffs, Iowa

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Iowa Western Community College's (the College) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2025. The College's major federal programs are identified in the summary of independent auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

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 the College 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 the College'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 the College'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 the College'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 generally accepted auditing standards, *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 substantial likelihood that individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment 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 the College'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 the College'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 the College'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 that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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.

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.


Denman CPA LLP

West Des Moines, Iowa
December 8, 2025

**Iowa Western Community College
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2025**

Part I – Summary of Independent Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified opinions

Internal control over financial reporting:

- Material weakness(es) identified? Yes **X** No
- Significant deficiency(ies) identified? Yes **X** None reported

Noncompliance material to financial statements noted? Yes **X** No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes **X** No
- Significant deficiency(ies) identified? Yes **X** None reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified opinion

- Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes **X** No

Identification of major federal programs:

**Assistance Listing Number
84.007, 84.033, 84.063, 84.268 —
Student Financial Assistance Cluster**

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee? **X** Yes No

Iowa Western Community College
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
Year ended June 30, 2025

**Part II—Findings Relating to the Financial Statements Reported in Accordance with
*Government Auditing Standards***

INTERNAL CONTROL DEFICIENCIES

None.

INSTANCES OF NONCOMPLIANCE

No matters were noted.

Part III—Findings and Questioned Costs for Federal Awards

INTERNAL CONTROL DEFICIENCIES

None.

INSTANCES OF NONCOMPLIANCE

No matters were noted.

Iowa Western Community College
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
Year ended June 30, 2025

Part IV—Other Findings Related to Required Statutory Reporting

IV-A-25 CERTIFIED BUDGET

The College did not exceed its budget for the year ended June 30, 2025.

IV-B-25 QUESTIONABLE DISBURSEMENTS

No expenditures that did not meet the requirements of public purpose, as defined in the Attorney General's opinion dated April 25, 1979, were noted.

IV-C-25 TRAVEL EXPENSE

No expenditures of College money for travel expenses of spouses of College officials or employees were noted. No travel advances to College officials or employees were noted.

IV-D-25 BUSINESS TRANSACTIONS

No business transactions between the College and College officials or employees were noted.

IV-E-25 RESTRICTED DONOR ACTIVITY

No transactions were noted between the College, College officials, College employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

IV-F-25 BOND COVERAGE

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

IV-G-25 BOARD MINUTES

No transactions were found that we believe should have been approved in the Board minutes but were not.

IV-H-25 PUBLICATION OF RECEIPTS AND DISBURSEMENTS

The College published a statement showing all receipts and disbursements of all funds, including the names of all persons, firms, or corporations to which disbursements were made, as required by Section 260C.14(12) of the Code of Iowa.

IV-I-25 DEPOSITS AND INVESTMENTS

No instances of noncompliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the College's investment policy were noted.

IV-J-25 CREDIT AND CONTACT HOURS

Eligible credit and contact hours reported to the Iowa Department of Education by the College for the year ended June 30, 2025 were supported by detailed records maintained by the College.

APPENDIX E- FORM OF ISSUE PRICE CERTIFICATES

EXHIBIT A IOWA WESTERN COMMUNITY COLLEGE, IOWA \$55,000,000 GENERAL OBLIGATION SCHOOL BONDS, SERIES 2026

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser") [the "Representative"] 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 (March 23, 2026), 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 Iowa Western Community College.
 - 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 March 16, 2026.
 - 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: April 13, 2026

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
IOWA WESTERN COMMUNITY COLLEGE, IOWA
\$55,000,000 GENERAL OBLIGATION SCHOOL BONDS, SERIES 2026

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 March 16, 2026.
 - 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: April 13, 2026

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)