



**PIONEERING  
PATHWAYS**

**\$39,005,000\***

**Okoboji Community School District, Iowa  
General Obligation School Bonds, Series 2026**

(Award scheduled to occur at board meeting starting 11:30am CT on April 28, 2026)

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

DATE: Tuesday, April 28, 2026  
TIME: 10:00 AM  
PLACE: Administrative Office  
1205 7th Street  
Milford, IA 51351  
Telephone: (712)338-4757

Moody's Rating: "Aa3"

\* 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 Okoboji Community School District, Iowa (the "Issuer")

Re: \$39,005,000\* General Obligation School Bonds, Series 2026, dated the date of delivery, of the Issuer (the "Bonds")

For all or none of the 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, 2027	_____	_____	June 1, 2037
_____	_____	June 1, 2028	_____	_____	June 1, 2038
_____	_____	June 1, 2029	_____	_____	June 1, 2039
_____	_____	June 1, 2030	_____	_____	June 1, 2040
_____	_____	June 1, 2031	_____	_____	June 1, 2041
_____	_____	June 1, 2032	_____	_____	June 1, 2042
_____	_____	June 1, 2033	_____	_____	June 1, 2043
_____	_____	June 1, 2034	_____	_____	June 1, 2044
_____	_____	June 1, 2035	_____	_____	June 1, 2045
_____	_____	June 1, 2036	_____	_____	June 1, 2046

\_\_\_\_\_ 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 utilize bond insurance from company \_\_\_\_\_ with a premium of \$ \_\_\_\_\_

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

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

NET INTEREST COST:\$ \_\_\_\_\_ TRUE INTEREST COST \_\_\_\_\_ %  
 (Computed from the dated date)

\_\_\_\_\_  
 Account Manager

\_\_\_\_\_  
 Signature of Account Manager

The foregoing offer is hereby accepted by and on behalf of the Board of Directors of the Okoboji Community School District, in the Counties of Dickinson and Clay, State of Iowa, this 28th day of April, 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 \$39,005,000\* dated the date of delivery.

**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 final par amount will not exceed \$39,005,000.

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

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

**Interest:** Interest on said Bonds will be payable on June 1, 2027 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 \$390,050\* for the Bonds, payable to the order of the Issuer, is required for each bid to be considered. If a check is used, it must accompany each bid. If a wire is to be used, it must be received by the Issuer not later than two hours after the time stated for receipt of bids.

The Municipal Advisor or the Issuer will provide the apparent winning bidder (the "Purchaser") with wiring instructions by email, within 20 minutes of the stated time when bids are due. If the wire is not received at the indicated time above, the Issuer will abandon its plan to award to the Purchaser and will contact the next highest bidder received and offer said bidder the opportunity to become the Purchaser, on the terms as outlined in said bidder's bid, so long as said bidder submits a good faith wire within two hours of the time offered. The Issuer will not award the Bonds to the Purchaser absent receipt of the Deposit prior to action awarding the Bonds. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its bid, the Deposit will be retained by the Issuer.

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\* Preliminary, subject to change

**Form of Bids:** In conformity to the limitations set forth herein, all bids shall be unconditional for the entire issue of Bonds for a price of not less than 100% nor more than 104% of par. Bids must be submitted on or in substantial compliance with the Official Bid Form provided by the Issuer or through the Internet Bid System. The Issuer shall not be responsible for any malfunction or mistake made by any person, or as a result of the use of the electronic bid, facsimile facilities or the means used to deliver or complete a bid. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

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

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

**Sealed Bidding:** Sealed bids may be submitted and will be received at the Administration Office, Okoboji Community School District, 1205 7th Street, Milford, IA 51351.

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

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

**Electronic Facsimile Bidding:** No faxed bids are permitted.

**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 2036 to 2046 may be lower than the interest bid in the immediately preceding maturity (level or ascending only, 2035 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 E, 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 Terms 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 APRIL 17, 2026**

**NEW ISSUE - DTC BOOK ENTRY ONLY**

Moody's Rating: "Aa3"

*Assuming compliance with certain covenants, in the opinion of Ahlers & Cooney, P.C., Bond Counsel, under present law and assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Bonds is excludable from gross income for federal income tax purposes and interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest 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 CONSIDERATIONS" herein for a more detailed discussion.*



**PIONEERING  
PATHWAYS**

**\$39,005,000\* Okoboji Community School District, Iowa  
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 June 1, 2027 to the registered owners thereof. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

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

**MATURITY SCHEDULE \***

<u>Bonds Due</u>	<u>Amount*</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip #'s **</u>	<u>Bonds Due</u>	<u>Amount*</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip #'s **</u>
June 1, 2027	\$1,935,000			679256 EE3	June 1, 2037	\$1,800,000			679256 EQ6
June 1, 2028	1,235,000			679256 EF0	June 1, 2038	1,875,000			679256 ER4
June 1, 2029	1,305,000			679256 EG8	June 1, 2039	1,960,000			679256 ES2
June 1, 2030	1,355,000			679256 EH6	June 1, 2040	2,040,000			679256 ET0
June 1, 2031	1,415,000			679256 EJ2	June 1, 2041	2,130,000			679256 EU7
June 1, 2032	1,485,000			679256 EK9	June 1, 2042	2,230,000			679256 EV5
June 1, 2033	1,185,000			679256 EL7	June 1, 2043	2,335,000			679256 EW3
June 1, 2034	875,000			679256 EM5	June 1, 2044	2,445,000			679256 EX1
June 1, 2035	1,655,000			679256 EN3	June 1, 2045	2,560,000			679256 EY9
June 1, 2036	1,730,000			679256 EP8	June 1, 2046	5,455,000			679256 EZ6

\$ \_\_\_\_\_ % Term bond due Priced to yield CUSIP # \_\_\_\_\_

The Bonds are being offered when, as and if issued by the Issuer and accepted by the Underwriter, subject to receipt of an opinion as to legality, validity and tax exemption by Ahlers & Cooney, P.C., Des Moines, Iowa, Bond Counsel. Ahlers & Cooney, P.C., is also serving as Disclosure Counsel to the Issuer in connection with the issuance of the Bonds. Piper Sandler & Co. is serving as Municipal Advisor 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. It is expected that the Bonds in the definitive form will be available for delivery through the facilities of DTC on or about June 2, 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 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 QUALIFICATION OF THESE SECURITIES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THESE SECURITIES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SECURITIES OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

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," "projected," "estimate," "budget" "pro forma," "forecast," "intend," or similar words. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS TO DIFFER. THE ISSUER DOES NOT EXPECT OR INTEND TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

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

**OFFICIAL STATEMENT**  
**\$39,005,000\* OKOBOJI COMMUNITY SCHOOL DISTRICT, IOWA**  
**GENERAL OBLIGATION SCHOOL BONDS, SERIES 2026**

**INTRODUCTORY STATEMENT**

This Official Statement presents certain information relating to the Okoboji Community School District, Iowa (the “District”) or the “Issuer”), in connection with the sale of the Issuer’s General Obligation School Bonds, Series 2026 (the “Bonds”). Proceeds of the Bonds are being issued to provide funds to: (i) construct a new elementary school and (ii) renovate and construct additions to the existing high school building; and (iii) pay costs of issuance on the Bonds (the “Project”). The Bonds will be issued pursuant to a Resolution authorizing the issuance of the Bonds expected to be adopted on or about May 13, 2026 (the “Resolution” or the “Bond Resolution”). See “**SOURCES AND USES OF FUNDS**” herein.

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

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

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

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

**THE BONDS**

**General**

The Bonds are dated as of the date of delivery and will bear interest at the rates to be set forth on the cover page herein, interest payable on June 1 and December 1 in each year, beginning on June 1, 2027, calculated on the basis of a year of 360 days and twelve 30-day months. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

**Authorization for the Issuance**

The Bonds are being issued pursuant to the Code of Iowa, 2025, as amended, Chapter 296 and the Bond Resolution. Voters in the District authorized the issuance of not to exceed \$69,000,000 General Obligation Bonds to pay costs of the Project at an election held November 5, 2024. The Issuer issued \$29,995,000 General Obligation School Bonds, Series 2025 on July 23, 2025 to pay costs of the Project.

**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 Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities in the aggregate principal amount of such issue, and will be deposited with DTC.

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\* Preliminary, subject to change

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the 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](http://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 the 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 has 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 Participant 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 the 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.

The 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 or interest and premium, if any, on the Bonds, (ii) certificates representing an ownership interest or other confirmation of beneficial ownership interest in the Bonds, or (iii) redemption or other notices sent to DTC or Cede & Co., its nominee, as the Registered Owner of the Bonds, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current “Rules” applicable to DTC are on file with the Securities Exchange Commission, and the current “Procedures” of DTC to be followed in dealing with Direct Participants are on file with DTC.

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

## **Transfer and Exchange**

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

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

## **Prepayment**

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

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

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

\_\_\_\_\_ Term Bond  
Mandatory Sinking Fund Date    Principal Amount  
§

(maturity)

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

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

### **Source of Security for the Bonds**

The Bonds are general obligations of the Issuer. Per Iowa Code section 76.2, prior to issuing general obligation debt the governing authority of Iowa political subdivision shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years. A certified copy of this resolution must be filed with the county auditor or the auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditors to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full. Upon issuance of the Bonds, the Issuer will levy taxes for the years and in amounts sufficient to provide 100% of annual principal and interest due on the Bonds. If, however, the amount credited to the debt service fund for payment of the Bonds is insufficient to pay principal and interest, whether from transfers or from original levies, the Issuer is required to levy ad valorem taxes upon all taxable real property within the boundaries of 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. Such alterations could affect the Issuer’s financial condition and/or the property tax revenues available to pay the Bonds. Historically, the Iowa General Assembly has applied changes in property taxation structure on a prospective basis; however, there is no assurance that future changes in property taxation structure by the Iowa General Assembly will not be retroactive. It is impossible to predict the outcome of future property tax changes by the Iowa General Assembly or their potential impact on the Issuer’s financial position. As noted in “**THE BONDS - Source of Security for the Bonds**,” under Iowa Code section 76.2 the Issuer will by resolution provide for the assessment of an annual levy upon all the taxable property within the boundaries of the Issuer sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years.

### **Matters Relating to Enforceability of Agreements**

There is no Bond trustee or similar person to monitor or enforce the provisions of the Bond Resolution. The owners of the Bonds should, therefore, be prepared to enforce such provisions themselves if the need to do so arises. In the event of a default in the payment of principal of or interest on the Bond, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the Issuer and certain other public officials to perform the terms of the Bond Resolution) 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, including principal of and interest on the Bonds.

### **Secondary Market**

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

### **Pension**

The Issuer contributes to the Iowa Public Employees’ Retirement System (“IPERS”), which is a state-wide multiple-employer cost-sharing defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. All full-time employees of the Issuer are required to participate in IPERS. IPERS plan members are required to contribute a percentage of their annual salary, in addition to the Issuer being required to make annual contributions to IPERS. Contribution amounts are set by State statute. The IPERS Annual Comprehensive Financial Report for its fiscal year ended June 30, 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, while its net pension liability at June 30, 2024, was approximately \$3.641 billion. The IPERS ACFR is available on the IPERS website, or by contacting IPERS at 7401 Register Drive, Des Moines, IA 50321. See “**APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THE ISSUER**” for additional information on IPERS.

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

In fiscal year ended June 30, 2025, the Issuer's IPERS contribution totaled approximately \$928,656. 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 \$3,721,846. 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 Investors Service, Inc. (the "Rating Agency") has assigned a rating of "Aa3" to the Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of the Rating Agency, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

### **Forward-Looking Statements**

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

### **Proposed Federal Tax Legislation**

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

### **State Legislative Change Related to School Choice**

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

The annual amount per account in the Fund is determined by the State Cost Per Pupil (SCPP) for that fiscal year and changes each year based on the State Percent of Growth (SPG). For fiscal year ending June 30, 2026, the SCPP is \$7,988, which amount will be deposited into the Fund, instead of being sent to the Issuer, for each qualifying student within the Issuer attending a nonpublic school. HF68 provides that a District is funded in an amount of \$1,176 per student for resident pupils who attend a nonpublic school. According to the Department of Education, there were 6 students who resided within the boundaries of the Issuer but attend non-public schools for the 2022-23 school year; 8 students for the 2023-24 school year; and 13 students for the

2024-25 school year; and 14 students for the 2025-26 school year. It is unknown how many additional students, if any, will attend non-public schools in future years. If a significant number of eligible students in the Issuer transition to non-public schools, it could have an adverse impact on the Issuer's finances given the reduction in per student funding the Issuer would otherwise receive. The Bonds are general obligations of the Issuer. See "**THE BONDS – Source of Security for the Bonds**" herein.

### **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.**"

### **Project Completion; Risks of Construction**

A delay in completion of the Project may arise from any number of other causes, including but not limited to, adverse weather conditions, unavailability of subcontractors, and negligence on the part of subcontractors, labor disputes, or unanticipated costs of construction, equipping or renovation. Any of these events or occurrences, separately or in combination, could have a material adverse effect on the Issuer's ability to complete the Project, or to complete it as planned and on schedule. The Issuer believes that the proceeds of the Bonds, plus the proceeds of the previously issued \$29,995,000 General Obligation School Bonds, Series 2025, dated July 23, 2025 authorized by the voters which are expected to be issued in 2026 will be sufficient to complete the Project; however, the cost of construction of the Project may be affected by factors beyond the control of the Issuer, including strikes, material shortages, disruption in the supply chain, adverse weather conditions, subcontractor defaults, delays, and unknown contingencies.

### **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.

### **Damage or Destruction to District's Facilities**

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

### **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 - Prepayment**" herein. Any person who purchases the Bonds at a price in excess of their principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See "**THE BONDS – Prepayment**" herein.

### **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 District from its business activities, such as its status as an employer. While the District maintains general liability insurance coverage, the District 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 District's financial condition.

### **Risks as Employer**

The Issuer is a major employer, combining a complex mix of full-time faculty, part-time faculty, technical and clerical support staff and other types of workers in a single operation. As with all large employers, the Issuer bears a wide variety of risks in

connection with its employees. These risks include discrimination claims, personal tort actions, work-related injuries, exposure to hazardous materials, interpersonal torts (such as between employees or between employees and students) and other risks that may flow from the relationships between employer and employee or between students and employees. Certain of these risks are not covered by insurance, and certain of them cannot be anticipated or prevented in advance.

## **Cybersecurity**

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

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

## **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 judgement as to its ability to bear the economic risk of such and investment, and whether or not the Bonds are an appropriate investment for such investor.

## **Bankruptcy and Insolvency**

The rights and remedies provided in the Bond 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 Bond 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 Bond Resolution. In the event the Issuer fails to comply with its covenants under the Bond 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 and Loss of Tax Exemption**

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

The Issuer will NOT designate the Bonds as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

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

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

## **Factors Beyond Issuer's Control**

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

## **Risk of Audit**

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

## **Summary**

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

## **LITIGATION**

The District encounters litigation occasionally, as a course of business, however, no litigation currently exists that is not believed to be covered by current insurance carriers and no litigation has been proposed that questions the validity of these bonds.

## **ACCOUNTANT**

The accrual-basis financial statements of the Issuer included as APPENDIX D to this Official Statement have been examined by Trust Point, 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**

Proceeds of the Bonds are being issued to provide funds to: (i) construct a new elementary school; (ii) renovate and construct additions to the existing high school building; and (iii) pay costs of issuance on 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		\$

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

### **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 under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on 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.

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\* Preliminary, subject to change

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. The introduction or enactment of any other legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed tax legislation, as to which Bond Counsel expresses no opinion other than as set forth in its

legal opinion.

### **The Opinion**

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

Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the Issuer described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service, nor does the rendering of the opinion guarantee the outcome of any legal dispute that may arise out of the transaction. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise.

### **Enforcement**

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

The owners of the Bonds cannot foreclose on property within the boundaries of the Issuer or sell such property in order to pay the debt service on the Bonds. In addition, the enforceability of the rights and remedies of owners of the Bonds may be subject to limitation as set forth in Bond Counsel's opinion. The opinion will state, in part, that the obligations of the Issuer with respect to the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, to the exercise of judicial discretion in appropriate cases and to the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

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

## **LEGAL MATTERS**

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

Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements, or data contained in this Official Statement and will express no opinion with respect thereto. Bond Counsel has not participated in the preparation of this Official Statement other than to review or prepare information describing the terms of the Bonds, Iowa and Federal law pertinent to the validity of the Bonds, and the tax status of interest on the Bonds which can be found generally under the sections "**THE BONDS**", "**THE BONDS - Source of Security for the Bonds**", and "**TAX EXEMPTION AND RELATED TAX MATTERS**". 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.

## **CONTINUING DISCLOSURE**

To meet the requirements of United States Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(5) (the "Rule"), as applicable to the Underwriter, the Issuer will covenant for the benefit of the Holders of the Bonds to provide certain financial information and operating data relating to the Issuer, and to provide notices of the occurrence of certain enumerated events, if

material (the “Disclosure Covenants”). The specific nature of the information that the Issuer may provide pursuant to the Undertaking is summarized herein under the caption “**APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE.**”

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

For the previous five (5) year period, the Issuer believes it has complied with the Rule in all material respects except as described below. The following disclosure is being provided by the Issuer for the sole purpose of assisting the Underwriter in complying with the Rule. The Issuer failed to timely file a material event notice of entry into a Master Lease Purchase Agreement with Apple, Inc. on May 1, 2023. The Issuer filed the Master Lease Purchase Agreement and a Failure to File notice on October 4, 2023. The Issuer failed to timely file a material event notice of entry into a Master Governmental Lease Purchase Agreement with Wells Fargo Bank, N.A. dated August 3, 2023, and a Master Lease Agreement dated November 21, 2024. The Issuer filed the Agreements and a Failure to File notice on March 14, 2025.

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

### **MISCELLANEOUS**

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

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

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

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

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

OKOBOJI COMMUNITY SCHOOL DISTRICT, STATE OF IOWA

/s/ Lacey Johnson  
Board Secretary

**APPENDIX A - INFORMATION ABOUT THE ISSUER**  
**OKOBOJI COMMUNITY SCHOOL DISTRICT, IOWA**  
**DISTRICT OFFICIALS**

<b>PRESIDENT</b>	John Klopstad
<b>BOARD MEMBERS</b>	Joe Kennedy Jeanne Fisher Amanda Plathe Jill Kremmin
<b>SUPERINTENDENT</b>	Will Dible
<b>DISTRICT SECRETARY</b>	Lacey Johnson
<b>DISTRICT TREASURER</b>	Lacey Johnson
<b>DISTRICT ATTORNEY</b>	Ahlers & Cooney P.C. Des Moines, Iowa

**CONSULTANTS**

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

**General Information**

Okoboji Community School District is located in Northwest Iowa in Dickinson and Clay Counties. The District covers much of the southern portion of the Iowa Great Lakes Area, a string of seven natural lakes, of which West Okoboji and Big Spirit Lake are the two primary lakes. Much of the development surrounding West Lake Okoboji, East Lake Okoboji and a series of smaller lakes is wholly or partially contained within the District.

**District Facilities (1)**

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

<u>Building</u>	<u>Construction Date</u>	<u>Grades Served</u>
High School	1962, 1968, 1993, 2003, 2017	9-12
Middle School	2020	5-8
Elementary	1911, 1929, 1955, 1976, 2003, 2010	PK-4

**Enrollment (3)**

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

<u>Count Date</u>	<u>Fiscal Year effective</u>	<u>Certified (Resident) (4) (5)</u>	<u>Open Enroll In</u>	<u>Open Enroll Out</u>	<u>Total Served (6)</u>
October-25	2026-27	976.7	216.1	123.2	1,069.6
October-24	2025-26	1,015.4	233.1	118.3	1,130.2
October-23	2024-25	1,024.4	233.0	108.4	1,149.0
October-22	2023-24	1,065.8	213.0	113.1	1,165.7
October-21	2022-23	1,043.2	184.1	99.0	1,128.3

**Staff (1)**

Presented below is a list of the Issuer's 222 employees.

Administrators:	7	Media Specialists:	3
Teachers:	95	Nurses:	2
Teacher Aids:	91	Guidance:	3
Custodians:	9	Secretaries:	5
Food Service:	15	Transportation:	3
Other:	0	Maintenance:	2

**Population (2)**

Presented below are population figures for the periods indicated for the cities of Milford, Arnolds Park, Okoboji and West Okoboji:

<u>Year</u>	<u>Milford</u>	<u>Arnolds Park</u>	<u>Okoboji</u>	<u>West Okoboji</u>
2020	3,321	1,110	768	308
2010	2,898	1,126	807	289
2000	2,474	1,162	820	432
1990	2,170	953	775	263
1980	2,076	1,051	559	435
1970	1,668	970	361	210

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

**Other Post-Employment Benefits (OPEB) (1)**

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

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

Retired participants must be age 55 or older at retirement. At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	10
<u>Active employees</u>	<u>188</u>
 Total	 198

Total OPEB Liability – The Issuer’s total OPEB liability of \$931,478 was measured as of June 30, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions – the total OPEB liability in the June 30, 2025<sup>4</sup> actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement:

Rate of inflation (effective 6/30/25)	2.50%
Rates of salary increase (effective 6/30/25) including inflation	3.25%
Discount rate (effective 6/30/25) including inflation	5.20%
Healthcare cost trend rate (effective 6/30/25)	7.60% initial rate decreasing to an ultimate rate of 3.90% in FY2076 and later years.

Discount Rate – The discount rate used to measure the total OPEB liability was 5.20%, 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 Pub-2010 General Mortality Table with projected mortality improvements based on Scale MP-2021 and other adjustments. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

Changes in the Total OPEB Liability:

Total OPEB obligation – beginning of year	\$981,711
Changes for the year	
	Service Cost 76,786
	Differences between expected and actual experience -
	Interest 40,629
	Change in assumption (97,436)
	<u>Benefit Payments (70,212)</u>
Net Changes	(50,233)
Net OPEB obligation – end of year	\$931,478

Changes of assumptions reflect a change in the discount rate from 3.97% in fiscal year 2024 to 5.20% in fiscal year 2025.

(1) Source: the Issuer

## Employee Pension Plan (1)

**Plan Description.** Iowa Public Employees’ Retirement System (“IPERS”) membership is mandatory for employees of the Issuer. The Issuer’s employees are provided with pensions through a cost-sharing multiple employer defined pension plan administered by IPERS. IPERS benefits are established under Iowa Code, Chapter 97B and the administrative rules thereunder. The Issuer’s employee who completed seven years of covered service or has reached the age of 65 while in IPERS covered employment becomes vested. If the Issuer’s employee retires before normal retirement age, the employees’ monthly retirement benefit will be permanently reduced by an early-retirement reduction. IPERS provides pension benefits as well as disability benefits to Issuer employees and benefits to the employees’ beneficiaries upon the death of the eligible employee. See “**APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER–NOTES TO THE FINANCIAL STATEMENTS**” for additional information on IPERS. Additionally, copies of IPERS annual financial report may be obtained from [www.ipers.org](http://www.ipers.org). Moreover, IPERS maintains a website at [www.ipers.org](http://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.** Effective July 1, 2012, as a result of a 2010 law change, IPERS contribution rates for the Issuer and its employees are established by IPERS following the annual actuarial valuation (which applies IPERS’ Contribution Rate Funding Policy and Actuarial Amortization method.) State statute, however, limits the amount rates can increase or decrease each year to one (1) percentage point. Therefore, any difference between the actuarial contribution rates and the contributions paid is due entirely to statutorily set contributions that may differ from the actual contribution rates. As a result, while the contribution rate in the fiscal year ended June 30, 2017 equaled the actuarially required rate, there is no guarantee, due to this statutory limitation on rate increases, that the contribution rate will meet or exceed the actuarially required rate in the future.

The Issuer’s contributions to IPERS is not less than that which is required by law. The Issuer’s share of the contribution, payable from the applicable funds of the Issuer, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The Issuer has always made its full required contributions to IPERS.

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

**Table 1 – Issuer and Employees Contribution to IPERS.**

Fiscal Year	Issuer Contribution		Issuer Employees’ Contribution	
	Amount Contributed	% of Covered Payroll	Amount Contributed	% of Covered Payroll
2021	750,005	9.44	515,554	6.29
2022	791,065	9.44	546,857	6.29
2023	847,262	9.44	576,563	6.29
2024	889,883	9.44	609,522	6.29
2025	928,656	9.44	614,348	6.29

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

**Table 2 – Recent returns of IPERS (1)**

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

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

(1) SOURCE: The Issuer

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

**Table 3 – Funding Status of IPERS (1)**

Valuation Date	Actuarial Value of Assets [a]	Market Value of Assets [b]	Actuarial Accrued Liability [c]	Unfunded Actuarial Accrued Liability (Actuarial Value) [c]-[a]	Funded Ratio (Actuarial Value) [a]/[c]	Unfunded Actuarial Accrued Liability (Market Value) [c]-[b]	Funded Ratio (Market Value) [b]/[c]	Covered Payroll [d]	UAAL as a Percentage of Covered Payroll (Actuarial Value) [[c-a]/[d]]
2021	37,584,987,296	42,889,875,682	42,544,648,750	4,959,661,454	88.34	-345,226,932	100.81	8,648,783,536	57.35
2022	39,354,232,379	40,191,566,259	43,969,714,606	4,615,482,227	89.50	3,778,148,347	91.40	9,018,019,950	51.18
2023	41,012,524,216	41,206,314,259	45,719,979,439	4,707,455,223	89.70	4,513,665,180	90.13	9,588,339,000	49.10
2024	42,927,257,062	43,661,123,300	47,302,619,657	4,375,362,595	90.75	3,641,496,357	92.30	10,003,675,315	43.74
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

**Net Pension Liabilities (2)**

At June 30, 2025, the Issuer reported a liability of \$3,721,846 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 Issuer’s proportion of the net pension liability was based on the Issuer’s share of contributions to the pension plan relative to the contributions of all IPERS participating employers. See “**APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER–NOTES TO THE FINANCIAL STATEMENTS**” for additional information related to the Issuer’s deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity.

Detailed information about the pension plan’s fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS’ website at [www.ipers.org](http://www.ipers.org).

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

**Investment of Public Funds (2)**

The Issuer invests its funds pursuant to Chapter 12B of the Code. Presented below is the Issuer’s investing activities as of February 28, 2026.

<u>Type of Investment</u>	<u>Amount Invested</u>
Local Bank Money Market	\$0
Local Bank Deposit Accounts	16,930,430.30
Local Bank Time CD’s	2,033,441.11
ISJIT Money Market	7,532.25
ISJIT Time CD’s	7,004,422.51

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

(2) Source: the Issuer

## Major Employers (1)

Following are the major employers within the Iowa Great Lakes region, which includes the Issuer and the neighboring cities of Okoboji, Arnolds Park and Spirit Lake, and the current number of people they employ. In addition to the specific employers listed in the table below, approximately 675 employees work for the various lodging and dining locations in the area:

<u>Employer</u>	<u>Industry</u>	<u>Approximate Employees</u>
Polaris Industries L.P.	ATV & motorcycle mfg.	600
Pure Fishing	Fishing accessories mfg.	400
Rosenboom Machine & Tool	Hydraulic cylinders	300
Spirit Lake CSD	Education	270
Lakes Regional Hospital	Hospital	250
Historic Arnolds Park Inc.	Education/Entertainment	150
Dickinson County	County Government	126
Okoboji CSD	Education	119
Hilltop Nursing Home	Health care	100
Northern Iowa Tool & Die	Aluminum & zinc die cast	100
Okoboji Summer Theatre	Summer stock theatre	75
Echo Plus	Contract packaging and assembly	60
Progressive Co., Inc.	Fish oil, chemicals	50
Brown Medical Industries	Medical supplies	50
City of Spirit Lake	Municipal Government	42

## Property Tax Assessment (2) (3)

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

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

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

Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the following fiscal year. For example, the assessments finalized on January 1, 2024 are used to calculate tax liability for the tax year starting July 1, 2025 through June 30, 2026. Presented below are the historic property valuations of the Issuer by class of property.

(1) Source: Iowa Workforce Development -employer database

(2) Source: Iowa Department of Revenue

(3) 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)

<b>Actual Valuation</b>					
Valuation as of January	2025	2024	2023	2022	2021
Fiscal Year End 6/30	<u>2027</u>	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Residential:	4,139,658,107	3,493,049,865	3,463,617,191	2,408,832,806	2,334,647,322
Agricultural Land:	162,473,640	118,960,810	118,982,210	91,080,780	91,127,070
Ag Buildings:	9,408,840	7,661,160	5,914,460	2,985,240	2,975,267
Commercial:	292,863,558	271,032,150	269,522,340	199,409,722	190,737,165
Industrial:	87,296,971	84,774,083	81,057,091	75,265,486	72,176,911
Multi-Residential	0	0	0	0	26,591,004
Reserved	0	0	0	0	0
Railroads:	0	0	0	0	0
Utilities:	11,771,834	9,211,053	9,656,528	9,315,038	10,410,997
Other:	0	0	0	0	0
<b>Total Valuation:</b>	<b>4,703,472,950</b>	<b>3,984,689,121</b>	<b>3,948,749,820</b>	<b>2,786,889,072</b>	<b>2,728,665,736</b>
Less Military:	1,270,412	1,298,213	1,336,064	621,907	666,720
Less Homestead:	4,556,500	4,478,500	2,106,000	0	0

Net Valuation:	4,697,646,038	3,978,912,408	3,945,307,756	2,786,267,165	2,727,999,016
TIF Valuation:	217,514,664	129,689,632	115,437,328	82,158,189	84,026,959
Utility Replacement:	42,414,018	42,833,513	42,584,935	40,568,201	38,202,929

<b>Taxable Valuation</b>					
Valuation as of January	2025	2024	2023	2022	2021
Fiscal Year End 6/30	<u>2027</u>	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Residential:	1,776,073,995	1,631,734,211	1,588,086,793	1,297,217,313	1,244,110,673
Agricultural Land:	96,574,496	87,861,457	85,473,236	83,469,203	81,140,658
Ag Buildings:	5,592,626	5,658,343	4,248,778	2,735,761	2,649,212
Commercial:	209,132,842	194,727,955	193,836,516	144,003,759	167,981,306
Industrial:	75,572,292	73,511,832	70,110,275	65,519,549	64,600,791
Multi-Residential	0	0	0	0	16,655,717
Reserved	0	0	0	0	0
Railroads:	0	0	0	0	0
Utilities:	11,489,388	9,211,053	9,656,528	9,315,038	10,410,997
Other:	0	0	0	0	0
<b>Total Valuation:</b>	<b>2,174,435,639</b>	<b>2,002,704,851</b>	<b>1,951,412,126</b>	<b>1,602,260,623</b>	<b>1,587,549,354</b>
Less Military:	1,270,412	1,298,213	1,336,064	621,907	666,720
Less Homestead:	4,556,500	4,478,500	2,106,000	0	0

Net Valuation:	2,168,608,727	1,996,928,138	1,947,970,062	1,601,638,716	1,586,882,634
TIF Valuation:	189,802,602	109,454,915	95,183,014	82,158,189	84,026,959
Utility Replacement:	6,263,988	6,656,723	6,878,699	7,106,160	6,691,714

Valuation	Fiscal	Actual	% change in Actual	Taxable	% change in Taxable
<u>Year</u>	<u>Year</u>	<u>Valuation</u>	<u>Valuation</u>	<u>Valuation</u>	<u>Valuation</u>
2025	2027	4,957,574,720	19.42%	2,364,675,317	11.91%
2024	2026	4,151,435,553	1.17%	2,113,039,776	3.07%
2023	2025	4,103,330,019	41.06%	2,050,031,775	21.24%
2022	2024	2,908,993,555	2.06%	1,690,903,065	0.79%
2021	2023	2,850,228,904	7.86%	1,677,601,307	4.19%

(1) Source: Iowa Department of Management

**Tax Rates (1)**

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

<u>Fiscal Year</u>	<u>Operating Fund</u>	<u>Management Fund</u>	<u>Board PPEL</u>	<u>Voter PPEL</u>	<u>Play Ground</u>	<u>Debt Service</u>	<u>School House</u>	<u>Amana Library</u>	<u>Total Levy</u>
2026	5.86150	0.35836	0.33000	0.00000	0.00000	2.70000	0.00000	0.00000	9.24986
2025	5.83543	0.38933	0.33000	0.00000	0.00000	2.69976	0.00000	0.00000	9.25452
2024	6.60021	0.62036	0.33000	0.00000	0.00000	1.70016	0.00000	0.00000	9.25073
2023	6.59462	0.37651	0.33000	0.00000	0.00000	1.70189	0.00000	0.00000	9.00302
2022	7.00562	0.65562	0.33000	0.00000	0.00000	1.24937	0.00000	0.00000	9.24061

**Historic Tax Rates (1)**

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

<u>Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Ag Extens</u>	<u>Hospital</u>	<u>County</u>	<u>Levy Rate</u>
2026	4.95000	9.24986	1.23389	0.00000	0.13538	0.07138	0.47557	2.45000	18.56608
2025	4.80000	9.25452	1.21926	0.00180	0.11826	0.07302	0.47560	3.39806	19.34052
2024	4.95000	9.25073	1.12437	0.00180	0.15833	0.08599	0.37260	3.50000	19.44382
2023	4.95000	9.00302	1.11044	0.00240	0.19847	0.08533	0.31881	2.69569	18.36416
2022	4.95000	9.24061	1.07170	0.00260	0.19322	0.08712	0.26854	2.91479	18.72858

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

<u>Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>Sanitary</u>	<u>State</u>	<u>Assessor</u>	<u>Ag Extens</u>	<u>Hospital</u>	<u>County</u>	<u>Levy Rate</u>
2026	12.57071	9.24986	1.23389		0.00000	0.13538	0.07138	0.47557	2.45000	26.18679
2025	12.57523	9.25452	1.21926	2.50000	0.00180	0.11826	0.07302	0.47560	3.39806	29.61575
2024	12.99160	9.25073	1.12437	2.50000	0.00180	0.15833	0.08599	0.37260	3.50000	29.98542
2023	13.00583	9.00302	1.11044	2.49999	0.00240	0.19847	0.08533	0.31881	2.69569	28.91998
2022	13.00571	9.24061	1.07170	2.50000	0.00260	0.19322	0.08712	0.26854	2.91479	29.28429

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

<u>Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Ag Extens</u>	<u>Hospital</u>	<u>County</u>	<u>Levy Rate</u>
2026	3.99000	9.24986	1.23389	0.00000	0.13538	0.07138	0.47557	2.45000	17.60608
2025	3.99000	9.25452	1.21926	0.00180	0.11826	0.07302	0.47560	3.39806	18.53052
2024	4.75000	9.25073	1.12437	0.00180	0.15833	0.08599	0.37260	3.50000	19.24382
2023	4.75000	9.00302	1.11044	0.00240	0.19847	0.08533	0.31881	2.69569	18.16416
2022	4.75000	9.24061	1.07170	0.00260	0.19322	0.08712	0.26854	2.91479	18.52858

**Tax Collection History (2)**

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

<u>Fiscal Year</u>	<u>Amount Levied</u>	<u>Amount Collected</u>	<u>Percentage Collected</u>
2026	18,899,188	In collection	NA
2025	18,410,205	18,165,417	98.67%
2024	15,074,034	15,046,383	99.82%
2023	14,544,209	14,552,002	100.05%
2022	14,255,472	14,284,307	100.20%

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

## Largest Taxpayers (1) (2)

Set forth in the following table are the persons or entities which represent the 2024 largest taxpayers within the Issuer. No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the Issuer. The Issuer’s tax levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the Issuer from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the tax levies of the other taxing entities which overlap the properties.

<u>Taxpayer</u>	<u>2024 Taxable Valuation</u>	<u>Percent of Total</u>
Lost Lakes Wind Farm LLC	48,351,070	2.288%
Interstate Power & Light Co. (2)	9,839,635	0.466%
Big Spirit Lake Holding LLC	9,617,345	0.455%
SummerLake LLC	9,059,966	0.429%
Historic Arnolds Park Inc.	7,469,137	0.353%
Land Mark Products Inc.	6,904,157	0.327%
Fillenwarth Beach Real Estate LLC	6,749,493	0.319%
Lucilemae LLC	6,699,416	0.317%
GF Land Partnership	6,257,059	0.296%
West Oaks Condominium Assoc Inc.	5,979,515	0.283%
	<b>Total</b>	<b>5.53%</b>

(1) Source: Dickinson County

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

## General Obligation School Bonds (Debt Service) (1)(2)

Presented below are the principal and interest due on the Issuer's outstanding General Obligation Bonds, including the Bonds, presented by fiscal year and issue:

<u>Fiscal Year</u>	<u>7/23/18(1)</u>	<u>7/23/25</u>	<u>The Bonds</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Admin fees</u>	<u>Total P&amp;I</u>
6/1/26 (3)	1,125,000	2,820,000	0	3,945,000	1,756,345	2,200	5,703,545
6/1/27	1,060,000	200,000	1,935,000	3,195,000	3,172,949	2,800	6,370,749
6/1/28	1,095,000	300,000	1,235,000	2,630,000	3,041,033	2,800	5,673,833
6/1/29	1,130,000	300,000	1,305,000	2,735,000	2,934,433	2,800	5,672,233
6/1/30	1,170,000	325,000	1,355,000	2,850,000	2,821,870	2,800	5,674,670
6/1/31	1,210,000	340,000	1,415,000	2,965,000	2,703,095	2,800	5,670,895
6/1/32	1,255,000	350,000	1,485,000	3,090,000	2,577,908	2,800	5,670,708
6/1/33	1,300,000	370,000	1,185,000	2,855,000	2,445,733	2,800	5,303,533
6/1/34	1,000,000	735,000	875,000	2,610,000	2,324,558	2,800	4,937,358
6/1/35		1,800,000	1,655,000	3,455,000	2,215,158	2,800	5,672,958
6/1/36		1,870,000	1,730,000	3,600,000	2,072,458	2,800	5,675,258
6/1/37		1,945,000	1,800,000	3,745,000	1,923,783	2,800	5,671,583
6/1/38		2,025,000	1,875,000	3,900,000	1,769,120	2,200	5,671,320
6/1/39		2,100,000	1,960,000	4,060,000	1,608,058	2,200	5,670,258
6/1/40		2,190,000	2,040,000	4,230,000	1,440,408	2,200	5,672,608
6/1/41		2,275,000	2,130,000	4,405,000	1,262,995	2,200	5,670,195
6/1/42		2,365,000	2,230,000	4,595,000	1,075,420	2,200	5,672,620
6/1/43		2,460,000	2,335,000	4,795,000	876,839	2,200	5,674,039
6/1/44		2,560,000	2,445,000	5,005,000	666,589	2,200	5,673,789
6/1/45		2,665,000	2,560,000	5,225,000	447,189	2,200	5,674,389
6/1/46			5,455,000	5,455,000	218,201	1,600	5,674,801
Totals:	11,450,000	29,995,000	39,005,000	80,450,000	39,542,110	55,200	120,047,310

(1) As of June 1, 2025, the Issuer has deposited \$7,525,000 into an Escrow Fund which will be used to pay a portion of the principal amount due on the June 1, 2033-34 maturities of the 7/23/18 bond, and all of the principal amount due in the years, 2035 - 2038 maturity, to be called on June 1, 2026. The escrow does not include any interest payments due, only principal due. The moneys held in the Escrow Fund are invested in SLGS and/or U.S. Treasury Obligations. The Escrow Fund is irrevocable.

(2) Preliminary, subject to change

(3) These maturities will be paid before closing on June 2, 2026.

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

Presented below are the principal and interest payments due on the Issuer’s outstanding School Infrastructure Sales, Services & Use Tax Revenue Bonds, presented by fiscal year and issue.

<u>Fiscal Year</u>	Series B <u>4/7/21</u>	Series A <u>4/26/21</u>	Tax. Series C <u>4/26/21</u>	Total <u>Principal</u>	Total <u>Interest</u>	Total <u>P&amp;I</u>
2027	440,000			440,000	282,860	722,860
2028	280,000		160,000	440,000	274,060	714,060
2029			450,000	450,000	265,580	715,580
2030			460,000	460,000	256,580	716,580
2031			485,000	485,000	246,920	731,920
2032		195,000	300,000	495,000	236,250	731,250
2033		505,000		505,000	225,450	730,450
2034		515,000		515,000	215,350	730,350
2035		530,000		530,000	205,050	735,050
2036		540,000		540,000	194,450	734,450
2037		550,000		550,000	183,650	733,650
2038		560,000		560,000	172,650	732,650
2039		570,000		570,000	161,450	731,450
2040		580,000		580,000	150,050	730,050
2041		595,000		595,000	138,450	733,450
2042		605,000		605,000	125,806	730,806
2043		620,000		620,000	112,950	732,950
2044		640,000		640,000	94,350	734,350
2045		655,000		655,000	75,150	730,150
2046		675,000		675,000	55,500	730,500
2047		695,000		695,000	35,250	730,250
2048		715,000		715,000	17,875	732,875
Totals:	720,000	9,745,000	1,855,000	12,320,000	3,725,681	16,045,681

(1) Source: the Issuer

**Debt Limit (1) (2) (3)**

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

	<u>FY2026</u>
Actual Valuation 1/1/24:	4,151,435,553
X	5%
<hr/>	
Statutory Debt Limit:	207,571,778
GO debt as of 6/30/2026	36,395,000
Plus the Bonds	39,005,000
Total Lease Purchases:	433,323
Total Loan Agreements:	0
Capital Leases:	0
<hr/>	
Total Debt Subject to Limit:	75,833,323
Percentage of Debt Limit Obligated:	36.53%

The constitutional debt limit calculation does not include the District's School Infrastructure Sales, Services & Use Tax Revenue Bonds. If the District's School Infrastructure Sales, Services & Use Tax Revenue Bonds are included in the constitutional debt limit calculation, the "Total Debt Subject to Limit" would increase \$12,320,000 to be \$88,153,323\*, or 42.47%\* of the statutory debt limit.

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- (1) Direct debt source: the Issuer
  - (2) Valuation data source: Iowa Department of Management
  - (3) Utility Property Tax Replacement: Beginning in 1999, the State replaced its previous property tax assessment procedure in valuing the property of entities involved primarily in the production, delivery, service and sale of electricity and natural gas with a replacement tax formula based upon the delivery of energy by these entities. Electric and natural gas utilities now pay replacement taxes to the State in lieu of property taxes. All replacement taxes are allocated among local taxing cities by the State Department of Revenue and Finance and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Properties of these utilities are exempt from the levy of property tax by political subdivisions. Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State. It is possible that the general obligation debt capacity of the Issuer could be adjudicated to be proportionately reduced in future years if utility property were determined to be other than "taxable property" for purposes of computing the Issuer's debt limit under Article XI of the Constitution of the State of Iowa. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the Issuer can issue or (ii) adversely affect the Issuer's ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations, including the Bonds.

\* Preliminary, subject to change

### Overlapping & Underlying Debt (1) (3)

Presented below is a listing of the overlapping and underlying debt outstanding of Issuers within the Issuer as of 6/30/24.

<u>Taxing Authority</u>	<u>GO Debt</u>	<u>Taxable</u>	<u>Valuation</u>	<u>Percentage</u>	<u>Amount</u>
	<u>Outstanding</u>	<u>Valuation</u>	<u>Within Issuer</u>	<u>Applicable</u>	<u>Applicable</u>
City Of Arnolds Park	6,120,000	498,386,441	498,386,441	100.00%	6,120,000
City Of Okoboji	5,303,000	559,329,015	371,418,427	66.40%	3,521,419
City Of Wahpeton	3,926,000	329,367,406	329,367,406	100.00%	3,926,000
City Of West Okoboji	0	247,158,504	247,158,504	100.00%	0
City Of Milford	14,235,000	221,021,877	221,021,877	100.00%	14,235,000
City Of Fostoria	0	12,358,634	10,733,677	86.85%	0
Dickinson County	6,675,000	4,215,375,861	2,094,177,469	49.68%	3,316,106
Clay County	19,695,251	1,390,236,419	18,862,307	1.36%	267,219
Iowa Lakes CC	14,400,000	9,229,916,250	2,113,039,776	22.89%	3,296,647
Prairie Lakes AEA	0	20,987,052,234	2,113,039,776	10.07%	0
Great Lakes Sanitary Sewer	49,215,552	3,474,203,917	1,744,379,751	50.21%	24,710,873

Total: 59,393,265

### FINANCIAL SUMMARY (1) (2) (3) (4) (5)

Actual Value of Property, 2024	4,151,435,553
Taxable Value of Property, 2024	2,113,039,776
Direct General Obligation Debt:	75,400,000
Overlapping Debt:	59,393,265
Direct & Overlapping General Obligation Debt:	134,793,265
Population, 2020 US Census:	7,158
Direct Debt per Capita:	10,534
Total Debt per Capita:	18,831
Direct Debt to Taxable Valuation:	3.568%
Total Debt to Taxable Valuation:	6.379%
Direct Debt to Actual Valuation:	1.816%
Total Debt to Actual Valuation:	3.247%
Actual Valuation per Capita:	579,971
Taxable Valuation per Capita:	295,200

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

## APPENDIX B – FORM OF LEGAL OPINION

We hereby certify that we have examined a certified transcript of the proceedings of the Board of Directors of the Okoboji Community School District in the Counties of Dickinson and Clay, State of Iowa, and acts of administrative officers of the School District (the "Issuer"), relating to the issuance of General Obligation School Bonds, Series 2026, by said Issuer, dated the date of delivery, in the denominations of \$5,000 or multiples thereof, in the aggregate amount of \$ \_\_\_\_\_ (the "Bonds").

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

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

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

1. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and issue the Bonds.
2. The Bonds are valid and binding general obligations of the Issuer.
3. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Bonds. Taxes have been levied by the Resolution for the payment of the Bonds and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent the necessary funds are not provided from other sources.
4. Interest on the Bonds is excludable from gross income for federal income tax purposes 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

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Okoboji Community School District, State of Iowa (the "Issuer"), in connection with the issuance of \$ \_\_\_\_\_ General Obligation School Bonds, Series 2026 (the "Bonds"), dated the date of delivery. The Bonds are being issued pursuant to a Resolution of the Issuer approved on May 13, 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. The Issuer shall, or shall cause the Dissemination Agent to, not later than April 15 after the end of the Issuer's fiscal year, commencing with information for the 2026/2027 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. Additional Filing. The Issuer's audited financial statements for fiscal year ending June 30, 2026, were not available for inclusion in the Final Official Statement. The Issuer agrees to file these audited financial statements in the same manner as the Annual Financial Information when they become available.

Section 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate with respect to each Series of Bonds shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds of that Series or upon the Issuer's receipt of an opinion of nationally recognized bond counsel to the effect that, because of legislative action or final judicial action or administrative actions or proceedings, the failure of the Issuer to comply with the terms hereof will not cause Participating Underwriters to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended.

Section 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer

pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

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

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

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Financial Information filing or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Financial Information filing or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Financial Information filing or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. Direct, indirect, consequential and punitive damages shall not be recoverable by any person for any default hereunder and are hereby waived to the extent permitted by law. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

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

Date: Date of Delivery

OKOBOJI COMMUNITY SCHOOL DISTRICT, STATE OF IOWA

By: \_\_\_\_\_  
President of the Board of Directors

ATTEST:

By: \_\_\_\_\_  
Secretary of the Board of Directors

EXHIBIT A - NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: Okoboji Community School District, Iowa.

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

Dated Date of Issue: Date of Delivery

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

Dated: \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

OKOBOJI COMMUNITY SCHOOL DISTRICT, 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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**OKOBOJI  
COMMUNITY SCHOOL DISTRICT  
FINANCIAL REPORT  
JUNE 30, 2025**

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**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**OFFICIALS**  
**Year Ended June 30, 2025**

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	<b>TITLE</b>	<b>TERM EXPIRES</b>
<b>BOARD OF EDUCATION</b>		
Juli Johnson	President	2025
John Klopstad	Vice President	2027
Jesse Hoss	Board Member	2025
Jeanne Fisher	Board Member	2027
Joe Kennedy	Board Member	2027
<b>SCHOOL OFFICIALS</b>		
Todd Abrahamson	Superintendent	Indefinite
Danni Bockman	Board Secretary/ Business Manager	Indefinite
Ahlers & Cooney, P.C.	Attorney	Indefinite



**Independent Auditor's Report**

To the Board of Education of  
 Okoboji Community School District  
 Milford, Iowa

**Report on the Audit of the Financial Statements**

**Disclaimer of Opinion and Unmodified Opinion**

We have audited the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Okoboji Community School District, Milford, Iowa, as of and for the year ended June 30, 2025, and the related notes to the financial statements. We were not engaged to audit the financial statements of the discretely presented component unit. These financial statements collectively comprise the District’s basic financial statements listed in the table of contents.

Summary of Opinions

<i>Opinion Unit</i>	<i>Type of Opinion</i>
Governmental Activities	Unmodified
Business-type Activities	Unmodified
Discretely Presented Component Unit	Disclaimer
General Fund	Unmodified
Capital Projects Fund	Unmodified
Debt Service Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Disclaimer of Opinion on the Discretely Presented Component Unit

Because of the significance of the matter described in the Basis for Disclaimer of Opinion and Unmodified Opinions section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the discretely presented component unit of the Okoboji Community School District. Accordingly, we do not express an opinion on these financial statements.

Unmodified Opinions on Governmental Activities, Business-type Activities, Each Major Fund, and Aggregate Remaining Fund Information

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Okoboji Community School District 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 Disclaimer of Opinion and Unmodified Opinions**

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

### Matter Giving Rise to Disclaimer of Opinion on the Discretely Presented Component Unit

The financial statements of the Okoboji Community School Foundation (Foundation) have not been audited, and we were not engaged to audit the Foundation's financial statements as part of our audit of the Okoboji Community School District's basic financial statements. The Foundation's financial activities are included in the Okoboji Community School District's basic financial statements as the Foundation's discretely presented component unit.

### Emphasis of Matter

As discussed in Note 15 to the financial statements, the District adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. As a result, the June 30, 2024 governmental activities net position was restated.

### Responsibilities of Management for the Financial Statements

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Because of the matter described in the Basis for Disclaimer and Unmodified Opinions section, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the discretely presented component unit. 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America 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 Okoboji Community School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Okoboji Community School District's ability to continue as a going concern for a reasonable period of time.

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

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the District's Proportionate Share of the Net Pension Liability, the Schedule of District Contributions and the Schedule of Changes in the District's Total OPEB Liability and Related Ratios on pages 5 through 13 and 53 through 58 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.

#### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Okoboji Community School District's basic financial statements. We previously audited, in accordance with the standards referred to in the fifth paragraph of this report, the financial statements for the two years ended June 30, 2024 (which are not presented herein) and expressed unmodified opinions on those financial statements. The financial statements for the seven years ended June 30, 2022 (which are not presented herein) were audited by other auditors who expressed unmodified opinions on those financial statements. The supplementary information included on pages 59 through 68, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information on pages 59 through 68 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 March 24, 2026 on our consideration of Okoboji Community School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Okoboji Community School District's internal control over financial reporting and compliance.

*TrustPoint, LLP*

Fort Dodge, Iowa  
March 24, 2026

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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Okoboji Community School District provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2025. We encourage readers to consider this information in conjunction with the District's financial statements, which follow.

### **2025 FINANCIAL HIGHLIGHTS**

- General Fund revenues increased from \$15,913,114 in fiscal year 2024 to \$16,413,294 in fiscal year 2025, while General Fund expenditures increased from \$15,806,762 in fiscal year 2024 to \$16,124,748 in fiscal year 2025. The District's General Fund balance increased from \$3,902,858 at June 30, 2024 to \$4,191,404 at June 30, 2025, a 7.39% increase.
- The increase in General Fund revenues was primarily attributable to an increase in local tax revenue. The increase in fiscal year 2025 General Fund expenditures was mainly due to increased instruction costs related to negotiated salaries and benefits.
- Due to the formula used to calculate state foundation aid, the District is required annually to use a portion of local property tax revenues to supplement their reduced state source revenues.

### **USING THIS ANNUAL REPORT**

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

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the District's financial activities.
- The Government-wide Financial Statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of Okoboji Community School District as a whole and present an overall view of the District's finances.
- The Fund Financial Statements tell how governmental and business type activities services were financed in the short term as well as what remains for future spending. Fund financial statements report Okoboji Community School District's operations in more detail than the government-wide financial statements by providing information about the most significant funds. The remaining financial statements provide information about activities for which Okoboji Community School District acts solely as an agent or custodian for the benefit of those outside of the District.
- Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.
- Required Supplementary Information further explains and supports the financial statements with a comparison of the District's budget for the year, the District's proportionate share of the net pension liability and related contributions, as well as presenting the Schedule of Changes in the District's Total OPEB Liability and Related Ratios.
- Supplementary Information provides detailed information about the nonmajor governmental funds, Capital Projects Funds, and Internal Service Funds.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

---

### **REPORTING THE DISTRICT'S FINANCIAL ACTIVITIES**

#### ***Government-wide Financial Statements***

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

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

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

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property tax and state aid finance most of these activities.
- *Business type activities*: The District charges fees to help cover the costs of certain services it provides. The District's school nutrition program is included here.
- *Component Unit*: The Okoboji Community School Foundation was created to facilitate the distribution of scholarship monies to students that seek to further their education.

#### ***Fund Financial Statements***

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

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

The District has three kinds of funds:

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

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

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

## MANAGEMENT'S DISCUSSION AND ANALYSIS

---

### **REPORTING THE DISTRICT'S FINANCIAL ACTIVITIES (CONTINUED)**

#### *Fund Financial Statements (Continued)*

- 2) *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. The District's Enterprise Funds, one type of proprietary fund, is the same as its business type activities but provides more detail and additional information, such as cash flows. The District's currently has two enterprise funds, the School Nutrition Fund and the Greenhouse Fund. The District's Internal Service Funds, another type of proprietary fund, is reported in the same way as the governmental activities, but provides more detail and additional information, such as cash flows. These funds include the Partially Self-Funded Health Insurance Fund and the Flex Benefit Fund.

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

- 3) *Fiduciary funds*: The District is the trustee, or fiduciary, for assets that belong to others. These funds include the Private-Purpose Trust Scholarship Fund.

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

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

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

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

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Table A-1 below provides a summary of the District's net position at June 30, 2025 compared to June 30, 2024.

<b>Table A-1 (in Thousands)</b>							
<b>Condensed Statement of Net Position</b>							
	<b>Governmental Activities</b>		<b>Business Type Activities</b>		<b>Total District</b>		<b>Total</b>
	<b>June 30,</b>		<b>June 30,</b>		<b>June 30,</b>		<b>Change</b>
		Restated				Restated	
	<b>2025</b>	2024	<b>2025</b>	2024	<b>2025</b>	2024	<b>2024-2025</b>
<b>Assets:</b>							
Current and other assets	\$ 28,647	\$ 35,432	\$ 914	\$ 912	\$ 29,561	\$ 36,344	-18.66%
Capital assets, net	49,633	42,399	74	40	49,707	42,439	17.13%
<b>Total assets</b>	<b>78,280</b>	<b>77,831</b>	<b>988</b>	<b>952</b>	<b>79,268</b>	<b>78,783</b>	<b>0.62%</b>
<b>Deferred Outflows of Resources</b>	<b>1,754</b>	<b>2,283</b>	<b>46</b>	<b>53</b>	<b>1,800</b>	<b>2,336</b>	<b>-22.95%</b>
<b>Liabilities:</b>							
Long-term liabilities	29,942	35,659	119	122	30,061	35,781	-15.99%
Other liabilities	2,748	2,100	42	54	2,790	2,154	29.53%
<b>Total liabilities</b>	<b>32,690</b>	<b>37,759</b>	<b>161</b>	<b>176</b>	<b>32,851</b>	<b>37,935</b>	<b>-13.40%</b>
<b>Deferred Inflows of Resources</b>	<b>19,296</b>	<b>18,795</b>	<b>12</b>	<b>9</b>	<b>19,308</b>	<b>18,804</b>	<b>2.68%</b>
<b>Net Position:</b>							
Net investment in capital assets	26,666	19,263	74	40	26,740	19,303	38.53%
Restricted	3,220	4,513	-	-	3,220	4,513	-28.65%
Unrestricted	(1,838)	(216)	787	780	(1,051)	564	-286.35%
<b>Total net position</b>	<b>\$ 28,048</b>	<b>\$ 23,560</b>	<b>\$ 861</b>	<b>\$ 820</b>	<b>\$ 28,909</b>	<b>\$ 24,380</b>	<b>18.58%</b>

The District's total net position increased 18.58%, or approximately \$4,529,000 over the prior year.

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

Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. The District's restricted net position decreased approximately \$1,293,000, or 28.65%, from the prior year due to capital project expenses made prior to the receipt of bond proceeds.

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – decreased approximately \$1,615,000 from the prior year. This decrease in unrestricted net position is mostly a factor of capital project expenses made prior to receipt of bond proceeds, growth in the total OPEB liability and the adoption of GASB No. 101, *Compensated Absences*.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Table A-2 shows the changes in net position for the year ended June 30, 2025 compared to the year ended June 30, 2024:

Table A-2 (in Thousands) Changes in Net Position								
	Governmental Activities		Business Type Activities		Total District		Total Percentage Change	
	2025	Not Restated 2024	2025	2024	2025	Not Restated 2024		
<b>Revenues:</b>								
Program revenues:								
Charges for service	\$ 2,717	\$ 2,550	\$ 415	\$ 332	\$ 3,132	\$ 2,882		8.67%
Operating grants and contributions	1,432	1,986	391	435	1,823	2,421		-24.70%
General revenues:								
Property tax	18,198	15,083	-	-	18,198	15,083		20.65%
Income surtax	68	299	-	-	68	299		-77.26%
Statewide sales, services and use tax	1,367	1,404	-	-	1,367	1,404		-2.64%
Unrestricted state grants	382	313	-	-	382	313		22.04%
Unrestricted investment earnings	793	756	39	38	832	794		4.79%
Other	338	755	5	5	343	760		-54.87%
<b>Total revenues</b>	<b>25,295</b>	<b>23,146</b>	<b>850</b>	<b>810</b>	<b>26,145</b>	<b>23,956</b>		<b>9.14%</b>
<b>Program expenses:</b>								
Instruction	12,675	11,725	-	-	12,675	11,725		8.10%
Support services	6,595	6,165	-	-	6,595	6,165		6.97%
Non-instructional programs	-	-	809	778	809	778		3.98%
Other expenses	1,537	1,503	-	-	1,537	1,503		2.26%
<b>Total expenses</b>	<b>20,807</b>	<b>19,393</b>	<b>809</b>	<b>778</b>	<b>21,616</b>	<b>20,171</b>		<b>7.16%</b>
<b>Change in net position</b>	<b>4,488</b>	<b>3,753</b>	<b>41</b>	<b>32</b>	<b>4,529</b>	<b>3,785</b>		<b>19.66%</b>
<b>Net position beginning of year</b>	<b>23,560</b>	<b>20,285</b>	<b>820</b>	<b>788</b>	<b>24,380</b>	<b>21,073</b>		<b>15.69%</b>
<b>Net position end of year</b>	<b>\$ 28,048</b>	<b>\$ 24,038</b>	<b>\$ 861</b>	<b>\$ 820</b>	<b>\$ 28,909</b>	<b>\$ 24,858</b>		<b>16.30%</b>

In fiscal year 2025, property tax and unrestricted state grants accounted for 73.45% of governmental activities revenues, while charges for service and operating grants and contributions accounted for 94.82% of business type activities revenue. The District's total revenues were approximately \$26.1 million, of which approximately \$25.3 million was for governmental activities and approximately \$0.8 million was for business type activities.

As shown in Table A-2, the District as a whole experienced a 9.14% increase in revenues and a 7.16% increase in expenses. Charges for service and property tax revenue increased approximately \$250,000 and \$3,115,000, respectively, to fund the increase in expenses. The increase in expenses is primarily reflected in the instruction and support services programs and is related to increases in negotiated salaries and benefits.

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

---

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Governmental Activities**

Revenues for governmental activities were \$25,295,624 and expenses were \$20,807,107 for the year ended June 30, 2025.

The following table presents the total and net cost of the District’s major governmental activities, instruction, support services and other expenses for the year ended June 30, 2025 compared to those expenses for the year ended June 30, 2024.

<b>Table A-3 (in Thousands)</b>						
<b>Total and Net Cost of Governmental Activities</b>						
	<b>Total Cost of Services</b>			<b>Net Cost of Services</b>		
	<b>2025</b>	<b>2024</b>	<b>Change 2024-2025</b>	<b>2025</b>	<b>2024</b>	<b>Change 2024-2025</b>
Instruction	\$ 12,675	\$ 11,725	8.10%	\$ 9,122	\$ 7,766	17.46%
Support services	6,595	6,165	6.97%	6,441	6,129	5.09%
Other expenses	1,537	1,503	2.26%	1,094	962	13.72%
<b>Total</b>	<b>\$ 20,807</b>	<b>\$ 19,393</b>	<b>7.29%</b>	<b>\$ 16,657</b>	<b>\$ 14,857</b>	<b>12.12%</b>

For the year ended June 30, 2025:

- The cost financed by users of the District’s programs was \$2,717,576.
- Federal and state governments subsidized certain programs with grants and contributions totaling \$1,432,071.
- The net cost of governmental activities was financed with \$19,632,285 in property and other taxes and \$792,774 in interest income.

**Business Type Activities**

Revenues for business type activities during the year ended June 30, 2025 were \$849,612, representing a 4.89% increase over the prior year, while expenses totaled \$808,608, a 3.92% increase from the prior year. The District’s business type activities include the School Nutrition Fund and the Greenhouse Fund. Revenues of these activities were comprised of charges for service, federal and state reimbursements, interest income and other general revenues.

The School Nutrition Fund revenue growth was attributed to an increase in charges for services for meals provided to the students. Expenses grew approximately \$30,000, which was attributed to supply and repair costs.

The Greenhouse Fund remained relatively unchanged from the prior year with revenues exceeding expenses by \$464 to grow the year end net position balance to \$10,876.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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### **INDIVIDUAL FUND ANALYSIS**

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported combined fund balances of \$6,910,446 at June 30, 2025, well below last year's ending fund balances of \$14,617,712. The primary reason for the decrease in combined fund balance is attributed to work completed on the transportation building, elementary school and high school.

#### **Governmental Fund Highlights**

- The General Fund balance increased from \$3,902,858 at June 30, 2024 to \$4,191,404 at June 30, 2025. The overall increase was primarily due to increased local tax revenues, offsetting the growth in instruction expenditures, allowing the General Fund to grow \$288,546.
- The Capital Projects Fund decreased from \$8,656,310 at June 30, 2024 to \$808,040 at June 30, 2025. The decrease in the Capital Projects Fund is attributed to work completed on the transportation building, elementary school and high school.
- The Debt Service Fund balance increased from \$471,936 at June 30, 2024 to \$741,710 at June 30, 2025. The increase was attributable to the timing of property tax receipts and principal and interest bond obligatory payments.

#### **Proprietary Fund Highlights**

The School Nutrition Fund net position increased from \$809,646 at June 30, 2024 to \$850,186 at June 30, 2025, representing a 5.01% increase. The School Nutrition Fund charges for service for meals served increased approximately \$83,000, exceeding the increase in repair and supply expenditures of approximately \$30,000, resulting in the net position increase.

The Greenhouse Fund net position increased from \$10,412 at June 30, 2024 to \$10,876 at June 30, 2025, a 4.46% increase from the prior year.

### **BUDGETARY HIGHLIGHTS**

Over the course of the year, Okoboji Community School District amended its budget one time to reflect increased District cost, wage costs and bond expenditures.

The District's revenues were \$1,138,698 more than budgeted revenues, a variance of 4.52%. The most significant variance resulted from the District receiving more from local and state sources than originally anticipated.

Total expenditures were \$1,880,964 more than budgeted, a variance of 5.70%, due primarily to the District's expenditures incurred for ongoing construction projects being more than expected. It is the District's practice to budget expenditures so that the District has 10% left in maximum authorized spending authority for the General Fund. The District then manages or controls General Fund spending through its line-item budget.

In spite of the District's budgetary practices, expenditures exceeded the amounts budgeted for fiscal year 2025 in the instruction, support services and other expenditures functional areas.

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2025, the District had invested approximately \$49.7 million net of accumulated depreciation, in a broad range of capital assets, including land, buildings, athletic facilities, computers, audio-visual equipment, and transportation equipment. (See Table A-4). This represents a net increase of 17.13% over the prior year. More detailed information about the District’s capital assets is presented in Note 5 to the financial statements. Depreciation expense for the year was \$1,766,424 for governmental activities and \$11,290 for business type activities.

The original cost of the District’s capital assets was approximately \$70.8 million. Governmental funds account for approximately \$70.3 million, with the remainder of approximately \$0.5 million accounted for in the Proprietary, School Nutrition Fund.

The largest change in capital asset activity during the year occurred in the construction in progress category resulting from work completed on the transportation building, elementary school and high school.

	Governmental Activities		Business-type Activities		Total School District		Change 2024-2025
	June 30,		June 30,		June 30,		
	2025	2024	2025	2024	2025	2024	
Land	\$ 1,479	\$ 519	\$ -	\$ -	\$ 1,479	\$ 519	184.97%
Construction in progress	7,826	3,975	-	-	7,826	3,975	96.88%
Buildings	36,085	33,428	-	-	36,085	33,428	7.95%
Site improvements	2,461	2,627	-	-	2,461	2,627	-6.32%
Furniture and equipment	1,782	1,850	74	40	1,856	1,890	-1.80%
<b>Total</b>	<b>\$ 49,633</b>	<b>\$ 42,399</b>	<b>\$ 74</b>	<b>\$ 40</b>	<b>\$ 49,707</b>	<b>\$ 42,439</b>	<b>17.13%</b>

**Long-Term Debt**

At June 30, 2025, the District had \$24.7 million of total long-term debt outstanding. This represents a decrease of 16.36% from last year (See Table A-5). Additional information about the District’s long-term liabilities is presented in Note 6 to the financial statements.

The Constitution of the State of Iowa limits the amount of general obligation debt districts can issue to 5% of the assessed value of the taxable property within the District. The District’s outstanding general obligation debt is below its constitutional debt limit.

The District had outstanding revenue bonds of approximately \$13 million at June 30, 2025, payable from the Capital Projects Funds.

The District had outstanding general obligation bonds of \$10.5 million at June 30, 2025, payable from the Debt Service Fund.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### **CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)**

#### **Long-Term Debt (Continued)**

The District had outstanding equipment purchase agreements of approximately \$1,178,000 at June 30, 2025, payable from the Capital Projects Funds.

	<b>Governmental Activities</b>		<b>Total</b>
	<b>2025</b>	<b>2024</b>	<b>Change 2024-2025</b>
General obligation bonds	\$ 10,536	\$ 15,302	-31.15%
Revenue bonds	12,951	13,391	-3.29%
Equipment purchase agreements	1,178	795	48.18%
<b>Total</b>	<b>\$ 24,665</b>	<b>\$ 29,488</b>	<b>-16.36%</b>

### **ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE**

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

- Decreased funding provided by the State of Iowa can create a financial hardship for the District and its taxpayers. The taxable valuation increases expected annually allow for flexibility in approved levy rates to make up for any changes in funding by the state.
- The availability of affordable housing within the Okoboji Community School District continues to be a concern when it comes to growing and/or maintaining enrollment.
- Expansion of facilities and new infrastructure could lead to additional growth in enrollment and opportunities to expand the District's curriculum.
- Labor shortages have made it difficult for all industries and may impact the District's ability to retain and recruit qualified staff.
- Inflation will continue to impact the cost of goods and services impacting the District's budgeting.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board Secretary/Treasurer and Business Manager, Okoboji Community School District, 1205 7<sup>th</sup> Street, Milford, Iowa 51351.

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

## **BASIC FINANCIAL STATEMENTS**

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**STATEMENT OF NET POSITION**

**June 30, 2025**

	<b>Governmental Activities</b>	<b>Business Type Activities</b>
<b>Assets</b>		
Cash and pooled investments	\$ 8,121,919	\$ 883,236
Receivables:		
Property tax:		
Delinquent	61,299	-
Succeeding year	18,899,188	-
Accounts	16,938	11,953
Due from other governments	1,398,545	-
Inventories	-	18,509
Prepaid expenses	149,456	-
Land	1,479,004	-
Construction in progress	7,825,527	-
Capital assets, net of accumulated depreciation	40,328,564	73,620
	<hr/>	<hr/>
<b>Total assets</b>	78,280,440	987,318
<b>Deferred Outflows of Resources</b>		
Pension related deferred outflows	1,331,813	33,169
OPEB related deferred outflows	422,054	13,131
	<hr/>	<hr/>
<b>Total deferred outflows of resources</b>	1,753,867	46,300
<b>Liabilities</b>		
Accounts payable	921,190	1,627
Salaries and benefits payable	1,750,270	23,505
Unearned revenue	-	16,583
Accrued interest payable	76,813	-
Long-term liabilities:		
Portion due within one year:		
Revenue bonds	430,000	-
Equipment purchase agreements	430,687	-
General obligation bonds	1,125,000	-
Early retirement payable	80,000	-
Total OPEB liability	50,349	1,568
Portion due after one year:		
Revenue bonds	12,520,585	-
Equipment purchase agreements	747,519	-
General obligation bonds	9,410,702	-
Early retirement payable	95,000	-
Compensated absences	567,625	-
Net pension liability	3,631,405	90,441
Total OPEB liability	853,023	26,538
	<hr/>	<hr/>
<b>Total liabilities</b>	32,690,168	160,262

**Exhibit A**

<b>Total</b>	<b>Component Unit Foundation*</b>
\$ 9,005,155	\$ 396,653
61,299	-
18,899,188	-
28,891	-
1,398,545	-
18,509	-
149,456	-
1,479,004	-
7,825,527	-
40,402,184	-
<hr/>	<hr/>
79,267,758	396,653
<hr/>	<hr/>
1,364,982	-
435,185	-
<hr/>	<hr/>
1,800,167	-
<hr/>	<hr/>
922,817	-
1,773,775	-
16,583	-
76,813	-
430,000	-
430,687	-
1,125,000	-
80,000	-
51,917	-
12,520,585	-
747,519	-
9,410,702	-
95,000	-
567,625	-
3,721,846	-
879,561	-
<hr/>	<hr/>
32,850,430	-
<hr/>	<hr/>

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**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**STATEMENT OF NET POSITION**

**June 30, 2025**

	<b>Governmental Activities</b>	<b>Business Type Activities</b>
<b>Deferred Inflows of Revenues</b>		
Property taxes levied for subsequent years	\$ 18,899,188	\$ -
Pension related deferred inflows	7,576	189
OPEB related deferred inflows	389,083	12,105
<b>Total deferred inflows of resources</b>	<b>19,295,847</b>	<b>12,294</b>
<b>Net Position</b>		
Net investment in capital assets	26,666,692	73,620
Held in trust for scholarships	-	-
Restricted for:		
Categorical funding	395,843	-
Management levy purposes	1,446,820	-
Student activities	282,522	-
Debt Services	664,897	-
Physical plant and equipment	429,734	-
Unrestricted	(1,838,216)	787,442
<b>Total net position</b>	<b>\$ 28,048,292</b>	<b>\$ 861,062</b>

\* Year end for the Okoboji Community School Foundation was December 31, 2024.

See Notes to Basic Financial Statements.

**Exhibit A  
(Continued)**

<u>Total</u>	<u>Component Unit Foundation*</u>
\$ 18,899,188	\$ -
7,765	-
401,188	-
19,308,141	-
26,740,312	-
-	396,653
395,843	-
1,446,820	-
282,522	-
664,897	-
429,734	-
(1,050,774)	-
\$ 28,909,354	\$ 396,653

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**STATEMENT OF ACTIVITIES**

**Year Ended June 30, 2025**

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Functions/Programs:</b>				
Governmental Activities:				
Instruction:				
Regular	\$ 8,120,953	\$ 1,606,272	\$ 405,440	\$ -
Special	3,538,514	807,299	417,388	-
Other	1,015,123	304,005	11,746	-
	<u>12,674,590</u>	<u>2,717,576</u>	<u>834,574</u>	<u>-</u>
Support services:				
Student	392,461	-	7,795	-
Instructional staff	194,643	-	7,164	-
Administration	2,633,154	-	133,290	-
Operation and maintenance				
of plant	2,579,567	-	-	-
Transportation	795,584	-	5,926	-
	<u>6,595,409</u>	<u>-</u>	<u>154,175</u>	<u>-</u>
Other expenditures:				
Long-term debt interest	1,093,786	-	-	-
AEA flow through	443,322	-	443,322	-
	<u>1,537,108</u>	<u>-</u>	<u>443,322</u>	<u>-</u>
<b>Total governmental activities</b>	<u>20,807,107</u>	<u>2,717,576</u>	<u>1,432,071</u>	<u>-</u>

**Exhibit B**

<b>Net (Expense) Revenue and Changes in Net Position</b>			
<b>Governmental Activities</b>	<b>Business Type Activities</b>	<b>Total</b>	<b>Component Unit Foundation*</b>
\$ (6,109,241)	\$ -	\$ (6,109,241)	\$ -
(2,313,827)	-	(2,313,827)	-
(699,372)	-	(699,372)	-
<u>(9,122,440)</u>	<u>-</u>	<u>(9,122,440)</u>	<u>-</u>
(384,666)	-	(384,666)	-
(187,479)	-	(187,479)	-
(2,499,864)	-	(2,499,864)	-
(2,579,567)	-	(2,579,567)	-
(789,658)	-	(789,658)	-
<u>(6,441,234)</u>	<u>-</u>	<u>(6,441,234)</u>	<u>-</u>
(1,093,786)	-	(1,093,786)	-
-	-	-	-
<u>(1,093,786)</u>	<u>-</u>	<u>(1,093,786)</u>	<u>-</u>
<u>(16,657,460)</u>	<u>-</u>	<u>(16,657,460)</u>	<u>-</u>

(Continued on next page)

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**STATEMENT OF ACTIVITIES (CONTINUED)**

**Year Ended June 30, 2025**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Business type Activities:				
Non-instructional programs:				
Food service operations	\$ 806,101	\$ 414,994	\$ 390,993	\$ -
Other enterprises operations	2,507	-	-	-
<b>Total business type activities</b>	<b>808,608</b>	<b>414,994</b>	<b>390,993</b>	<b>-</b>
<b>Total</b>	<b>\$ 21,615,715</b>	<b>\$ 3,132,570</b>	<b>\$ 1,823,064</b>	<b>\$ -</b>
Component unit	\$ 43,622	\$ -	\$ 44,254	\$ -

**General Revenues:**

- Property taxes levied for:
  - General purposes
  - Physical plant and equipment levy
  - Debt service
  - Management
- Income surtax
- Statewide sales, services, and use tax
- Unrestricted state grants
- Unrestricted investment earnings
- Investment income
- Other
- Total general revenues**

Change in net position

Net position, beginning of year, as restated

Net position, end of year

\* Year end for the Okoboji Community School Foundation was December 31, 2024.

See Notes to Basic Financial Statements.

**Exhibit B  
(Continued)**

<b>Net (Expense) Revenue and Changes in Net</b>			
<b>Governmental Activities</b>	<b>Business Type Activities</b>	<b>Total</b>	<b>Component Unit Foundation*</b>
\$ -	\$ (114)	\$ (114)	-
-	(2,507)	(2,507)	-
-	(2,621)	(2,621)	-
(16,657,460)	(2,621)	(16,660,081)	-
			632
11,216,867	-	11,216,867	-
677,382	-	677,382	-
5,541,722	-	5,541,722	-
761,586	-	761,586	-
67,869	-	67,869	-
1,366,859	-	1,366,859	-
382,661	-	382,661	-
792,774	38,721	831,495	7,884
-	-	-	21,248
338,257	4,904	343,161	-
21,145,977	43,625	21,189,602	29,132
4,488,517	41,004	4,529,521	29,764
23,559,775	820,058	24,379,833	366,889
\$ 28,048,292	\$ 861,062	\$ 28,909,354	\$ 396,653

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2025**

	<b>General</b>	<b>Debt Service</b>
<b>Assets</b>		
Cash and pooled investments	\$ 2,226,758	\$ 722,960
Receivables:		
Property tax:		
Delinquent	37,749	18,750
Succeeding year	11,778,673	5,705,207
Accounts	4,995	-
Due from other funds	3,119,423	-
Due from other governments	1,256,454	-
Prepaid expenses	149,456	-
<b>Total assets</b>	<b>\$ 18,573,508</b>	<b>\$ 6,446,917</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>		
Liabilities:		
Accounts payable	\$ 298,870	\$ -
Due to other funds	439,928	-
Salaries and benefits payable	1,750,270	-
<b>Total liabilities</b>	<b>2,489,068</b>	<b>-</b>
Deferred Inflows of Resources:		
Unavailable revenues:		
Succeeding year property tax	11,778,673	5,705,207
Other	114,363	-
<b>Total deferred inflows     of resources</b>	<b>11,893,036</b>	<b>5,705,207</b>
Fund Balances:		
Nonspendable for:		
Prepaid expenses	149,456	-
Restricted for:		
Categorical funding	395,843	-
Debt service	-	741,710
Management levy purposes	-	-
Student activities	-	-
School infrastructure	-	-
Physical plant and equipment	-	-
Assigned for special purposes	71,479	-
Unassigned	3,574,626	-
<b>Total fund balances</b>	<b>4,191,404</b>	<b>741,710</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 18,573,508</b>	<b>\$ 6,446,917</b>

See Notes to Basic Financial Statements.

**Exhibit C**

<b>Capital Projects</b>	<b>Nonmajor</b>	<b>Total</b>
\$ 3,956,729	\$ 1,163,584	\$ 8,070,031
2,292	2,508	61,299
697,303	718,005	18,899,188
-	11,943	16,938
439,928	-	3,559,351
142,091	-	1,398,545
-	-	149,456
<b>\$ 5,238,343</b>	<b>\$ 1,896,040</b>	<b>\$ 32,154,808</b>
\$ 613,577	\$ 8,743	\$ 921,190
3,119,423	-	3,559,351
-	-	1,750,270
<b>3,733,000</b>	<b>8,743</b>	<b>6,230,811</b>
697,303	718,005	18,899,188
-	-	114,363
<b>697,303</b>	<b>718,005</b>	<b>19,013,551</b>
-	-	149,456
-	-	395,843
-	-	741,710
735,050	886,770	1,621,820
	282,522	282,522
(356,744)	-	(356,744)
429,734	-	429,734
-	-	71,479
-	-	3,574,626
<b>808,040</b>	<b>1,169,292</b>	<b>6,910,446</b>
<b>\$ 5,238,343</b>	<b>\$ 1,896,040</b>	<b>\$ 32,154,808</b>

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**Exhibit D**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
June 30, 2025**

Total fund balances of governmental funds (page 18)	\$ 6,910,446
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.	49,633,095
The Internal Service Funds are used by management to account for the flexible benefit plan. The assets and liabilities of the Internal Service Funds are included in the governmental activities in the Statement of Net Position.	51,888
Other long-term assets are not available to pay current year expenditures and, therefore, are recognized as deferred inflows of resources in the governmental funds.	114,363
Accrued interest payable on long-term liabilities is not due and payable in the current year and, therefore, is not reported as a liability in the governmental	(76,813)
Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:	
Deferred outflows of resources	\$ 1,753,867
Deferred inflows of resources	(396,659)
	<u>1,357,208</u>
Long-term liabilities, including bonds payable, equipment purchase agreements, early retirement, compensated absences, total OPEB liability, and net pension liability are not due and payable in the current year and, therefore, are not reported in the governmental funds.	<u>(29,941,895)</u>
Net position of governmental activities (page 15)	<u><u>\$ 28,048,292</u></u>

See notes to basic financial statements.

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS**

**Year Ended June 30, 2025**

	<b>General</b>	<b>Debt Service</b>
<b>Revenues:</b>		
Local sources:		
Local tax	\$ 11,409,914	\$ 5,541,722
Tuition	2,415,680	-
Other	817,909	157,235
State sources	1,074,443	104,416
Federal sources	695,348	-
<b>Total revenues</b>	<b>16,413,294</b>	<b>5,803,373</b>
<b>Expenditures:</b>		
Current:		
Instruction:		
Regular	7,367,615	-
Special	3,626,583	-
Other	714,627	-
	<b>11,708,825</b>	<b>-</b>
Support services:		
Student	403,521	-
Instructional staff	169,802	-
Administration	1,691,236	-
Operation and maintenance of plant	1,185,542	-
Transportation	522,500	-
	<b>3,972,601</b>	<b>-</b>
Other expenditures:		
Facilities acquisition	-	-
Long-term debt:		
Principal	-	5,619,422
Interest and fiscal charges	-	1,128,089
AEA flow through	443,322	-
	<b>443,322</b>	<b>6,747,511</b>
<b>Total expenditures</b>	<b>16,124,748</b>	<b>6,747,511</b>

**Exhibit E**

	<b>Capital Projects</b>		<b>Nonmajor</b>		<b>Total</b>
\$	677,382	\$	761,585	\$	18,390,603
	-		-		2,415,680
	159,535		301,896		1,436,575
	1,367,728		15,058		2,561,645
	-		-		695,348
	<u>2,204,645</u>		<u>1,078,539</u>		<u>25,499,851</u>
	635,342		195,906		8,198,863
	-		-		3,626,583
	1,455		290,205		1,006,287
	<u>636,797</u>		<u>486,111</u>		<u>12,831,733</u>
	-		-		403,521
	11,396		-		181,198
	255,810		636,457		2,583,503
	90,751		343,692		1,619,985
	289,049		29,595		841,144
	<u>647,006</u>		<u>1,009,744</u>		<u>5,629,351</u>
	8,393,858		-		8,393,858
	-		-		5,619,422
	4,000		-		1,132,089
	-		-		443,322
	<u>8,397,858</u>		<u>-</u>		<u>15,588,691</u>
	<u>9,681,661</u>		<u>1,495,855</u>		<u>34,049,775</u>

(Continued on next page)

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS**

**Year Ended June 30, 2025**

	<b>General</b>	<b>Debt Service</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	\$ 288,546	\$ (944,138)
<b>Other financing sources (uses):</b>		
Proceeds from sale of capital assets	-	-
Proceeds from equipment purchase agreements	-	-
Transfers in	-	1,213,912
Transfers out	-	-
<b>Total other financing sources (uses)</b>	-	1,213,912
Change in fund balances	288,546	269,774
Fund balances, beginning of year	3,902,858	471,936
Fund balances, end of year	\$ 4,191,404	\$ 741,710

See notes to basic financial statements.

**Exhibit E  
(Continued)**

<b>Capital Projects</b>	<b>Nonmajor</b>	<b>Total</b>
\$ (7,477,016)	\$ (417,316)	\$ (8,549,924)
11,670	-	11,670
830,988	-	830,988
-	-	1,213,912
(1,213,912)	-	(1,213,912)
(371,254)	-	842,658
(7,848,270)	(417,316)	(7,707,266)
8,656,310	1,586,608	14,617,712
\$ 808,040	\$ 1,169,292	\$ 6,910,446

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
Year Ended June 30, 2025**

Change in fund balances - total governmental funds (page 21) \$ (7,707,266)

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. These costs are not reported in the Statement of Activities, but they are allocated over the estimates useful lives of the capital assets as depreciation expense in the Statement of Activities. Capital outlay expenditures exceeded depreciation expense in the current year, as follows:

Expenditures for capital assets	\$ 9,000,664	
Depreciation expense	(1,766,424)	7,234,240

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

Issued	(830,988)	
Repaid	5,619,422	4,788,434

Because some revenues will not be collected for several months after the year end, they are not considered available revenue and are recognized as deferred inflows of resources in the governmental funds. (215,897)

The current year District IPERS contributions are reported as expenditures in the governmental funds but are reported as a deferred outflows of resources in the Statement of Net Position. 928,656

The decrease in the Internal Service Fund net position reflects an undercharge to governmental activities for the services provided. Expenses in the Statement of Activities are adjusted to reflect this undercharge. (2,084)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the governmental funds when due. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. The Statement of Activities also includes the amortization of bond premiums. 38,303

(Continued on next page)

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**Exhibit F  
(Continued)**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES (CONTINUED)**

**Year Ended June 30, 2025**

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

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

Early retirement	\$	45,000	
Compensated absences		(89,214)	
Pension expense		(456,083)	
OPEB expense		(75,572)	\$ (575,869)

Change in net position of governmental activities (page 17)

\$ 4,488,517

See notes to basic financial statements.

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS

June 30, 2025

	Business type Activities			Governmental Activities: Internal Service Funds
	Enterprise Funds			
	School Nutrition	Greenhouse	Total	
<b>Assets:</b>				
Current Assets:				
Cash	\$ 872,360	\$ 10,876	\$ 883,236	\$ 51,888
Accounts receivable	11,953	-	11,953	-
Inventories	18,509	-	18,509	-
<b>Total current assets</b>	<b>902,822</b>	<b>10,876</b>	<b>913,698</b>	<b>51,888</b>
Noncurrent assets:				
Capital assets, net of accumulated depreciation	73,620	-	73,620	-
<b>Total assets</b>	<b>976,442</b>	<b>10,876</b>	<b>987,318</b>	<b>51,888</b>
<b>Deferred Outflows of Resources:</b>				
Pension related deferred outflows	33,169	-	33,169	-
OPEB related deferred outflows	13,131	-	13,131	-
<b>Total deferred outflows of resources</b>	<b>46,300</b>	<b>-</b>	<b>46,300</b>	<b>-</b>
<b>Liabilities:</b>				
Current Liabilities:				
Accounts payable	1,627	-	1,627	-
Salaries and benefits payable	23,505	-	23,505	-
Unearned revenue	16,583	-	16,583	-
Total OPEB liability	1,568	-	1,568	-
<b>Total current liabilities</b>	<b>43,283</b>	<b>-</b>	<b>43,283</b>	<b>-</b>
Noncurrent liabilities:				
Net pension liability	90,441	-	90,441	-
Total OPEB liability	26,538	-	26,538	-
<b>Total noncurrent liabilities</b>	<b>116,979</b>	<b>-</b>	<b>116,979</b>	<b>-</b>
<b>Total liabilities</b>	<b>160,262</b>	<b>-</b>	<b>160,262</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>				
Pension related deferred inflows	189	-	189	-
OPEB related deferred inflows	12,105	-	12,105	-
<b>Total deferred inflows of resources</b>	<b>12,294</b>	<b>-</b>	<b>12,294</b>	<b>-</b>
<b>Net Position</b>				
Net investment in capital assets	73,620	-	73,620	-
Unrestricted	776,566	10,876	787,442	51,888
<b>Total net position</b>	<b>\$ 850,186</b>	<b>\$ 10,876</b>	<b>\$ 861,062</b>	<b>\$ 51,888</b>

See notes to basic financial statements.

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**Year Ended June 30, 2025**

	<b>Business type Activities</b>			<b>Governmental Activities: Internal Service Funds</b>
	<b>Enterprise Funds</b>			
	<b>School Nutrition</b>	<b>Greenhouse</b>	<b>Total</b>	
<b>Operating revenues:</b>				
Local sources:				
Charges for service	\$ 414,994	\$ -	\$ 414,994	\$ 46,712
Miscellaneous	1,933	2,971	4,904	-
<b>Total operating revenues</b>	<b>416,927</b>	<b>2,971</b>	<b>419,898</b>	<b>46,712</b>
Non-instructional programs:				
Food service operations:				
Salaries	228,755	-	228,755	-
Benefits	77,496	-	77,496	-
Purchased services	23,720	-	23,720	-
Supplies	464,840	-	464,840	-
Depreciation	11,290	-	11,290	-
	806,101	-	806,101	-
Other enterprise operations:				
Benefits	-	-	-	48,796
Supplies	-	2,507	2,507	-
	-	2,507	2,507	48,796
<b>Total operating expenses</b>	<b>806,101</b>	<b>2,507</b>	<b>808,608</b>	<b>48,796</b>
<b>Operating income (loss)</b>	<b>(389,174)</b>	<b>464</b>	<b>(388,710)</b>	<b>(2,084)</b>
<b>Non-operating revenues:</b>				
Interest income	38,721	-	38,721	-
State sources	4,719	-	4,719	-
Federal sources	386,274	-	386,274	-
<b>Total non-operating revenues</b>	<b>429,714</b>	<b>-</b>	<b>429,714</b>	<b>-</b>
<b>Change in net position</b>	<b>40,540</b>	<b>464</b>	<b>41,004</b>	<b>(2,084)</b>
Net position, beginning of year	809,646	10,412	820,058	53,972
Net position, end of year	\$ 850,186	\$ 10,876	\$ 861,062	\$ 51,888

See notes to basic financial statements.

**STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 Year Ended June 30, 2025**

	<b>Business type Activities</b>			<b>Governmental Activities: Internal Service Funds</b>
	<b>Enterprise Funds</b>			
	<b>School Nutrition</b>	<b>Greenhouse</b>	<b>Total</b>	
<b>Cash flows from operating activities:</b>				
Cash received from sale of lunches and breakfasts	\$ 386,462	\$ -	\$ 386,462	\$ -
Cash received from miscellaneous	1,933	2,971	4,904	-
Cash received from services provided	-	-	-	46,712
Cash paid to employees for services	(293,468)	-	(293,468)	-
Cash paid to suppliers for goods or services	(424,820)	(2,507)	(427,327)	(48,796)
<b>Net cash provided by (used in) operating activities</b>	<b>(329,893)</b>	<b>464</b>	<b>(329,429)</b>	<b>(2,084)</b>
<b>Cash Flows from non-capital financing activities:</b>				
State grants received	4,719	-	4,719	-
Federal grants received	323,711	-	323,711	-
<b>Net cash provided by non-capital financing activities</b>	<b>328,430</b>	<b>-</b>	<b>328,430</b>	<b>-</b>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets	(45,223)	-	(45,223)	-
<b>Cash Flows from investing activities:</b>				
Interest on investments	38,721	-	38,721	-
<b>Net change in cash</b>	<b>(7,965)</b>	<b>464</b>	<b>(7,501)</b>	<b>(2,084)</b>
Cash, beginning of year	880,325	10,412	890,737	53,972
Cash, end of year	\$ 872,360	\$ 10,876	\$ 883,236	\$ 51,888

(Continued on next page)

OKOBOJI COMMUNITY SCHOOL DISTRICT

Exhibit I  
(Continued)

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended June 30, 2025

	Business type Activities			Governmental Activities: Internal Service Funds
	Enterprise Funds			
	School Nutrition	Greenhouse	Total	
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (389,174)	\$ 464	\$ (388,710)	\$ (2,084)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Commodities used	62,563	-	62,563	-
Depreciation	11,290	-	11,290	-
(Increase) in accounts receivable	(8,835)	-	(8,835)	-
(Increase) in inventories	(450)	-	(450)	-
Decrease in deferred outflows of	7,257	-	7,257	-
Increase in accounts payable	1,627	-	1,627	-
Increase in salaries and benefits payable	5,370	-	5,370	-
(Decrease) in unearned revenues	(19,697)	-	(19,697)	-
(Decrease) in net pension liability	(8,277)	-	(8,277)	-
Increase in total OPEB liability	5,246	-	5,246	-
Increase in deferred inflows of resources	3,187	-	3,187	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (329,893)</u>	<u>\$ 464</u>	<u>\$ (329,429)</u>	<u>\$ (2,084)</u>

Non-cash investing, capital and related financing activities:

During the year ended June 30, 2025, the District received \$62,563 of federal commodities.

See notes to basic financial statements.

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**Exhibit J**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS**

**June 30, 2025**

	<u>Private Purpose Trust Scholarship</u>
<b>Assets:</b>	
Cash	\$ -
<b>Total assets</b>	<u>-</u>
<b>Net Position</b>	
Restricted for scholarships	<u>-</u>
<b>Total net position</b>	<u>\$ -</u>

See notes to basic financial statements.

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**Exhibit K**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
Year Ended June 30, 2025**

	<u>Private Purpose Trust Scholarship</u>
<b>Additions</b>	
Gifts and contributions	\$ 500
<b>Deductions</b>	
Scholarships awarded	<u>500</u>
<b>Change in net position</b>	-
Net position, beginning of year	<u>-</u>
<b>Net position, end of year</b>	<u><u>\$ -</u></u>

See notes to basic financial statements.

## OKOBOJI COMMUNITY SCHOOL DISTRICT

### NOTES TO BASIC FINANCIAL STATEMENTS

---

#### **Note 1. Summary of Significant Accounting Policies**

Okoboji Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve and special education pre-kindergarten. The geographic area served includes the cities of Milford, Arnolds Park, Fostoria, Okoboji, West Okoboji and Wahpeton, Iowa and the predominate agricultural territory in Dickinson and Clay Counties. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

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

#### **A. Reporting Entity:**

For financial reporting purposes, Okoboji Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the District.

These financial statements present Okoboji Community School District (the primary government) and its component unit. The component unit discussed below is included in the District's reporting entity because of the significance of its operational or financial relationship with the District.

Discretely Presented Component Unit – The Okoboji Community School Foundation (Foundation) was created to financially support the Okoboji Community School system and post high school scholarship support to graduates of the school. The Foundation is a separate legal entity with its own accounting records and board of directors. In accordance with criteria set forth by the Governmental Accounting Standards Board, the Foundation meets the definition of a component unit which should be discretely presented. The Foundation is accounted for as a component unit in these financial statements with a December 31<sup>st</sup> year end.

The Foundation is a non-profit organization which reports under accounting standards established by the Financial Accounting Standards Board (FASB). The Foundation's financial statements were prepared in accordance with the provisions of ASC Topic 958 – Not-for-Profit Entities. 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 District's financial reporting for these differences. The Foundation reports net assets, which is equivalent to net position reported by the District.

Jointly Governed Organizations – The District participates in jointly governed organizations that provide services to the District but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The District is a member of the Dickinson and Clay County Assessor's Conference Board.

## NOTES TO BASIC FINANCIAL STATEMENTS

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### Note 1. Summary of Significant Accounting Policies (Continued)

#### B. Basis of Presentation:

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

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

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

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

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

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

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

The District reports the following major governmental funds:

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

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

## **NOTES TO BASIC FINANCIAL STATEMENTS**

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### **Note 1. Summary of Significant Accounting Policies (Continued)**

#### **B. Basis of Presentation (continued):**

The District reports the following major governmental funds (continued):

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

The District also reports the following nonmajor proprietary funds:

The District's proprietary funds are the Enterprise, School Nutrition Fund and Greenhouse Fund, and the Internal Service Funds. The School Nutrition Fund is used to account for the food service operations of the District. The Greenhouse Fund is used to account for greenhouse operations. The Internal Service Funds are used to account for the District's flexible benefit plan.

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

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

#### **C. Measurement Focus and Basis of Accounting:**

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

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

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

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

## NOTES TO BASIC FINANCIAL STATEMENTS

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### Note 1. Summary of Significant Accounting Policies (Continued)

#### C. Measurement Focus and Basis of Accounting (Continued):

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

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

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

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

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

Cash and Pooled Investments – The cash balances of most District funds are pooled and invested. Investments are stated at fair value except for 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 in governmental funds is accounted for using the modified accrual basis of accounting.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/ Net Position (continued):**

Property Tax Receivable (continued) – Property tax revenue recognized in these funds becomes due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2023 assessed property valuations; is for the tax accrual period July 1, 2024 through June 30, 2025 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2024.

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

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

Capital Assets – Capital assets, which include property, furniture and equipment are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Reportable capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Land	\$ 5,000
Buildings	5,000
Site improvements	5,000
Right-to-use leased assets	5,000
Intangibles	25,000
Furniture and equipment:	
School Nutrition Fund equipment	500
Other furniture and equipment	5,000

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

<u>Asset Class</u>	<u>Estimated Useful Lives (in Years)</u>
Buildings	50
Site improvements	20
Furniture and equipment	5 - 12
Right-to-use leased assets	2 - 15

## NOTES TO BASIC FINANCIAL STATEMENTS

---

### Note 1. Summary of Significant Accounting Policies (Continued)

#### D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position (continued):

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

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

Compensated Absences – District employees accumulate a limited amount of earned but unused 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. A liability for these amounts is reported in governmental fund financial statements only for employees who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2025.

Unearned Revenue – Proprietary funds defer revenue recognition in connection with resources that have been received, but not earned. Unearned revenue in governmental funds arises when assets are recognized before revenue recognition criteria have been satisfied. Unearned revenues are monies collected for lunches that have not yet been served.

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

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

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

## NOTES TO BASIC FINANCIAL STATEMENTS

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### Note 1. Summary of Significant Accounting Policies (Continued)

#### D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/ Net Position (continued):

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

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

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

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

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

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

Assigned – Amounts the District intends to use for a specific purpose but does not meet the criteria to be classified as restricted or committed.

Unassigned – All amounts not included in the preceding classifications.

#### E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2025, expenditures exceeded the amounts budgeted in the instruction, support services and other expenditures functional areas.

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**F. Subsequent Events**

Subsequent events have been evaluated through March 24, 2026, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

**Note 2. Cash and Pooled Investments**

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

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

Custodial Credit Risk - The District has no policy in place regarding custodial credit risk and deposits with financial institutions; however, deposits are insured by the state sinking fund which provides for additional assessments against depositories to avoid loss of public funds.

Interest Rate Risk - This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does have a formal investment policy that limits operating fund (funds which are reasonably expected to be expended during a current budget year or within 15 months of receipts) investment maturities to 397 days or less.

Component Unit – The Okoboji Community School Foundation (Foundation) categories its fair value measurement within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The Foundation has the following recurring fair value measurements as of December 31, 2024:

<b>Investments</b>	<b>Fair Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Beneficial interest in assets held by a community foundation	\$ 263,983	\$ -	\$ -	\$ 263,983

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.

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**Note 3. Due From and Due To Other Funds**

The detail of interfund receivables and payables at June 30, 2025 is as follows:

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>Amount</b>
General	Capital Projects:	
	General obligation construction	\$ 306,291
	Building Project 2025	2,813,132
		<u>3,119,423</u>
Capital Projects:	General	
General obligation construction		306,291
Building Project 2025		133,637
		<u>439,928</u>
<b>Total</b>		<u><u>\$ 3,559,351</u></u>

The funds are repaying the other funds for money advanced until bond proceeds are received. The balances are to be repaid by June 30, 2026.

**Note 4. Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2025 is as follows:

<b>Transfer to</b>	<b>Transfer from</b>	<b>Amount</b>
Debt Service	Capital Projects:	
	Sales, Services and Use Tax	\$ 801,956
	Physical Plant and Equipment Levy	411,956
		<u>411,956</u>
<b>Total</b>		<u><u>\$ 1,213,912</u></u>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**Note 5. Capital Assets**

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

	<b>Balance Beginning of Year</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance End of Year</b>
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 519,237	\$ 959,767	\$ -	\$ 1,479,004
Construction in progress	3,975,285	7,365,957	3,515,715	7,825,527
<b>Total capital assets not being depreciated</b>	<b>4,494,522</b>	<b>8,325,724</b>	<b>3,515,715</b>	<b>9,304,531</b>
Capital assets being depreciated:				
Buildings	45,844,577	3,694,840	-	49,539,417
Site improvements	4,775,844	36,875	-	4,812,719
Furniture and equipment	6,208,004	458,940	32,591	6,634,353
<b>Total capital assets being depreciated</b>	<b>56,828,425</b>	<b>4,190,655</b>	<b>32,591</b>	<b>60,986,489</b>
Less accumulated depreciation for:				
Buildings	12,416,981	1,037,022	-	13,454,003
Site improvements	2,149,373	202,239	-	2,351,612
Furniture and equipment	4,357,738	527,163	32,591	4,852,310
<b>Total accumulated depreciation</b>	<b>18,924,092</b>	<b>1,766,424</b>	<b>32,591</b>	<b>20,657,925</b>
Total capital assets being depreciated, net	37,904,333	2,424,231	-	40,328,564
<b>Governmental activities capital assets, net</b>	<b>\$ 42,398,855</b>	<b>\$ 10,749,955</b>	<b>\$ 3,515,715</b>	<b>\$ 49,633,095</b>
<b>Business type activities:</b>				
Furniture and equipment	\$ 417,916	\$ 45,223	\$ -	\$ 463,139
Less accumulated depreciation	378,229	11,290	-	389,519
<b>Business type activities capital assets, net</b>	<b>\$ 39,687</b>	<b>\$ 33,933</b>	<b>\$ -</b>	<b>\$ 73,620</b>

## NOTES TO BASIC FINANCIAL STATEMENTS

### Note 5. Capital Assets (Continued)

Depreciation expense was charged to the following functions:

**Governmental activities:**

Instruction:			
Regular		\$	86,978
Other			34,024
Support services:			
Instructional staff			15,515
Administration			86,415
Operation and maintenance of plant			1,309,717
Transportation			233,775

**Total depreciation expense-governmental activities** \$ 1,766,424

**Business type activities:**

Food service operations		\$	11,290
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### Note 6. Long-term Liabilities

Changes in long-term liabilities for the year ended June 30, 2025 are summarized as follows:

	Restated Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
<b>Governmental activities:</b>					
Revenue bonds	\$ 13,170,000	\$ -	\$ 420,000	\$ 12,750,000	\$ 430,000
Plus: Bond premiums	221,144	-	20,559	200,585	-
Equipment purchase agreements	795,324	830,988	448,106	1,178,206	430,687
General obligation bonds	15,096,316	-	4,751,316	10,345,000	1,125,000
Plus: bond premiums	205,371	-	14,669	190,702	-
Compensated absences	478,411	89,214	-	567,625	-
Early retirement	220,000	50,000	95,000	175,000	80,000
Net pension liability	4,514,259	-	882,854	3,631,405	-
Total OPEB liability	958,851	107,106	162,585	903,372	50,349
<b>Total</b>	<u>\$ 35,659,676</u>	<u>\$ 1,077,308</u>	<u>\$ 6,795,089</u>	<u>\$ 29,941,895</u>	<u>\$ 2,116,036</u>
<b>Business type activities:</b>					
Net pension liability	\$ 98,718	\$ -	\$ 8,277	\$ 90,441	\$ -
Total OPEB liability	22,860	10,309	5,063	28,106	1,568
<b>Total</b>	<u>\$ 121,578</u>	<u>\$ 10,309</u>	<u>\$ 13,340</u>	<u>\$ 118,547</u>	<u>\$ 1,568</u>

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**Note 6. Long-term Liabilities (Continued)**

**General Obligation Bonds**

Details of the District's June 30, 2025 general obligation bonded indebtedness are as follows:

<b>Bond Issue of July 23, 2018</b>				
<b>Year Ending June 30,</b>	<b>Interest Rate</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	3.00%	\$ 1,125,000	\$ 630,300	\$ 1,755,300
2027	3.00%	1,160,000	596,550	1,756,550
2028	3.00%	1,195,000	561,750	1,756,750
2029	3.13%	1,230,000	525,900	1,755,900
2030	3.25%	1,270,000	487,462	1,757,462
2031-2035	3.38%-3.75%	4,365,000	2,152,352	6,517,352
		<u>\$ 10,345,000</u>	<u>\$ 4,954,314</u>	<u>\$ 15,299,314</u>

During the year ended June 30, 2025, the District extinguished a total of \$4,751,316 of general obligation debt, which included \$971,316 of scheduled general obligation bond principal payments and \$3,780,000 of in-substance defeasance. Interest paid totaled \$663,000.

**Revenue Bonds**

Details of the District's June 30, 2025 statewide sales, services and use tax revenue bonded indebtedness are as follows:

<b>Revenue Refunding Bond Dated April 7, 2021, Series B</b>				
<b>Year Ending June 30,</b>	<b>Interest Rate</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	2.00%	\$ 430,000	\$ 23,000	\$ 453,000
2027	2.00%	440,000	14,400	454,400
2028	2.00%	280,000	5,600	285,600
		<u>\$ 1,150,000</u>	<u>\$ 43,000</u>	<u>\$ 1,193,000</u>

**NOTES TO BASIC FINANCIAL STATEMENTS**

**Note 6. Long-term Liabilities (Continued)**

**Revenue Bonds (Continued)**

<b>Bond Issue Dated April 26, 2021, Series A</b>					<b>Bond Issue Dated April 26, 2021, Series C</b>				
<b>Year Ending June 30,</b>	<b>Interest Rate</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Year Ending June 30,</b>	<b>Interest Rate</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	2.00%	\$ -	\$ 229,350	\$ 229,350	2026	1.80%	\$ -	\$ 39,110	\$ 39,110
2027	2.00%	-	229,350	229,350	2027	1.80%	-	39,110	39,110
2028	2.00%	-	229,350	229,350	2028	1.80%	160,000	39,110	199,110
2029	2.00%	-	229,350	229,350	2029	2.00%	450,000	36,230	486,230
2030	2.00%	-	229,350	229,350	2030	2.10%	460,000	27,230	487,230
2031-2035	2.00%	1,745,000	1,104,550	2,849,550	2031-2032	2.20%-2.30%	785,000	24,470	809,470
2036-2040	2.00%	2,800,000	862,250	3,662,250					
2041-2045	2.13%-3.00%	3,115,000	546,706	3,661,706					
2046-2048	2.5%-3.00%	2,085,000	108,625	2,193,625					
		<u>\$ 9,745,000</u>	<u>\$ 3,768,881</u>	<u>\$ 13,513,881</u>			<u>\$ 1,855,000</u>	<u>\$ 205,260</u>	<u>\$ 2,060,260</u>

The District has pledged future statewide sales, services and use tax revenues to repay the \$14,890,000 of bonds issued in April 2021. The bonds were issued for the purpose of financing school renovations and refunding prior revenue bonds. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2048. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitations of the District. Annual principal and interest payments on the bonds are expected to require nearly 53.0% of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the bonds is \$16,767,141. For the current year, \$420,000 of principal and \$295,660 of interest was paid on the bonds and total statewide sales, services and use tax revenues were \$1,354,965.

The resolution providing for the issuance of the 2021 statewide sales, services and use tax revenue bonds includes the following provisions:

- At least \$664,050 of the proceeds from the issuance of the revenue bonds shall be deposited to a reserve account to be used solely for the purpose of paying principal and interest on the bonds if insufficient money is available in the sinking account. The balance of the proceeds shall be deposited to a project account.
- All proceeds from the statewide sales, services and use tax shall be placed in a revenue account.
- Monies in the revenue account shall be disbursed to make deposits into a sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year.
- Any monies remaining in the revenue account after the required transfer to the sinking account may be transferred to the project account to be used for any lawful purpose.

**Equipment Purchase Agreements**

The District has entered into financing agreements bearing interest at rates between 0.00% to 6.06%, financing the acquisition of a copier, computer equipment and buses, payable from the Capital Projects Fund. The cost of the equipment has been capitalized and is being depreciated in accordance with the District’s policy. The assets and accumulated depreciation are included in the furniture and equipment classification.

During the year ended June 30, 2025, the District made principal and interest payments totaling \$448,106 and \$46,196, respectively.

**NOTES TO BASIC FINANCIAL STATEMENTS**

**Note 6. Long-term Liabilities (Continued)**

**Equipment Purchase Agreements (continued)**

Details of the District’s June 30, 2025 equipment purchase agreements are as follows:

<b>Equipment Purchase Agreements</b>									
<b>Year Ending June 30,</b>	<b>Buses</b>		<b>Staff Computers</b>		<b>iPads</b>		<b>Total</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	
2026	\$ 226,280	\$ 44,841	\$ 163,682	\$ 15,441	\$ 40,725	\$ 1,562	\$ 430,687	\$ 61,844	
2027	239,590	31,531	171,253	7,870	41,498	788	452,341	40,189	
2028	253,684	17,437	-	-	-	-	253,684	17,437	
2029	41,494	2,515	-	-	-	-	41,494	2,515	
2030	-	-	-	-	-	-	-	-	
	<u>\$ 761,048</u>	<u>\$ 96,324</u>	<u>\$ 334,935</u>	<u>\$ 23,311</u>	<u>\$ 82,223</u>	<u>\$ 2,350</u>	<u>\$ 1,178,206</u>	<u>\$ 121,985</u>	

**Early Retirement**

The District had a voluntary early retirement plan for certified employees. Eligible employees must have completed at least fifteen years of full-time service to the District and must have reached the age of 55 by April 1 of the fiscal year. The application for early retirement was subject to approval by the Board of Education. Early retirement benefits equal \$50,000 and are required to be taken as transfers to a 403(b) account over a three year period.

At June 30, 2025, the District had obligations to six participants with a total liability of \$175,000. Early retirement expenditures for the year ended June 30, 2025 totaled \$95,000.

**Note 7. Pension Plan**

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

## NOTES TO BASIC FINANCIAL STATEMENTS

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### Note 7. Pension Plan (Continued)

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

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

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

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

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

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

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

The District’s contributions to IPERS for the year ended June 30, 2025 were \$928,656.

## NOTES TO BASIC FINANCIAL STATEMENTS

### Note 7. Pension Plan (Continued)

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2025, the District reported a liability of \$3,721,846 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 District's proportion of the net pension liability was based on the District's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2024, the District's proportion was 0.102207% which was an increase of 0.000007% over its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$455,636. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 296,150	\$ 2,312
Changes of assumptions	-	52
Net difference between projected and actual earnings on IPERS' investments	46,548	-
Changes in proportion and differences between District contributions and the District's proportionate share of contributions	93,628	5,401
District contributions subsequent to the measurement date	928,656	-
<b>Total</b>	<b>\$ 1,364,982</b>	<b>\$ 7,765</b>

\$928,656 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 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:

<b>Year ended June 30,</b>	<b>Total</b>
2026	\$ (454,110)
2027	937,691
2028	55,558
2029	(113,233)
2030	2,655
<b>Total</b>	<b>\$ 428,561</b>

There were no non-employer contributing entities at IPERS.

## NOTES TO BASIC FINANCIAL STATEMENTS

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### Note 7. Pension Plan (Continued)

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)	2.50% per annum.
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation.

The actuarial assumptions used in the June 30, 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:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
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 estate	9.0	4.25
Private credit	5.5	6.62
<b>Total</b>	<b>100.0%</b>	

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**Note 7. Pension Plan (Continued)**

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

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

	<b>1% Decrease (6.00)%</b>	<b>Discount Rate (7.00)%</b>	<b>1% Increase (8.00)%</b>
District's proportionate share of the net pension liability (asset)	\$ 9,133,343	\$ 3,721,846	\$ (810,311)

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](http://www.ipers.org).

Payables to IPERS – At June 30, 2025, the District reported payables to IPERS of \$0 for legally required District contributions and \$0 for legally required employee contributions withheld from employee wages which had not yet been remitted to IPERS.

**Note 8. Other Postemployment Benefits (OPEB)**

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

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

## NOTES TO BASIC FINANCIAL STATEMENTS

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### Note 8. Other Postemployment Benefits (OPEB) (Continued)

OPEB Benefits (continued) – Retired participants must be age 55 or older at retirement. At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	10
Active employees	<u>188</u>
	<u>198</u>

Total OPEB Liability – The District’s total OPEB liability of \$931,478 was measured as of June 30, 2025 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation (effective June 30, 2025)	2.50% per annum.
Rates of salary increase (effective June 30, 2025)	3.25% per annum, including inflation.
Discount rate (effective June 30, 2025)	5.20% compounded annually,
Healthcare cost trend rate (effective June 30, 2025)	7.60% initial rate decreasing to an ultimate rate of 3.90% in FY2076 and later years.

Discount Rate – The discount rate used to measure the total OPEB liability was 5.20% 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 Pub-2010 General Mortality Table with projected mortality improvements based on Scale MP-2021 and other adjustments. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**Note 8. Other Postemployment Benefits (OPEB) (Continued)**

Changes in the Total OPEB Liability –

<b>Change in Total OPEB Liability</b>	<b>Total OPEB Liability</b>
Total OPEB liability beginning of year	\$ 981,711
Changes for the year:	
Service cost	76,786
Interest	40,629
Changes in assumptions	(97,436)
Benefit payments	(70,212)
Net changes	(50,233)
<b>Total OPEB liability end of year</b>	<b>\$ 931,478</b>

Changes of assumptions reflect a change in the discount rate from 3.97% in fiscal year 2024 to 5.20% in fiscal year 2025.

Sensitivity of the District’s Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower (4.20%) or 1% higher (6.20%) than the current discount rate.

	<b>1% Decrease (4.20)%</b>	<b>Discount Rate (5.20)%</b>	<b>1% Increase (6.20)%</b>
Total OPEB liability	\$ 1,010,023	\$ 931,478	\$ 858,862

Sensitivity of the District’s Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (6.60%) or 1% higher (8.60%) than the current healthcare cost trend rates.

	<b>1% Decrease (6.60)%</b>	<b>Healthcare Cost Trend Rate (7.60)%</b>	<b>1% Increase (8.60)%</b>
Total OPEB liability	\$ 813,377	\$ 931,478	\$ 1,072,960

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**Note 8. Other Postemployment Benefits (OPEB) (Continued)**

OPEB Expense, Deferred Outflows of Resources Related to OPEB and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2025, the District recognized OPEB expense of \$154,050. At June 30, 2025, the District reported deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB from the following resources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 357,749	\$ 34,177
Changes in assumptions	77,436	367,011
<b>Total</b>	<b>\$ 435,185</b>	<b>\$ 401,188</b>

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

<b>Year ending June 30,</b>	<b>Amount</b>
2026	\$ 36,635
2027	36,635
2028	36,635
2029	36,635
2030	(1,396)
Thereafter	(111,147)
	<u>\$ 33,997</u>

**Note 9. Risk Management**

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

**Note 10. Area Education Agency**

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the Area Education Agency. The District’s actual amount for this purpose totaled \$443,322 for the year ended June 30, 2025 and is recorded in the General Fund by making a memorandum adjusting entry to the cash basis financial statements.

## NOTES TO BASIC FINANCIAL STATEMENTS

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### Note 11. Tax Abatements

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

#### Tax Abatements of Other Entities

Other entities within the District may provide tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa.

Property tax revenues of the District 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 Milford	Urban Renewal and Economic Development Projects	<u>\$ 61,251</u>

The State of Iowa reimburses the District an amount equivalent to the increment of valuation on which property tax is divided times \$5.40 per \$1,000 of taxable valuation. For the year ended June 30, 2025, this reimbursement amounted to \$56,033.

### Note 12. Construction Commitment

The District entered into contracts totaling \$9,533,088 for facility improvements and expansion. As of June 30, 2025, costs of \$7,825,527 had been incurred against the contracts. The balance of \$1,707,561 remaining at June 30, 2025 will be paid as work on the projects progress.

### Note 13. Categorical Funding

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**Note 13. Categorical Funding (Continued)**

The following is a schedule of the categorical funding restricted in the General Fund at June 30, 2025:

<b>Program</b>	<b>Amount</b>
Home school assistance program	\$ 2,114
Gifted and talented program	118,905
Teacher salary supplement	7,279
Professional development for model core curriculum	3,008
Career & technical education aid	1,096
Professional developmental supplement	20,772
Teacher leadership state aid	186,092
English learners	70
Iowa skilled worker and job creation fund	660
Flexibility fund - professional development	11,271
Successful progression for early readers	44,576
<b>Total</b>	<b>\$ 395,843</b>

**Note 14. Change in Area Education Agency Funding**

The Governor signed House File 2612 on March 27, 2024, which changes the percentage of educational and media services funding generated through local property taxes by Districts which flow through to each Area Education Agency (AEA) beginning July 1, 2024. For fiscal year 2026, 100% of the educational and media services funds generated by Districts will be received directly by the District and none will flow through to the AEAs. Also, for fiscal year 2026, Districts will flow through 90% (instead of 100%) of special education support services funds to AEAs, who will code the funds as a combination of state aid and property taxes.

**Note 15. Restatement**

The District implemented GASB Statement No. 101, *Compensated Absences*, which required the District to restate net position as of June 30, 2024, as follows:

	<b>Governmental Activities</b>
Net position June 30, 2024, as previously reported	\$ 24,038,186
Compensated absences liability, previously reported	-
Compensated absences liability, change in accounting principles	(478,411)
Net position June 30, 2024, as restated	<u>\$ 23,559,775</u>

**Note 16. Subsequent Events**

In November of 2024, the District voters approved a \$69 million General Obligation Bond for construction of a new elementary school and renovations and additions to the high school. In July 2025, the District issued \$29,995,000 of General Obligation School Bonds, Series 2025.

**REQUIRED SUPPLEMENTARY INFORMATION**

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**BUDGETARY COMPARISON SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES  
AND CHANGES IN BALANCES - BUDGET AND ACTUAL -  
ALL GOVERNMENTAL FUNDS AND PROPRIETARY FUNDS**

**Required Supplementary Information**

**Year Ended June 30, 2025**

	<b>Governmental Funds Actual</b>	<b>Proprietary Funds Actual</b>	<b>Total Actual</b>
<b>Revenues:</b>			
Local sources	\$ 22,242,858	\$ 458,619	\$ 22,701,477
Intermediate sources	-	-	-
State sources	2,561,645	4,719	2,566,364
Federal sources	695,348	386,274	1,081,622
<b>Total revenues</b>	<b>25,499,851</b>	<b>849,612</b>	<b>26,349,463</b>
<b>Expenditures/Expenses:</b>			
Instruction	12,831,733	-	12,831,733
Support services	5,629,351	-	5,629,351
Non-instructional programs	-	808,608	808,608
Other expenditures	15,588,691	-	15,588,691
<b>Total expenditures/expenses</b>	<b>34,049,775</b>	<b>808,608</b>	<b>34,858,383</b>
<b>Excess (deficiency) of revenues over (under) expenditures/expenses</b>	<b>(8,549,924)</b>	<b>41,004</b>	<b>(8,508,920)</b>
<b>Other financing sources, net</b>	<b>842,658</b>	<b>-</b>	<b>842,658</b>
<b>Change in balances</b>	<b>(7,707,266)</b>	<b>41,004</b>	<b>(7,666,262)</b>
Balance, beginning of year	14,617,712	820,058	15,437,770
Balance, end of year	<b>\$ 6,910,446</b>	<b>\$ 861,062</b>	<b>\$ 7,771,508</b>

See notes to required supplementary information.

<b>Budgeted Amounts</b>		<b>Final to Actual</b>
<b>Original</b>	<b>Final</b>	<b>Variance</b>
\$ 22,122,206	\$ 22,122,206	\$ 579,271
2,500	2,500	(2,500)
2,106,059	2,106,059	460,305
980,000	980,000	101,622
25,210,765	25,210,765	1,138,698
12,180,000	12,405,000	(426,733)
4,780,000	5,405,000	(224,351)
642,500	1,142,500	333,892
9,024,919	14,024,919	(1,563,772)
26,627,419	32,977,419	(1,880,964)
(1,416,654)	(7,766,654)	(742,266)
54,000	54,000	788,658
(1,362,654)	(7,712,654)	46,392
11,158,127	15,437,770	-
\$ 9,795,473	\$ 7,725,116	\$ 46,392

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE**

**OF THE NET PENSION LIABILITY  
Iowa Public Employees' Retirement System  
For the Last Ten Fiscal Years\*  
(In Thousands)**

**Required Supplementary Information**

	<b>2025</b>	2024	2023	2022
District's proportion of the net pension liability	<b>0.102207%</b>	0.102200%	0.104344%	-0.039762%
District's proportionate share of the net pension liability	<b>\$ 3,722</b>	\$ 4,613	\$ 3,942	\$ 137
District's covered payroll	<b>\$ 9,427</b>	\$ 8,975	\$ 8,380	\$ 7,945
District's proportionate share of the net pension liability as a percentage of its covered payroll	<b>39.48%</b>	51.40%	47.04%	1.72%
IPERS' net position as a percentage of the total pension liability	<b>92.30%</b>	90.13%	91.40%	100.81%

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

See notes to required supplementary information.

2021		2020		2019		2018		2017		2016	
0.095973%		0.098324%		0.097582%		0.091096%		0.093027%		0.096116%	
\$	6,742	\$	5,694	\$	6,175	\$	6,068	\$	5,855	\$	4,749
\$	7,593	\$	7,483	\$	7,325	\$	6,800	\$	6,676	\$	6,585
88.79%		76.09%		84.30%		89.24%		87.70%		72.11%	
82.90%		85.45%		83.62%		82.21%		81.82%		85.19%	

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**SCHEDULE OF DISTRICT CONTRIBUTIONS  
Iowa Public Employees' Retirement System  
For the Last Ten Years  
(In Thousands)**

**Required Supplementary Information**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Statutorily required contribution	\$ <b>929</b>	\$ 890	\$ 847	\$ 791
Contributions in relation to the statutorily required contribution	<b>(929)</b>	(890)	(847)	(791)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ <b>9,837</b>	\$ 9,427	\$ 8,975	\$ 8,380
Contributions as a percentage of covered payroll	<b>9.44%</b>	9.44%	9.44%	9.44%

See notes to required supplementary information.

2021	2020	2019	2018	2017	2016
\$ 750	\$ 717	\$ 706	\$ 654	\$ 607	\$ 596
(750)	(717)	(706)	(654)	(607)	(596)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 7,945	\$ 7,593	\$ 7,483	\$ 7,325	\$ 6,800	\$ 6,676
9.44%	9.44%	9.44%	8.93%	8.93%	8.93%

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**SCHEDULE OF CHANGES IN THE DISTRICT'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS**

**For the Last Eight Years**

**Required Supplementary Information**

	<b>2025</b>	2024	2023
Service cost	\$ 76,786	\$ 70,639	\$ 70,330
Interest cost	40,629	36,591	33,768
Differences between expected and actual experiences	-	40,032	-
Changes in assumptions	(97,436)	(17,474)	(12,583)
Benefit payments	(70,212)	(50,769)	(67,253)
Net change in total OPEB liability	(50,233)	79,019	24,262
Total OPEB liability beginning of year	981,711	902,692	878,430
 Total OPEB liability end of year	 \$ 931,478	 \$ 981,711	 \$ 902,692
 Covered-employee payroll	 \$ 9,204,085	 \$ 8,100,000	 \$ 8,403,929
 Total OPEB liability as a percentage of covered-employee payroll	 10.12%	 12.12%	 10.74%

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

See notes to required supplementary information.

	2022	2021	2020	2019	2018
\$	122,974	\$ 105,802	\$ 22,026	\$ 22,026	\$ 22,028
	25,643	29,087	9,352	9,218	8,797
	(48,267)	-	754,967	(3,891)	(4,924)
	(406,049)	51,950	116,383	-	-
	(56,943)	(54,399)	(46,932)	(3,234)	(27,682)
	(362,642)	132,440	855,796	24,119	(1,781)
	1,241,072	1,108,632	252,836	228,717	230,498
\$	878,430	\$ 1,241,072	\$ 1,108,632	\$ 252,836	\$ 228,717
\$	8,400,000	\$ 7,900,000	\$ 7,600,000	\$ 7,400,000	\$ 7,300,000
	10.46%	15.71%	14.59%	3.42%	3.13%

## OKOBOJI COMMUNITY SCHOOL DISTRICT

### Notes to Required Supplementary Information Year ended June 30, 2025

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#### **Note 1. Budgets and Budgetary Information**

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

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

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functions, not by fund. These four functions are instruction, support services, non-instructional programs and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated function level, not by fund. The Code of Iowa also provides District expenditures in the General Fund may not exceed the amount authorized by the school finance formula. During the year, the District adopted one budget amendment, increasing budget expenditures by \$6,350,000.

During the year ended June 30, 2025, expenditures in the instruction, support services and other expenditures functions exceeded the amount budgeted.

#### **Note 2. Iowa Public Employee's Retirement System Pension Liability**

##### *Changes of benefit terms:*

There are no significant changes in benefit terms.

##### *Changes of assumptions:*

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

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

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

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

**Notes to Required Supplementary Information**  
**Year ended June 30, 2025**

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**Note 2. Iowa Public Employee’s Retirement System Pension Liability (Continued)**

*Changes of assumptions (continued):*

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%.

**Note 3. Notes to Schedule of Changes in the District’s Total OPEB Liability and Related Ratios**

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

*Changes in benefit terms:*

There were no significant changes in benefit terms.

*Changes in assumptions:*

There were no significant changes in assumptions.

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

Year ended June 30, 2025	5.20%
Year ended June 30, 2024	3.97%
Year ended June 30, 2023	3.86%
Year ended June 30, 2022	3.69%
Year ended June 30, 2021	1.92%
Year ended June 30, 2020	2.45%
Year ended June 30, 2019	3.72%
Year ended June 30, 2018	3.72%
Year ended June 30, 2017	2.50%

**SUPPLEMENTARY INFORMATION**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2025**

	<u>Special Revenue</u>		
	<u>Student Activity</u>	<u>Management Levy</u>	<u>Total</u>
<b>Assets</b>			
Cash and pooled investments	\$ 278,868	\$ 884,716	\$ 1,163,584
Receivables:			
Property tax:			
Delinquent	-	2,508	2,508
Succeeding year	-	718,005	718,005
Accounts	11,943	-	11,943
	<hr/>		
<b>Total assets</b>	<b>\$ 290,811</b>	<b>\$ 1,605,229</b>	<b>\$ 1,896,040</b>
<hr/>			
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ 8,289	\$ 454	\$ 8,743
<b>Total liabilities</b>	<b>8,289</b>	<b>454</b>	<b>8,743</b>
<hr/>			
Deferred Inflows of Resources:			
Unavailable revenues:			
Succeeding year property tax	-	718,005	718,005
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>718,005</b>	<b>718,005</b>
<hr/>			
Fund balances:			
Restricted for:			
Management levy purposes	-	886,770	886,770
Student activities	282,522	-	282,522
<b>Total fund balances</b>	<b>282,522</b>	<b>886,770</b>	<b>1,169,292</b>
<hr/>			
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 290,811</b>	<b>\$ 1,605,229</b>	<b>\$ 1,896,040</b>
<hr/>			

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
Year Ended June 30, 2025**

	Special Revenue		Total
	Student Activity	Management Levy	
<b>Revenues:</b>			
Local sources:			
Local tax	\$ -	\$ 761,585	\$ 761,585
Other	301,896	-	301,896
State sources	-	15,058	15,058
<b>Total revenues</b>	301,896	776,643	1,078,539
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	-	195,906	195,906
Other	290,205	-	290,205
Support services:			
Administration	-	636,457	636,457
Operation and maintenance of plant	-	343,692	343,692
Transportation	-	29,595	29,595
<b>Total expenditures</b>	290,205	1,205,650	1,495,855
Change in fund balances	11,691	(429,007)	(417,316)
Fund balances, beginning of year	270,831	1,315,777	1,586,608
Fund balances, end of year	\$ 282,522	\$ 886,770	\$ 1,169,292

**SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND  
STUDENT ACTIVITY ACCOUNTS  
Year Ended June 30, 2025**

<b>Account</b>	<b>Balance Beginning of Year</b>	<b>Revenues and Interfund Transfers</b>	<b>Expenditures</b>	<b>Intrafund Transfers</b>	<b>Balance End of Year</b>
All school play	\$ 1,274	1,146	934	\$ -	\$ 1,486
Speech	-	5,741	8,326	4,956	2,371
Speech fundraiser	2,495	-	-	(1,560)	935
Debate	-	758	3,258	2,500	-
Debate fundraiser	2,678	-	-	(1,847)	831
Mock Trial	-	-	1,140	1,140	-
Mock Trial fundraiser	2,864	385	-	(269)	2,980
Quiz bowl	-	500	425	-	75
Vocal jazz	4,635	1,972	2,806	(1,935)	1,866
Jazz band	-	2,768	4,572	1,804	-
Musical	6,530	5,290	3,655	435	8,600
Marching band	622	-	-	218	840
Cross country	-	133	1,473	1,340	-
Cross country fundraiser	2,313	179	175	(905)	1,412
Tennis	-	-	100	100	-
Boys basketball	-	-	5,154	5,154	-
Boys basketball fundraiser	1,949	250	175	(565)	1,459
Football	316	3,323	23,236	19,597	-
Football fundraiser	3,689	1,393	74	(2,565)	2,443
Baseball	-	-	11,940	11,940	-
Baseball fundraiser	3,681	384	1,070	(1,065)	1,930
Boys track	30	754	8,416	7,632	-
Boys track fundraiser	342	1,004	918	153	581
Boys golf	230	300	270	-	260
Boys golf fundraiser	875	-	80	218	1,013
Wrestling	-	2,321	12,157	9,836	-
Wrestling fundraiser	1,357	157	923	120	711
Girls basketball	-	-	6,178	6,178	-
Girls basketball fundraiser	2,893	667	225	(1,065)	2,270
Volleyball	-	762	6,269	5,542	35
Volleyball fundraiser	13,126	-	515	(4,672)	7,939
Softball	-	-	3,467	3,467	-
Softball fundraiser	1,490	-	147	(565)	778
Girls track	(42)	419	5,410	5,033	-
Girls track fundraiser	638	214	92	(347)	413
Girls golf	-	-	30	30	-
Girls golf fundraiser	840	141	80	187	1,088
MS athletics	-	515	11,939	11,424	-
MS athletics fundraiser	-	-	120	120	-
Gate receipts	4,927	48,334	5,175	(46,513)	1,573

(Continued on next page)

OKOBOJI COMMUNITY SCHOOL DISTRICT

Schedule 3  
(Continued)

SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND  
STUDENT ACTIVITY ACCOUNTS  
Year Ended June 30, 2025

Account	Balance Beginning of Year	Revenues and Interfund Transfers	Expenditures	Intrafund Transfers	Balance End of Year
Class of 2024	\$ -	\$ 10	\$ 19	\$ 9	\$ -
Class of 2025	3,952	885	2,077	(2,760)	-
Class of 2026	4,493	810	-	-	5,303
Class of 2027	3,045	860	-	-	3,905
Class of 2028	-	790	-	-	790
Activity tickets	-	17,196	2,265	(14,931)	-
Interest	-	13,169	-	(5,616)	7,553
Concessions	17,334	68,114	40,486	(15,234)	29,728
Student vending	9,059	3,120	1,616	-	10,563
General athletics	12,768	48,172	40,312	(6,521)	14,107
Uniforms	1,438	-	-	-	1,438
Student council	8,473	6,045	6,175	1,166	9,509
Cheerleaders - football	-	598	783	1,234	1,049
Cheerleaders - BB	-	-	597	597	-
Cheerleaders - BB fundraiser	3,801	105	2,721	(92)	1,093
Cheerleaders - WR	-	92	-	-	92
Cheerleaders - WR fundraiser	932	-	183	579	1,328
Cheerleaders - FB fundraiser	3,266	141	1,445	324	2,286
Dance team	-	112	2,611	2,499	-
Dance fundraiser	942	-	1,949	1,007	-
Prom	2,391	1,917	2,240	435	2,503
Esports	-	-	965	965	-
Esports fundraiser	218	-	218	-	-
Annual	8,584	-	-	-	8,584
Spanish club	5,858	-	-	-	5,858
Science club	900	-	-	-	900
FFA	-	14,584	15,140	556	-
FFA fundraiser	73,032	30,602	29,763	(556)	73,315
Thespian club	4,004	-	-	-	4,004
Art appreciation	787	-	-	-	787
Art society fundraiser	7,059	718	300	653	8,130
Industrial arts club	1,094	-	-	-	1,094
Key club	4,535	510	640	-	4,405
HS special ed club	6,379	912	761	-	6,530
EL/MS special ed club	89	602	-	-	691
MS student senate	408	-	-	-	408
MS concessions	1,557	3,144	3,194	-	1,507
MS fundraiser	24,681	8,878	2,821	435	31,173
	<u>\$ 270,831</u>	<u>\$ 301,896</u>	<u>\$ 290,205</u>	<u>\$ -</u>	<u>\$ 282,522</u>

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**COMBINING BALANCE SHEET  
CAPITAL PROJECTS FUND ACCOUNTS  
June 30, 2025**

	<b>Statewide Sales, Services and Use Tax</b>	<b>Physical Plant and Equipment Levy</b>
<b>Assets</b>		
Cash and pooled investments	\$ 1,369,870	\$ 440,673
Receivables:		
Property tax:		
Delinquent	-	2,292
Succeeding year	-	697,303
Due from other funds	-	-
Due from other governments	142,091	-
	<hr/>	<hr/>
<b>Total assets</b>	<b>\$ 1,511,961</b>	<b>\$ 1,140,268</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>		
Liabilities:		
Accounts payable	\$ 18,613	\$ 13,231
Due to other funds.	-	-
<b>Total liabilities</b>	<hr/>	<hr/>
	18,613	13,231
Deferred Inflows of Resources		
Unavailable revenues:		
Succeeding year property tax	-	697,303
<b>Total deferred inflows of resources</b>	<hr/>	<hr/>
	-	697,303
Fund Balances:		
Restricted for:		
Debt service	735,050	-
School infrastructure	758,298	-
Physical plant and equipment	-	429,734
<b>Total fund balances</b>	<hr/>	<hr/>
	1,493,348	429,734
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<hr/>	<hr/>
	<b>\$ 1,511,961</b>	<b>\$ 1,140,268</b>

**Schedule 4**

<b>Capital Projects</b>			
<b>General Obligation Construction</b>	<b>Building Project 2025</b>	<b>Revenue Bond Construction</b>	<b>Total</b>
\$ 208,151	\$ 299,950	\$ 1,638,085	\$ 3,956,729
-	-	-	2,292
-	-	-	697,303
306,291	133,637	-	439,928
-	-	-	142,091
<b>\$ 514,442</b>	<b>\$ 433,587</b>	<b>\$ 1,638,085</b>	<b>\$ 5,238,343</b>
\$ 2,200	\$ 433,587	\$ 145,946	\$ 613,577
306,291	2,813,132	-	3,119,423
308,491	3,246,719	145,946	3,733,000
-	-	-	697,303
-	-	-	697,303
-	-	-	735,050
205,951	(2,813,132)	1,492,139	(356,744)
-	-	-	429,734
205,951	(2,813,132)	1,492,139	808,040
<b>\$ 514,442</b>	<b>\$ 433,587</b>	<b>\$ 1,638,085</b>	<b>\$ 5,238,343</b>

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
CAPITAL PROJECTS FUND ACCOUNTS  
Year Ended June 30, 2025**

	<b>Statewide Sales, Services and Use Tax</b>	<b>Physical Plant and Equipment Levy</b>
<b>Revenues:</b>		
Local sources:		
Local tax	\$ -	\$ 677,382
Other	-	-
State sources	1,354,965	12,763
<b>Total revenues</b>	<u>1,354,965</u>	<u>690,145</u>
<b>Expenditures:</b>		
Current:		
Instruction:		
Regular	122,188	513,154
Other	-	1,455
Support services:		
Instructional staff	-	11,396
Administration	71,716	184,094
Operations and maintenance of plant	34,737	56,014
Transportation	286,523	2,526
Other expenditures:		
Facilities acquisition	690,186	78,503
Long-term debt:		
Interest and fiscal charges	1,800	-
<b>Total expenditures</b>	<u>1,207,150</u>	<u>847,142</u>
<b>Excess(deficiency) of revenues     over (under) expenditures</b>	147,815	(156,997)
<b>Other financing sources (uses):</b>		
Proceeds from sale of capital assets	11,670	-
Proceeds from equipment purchase agreements	318,483	512,505
Transfers out	(801,956)	(411,956)
<b>Total other financing sources (uses)</b>	<u>(471,803)</u>	<u>100,549</u>
<b>Change in fund balances</b>	(323,988)	(56,448)
Fund balances, beginning of year	<u>1,817,336</u>	<u>486,182</u>
Fund balances, end of year	<u>\$ 1,493,348</u>	<u>\$ 429,734</u>

**Schedule 5**

<b>Capital Projects</b>			
<b>General Obligation Construction</b>	<b>Building Project 2025</b>	<b>Revenue Bond Construction</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ 677,382
11,894	-	147,641	159,535
-	-	-	1,367,728
11,894	-	147,641	2,204,645
-	-	-	635,342
-	-	-	1,455
-	-	-	11,396
-	-	-	255,810
-	-	-	90,751
-	-	-	289,049
347,356	2,813,132	4,464,681	8,393,858
2,200	-	-	4,000
349,556	2,813,132	4,464,681	9,681,661
(337,662)	(2,813,132)	(4,317,040)	(7,477,016)
-	-	-	11,670
-	-	-	830,988
-	-	-	(1,213,912)
-	-	-	(371,254)
(337,662)	(2,813,132)	(4,317,040)	(7,848,270)
543,613	-	5,809,179	8,656,310
\$ 205,951	\$ (2,813,132)	\$ 1,492,139	\$ 808,040

COMBINING SCHEDULE OF NET POSITION  
INTERNAL SERVICE FUNDS  
June 30, 2025

		<b>Internal Service Funds</b>		
		<b>Partially Self-Funded Health</b>		
		<b>Insurance</b>	<b>Flex Benefits</b>	<b>Total</b>
<b>Assets</b>				
	Cash	\$ 1,610	\$ 50,278	\$ 51,888
	<b>Total assets</b>	<b>1,610</b>	<b>50,278</b>	<b>51,888</b>
<b>Net Position</b>				
	Unrestricted	\$ 1,610	\$ 50,278	\$ 51,888

**COMBINING SCHEDULE OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
Year Ended June 30, 2025**

	<u>Internal Service Funds</u>		
	<b>Partially Self-Funded Health Insurance</b>	<b>Flex Benefits</b>	<b>Total</b>
<b>Operating Revenues:</b>			
Local sources:			
Charges for services	\$ -	\$ 46,712	\$ 46,712
<b>Total operating revenues</b>	<u>-</u>	<u>46,712</u>	<u>46,712</u>
<b>Operating Expenses:</b>			
Non-instruction programs:			
Other enterprise operations:			
Benefits	-	48,796	48,796
<b>Total operating expenses</b>	<u>-</u>	<u>48,796</u>	<u>48,796</u>
Change in net position	-	(2,084)	(2,084)
Net position, beginning of year	<u>1,610</u>	<u>52,362</u>	<u>53,972</u>
Net position, end of year	<u>\$ 1,610</u>	<u>\$ 50,278</u>	<u>\$ 51,888</u>

**COMBINING SCHEDULE OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
Year Ended June 30, 2025**

	<b>Internal Service Funds</b>		
	<b>Partially Self-funded Health Insurance</b>	<b>Flex Benefits</b>	<b>Total</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from services provided	\$ -	\$ 46,712	\$ 46,712
Cash payments to suppliers for goods or services	-	(48,796)	(48,796)
<b>Net cash (used in) operating activities</b>	<b>-</b>	<b>(2,084)</b>	<b>(2,084)</b>
<b>Net (decrease) in cash</b>	<b>-</b>	<b>(2,084)</b>	<b>(2,084)</b>
Cash beginning of year	1,610	52,362	53,972
Cash end of year	\$ 1,610	\$ 50,278	\$ 51,888
<b>Reconciliation of change in net position to net cash (used in) operating activities:</b>			
Change in net position	\$ -	\$ (2,084)	\$ (2,084)
<b>Net cash (used in) operating activities</b>	<b>\$ -</b>	<b>\$ (2,084)</b>	<b>\$ (2,084)</b>

**OKOBOJI COMMUNITY SCHOOL DISTRICT**

**SCHEDULE OF REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION -  
ALL GOVERNMENTAL FUNDS**

**For the Last Ten Years**

	2025	2024	2023	2022
<b>Revenues:</b>				
Local sources:				
Local tax	\$ 18,390,603	\$ 15,334,959	\$ 14,823,973	\$ 14,508,970
Tuition	2,415,680	2,318,551	1,808,710	1,519,514
Other	1,436,575	1,703,268	524,290	578,984
Intermediate sources	-	2,500	-	-
State sources	2,561,645	3,144,355	2,582,886	2,360,641
Federal sources	695,348	467,598	565,859	1,264,288
<b>Total revenues</b>	<b>\$ 25,499,851</b>	<b>\$ 22,971,231</b>	<b>\$ 20,305,718</b>	<b>\$ 20,232,397</b>
<b>Expenditures:</b>				
Instruction:				
Regular	\$ 8,198,863	\$ 7,356,344	\$ 6,906,442	\$ 7,033,512
Special	3,626,583	3,626,875	2,448,472	2,949,664
Other	1,006,287	1,006,439	1,859,419	957,114
Support services:				
Student	403,521	374,341	371,743	334,659
Instructional staff	181,198	167,904	159,343	165,805
Administration	2,583,503	2,062,847	1,926,367	1,739,786
Operation and maintenance of plant	1,619,985	1,542,488	1,378,072	1,796,881
Transportation	841,144	1,603,972	662,499	851,618
Other expenditures:				
Facilities acquisition	8,393,858	814,801	2,292,043	3,107,938
Long-term debt:				
Principal	5,619,422	2,984,693	2,697,581	1,797,587
Interest and fiscal charges	1,132,089	1,000,195	1,037,560	1,143,689
AEA flowthrough	443,322	540,875	518,467	504,376
<b>Total expenditures</b>	<b>\$ 34,049,775</b>	<b>\$ 23,081,774</b>	<b>\$ 22,258,008</b>	<b>\$ 22,382,629</b>

**Schedule 9**

	2021	2020	2019	2018	2017	2016
\$	14,290,683	\$ 13,176,505	\$ 12,130,260	\$ 10,332,703	\$ 9,639,658	\$ 8,964,921
	1,582,332	1,670,987	1,159,496	1,110,195	844,477	714,334
	648,669	889,947	992,132	548,921	416,333	379,224
	-	1,500	-	6,000	2,003	1,500
	2,168,112	2,028,196	1,954,059	1,961,442	2,045,616	1,999,412
	961,778	279,222	370,968	354,904	271,501	292,035
\$	19,651,574	\$ 18,046,357	\$ 16,606,915	\$ 14,314,165	\$ 13,219,588	\$ 12,351,426
\$	6,629,242	\$ 5,851,290	\$ 5,671,031	\$ 5,954,879	\$ 5,777,773	\$ 5,538,080
	2,821,604	2,758,432	2,515,749	2,598,264	2,203,241	1,724,190
	829,620	826,154	751,916	754,996	739,734	1,574,738
	324,416	284,327	278,788	273,314	267,045	258,787
	135,272	179,451	660,878	315,385	194,507	216,279
	1,781,469	1,528,351	1,583,975	1,624,849	1,418,401	1,375,578
	1,243,401	1,136,053	1,147,115	1,222,360	1,025,208	967,502
	470,273	533,284	481,272	560,258	485,372	488,255
	3,632,894	18,749,483	4,496,741	563,989	505,278	473,152
	3,180,288	1,694,585	1,547,458	462,184	407,907	294,000
	1,116,784	995,801	1,033,072	150,144	136,424	144,771
	485,419	458,257	437,923	439,888	418,392	404,295
\$	22,650,682	\$ 34,995,468	\$ 20,605,918	\$ 14,920,510	\$ 13,579,282	\$ 13,459,627

**OKOBOJI COMMUNITY SCHOOL DISTRICT**



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

To the Board of Education of  
Okoboji Community School District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Okoboji Community School District as of and for the year ended June 30, 2025, and the related notes to financial statements. We were not engaged to audit the financial statements of the discretely presented component unit. These financial statements collectively comprise the District's basic financial statements and we have issued our report thereon dated March 24, 2026.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control which 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 Okoboji Community School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part III of the accompanying Schedule of Findings and Questioned Costs.

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

### Okoboji Community School District's Responses to Findings

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

### Purpose of this Report

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

*TrustPoint, LLP*

Fort Dodge, Iowa  
March 24, 2026

## OKOBOJI COMMUNITY SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs Year Ended June 30, 2025

#### **Part I: Summary of Independent Auditor's Results:**

- (a) Unmodified opinions were issued on the financial statements prepared in accordance with accounting principles generally accepted in the United States of America.
- (b) No significant deficiencies or material weaknesses in internal control over financial reporting was disclosed by the audit of the financial statements.
- (c) The audit did not disclose any noncompliance that is material to the financial statements.

#### **Part II: Findings Related to the Financial Statements:**

##### **INSTANCES OF NON-COMPLIANCE**

No matters were noted.

##### **INTERNAL CONTROL DEFICIENCIES:**

No matters were noted.

#### **Part III: Other Findings Related to Required Statutory Reporting:**

2025-A Certified Budget – Expenditures for the year ended June 30, 2025 exceeded the certified amended budget amount in the instruction, support services and other expenditures functions.

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

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

Conclusion – Response accepted.

2025-B Questionable Expenditures – We noted no expenditures that failed to meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.

2025-C Travel Expense – No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.

2025-D Business Transactions – No business transactions between the District and District officials or employees were noted.

2025-E Restricted Donor Activity – No transactions were noted between the District, District officials or District employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

2025-F Bond Coverage – Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.

**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended June 30, 2025**

**Part III: Other Findings Related to Required Statutory Reporting (continued):**

2025-G Board Minutes – We noted no transactions requiring Board approval which had not been approved by the Board.

2025-H Certified Enrollment – We noted variances in the basic enrollment data certified to the Iowa Department of Education. The enrollment data certified was understated by 2.0 students for the fall 2024 count.

Recommendation – The District should review the policies and student registration procedures for certifying basic enrollment to ensure the certified enrollment is accurate.

Response – We will review policies and student registration procedures to improve the accuracy of reporting.

Conclusion – Response accepted.

2025-I Supplementary Weighting – A variance regarding the supplementary weighting certified to the Iowa Department of Education was noted.

Recommendation – The District should contact the Iowa Department of Education to resolve this matter.

Response – The District’s auditors will contact the Iowa Department of Education on behalf of the District to resolve this matter.

Conclusion – Response accepted.

2025-J Deposits and Investments – No instances of noncompliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the District’s investment policy were noted.

2025-K Certified Annual Report – The Certified Annual Report was certified timely to the Iowa Department of Education.

2025-L Categorical Funding – No instances of categorical funding being used to supplant rather than supplement other funds were noted.

**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended June 30, 2025**

**Part III: Other Findings Related to Required Statutory Reporting (continued):**

2025-M Statewide Sales, Services and Use Tax: No instances of non-compliance with the allowable uses of the statewide sales, services and use tax revenue provided in Chapter 423F.3 of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales, services and use tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2025, the following information includes the amounts the District reported for the statewide sales, services and use tax revenue in the District's CAR, including adjustments identified during the fiscal year 2025 audit:

Beginning balance		\$ 1,817,336
Revenues:		
Sales tax revenues	\$ 1,354,965	
Proceeds from equipment purchase agreements	318,483	
Proceeds from sale of capital assets	<u>11,670</u>	<u>1,685,118</u>
		<u>3,502,454</u>
Expenditures/transfers out:		
Equipment	515,164	
Facilities acquisition	690,186	
Interest and fiscal charges	1,800	
Transfers out	<u>801,956</u>	<u>2,009,106</u>
<b>Ending balance</b>		<b><u><u>\$ 1,493,348</u></u></b>

For the year ended June 30, 2025, the District did not reduce any levies as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa.

2025-N Student Activity Fund: In accordance with Chapter 298A.8 of the Code of Iowa and Iowa Administrative Rule 281 – 12.6(1), moneys in the Student Activity Fund should be used to support only the extracurricular and co-curricular activities offered as part of the District's education program. The interest account reported in the Special Revenue, Student Activity Fund does not appear to be extracurricular or co-curricular in nature.

Recommendation: The District should review and reclassify this account to another Student Activity Fund Account.

Response: We have reviewed the activity in the account and will reclassify the account to another Student Activity Fund account.

Conclusion: Response accepted.

APPENDIX E – FORM OF ISSUE PRICE CERTIFICATES

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

OKOBOJI COMMUNITY SCHOOL DISTRICT  
\$ \_\_\_\_\_ 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 April 28, 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 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: [ISSUE DATE]

SCHEDULE A  
EXPECTED OFFERING PRICES  
(Attached)  
SCHEDULE B  
COPY OF UNDERWRITER'S BID  
(Attached)

**[FORM OF ISSUE PRICE CERTIFICATE TO BE USED IF  
COMPETITIVE SALE REQUIREMENTS ARE NOT MET]  
OKOBOJI COMMUNITY SCHOOL DISTRICT  
\$ \_\_\_\_\_ GENERAL OBLIGATION SCHOOL BONDS, SERIES 2026  
ISSUE PRICE CERTIFICATE**

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

1. Sale of the General Rule Maturities. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.
2. Initial Offering Price of the Hold-the-Offering-Price Maturities.
  - a) [Purchaser][The Underwriting Group] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.
  - b) As set forth in the Official Terms of Offering and bid award, [Purchaser][the members of the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, [it][they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.
3. Defined Terms.
  - a) General Rule Maturities means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."
  - b) Hold-the-Offering-Price Maturities means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."
  - c) Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (May 5, 2026), or (ii) the date on which [Purchaser][the Underwriters] [has][have] sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.
  - d) Issuer means Okoboji Community School District.
  - e) Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.
  - f) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
  - g) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April 28, 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][the Representative's] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by 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][REPRESENTATIVE]

By:

Name:

Dated: [ISSUE DATE]

SCHEDULE A

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

(Attached)

SCHEDULE B  
PRICING WIRE OR EQUIVALENT COMMUNICATION