



**Northeast Iowa Community College, State of Iowa
(Merged Area I)**

\$1,660,000*

Taxable Industrial New Jobs Training Certificates, Series 2026-1

(Book Entry Only)

(PARITY® Is the Only Permitted form of Bidding)

(FAST Closing)

**(Award will occur at a Board of Directors meeting that begins
at 12:00 noon on Thursday June 4, 2026)**

DATE: Thursday, June 4, 2026

TIME: 10:00 AM CDT

PLACE: Office of the Treasurer

1625 Hwy 150

Calmar, IA 52132

Telephone: (844) 642-2338

Moody's Rating: "Aa1"

*** Preliminary, subject to change**

PIPER | SANDLER

3900 Ingersoll Ave., Suite 110

Des Moines, IA 50312

515/247-2340

OFFICIAL BID FORM

TO: Board of Directors of the Northeast Iowa Community College, State of Iowa (Merged Area I) (the "Issuer")
 Re: \$1,660,000* Taxable Industrial New Jobs Training Certificates, Series 2026-1, dated Date of delivery, of the Issuer (the "Certificates")

For all or none of the above Certificates, we will pay you \$ _____ for Certificates bearing interest rates and maturing as follows:

<u>Coupon</u>	<u>Yield</u>	<u>Maturity June 1</u>	<u>Coupon</u>	<u>Yield</u>	<u>Maturity June 1</u>
_____	_____	2027	_____	_____	2032
_____	_____	2028	_____	_____	2033
_____	_____	2029	_____	_____	2034
_____	_____	2030	_____	_____	2035
_____	_____	2031	_____	_____	2036

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

<u>Principal Amount</u>	<u>Month and Year (Inclusive)</u>	<u>Maturity Month and Year</u>
\$ _____	_____ 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 certificates issued as term certificates

This bid is for prompt acceptance and for delivery of said Certificates to use in compliance with the Official Terms of Offering of Certificates, 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:

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

 Account Manager

 Authorized Signature of Account Manager

The foregoing offer is hereby accepted by and on behalf of the Board of Directors of the Northeast Iowa Community College, in the Counties of Allamakee, Bremer, Buchanan, Chickasaw, Clayton, Delaware, Dubuque, Fayette, Howard, Jackson, Jones, Mitchell and Winneshiek, State of Iowa, this 4th day of June 2026.

ATTEST: _____
 Board Secretary

 Board President

* Preliminary, subject to change

TERMS OF OFFERING

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

The Certificates. The Certificates to be offered are the following:

TAXABLE INDUSTRIAL NEW JOBS TRAINING CERTIFICATES, SERIES 2026-1, in the principal amount of \$1,660,000*, dated Date of delivery in the denomination of \$5,000 or multiples thereof, and maturing as shown on the front page of the official statement (the "Certificates")

* Adjustment to Principal Amount After Determination of Best Bid. Each scheduled maturity of the Certificates are subject to increase or decrease. Such adjustments shall be made promptly after the sale and prior to the award of bids by the Issuer. To cooperate with any adjustment in the principal amounts, the Purchaser ("Purchaser") is required, as a part of its bid, to indicate its Initial Reoffering yield and Initial Reoffering price on each maturity of the Certificates (said price shall be calculated to the date as indicated by the Issuer).

The dollar amount bid by the Purchaser may be changed if the aggregate principal amount of the Certificates, as adjusted as described below, is adjusted, however the interest rates specified by the Purchaser for all maturities will not change. The Issuer's Municipal Advisor will make every effort to ensure that the percentage net compensation to the Purchaser (the percentage resulting from dividing (i) the aggregate difference between the offering price of the Certificates 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 Purchaser, by (ii) the principal amount of the Certificates) does not increase or decrease from what it would have been if no adjustment was made to principal amounts shown in the maturity schedule.

The Purchaser may not withdraw or modify its bid once submitted to the Issuer for any reason, including post certificate adjustment. Any adjustment shall be conclusive and shall be binding upon the Purchaser.

Interest: Interest on the Certificates will be payable on June 1, and December 1, beginning June 1, 2027. 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 a such other address as is furnished to the Paying Agent in writing by a registered owner.

Optional Redemption: The Certificates maturing 2034-2036, may be called for redemption by the Issuer and paid before maturity on June 1, 2033 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.

Book Entry System: The Certificates will be issued by means of a book entry system with no physical distribution of certificates made to the public. The Certificates will be issued in fully registered form and one certificate, representing the aggregate principal amount of the Certificates 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 Certificates. Individual purchases of the Certificates 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 Certificates. Transfer of principal and interest payments to participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Purchaser, as a condition of delivery of the Certificates, 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 \$16,600 for the Certificates, 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. If a wire is to be used, the Issuer will notify the Purchaser of the wire instructions, by fax or email, within ten minutes of the stated time for receipt of bids.

If the wire is not received at the time indicated above, for the Certificates, or any of them, the Issuer will abandon its plan to award to the Purchaser, and will contact the next highest bidder received for the particular series of Certificates 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 Certificates to the Purchaser absent receipt of the Deposit prior to action awarding the Certificates. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Certificates. In the event the Purchaser fails to honor its bid, the Deposit will be retained by the Issuer.

Form of Bids: All bids shall be unconditional for the entire issue of Certificates for a price of not less than 99% of par and shall specify the rate or rates of interest in conformity to the limitations set forth herein. Award will be on a TIC basis. The Board of Directors will consider award of the Certificates outlined herein at their board meeting starting at 12:00 noon on June 4, 2026.

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. 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 on the front cover of the preliminary official statement. 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 Purchaser will cooperate with the Issuer, its legal counsel and its Municipal Advisor to ensure that all confidential information is sent via a secure portal.

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

Each bidder shall be solely responsible for making necessary arrangements to access the Internet Bid System for purpose of submitting its internet bid in a timely manner and in compliance with the requirements of the Official Terms of Offering. The Issuer is permitting bidders to use the services of the Internet Bid System solely as a communication mechanism to conduct the internet bidding and the Internet Bid System is not an agent of the Issuer. 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.

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

1. All Certificates of the same annual maturity must bear the same interest rate.
2. Rates of interest bid may be in multiples of 1/8, 1/20 or 1/100th of 1%
3. Rates must be in level or ascending rates.

Delivery: The Certificates will be delivered to the Purchaser via FAST closing, against full payment in immediately available cash or federal funds. The Certificates 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 Certificates will cease. (When the Certificates are ready for delivery, the Issuer may give the Purchaser 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 Purchaser has failed to comply with the offer of purchase.)

Official Statement: The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Certificates, 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 Certificates, as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). By awarding the Certificates 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 Purchaser to which the Certificates are awarded one .pdf version 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 Purchaser to which the Certificates 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 Certificates 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 Certificates 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 Certificates. 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 Certificates shall not be cause for the Purchaser to refuse to accept delivery of the Certificates. The fee will be paid for by the Issuer.

Responsibility of Purchaser: It is the responsibility of the Purchaser 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 Certificates and other participating underwriters in the primary offering of the Certificates to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (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 Certificates, in the Resolution, 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, 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 Certificates 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 Certificates 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 Certificates and their market price.

Bond Insurance: Application has not been made for municipal bond insurance. Should the Certificates 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 Certificates 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 Certificates 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 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 Resolution or other issuance documents without prior Issuer consent, in its sole discretion. The insurer must agree, in the insurance commitment letter or separate agreement acceptable to the Issuer in its sole discretion, to notify the Issuer within 5 (five) days of any change to the rating of the insurer or any other event pertaining to the insurer that falls within the definition of a “material event”. Failure of the municipal bond insurer to issue the policy after the Certificates have been awarded to the Purchaser shall not constitute cause for failure or refusal by the Purchaser to accept delivery of the Certificates.

PRELIMINARY OFFICIAL STATEMENT DATED MAY 21, 2026

NEW ISSUE - DTC BOOK ENTRY ONLY

Moody's Rating: "Aa1"

In the opinion of Ahlers & Cooney, P.C., Bond Counsel, under present law interest on the Certificates is includable in gross income of the owners thereof for purposes of present federal income taxation as more fully discussed under the heading "TAX MATTERS" herein.



**Northeast Iowa Community College, State of Iowa
(Merged Area I)**

\$1,660,000* Taxable Industrial New Jobs Training Certificates, Series 2026-1

Dated: Date of delivery

The Taxable Industrial New Jobs Training Certificates, Series 2026-1, described above (the "Certificates") are issuable by Northeast Iowa Community College, State of Iowa (the "Issuer" or "College") as fully registered Certificates in the denomination of \$5,000 or any integral multiple thereof and, when issued, will be registered in the name of Cede & Co., as Certificate Holder and nominee of the Depository Trust Company, New York, NY ("DTC"). DTC will act as securities depository for the Certificates. Purchases of the Certificates will be made in book-entry form. Purchasers of the Certificates will not receive certificates representing their interest in the Certificates purchased. So long as DTC or its nominee, Cede & Co., is the holder, the principal of, premium, if any, and interest on the Certificates will be paid by UMB Bank, N.A., as Registrar and Paying Agent (the "Registrar" or "Paying Agent"), 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 Certificates.

Interest on the Certificates is payable on June 1, and December 1, 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 a such other address as is furnished to the Paying Agent in writing by a registered owner.

The Certificates maturing 2034-2036 may be called for redemption by the Issuer and paid before maturity on June 1, 2033 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>Maturity</u>	<u>Amount *</u>	<u>Rate*</u>	<u>Yield*</u>	<u>Cusip #'s **</u>	<u>Maturity</u>	<u>Amount *</u>	<u>Rate*</u>	<u>Yield*</u>	<u>Cusip #'s **</u>
June 1, 2027	40,000			664214 QU0	June 1, 2032	190,000			664214 QZ9
June 1, 2028	135,000			664214 QV8	June 1, 2033	185,000			664214 RA3
June 1, 2029	160,000			664214 QW6	June 1, 2034	190,000			664214 RB1
June 1, 2030	160,000			664214 QX4	June 1, 2035	205,000			664214 RC9
June 1, 2031	170,000			664214 QY2	June 1, 2036	225,000			664214 RD7

The Certificates 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 and validity by Ahlers & Cooney, P.C., Des Moines, Iowa, Bond Counsel. It is expected that the Certificates in the definitive form will be available for delivery on or about June 30, 2026. The Underwriter intends to engage in secondary market trading of the Certificates subject to applicable securities laws. The Underwriter is not obligated, however, to repurchase any of the Certificates 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 Certificates nor do they make any representation as to the correctness of such CUSIP numbers on the Certificates or as indicated above.

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

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

TABLE OF CONTENTS

INTRODUCTORY STATEMENT
THE CERTIFICATES
CERTIFICATE HOLDERS' RISKS
THE PROJECTS
SOURCE OF SECURITY FOR THE CERTIFICATES
APPLICATION OF PROJECT REVENUES
COVENANTS REGARDING THE OPERATION OF THE PROJECTS
PARITY OBLIGATIONS
THE EMPLOYERS
FUTURE FINANCING
LITIGATION
ACCOUNTANT
UNDERWRITING
LEGALITY
TAX MATTERS
MUNICIPAL ADVISOR
CONTINUING DISCLOSURE
RATING
APPENDIX A - GENERAL INFORMATION ABOUT THE ISSUER
APPENDIX B - FORM OF LEGAL OPINION
APPENDIX C - FORM OF CONTINUING DISCLOSURE CERTIFICATE
APPENDIX D - AUDITED FINANCIAL STATEMENTS OF THE ISSUER

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE CERTIFICATES 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 Certificates. The Issuer considers the Official Statement to be "near final" within the meaning of Rule 15c2-12 of the Securities Exchange Commission. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

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

FORWARD-LOOKING STATEMENTS

This Official Statement, including Appendix A, contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as "plan," "expect," "estimate," "budget" or similar words. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE 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.

OFFICIAL STATEMENT
\$1,660,000* TAXABLE INDUSTRIAL NEW JOBS TRAINING CERTIFICATES, SERIES 2026-1
NORTHEAST IOWA COMMUNITY COLLEGE, STATE OF IOWA (Merged Area I)

INTRODUCTORY STATEMENT

This Official Statement presents certain information relating to Northeast Iowa Community College, Iowa (the “Issuer” or “College”), in connection with the sale of the Issuer’s Taxable Industrial New Jobs Training Certificates, Series 2026-1, (the “Certificates”). The Certificates are being issued to provide funds for new job training programs for 5 different companies who have entered into job training agreements with the Issuer in 2026. See “**THE PROJECTS - Sources and Uses of Funds**” herein.

This 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 Certificates 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 Certificates constitute a valid and binding obligation of the Issuer which encompasses the corporate boundaries of the College, including all or portions of the following counties: Allamakee, Bremer, Buchanan, Chickasaw, Clayton, Delaware, Dubuque, Fayette, Howard, Jackson, Jones, Mitchell and Winneshiek. The Certificates are payable from the Project Revenues (as herein defined). In the event the Project Revenues deposited into the sinking fund established by the College, as described herein, (which include new jobs credit from withholding taxes where new jobs are created to be received or derived from new employment resulting from the Projects) are not available and appropriated in any year, all taxable real property in the territory of the Issuer is subject to ad valorem taxation, without limitation as to rate or amount, to pay the Certificate, as provided by Chapter 260E, as amended, and in the Jobs Training Agreements. See “**SOURCE OF SECURITY FOR THE CERTIFICATES**” 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 CERTIFICATES

General

The Certificates are dated as of Date of delivery and will bear interest at the rates to be set forth on the cover page herein.

Interest on the Certificates is payable on June 1, and December 1, beginning 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 a such other address as is furnished to the Paying Agent in writing by a registered owner.

Authorization for the Issuance

The Certificates are being issued pursuant to Iowa Code Chapter 260E, as amended.

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, neither the Issuer, Bond Counsel, the Municipal Advisor or the Underwriter take any responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

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

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within

* Preliminary, subject to change

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, corporate and municipal debt issues and money market instrument from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

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

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

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

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

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

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

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.

Transfer and Exchange

Any Certificate 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 Certificate 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 Certificate or Certificates shall be surrendered for transfer, the Registrar shall execute and deliver a new Certificate or Certificates of the same maturity, interest rate, and aggregate principal amount.

Certificates may be exchanged at the principal corporate office of the Registrar for a like aggregate principal amount of Certificates or other authorized denominations of the same maturity and interest rate; provided, however, that the Registrar is not required to transfer or exchange any Certificates which have been selected for prepayment and is not required to transfer or exchange any Certificates during the period beginning 15 days prior to the selection of Certificates for prepayment and ending the date notice of prepayment is mailed. The Registrar may require the payment by the Certificate Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. All Certificates 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 Certificates maturing in 2034-2036 may be called for redemption by the Issuer and paid before maturity on June 1, 2033 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 Certificates under the provisions of the Resolution, the Registrar shall give written notice not less than thirty (30) days prior to the redemption date to each registered owner thereof.

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 Certificates so called for redemption, and that if funds are not available, such redemption shall be cancelled by written notice to the owners of the Certificates called for redemption in the same manner as the original redemption notice was mailed.

CERTIFICATE HOLDERS' RISKS

An investment in the Certificates is subject to certain risks. No person should purchase the Certificates 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 Certificates. In order to identify risk factors, make an informed investment decision, and if the Certificates are an appropriate investment, potential investors should be thoroughly familiar with this entire Official Statement (including the Appendices hereto).

Tax Levy Procedures

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

Property Tax Legislation

Over time, the Iowa Legislature has modified the process and calculation of taxable valuations for various classifications of property. For example, in 2013 maximum annual taxable value growth due to revaluation of residential and agricultural property was reduced from 4% to 3%, rollback calculations were modified, a new multi-residential classification was created, and an appropriation made to replace some lost tax revenue due to rollbacks. In 2019, the process for hearings on total maximum property tax dollars under certain levies in the College's budget was modified and a supermajority vote required to raise taxes above a prescribed formula. In 2021, the multi-residential classification was removed, and a phase out of the appropriation for rollback initiated. In 2023, SF 181 was signed into law by the Governor on February 20, 2023, effective upon enactment. SF 181 reduced the residential rollback for the 2022 assessment year (affecting Fiscal Year 2023/24) from 56.4919% to 54.6501%. The residential rollback for Fiscal Year 2025 is 46.3428%. This will result in a reduction in taxable valuation in the residential, commercial, industrial and railroad property classes upon which the College levies property taxes. HF718 was signed into law by Governor Reynolds on May 4, 2023, with certain divisions effective upon enactment.

From time to time, legislative proposals are pending in Congress and the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described herein. 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 valuation, assessment or levy procedures for taxes levied by the College or have an adverse impact on the future tax collections of the College. Purchasers of the Certificates should consult their tax advisors regarding any pending or proposed federal or state tax legislation. The opinions expressed by Bond Counsel are based upon existing legislation as of the date of issuance and delivery of the Certificates and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending federal or state tax legislation.

Notwithstanding any modifications to property tax revenues that may result from prior or any pending or future legislation, the Certificates are secured by an unlimited ad valorem property tax as described more fully in the “**SOURCE OF SECURITY FOR THE CERTIFICATES**” herein.

Changes in Property Taxation

From time to time the Iowa General Assembly has altered the method of property taxation and could do so again. Any alteration in property taxation structure could affect property tax revenues available to pay the Certificates. 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 Certificates and the security for the Certificates.

Matters Relating to Enforceability of Agreements

Holders of the Certificates 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 Certificates, 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 Resolution.

There is no trustee or similar person to monitor or enforce the provisions of the Resolution for the Certificates. The owners of the Certificates 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 Certificate, there is no provision for acceleration of maturity of the principal of the Certificates. Consequently, the remedies of the owners of the Certificates (consisting primarily of an action in the nature of mandamus requiring the College and certain other public officials to perform the terms of the Resolution for the Certificates) may have to be enforced from year to year. Holders of the Certificates 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 Certificate, 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 Resolution.

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Resolution. The remedies available to the owners of the Certificates upon an event of default under the 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 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 Certificates 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 Resolution, including principal of and interest on the Certificates.

Secondary Market

There can be no guarantee that there will be a secondary market for the Certificates or, if a secondary market exists, that such Certificates 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 Certificate or Certificates issue are suspended or terminated. Additionally, prices of certificate or note issues for which a market is being made will depend upon the prevailing circumstances. Such prices could be substantially different from the original purchase price of the Certificates.

Pension

Pursuant to GASB Statement No. 68, the Issuer reported a liability of \$5,322,092 as of June 30, 2025 for its proportionate share of the net pension liability for Iowa Public Employee Retirement System (“IPERS”). The net pension liability is the amount by which the total actuarial liability exceeds the pension plan’s net assets or fiduciary net position (essentially the market value) available for paying benefits.

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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. As of June 30, 2024, the Issuer's collective proportion was .146151%, which was an increase of 0.004653% from its proportion measured June 30, 2023. See Issuer's Audited Financial Statements for Fiscal Year Ending June 30, 2025, Appendix D, for additional information.

Rating

Moody's Investor Service (the "Rating Agency") has assigned a rating of "Aa1" to the Certificates. 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 Certificates.

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

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 Certificates.

Pending Federal Tax Legislation

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals are pending in Congress that could, if enacted, alter or amend one or more of the federal tax matters described herein in certain respects or would adversely affect the market value of the Certificates or otherwise prevent holders of the Certificates from realizing the full benefit of the tax exemption of interest on the Certificates. Further such proposals may impact the marketability or market value of the Certificates 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 Certificates. 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 Certificates. 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 Certificates would be impacted thereby.

Redemption Prior to Maturity

In considering whether the Certificates might be redeemed prior to maturity, Certificate Holders should consider the information included in this Official Statement under the heading "**THE CERTIFICATES.**" Furthermore, the Certificates are subject to optional and mandatory redemption as set forth herein. See "**THE CERTIFICATES**" herein.

Clean up Costs and Liens under Environmental Statutes

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

General Liability Claims

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

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.

Risks as Employer

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

Limitation or Delay of Remedies

There is no trustee or similar person to monitor or enforce the provisions of the Resolution for the Certificates. The owners of the Certificates 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 Certificates, there is no provision for acceleration of maturity of the principal of the Certificates. Consequently, the remedies of the owners of the Certificates (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 Certificates) may have to be enforced from year to year.

The remedies available to the owners of the Certificates upon an event of default under the Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically the Bankruptcy Code, the remedies provided in the Resolution may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Certificates and the delivery of the Resolution will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Damage or Destruction to Issuer's Facilities

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

Cybersecurity

The Issuer relies on its information systems to provide security for processing, transmission and storage of confidential and other sensitive information. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches could create disruptions or shutdowns of the Issuer and the services it provides, or the unauthorized access to or disclosure of personally identifiable information and other confidential or sensitive information. Despite security measures, the Issuer may remain vulnerable to attacks by outside or internal hackers, or breaches caused by employee error, negligence or malfeasance. Any failure to maintain proper functionality and security of the Issuer's information systems could interrupt the Issuer's operations, damage its reputation, subject it to significant costs, liability claims or regulatory penalties, and could have a material adverse effect on the operations and financial condition of the Issuer. The Issuer has a cyber-insurance policy to cover certain risks; however, the Issuer cannot predict whether this policy will be sufficient to cover all costs in the event of a cyberattack.

DTC-Beneficial Owners

Beneficial Owners of the Certificates may experience some delay in the receipt of distributions of principal of and interest on the Certificates 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 Certificates can be affected only through DTC Participants, indirect participants and certain banks, the ability of a Beneficial Owner to pledge the Certificates to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Certificates, 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 CERTIFICATES– Book-Entry Only System.**”

Bankruptcy and Insolvency

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

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

Financial Aid/Funding

Approximately 73% of the College’s undergraduate students currently receive some Federal, State or institutional financial aid covering tuition and fees or living expenses. No assurance can be given that Federal and State financial aid and on-campus employment will continue to be funded at current levels. Curtailment of such aid may cause a decline in enrollment, which may in turn have an adverse effect on the College’s financial position and may affect its rating. See " Enrollment" in Appendix A to this Official Statement. Additionally, decreases in general funding at either the state or federal level for education at the community college level may have an adverse effect on the College’s financial position and may affect its rating.

Government Funding

The federal and state governments provide funding to support education, including tuition assistance. These sources of funding and the governmental programs that support them have been and will continue to be subject to modification and revision due to state and federal policy decisions, legislative action and government funding limitations. No assurance can be given that such funding will continue to be funded at current levels. Curtailment of such funding may cause a decline in enrollment. The financial condition of the College could be adversely affected by the actions and the ability of the College to maintain its creditworthiness will be based on its ability to successfully manage the outcome of any such actions.

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 Certificates are secured by an unlimited ad valorem property tax as described more fully in the “**SOURCE OF SECURITY FOR THE CERTIFICATES**” herein.

Suitability of Investment

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

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 tornadoes, 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.

Other Factors

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

Summary

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Certificates. 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.

THE PROJECTS

Proceeds of the Certificates will be used to fund the new jobs training programs for the respective companies and to fund costs of issuance and all expenses relating to the administration of the Projects. The College has entered into certain New Jobs Training Agreements (the “Agreements”) with certain Employers to finance the Projects at their respective companies. For a description, see the section title “**THE EMPLOYERS**” located herein.

Sources and Uses of Funds *

SOURCES	USES	
The Certificates	Job Training Costs	\$
	State Administration	
	Reserve Fund	
	College Administration	
	Issuance Costs	
Total	\$ Total	\$

* Preliminary, subject to change

SOURCE OF SECURITY FOR THE CERTIFICATES

The Certificates constitute a valid and binding obligation of the Issuer and are payable from the Project Revenues, as provided in the Agreement entered into by the College with each Employer provides for the following:

Program Costs, including deferred costs, may be paid from one or more of the following sources (“Project Revenues”):

1. New jobs credit from withholding to be received or derived from new employment resulting from the Project. An amount equal to one and one-half percent (1.5%) of the gross wages paid by the Employer to each employee participating in a Project is remitted quarterly to the College in the same manner that the withholding payments are reported to the State Department of Revenue and Finance.
2. Supplemental new jobs credit from withholding to be received or derived from new employment resulting from the Project. An additional amount equal to one and one-half percent (1.5%) of the gross wages paid by the Employer to each employee participating in a Project is remitted quarterly to the College in the same manner that the withholding payments are reported to the State Department of Revenue and Finance.
3. Tuition, student fees, or special charges fixed by the College’s Board of Directors to defray Program costs in whole or in part.
4. A standby tax upon all taxable property within the Issuer’s Merged Area.

Payment of the Program Costs shall not be deferred for a period longer than ten years from the date of commencement of the Project.

Costs of on-the-job training for employees shall not exceed fifty percent of the annual gross payroll costs for up to one year of the new jobs.

Any payments required to be made by an Employer are a lien upon the Employer’s business property until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to the lien may be sold for sums due and delinquent at tax sale, with the same forfeitures, penalties and consequences as for nonpayment of ordinary taxes. The purchaser at tax sale obtains the property subject to the remaining payments.

At closing, taxes will be certified to the county auditor of each county contained within the Issuer's Merged Area in an amount, sufficient to pay principal and interest on the certificates (the "Standby Levy"). Provided, however, that the College may direct the adjustment and corresponding reduction of any levy of taxes made whenever funds on hand from any source (including Project Revenues) are available in the Revenue Fund (described below) for payment of the Certificates.

APPLICATION OF PROJECT REVENUES

The Resolution establishes a Revenue Fund (the "Revenue Fund") into which shall be deposited all Project Revenues upon collection. Moneys in the Revenue Fund shall be disbursed as follows:

Sinking Fund. There is established and maintained within the Revenue Fund a Principal and Interest Fund (the "Sinking Fund"), a special fund from which interest and principal on the Certificates will be paid. The amount to be deposited into the Sinking Fund in any year shall be an amount equal to the interest and principal coming due on the Certificates during the fiscal year. Money shall first be deposited into the interest account of the Sinking Fund in an amount equal to the interest coming due in each fiscal year. Money shall next be deposited into the principal account of the Sinking Fund in an amount equal to the principal coming due in each fiscal year. Money in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Certificates and Parity Certificates, as the same shall become due and payable.

Reserve Fund. There is established a debt reserve fund (the "Reserve Fund"). Money in the Reserve Fund shall be used solely for the purpose of paying principal at maturity or interest on the Certificates when insufficient money shall be available in the Sinking Fund. The Reserve Fund will be used to pay a portion of the interest due on the Certificates through June 1, 2027 for the Certificates. The initial Reserve Fund requirement will be funded from the proceeds of the Certificates in an amount equal to approximately \$ _____*.

Subordinate Obligations. Project Revenues not required for the Sinking Fund or the Reserve Fund may be used to pay principal of and interest on any obligations (including reasonable reserves), which by their terms shall be payable from the Project Revenues, but subordinate to the Certificates and Parity Certificates, and which have been issued for the purposes of the Projects.

Surplus Revenue. All Project Revenues thereafter remaining shall be deposited to remedy any deficiency in any of the funds created by the Resolution; may be used to pay or reimburse the College or the Employer for other loans, moneys advanced to or indebtedness incurred to finance or refinance the Projects in whole or in part, as permitted by law; or may be used to pay or redeem the Certificates or Parity Certificates or for any lawful purpose.

Moneys on hand in any of the funds provided by the Resolution may be invested only in direct obligations of the United States government or deposited in banks that are members of the FDIC. All income derived from such investments shall be deposited in the Reserve Fund and shall be regarded as Project Revenues. Such investments shall be liquidated whenever necessary and the proceeds applied to the purpose for which the respective fund was created.

COVENANTS REGARDING THE OPERATION OF THE PROJECTS

The College covenants and agrees with each and every holder of the Certificates and Parity Certificates the following:

Maintenance in Force

The College will maintain each of the job training agreements in force and will annually cause the taxes and other revenues thereof to be levied and applied as provided by the Resolution.

Accounting and Audits

The College will cause to be kept proper books and accounts adapted to the Projects and in accordance with generally accepted accounting principles, and will cause the books and accounts to be audited on an annual basis by an independent auditor and will provide copies of the audit to the original purchaser upon request and will make generally available to the holders of the Certificates, the balance sheet and the operating statement of the Project as certified. The original purchaser and the holders of the Certificates shall have at all reasonable times the right to inspect records, accounts, and data of the College relating to the Projects. The audit reports required shall include, but not be limited to, the following information:

- An evaluation of the manner in which the College has complied with the covenants of the Resolution;
- A statement of tax fund revenues and current expenditures;
- Analyses of each fund and account created under the Resolution, including deposits, withdrawals and beginning and ending balances;

* Preliminary, subject to change.

- The tax rates in effect during the fiscal year, and the use of the Projects;
- The names and titles of the principal officers of the College; and
- A general statement covering any events or circumstances that might affect the financial status of the Projects and the Certificates.

In the event the audit provided for is prepared by the State Auditor, the College will cause to be prepared a certified supplemental report containing the required information described above.

State Laws

The College further covenants to faithfully and punctually perform all the duties with reference to the Projects required by the Constitution and the laws of the State of Iowa, and will segregate the Project Revenues and apply said Project Revenues to the funds specified in the Resolution.

PARITY OBLIGATIONS

The College will issue no other certificates or obligations of any kind or nature payable from or enjoying a lien or claim on the property or Project Revenues having priority over the Certificates or Parity Certificates.

Additional certificates may be issued on a parity and equality of rank with the Certificates (“Parity Certificates”) with respect to the lien and claim of such additional Certificates to be Project Revenues and the money on deposit in the funds adopted by the Resolution, for the following purposes and under the following conditions, but not otherwise:

For the purpose of refunding any of the Certificates or Parity Certificates, which have matured or which shall mature not later than three months after the date of delivery of such refunding Certificates, and for the payment of which there shall be insufficient money in the Sinking Fund and the Reserve Fund; or

For the purpose of the Projects or additional projects, so long as Project Revenues are sufficient to secure the Certificates and additional Certificates. Additional Certificates must be payable as to principal and as to interest on the same month and day as the Certificates herein authorized.

THE EMPLOYERS

With respect to the Certificates, the following describes the Employers who have entered into agreements with the Issuer that are the target of the Certificates.

Homeland Energy Solutions, LLC

Homeland Energy Solutions, LLC began operations in 2009 as an ethanol processing facility with the capabilities of producing one hundred million gallons of ethanol annually from 37 million bushels of corn. The facility serves agriculture producers of corn from a multi-county area of Allamakee, Bremer, Butler, Cerro Gordo, Chickasaw, Clayton, Fayette, Floyd, Howard, Mitchell and Winneshiek counties. The facility also produces distiller grains shipped throughout the U.S. to be used as a feed supplement for the dairy and beef industries. It may also be used more abundantly in the swine and poultry industries. The company has plans to expand. This is Homeland’s third agreement with the College since 2009.

Pattison Company, LLC

Pattison Company, LLC was formed in July 2006. Owner, Kyle Pattison, originally purchased the land for mining sand, but over the years, the company has expanded to aggregates, railcar storage, and railcar repair. This is the company’s fifth agreements with the College since 2007.

REI Enterprises, LLC dba Rembrandt Foods

REI Enterprises, LLC (doing business as Rembrandt Foods) is an Iowa-based egg production and processing company, founded in 2000 with backing from Glen Taylor. The company operates as a fully integrated producer in Rembrandt, Iowa, and is not affiliated with the outdoor retail co-op REI. It is a major industrial manufacturer producing liquid and dried egg products for the food industry. The company has expanded, recently taking over a former Bay Valley Foods plant in New Hampton, IA. This is the company’s first agreement with the College.

Universal Tank & Fabrication, Inc.

Universal Tank & Fabrication, Inc. is a fabricator of ASME pressure vessels and tanks. The company offers turnkey products for its large customer base that includes fabrication, blast and paint, wiring, and piping assembly. The company is extremely diversified and ships products across North America. The company has been operating from their 43,000 square foot facility in Dubuque for 17 years. The company is expanding. This is their first agreement with the College.

Zero Zone Refrigeration, LLC

Zero Zone Systems Division, based in Ramsey, Minnesota, is a manufacturer of commercial and industrial refrigeration systems and chillers for retail food stores, cold storage, food processing, pharmaceutical/biomedical manufacturing, and ice arenas. From three facilities in Wisconsin, its Display Case Division has been manufacturing commercial coolers and freezers for supermarkets, grocery, convenience, dollar, and drug stores for over 60 years. The company designs and builds refrigeration systems from its main manufacturing facility in Ramsey, Minnesota and, now, from its new manufacturing location, Zero Zone Refrigeration, LLC, in Dyersville, Iowa. This is the company's third new jobs training agreement with the College.

FUTURE FINANCING

The Issuer does not currently anticipate the issuance of additional obligations during calendar year 2026.

LITIGATION

There is no controversy or litigation pending or to the College's knowledge, or threatened involving the incorporation, organization or existence of the College, the titles of the officers to their respective positions, or the validity of the Certificates, or the power and duty of the College to provide and apply adequate taxes for the full and prompt payment of the principal and interest of the Certificates. The College is currently involved in litigation brought against the College by its former President – Dr. Herbert Riedel. President Riedel was terminated from employment for "cause." Riedel sought judicial review of that decision, which was upheld by a district court. He appealed, and brought an Open Meetings claim that is currently being considered by a district court on summary judgment. The College is vigorously defending against the claims in both of these actions. It is not expected that the litigation will have a material adverse effect on the financial condition of the College or repayment of the Certificates. See "**SOURCE OF SECURITY FOR THE CERTIFICATES**" herein.

ACCOUNTANT

The accrual-basis financial statements of the Issuer included as APPENDIX D to this Official Statement have been taken from the audit report prepared by Eide Bailly 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 Certificates or the Official Statement. The audited financial statements contained herein are not complete and cannot be relied on to fully portray the financial position of the Issuer.

UNDERWRITING

The Certificates 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 Certificates at an aggregate purchase price of \$ _____ plus accrued interest to the Closing Date.

The Underwriter may offer and sell the Certificates to certain dealers (including dealers depositing the Certificates 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 Certificates may be changed, from time to time, by the Underwriter.

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

LEGALITY

The Certificates are subject to approval as to certain matters by Ahlers & Cooney, P.C., Bond Counsel. Bond Counsel has not participated in the preparation of this Official Statement except for guidance concerning the section "Tax Matters" and will not pass upon its accuracy, completeness, or sufficiency. Bond Counsel has not examined nor attempted to verify, any of the financial or statistical statements, or data contained in this Official Statement and will express no opinion with respect thereto. The legal opinion in substantially the form set out in Appendix B herein will be delivered at closing.

TAX MATTERS

General

The following discussion is a summary of certain Federal income tax consequences relating to the purchase, ownership, and disposition of the Certificates, based on certain relevant provisions of the Internal Revenue Code of 1986, as amended (the "Code"). This discussion does not purport to deal with all aspects of Federal income taxation that may affect particular investors in light of their individual circumstances and is limited to investors who hold the Certificates as capital assets under Section 1221 of the Code, which generally means property held for investment. Prospective investors, particularly those subject to special rules, should consult their tax advisors regarding the consequences of purchasing, owning, and disposing of the Certificates for Federal income tax purposes, and for State and local tax purposes.

Interest Income Taxable

In general, interest on the Certificates is includable in the gross income of the owners thereof as ordinary interest income for Federal income tax purposes. Except for original issue discount, which accrues under special rules, interest income on the Certificates is so included in the gross income of the owners when accrued or received in accordance with the owner's regular method of Federal tax accounting.

Sale, Exchange, or Other Disposition

In general, upon the sale, exchange, or redemption of a Certificate, an owner will recognize taxable gain or loss in an amount equal to the difference between the amount realized and the owner's adjusted tax basis in the Certificate. An owner's adjusted tax basis in a Certificate generally will equal the owner's initial cost of the Certificate, plus any accrued original issue discount and accrued market discount previously included in the owner's taxable income. Such gain or loss generally will be capital gain or loss. Such gain or loss generally will be long-term capital gain or loss if the owner has held the Certificate for more than one year. Subject to various special rules, the Code currently provides preferential treatment for certain net long-term capital gains realized by individuals and generally limits the use by any taxpayer of capital losses to reduce ordinary income.

Backup Withholding and Information Reporting

In general, information reporting requirements will apply to non-corporate owners of Certificates with respect to payments of the principal of and interest on the Certificates and proceeds of sale of such Certificates before maturity. Backup withholding at a rate of 28% generally will apply to such payments unless the owner: (i) is a corporation or other exempt recipient and, when required, demonstrates that fact, or (ii) provides a correct taxpayer identification number, certifies under penalties of perjury when required that such owner is not subject to backup withholding, and has not been notified by the IRS that it has failed to report all interest and dividends required to be shown on its Federal income tax returns.

See "APPENDIX B" for the draft form of legal opinion for the Certificates.

MUNICIPAL ADVISOR

The Issuer has retained Piper Sandler & Co. as municipal advisor (the "Municipal Advisor") in connection with the issuance of the Certificates. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of the information contained in the official statement. The Municipal Advisor is not a public accounting firm and has not been engaged by the Issuer to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards.

CONTINUING DISCLOSURE

In order to permit bidders for the Certificates and other participating underwriters in the primary offering of the Certificates to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (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 Certificates, in the Resolution, to provide annual reports of specified information commencing with the fiscal year ending June 30, 2026 and notice of the occurrence of certain events, if material, as hereinafter described (the "Disclosure Covenants"). The information to be provided, 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.

In the previous five (5) year period for bond issues requiring the Issuer to make annual information filings, for debt issued in 2014 or earlier, which are no longer outstanding, for fiscal years ending June 30, 2019 through and including June 30, 2020, the Issuer did not file certain tables required to be filed under various Undertakings.

RATING

Moody's Investors Service has assigned a rating of "Aa1" to the Certificates. Such rating reflects only the views of such organization and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address; Moody's Investors Service, 99 Church Street, New York, New York, 10007.

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 Moody's, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Certificates.

APPENDIX A

Northeast Iowa Community College
1625 Hwy 150
P.O. Box 400
Calmar, Iowa 52132

Phone: (563) 562-3263
Fax: (563) 562-3719
<http://www.nicc.edu>

Northeast Iowa Community College
Peosta Campus
8342 NICC Drive
Peosta, Iowa 52068

Phone: (563) 562-3263

NICC BOARD OF DIRECTORS

Chair	Jim Anderson – Decorah, Iowa
Vice Chair	Kathy Gunderson - Postville, Iowa John Finley – Elkader, Iowa Dean Sherman – Manchester, Iowa Wendy Knight – Dubuque, Iowa Sue Runyon - Fayette, Iowa Nick Fisch – Dubuque, Iowa Gary McAndrew - Peosta, Iowa Jason Norton – Dubuque, Iowa
Treasurer	Renae Parker - Calmar, Iowa
Secretary	Heather Groth – Calmar, Iowa

ADMINISTRATIVE CABINET

President	David Dahms
Executive Assistant to the President and Board Secretary	Heather Groth
Vice President – Teaching and Learning	Dr. Kathy Nacos Burds
Vice President – Finance and Administration	Lexi Wagner
Vice President – Business and Community Solutions	Amy Lasack
Vice President - Student Services	Amy Gaffney
Executive Director of Advancement	Anna Berns
Executive Director Human Resources	Connie Kuennen
Executive Director of Marketing and Communications	Shea Herbst

College Profile

In 1966, the State Board of Education approved the formation of the Area One – Vocational-Technical School with Calmar as its administrative headquarters. This included the public school districts in Allamakee, Chickasaw, Clayton, Fayette, Howard and Winneshiek counties, as well as sections of Bremer, Buchanan and Mitchell counties.

On September 5, 1967, career education programs in Calmar began with 170 students enrolled in 12 programs. The school also broke ground on construction of college facilities on the 210-acre Calmar campus, which now include Darwin L. Schrage Administration, Max Clark Hall, Wilder Business Center, Industrial Technologies, Student Center, Agricultural Technologies, Child Development Center and Iowa’s Dairy Center, a \$4.1 million dairy education center and applied research laboratory built in 2000. The merged Area One Vocational-Technical School was enlarged in 1970 to include the public school districts in Dubuque and Delaware counties and sections of Jones and Jackson counties. In 1971, career education programs in Dubuque began at several locations throughout the city including the Roshek building.

In April 1979, the Area One Vocational-Technical School changed its name to Northeast Iowa Technical Institute. This same year, the Peosta campus was established. The Peosta campus currently includes the main building, the Gas Utilities and Construction building, a child development center, the National Education Center for Agricultural Safety and most recently the Industrial Technologies building, which opened in August 2010.

In 1988, the College was authorized by the Iowa Board of Education to award the Associate of Arts, Associate of Science and Associate of Applied Science degrees as well as diplomas and certificates. The College also changed its name from Northeast Iowa Technical Institute to Northeast Iowa Community College (NICC).

NICC has since expanded to include centers and service locations in Cresco, Dubuque, New Hampton, Manchester, Oelwein and Waukon. The purpose of these centers is to bring education and training to students where they live and to serve as a catalyst for economic development. In 2008, the Town Clock Business Center in Dubuque was expanded to include a one-stop center with Iowa Workforce Development (IWD) and East Central Intergovernmental Association (ECIA).

In December of 2007, taxpayers passed, by supermajority, a \$35 million renovation and construction bond levy for NICC. The funds supported construction and renovation of the industrial technologies’ buildings on each campus, the Student Center on the Calmar campus, renovations to the health and science labs and a new library on the Peosta campus, Darwin L. Schrage Administration building in Calmar, and the Wilder Business Center, which opened in January 2013.

In fall 2011, the Aspen Institute Community College Excellence Program named NICC to the top ten of community colleges in the nation for the College’s successful graduate outcomes, academic excellence and community impact.

In September of 2018, taxpayers passed, by supermajority, a \$39 million renovation and construction bond levy for NICC. These funds supported the creation of flexible, updated and collaborative learning spaces; renovations to the Peosta Campus main building and Calmar Campus Max Clark Hall; updates to security including district-wide camera and door security systems; and technology updates including replacing network servers and cybersecurity systems.

Enrollment (1)

	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>
Number of Students	6,114	5,762	5,702	5,511	5,605	5,905
Number of Employees	831	890	944	940	949	1,072

(1) Source: the Issuer

Pensions (1)

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

TIAA is a nationwide retirement and financial services system for people who work at colleges, universities, independent schools and other nonprofit education and research institutions throughout the United States. A nonprofit organization, TIAA is really two companies working together as one. TIAA is a Teachers Insurance and Annuity Association, an insurance company founded in 1918 by the Carnegie Foundation for the Advance of Teaching. CREF is the College Retirement Equities Fund, first set up in 1952 and now registered with the SEC as an open-end, diversified management company under the federal Investment Company Act of 1940. All permanent employees of the College are eligible for and must participate in one of either IPERS or TIAA.

<u>Fiscal Year</u>	<u>Amount contributed to TIAA-CREF</u>	<u>% of Covered Payroll paid by Issuer</u>	<u>% paid by Employee</u>
2020	734,545	9.44	6.29
2021	743,260	9.44	6.29
2022	802,205	9.44	6.29
2023	742,347	9.44	6.29
2024	715,157	9.44	6.29
2025	726,053	9.44	6.29

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

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

In fiscal year 2025, pursuant to the IPERS’ required rate, the Issuer’s employees contributed 6.29% of pay and the Issuer contributed 9.44% for a total rate of 15.73 percent. The Issuer’s contributions to IPERS for the year ended June 30, 2025 were \$1,323,622 which amount is not less than its actuarially determined calculated annual actuarial valuation. The Issuer’s share of the contribution, payable from the applicable funds of the Issuer, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The Issuer has always made its full required contributions to IPERS.

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

Table 1 – Issuer and Employees Contribution to IPERS.

<u>Fiscal Year</u>	<u>Issuer Contribution</u>		<u>Issuer Employees’ Contribution</u>	
	<u>Amount Contributed</u>	<u>% of Covered Payroll</u>	<u>Amount Contributed</u>	<u>% of Covered Payroll</u>
2020	1,014,686	9.44	676,823	6.29
2021	1,054,223	9.44	699,460	6.29
2022	1,100,341	9.44	730,084	6.29
2023	1,171,637	9.44	780,678	6.29
2024	1,269,994	9.44	846,214	6.29
2025	1,323,622	9.44	881,947	6.29

(1) SOURCE: Northeast Iowa Community College

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

The following table sets forth certain information about the funding status of IPERS that has been extracted from the comprehensive annual financial reports of IPERS (collectively, the “IPERS CAFRs”), and the actuarial valuation reports provided to IPERS by Cavanaugh MacDonald Consulting, LLC (collectively, the “IPERS Actuarial Reports”). Additional information regarding IPERS and its latest actuarial valuations can be obtained by contacting IPERS administrative staff.

Table 2 – Funding Status of IPERS (1)

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

Table 3 – 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

Net Pension Liabilities (2)

At June 30, 2025, the Issuer reported a liability of \$5,322,092 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 7.0%. The Issuer’s proportion of the net pension liability was based on the Issuer’s share of contributions to the pension plan relative to the contributions of all IPERS participating employers. See “**APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER–NOTES TO THE FINANCIAL STATEMENTS**” for additional information related to the Issuer’s deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity.

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

Bond Counsel, Disclosure Counsel, the Issuer, 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.

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

(2) Source: the Issuer

Other Post-Employment Benefits (OPEB) (1)

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

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	0
Active employees	312
Total	312

Total OPEB Liability – The Issuer’s total OPEB liability of \$386,894 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024

Changes in the Total OPEB Liability:

Total OPEB obligation – beginning of year		\$466,241
Changes for the year		
	Service Cost	34,910
	Interest	15,608
	Difference between expected and actual experience	12,694
	Changes of assumptions	(90,796)
	Benefit Payments	(51,763)
Net Changes		<u>(79,347)</u>
Net OPEB obligation – end of year		\$386,894

Changes of assumptions reflect changes in the discount rate of 3.54% in fiscal year 2023 to 3.93% for fiscal year 2024.

Population for the Area (2)

Presented below are the population figures for the various counties found in the College:

County	2020	2010	2000	1990	1980	1970	1960
Allamakee	14,061	14,330	14,675	13,855	15,108	14,968	15,968
Bremer	24,988	24,276	23,325	22,813	24,820	22,737	21,108
Buchanan	20,65	20,958	21,093	20,844	22,900	21,762	22,293
Chickasaw	12,012	12,439	13,095	13,295	15,437	14,969	15,034
Clayton	17,043	18,129	18,678	19,054	21,098	20,606	21,962
Delaware	17,488	17,764	18,404	18,035	18,933	18,770	18,483
Dubuque	99,266	93,653	89,143	86,403	93,745	90,609	80,048
Fayette	19,509	20,880	22,008	21,843	25,488	26,898	28,581
Howard	9,469	9,566	9,932	9,809	11,114	11,442	12,734
Jackson	19,485	19,848	20,296	19,950	22,503	20,839	20,754
Jones	20,646	20,638	20,221	19,444	20,401	19,868	20,693
Mitchell	10,565	10,776	10,874	10,928	12,329	13,108	14,043
Winneschick	20,070	21,056	21,310	20,847	21,876	21,758	21,651

(1) Source: the Issuer

(2) Source: U.S. Census Bureau

Unemployment Data for the Area (1)

<u>County</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Allamakee	3.80%	3.80%	3.80%	4.60%	5.10%
Bremer	2.90	2.50	2.30	3.20	3.90
Buchanan	3.20	2.90	2.80	3.70	4.60
Chickasaw	2.60	2.50	2.50	3.60	4.70
Clayton	3.80	4.00	3.80	5.10	5.70
Delaware	2.80	2.60	2.30	3.30	4.00
Dubuque	3.30	2.90	2.80	4.40	5.90
Fayette	3.30	3.20	3.10	4.70	5.50
Howard	3.20	3.20	3.10	3.80	4.50
Jackson	3.70	3.50	3.20	5.00	6.10
Jones	3.70	3.50	3.20	4.50	5.70
Mitchell	2.30	2.30	2.00	3.00	3.40
Winneshiek	2.90	3.20	3.10	4.10	4.90

Retail Sales (as of June 30, 2024) (2)

<u>County</u>	<u>Number of Permits</u>	<u>Taxable Sales</u>
Allamakee	552	\$140,406,490
Bremer	631	\$261,752,060
Buchanan	627	\$210,455,394
Chickasaw	416	\$140,452,106
Clayton	692	\$177,501,113
Delaware	608	\$188,584,699
Dubuque	2751	\$1,633,313,956
Fayette	602	\$166,131,177
Howard	349	\$111,784,101
Jackson	617	\$172,955,517
Jones	620	\$207,661,747
Mitchell	401	\$88,919,295
Winneshiek	743	\$303,455,307

(1) Source: Iowa Workforce Development

(2) Source: Iowa Department of Revenue

Major Employers (1)

Presented below is a listing of the major employers within the Issuer's Merged Area, as provided by the Chamber of Commerce of the respective cities.

<u>Employers</u>	<u>Location</u>	<u>Approximate Employees</u>
John Deere Dubuque Works	Dubuque	2400
Dubuque Community Schools	Dubuque	1946
Hy-Vee	Dubuque	1350
Northeast Iowa Community College	Calmar	1,330
Mercy Medical Center	Dubuque	1313
Medical Associates Clinic	Dubuque	1011
Unity Point-The Finley Hospital	Dubuque	859
City of Dubuque	Dubuque	698
Agri Star Inc.	Postville	650
Luther College	Decorah	640
Eagle Window & Door	Dubuque	550
Sedgwick	Dubuque	550
Featherlite Trailers	Cresco	517
Diamond Jo Casino / Peninsula Gaming Co.	Dubuque	510
Prudential Retirement	Dubuque	500
Dubuque County	Dubuque	472
Mystic Casino	Dubuque	454
Winneshiek Medical Center	Decorah	430
Regional Medical Center	Manchester	430
Loras College	Dubuque	415
Flexsteel Industries	Dubuque	413
Bruening Rock Products	Decorah	410
Exide Technologies	Manchester	390
Holy Family Catholic Schools	Dubuque	381
Donaldson Company Inc.	Cresco	356
Wal-Mart	Decorah	350
Tri-Mark Corporation	New Hampton	321
Henderson MFG and Henderson Truck Equipment	Manchester	311
XL Specialized Trailers	Manchester	290
Rockwell-Collins	Decorah	270
IL Norplex	Postville	250
Rockwell-Collins	Manchester	250
Decorah Community Schools	Decorah	250
Good Neighbor Home	Manchester	237
West Delaware Schools	Manchester	237
Paladin	Manchester	230
Howard – Winneshiek Community Schools	Cresco	225

(1) Source: Locationone.com

Property Tax Assessment (1) (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 Year	Residential	Ag. Land & Bldgs	Commercial	Multi-residential	Railroad	Chap 437 Utilities	Chap 428/438 Utilities	Industrial
2026-27	44.5345	59.4401	90.0000	NA	90.0000	94.2059	98.0000	90.0000
2025-26	47.4316	73.8575	90.0000	NA	90.0000	100.0000	NA	90.0000
2024-25	46.3428	71.8370	90.0000	NA	90.0000	100.0000	NA	90.0000
2023-24	54.6501	91.6430	90.0000	NA	90.0000	100.0000	NA	90.0000
2022-23	54.1302	89.0412	90.0000	63.7500	90.0000	100.0000	NA	90.0000

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

Year	Actual Valuation w/ Utilities	% Change in Actual Valuation	Taxable Valuation w/ Utilities	% Change in Taxable Valuation
2025	32,411,920,908	15.69%	16,565,230,441	7.49%
2024	28,016,765,318	0.33%	15,410,582,582	2.50%
2023	27,923,225,797	22.64%	15,034,594,390	6.18%
2022	22,767,775,409	1.80%	14,159,422,067	0.74%
2021	22,364,726,706	5.05%	14,055,769,575	3.12%

- (1) Rollback rate Source: Iowa Department of Revenue
- (2) Valuation Source: Iowa Department of Management
- (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)

Actual Valuation

Valuation as of January	2025	2024	2023	2022	2021
<u>Fiscal Year</u>	<u>2026-27</u>	<u>2025-26</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>
Residential:	19,485,245,421	17,137,360,195	16,816,243,440	13,549,340,959	12,918,380,982
Agricultural Land:	5,463,751,543	4,251,143,853	4,252,727,748	3,357,979,940	3,360,097,501
Ag Buildings:	500,524,437	414,611,096	400,557,687	288,508,483	284,469,490
Commercial:	2,888,156,859	2,512,016,596	2,446,806,789	2,036,819,190	1,998,470,252
Industrial:	599,868,845	578,830,488	567,379,863	557,204,710	538,626,665
Multiresidential:	0	0	0	0	391,441,346
Personal RE:	0	0	0	0	0
Railroads:	81,788,647	81,041,480	81,398,517	70,418,358	68,229,853
Utilities:	304,066,296	223,307,507	246,593,014	239,159,072	259,842,102
Other:	353,397	455,624	448,788	530,340	532,424
Total Valuation:	29,323,755,445	25,198,766,839	24,812,155,846	20,099,961,052	19,820,090,615
Less Military:	30,747,598	31,963,301	33,243,906	15,829,044	16,621,081
Less Homestead	119,333,689	115,263,541	53,309,275		

Net Valuation:	29,173,674,158	25,051,539,997	24,725,602,665	20,084,132,008	19,803,469,534
TIF Valuation:	1,476,867,654	1,342,371,706	1,409,851,048	994,402,825	934,084,528
Utility Replacement:	1,761,379,096	1,622,853,615	1,787,772,084	1,689,240,576	1,627,172,644

Taxable Valuation

Valuation as of January	2025	2024	2023	2022	2021
<u>Fiscal Year</u>	<u>2026-27</u>	<u>2025-26</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>
Residential:	8,503,915,524	8,023,452,504	7,652,975,530	7,262,314,282	6,883,326,992
Agricultural Land:	3,247,193,139	3,139,597,708	3,054,802,059	3,077,302,441	2,991,807,562
Ag Buildings:	297,266,426	306,034,007	287,551,884	264,365,447	253,252,350
Commercial:	2,223,853,981	1,930,102,282	1,864,569,969	1,558,563,405	1,761,244,134
Industrial:	504,621,441	484,783,349	474,691,408	464,568,418	469,339,052
Multiresidential:	0	0	0	0	238,758,944
Personal RE:	0	0	0	0	0
Railroads:	72,943,467	72,459,623	72,768,737	62,396,544	61,406,875
Utilities:	296,476,623	223,307,507	246,593,014	239,159,072	259,622,723
Other:	214,686	321,258	312,789	459,827	461,911
Total Valuation:	15,146,485,287	14,180,058,238	13,654,265,390	12,929,129,436	12,919,220,543
Less Military:	30,747,598	31,963,301	33,243,906	15,829,044	16,621,081
Less Homestead	119,333,689	115,263,541	53,696,025		

Net Valuation:	14,996,404,000	14,032,831,396	13,567,325,459	12,913,300,392	12,902,599,462
TIF Valuation:	1,346,743,871	1,153,812,297	1,206,859,639	977,002,186	917,167,861
Utility Replacement:	222,082,570	223,938,889	260,409,292	269,119,489	236,002,252

Tax Rates (1)

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

Year	General	Unemployment	Tort Liability	Insurance	Retirement	Equipment	Standby	Plant	Debt Service	Total Levy Rate
2026	0.20250	0.00175	0.01156	0.14505	0.00000	0.09000	0.00000	0.20250	0.28807	0.94143
2025	0.20250	0.00000	0.02450	0.13386	0.00000	0.09000	0.00000	0.20250	0.28807	0.94143
2024	0.20250	0.00000	0.00872	0.13692	0.00000	0.09000	0.00000	0.20250	0.28807	0.92871
2023	0.20250	0.00000	0.00816	0.10637	0.00760	0.09000	0.00000	0.20250	0.28807	0.90520
2022	0.20250	0.00470	0.00783	0.09394	0.01566	0.09000	0.00000	0.20250	0.28807	0.90520

(1) Source: Iowa Department of Management

Tax Collection History (2)

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

Fiscal <u>Year</u>	Amount <u>Levied</u>	Amount <u>Collected</u>	Percentage <u>Collected</u>
2025	13,120,346	13,632,484	103.90%
2024	12,524,105	12,939,083	103.30%
2023	12,178,442	12,391,242	101.75%
2022	11,809,224	12,052,953	102.06%
2021	12,007,680	12,349,384	102.85%

(1) Source: Iowa Department of Management

(2) Source: the Issuer

Largest Taxpayers (1)

Set forth in the following table are the persons or entities which represent the 2024 largest taxpayers within the counties that have land wholly or partially within the Issuer, as provided by each county. 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>Allamakee County</u>		<u>Bremer County</u>	
<u>Taxpayer</u>	<u>2024 Valuation</u>	<u>Taxpayer</u>	<u>2024 Valuation</u>
Dakota, Minnesota & Eastern Railroad	11,421,867	Korporal, Deterd E & Korporal, Penny E	298,038
Interstate Power Co/Alliant-electric	9,990,405	Schwemm, Alan D	277,099
SHF Industries LLC	9,328,090	Heschke, Joseph Taylor & Heschke, Sarah Beth	216,050
Waukon Feed Ranch Inc	8,323,037	Schellhorn, Robert D & Schellhorn, Kelli L	130,883
Dairyland Power Coop	6,489,674	Buhr, Susan K Living Trust	127,028
Innovative Ag Services	5,802,036	Buhr, Jamie D & Buhr, Larae	120,801
ITC Midwest LLC	4,441,612	Wamke, Lloyd L	109,208
Allamakee Clayton Electric Cooperative Inc	3,935,027	Stabe, William	86,065
Reel-Core Inc.	2,585,478	Leach, James ALF Est & Leach, Veryl ALF Est	82,610
Industrial Laminates/Norplex Inc.	2,573,417	Wilharm, Larry D & Wilharm, Carol	80,571
<u>Buchanan County</u>		<u>Chickasaw County</u>	
<u>Taxpayer</u>	<u>2024 Valuation</u>	<u>Taxpayer</u>	<u>2024 Valuation</u>
Alliance Pipeline	33,331,184	Wesley, LTD	1,573,683
Interstate Power & Light	2,957,812	DM& E RR FKA IC & E Railroad	972,659
Desert Trust Company	2,887,492	Wapsie Valley Farms, LTD	724,554
Chicago Central Pacific Railboom	2,494,645	Chambers, Donal L Revocable Trust	657,480
Wiedland & Sons Lumber Co.	1,823,204	Moetsch, Wayne A Trustee	482,380
Northern Natural Gas Co.	1,668,980	Burkholder, Larry Z. & Florence R.	387,694
Frank, Tracy D & Franck, Kelly K JT Trust	1,635,410	Link, E Michael	373,480
Slattery, John P & Ann M Trust	1,598,379	Zimmerman, Norman Horning	366,551
Bowden Investment Company LP	1,552,391	Geerts, James E. & Linda L.	358,824
Monti West Land LLC	1,525,167	Nolt, Elmer N. & Irene Z.	358,726
<u>Clayton County</u>		<u>Delaware County</u>	
<u>Taxpayer</u>	<u>2024 Valuation</u>	<u>Taxpayer</u>	<u>2024 Valuation</u>
DM&E Railroad	16,841,551	Big River United Energy, LLC	29,058,798
Interstate Power And Light Company	8,916,307	Alliance Pipeline	27,992,666
Dairyland Power A Cooperative	6,451,074	Northern Natural Gas Company	19,660,594
Moyna Holdings Inc.	4,629,663	Elk Wind Energy LLC	19,384,843
Pattison Bros Mississippi River Terminal Inc.	4,363,274	Advanced Properties LLC	9,749,007
Consolidated Grain and Barge Co	4,180,155	Chicago Central & Pacific Railroad	9,693,536
GLP Capital LP	3,771,342	Interstate Power & Light Co.	9,529,276
Silver Edge Cooperative	3,759,499	Ancient Brands Real Estate LLC	8,357,807
Niehaus Inc.	3,732,675	C&G Partnership LLP	8,235,546
Viserion Grain LLC	3,338,065	Central Iowa Power Coop.	7,317,864

Dubuque County

<u>Taxpayer</u>	<u>2024 Valuation</u>
Peninsula Gaming Company LLC	57,423,479
Interstate Power & Light Co	55,899,108
Deere & Co	32,929,073
Kennedy Mall Inc	30,841,967
Spiegel Family Realty Company LLC	25,629,821
Mar Holdings LLC	25,504,885
Progressive Processing LLC	23,753,027
Spiegel Family Realty Company LLC	21,354,574
Black Hills Energy Corp.	20,816,304
Sky Crown LLC	18,986,627

Fayette County

<u>Taxpayer</u>	<u>2024 Valuation</u>
East Penn Manufacturing CO.	20,265,797
Alliance Pipeline	14,093,933
Interstate Power Company	12,065,379
Oelwein Grain, LLC	6,171,419
Bethel Wind Energy, LLC	5,210,930
Pembina Cochin LLC	4,875,119
Transco Railway Products, Inc.	4,697,365
Northern Natural Gas Company	4,616,122
BKC Vista, LLC	3,875,253
Hillandale Farms, LLC	3,627,665

Howard County

<u>Taxpayer</u>	<u>2024 Valuation</u>
Wisconsin Public Service Corporation	63,519,024
EDP Renewables North America LLC	38,962,827
Saratoga Wind Energy LLC	17,242,500
Dairyland Power Coop	5,857,594
Featherlite Cresco Property LLC	5,193,568
Alliance Pipeline LP	4,436,961
Upper Iowa Beef LLC	4,259,613
Peddler Real Estate LLC	3,938,755
Interstate Power & Light Co.	3,773,728
Farmers Feed & Gran Co. Inc.	3,644,508

Jackson County

<u>Taxpayer</u>	<u>2024 Valuation</u>
OH Farm, LLC	1,983,945
Hoffman, Joseph & Cherie Trust	1,230,080
Reiter, Holdings LLC	1,012,537
Ryan Brothers Farms, LLC	868,198
Noonan, Terrence H Revocable Trust	810,292
Meyer, Benjamin C & Katrina L	794,132
Gravel Living Trust	756,299
Gibbs, Harold E Trust	711,568
Turnis, William C	694,793
Busch, Carlton Trust	647,260

Jones County

<u>Taxpayer</u>	<u>2024 Valuation</u>
Hosch Land LLC	1,921,518
Hosch Ed & Sons Inc	1,915,921
Trumm Bros LLC	1,375,618
MSB Valley Road Farms Inc.	901,778
Trumm, Bernard G & Kelli L	881,204
Knuth Farms Inc.	831,376
Mantemach, Eugene A Trust	827,888
Mantemach Land & Cattle llnc.	809,454
Deshaw, James R & Ruth A	685,951
LB Acres inc	681,753

Mitchell County

<u>Taxpayer</u>	<u>2024 Valuation</u>
Pioneer Prairie Wind Farm LLC	68,333,635
Alliance Pipeline	8,823,730
Huftalin, Donald R & Sandra J	2,340,982
K Pigs LLC	1,624,341
Brothers Farmland LP	1,448,419
Schofield, Ernest K Rev	1,363,036
Klaes, Jeffrey R & Shari A	1,282,846
Brincks, Wayne A Rev Tr	1,273,053
Theis, Frank J & Nancy M	1,146,431
Offen, Sandra K	1,103,233

Winneshiek County

<u>Taxpayer</u>	<u>2024 Valuation</u>
Wal-Mart Stores, Inc.	11,782,991
Alliant Energy	9,942,536
Dakota, Minnesota & Eastern Railroad	8,433,178
Dairyland Power Cooperative	8,331,632
Farmers Win Cooperative	7,934,594
Gundersen Clinic, Ltd	6,667,279
Iowa Rotocast Plastics Inc.	6,131,058
Rush Holdings LLC	5,420,718
Infrastech Decorah LLC	4,990,664
Lynch Livestock Inc.	4,765,567

Source: Various County Auditors

(1) Utility Property Tax Replacement. Beginning in 1999, the State replaced its previous property tax assessment procedure in valuing the property of entities involved primarily in the production, delivery, service and sale of electricity and natural gas with a replacement tax formula based upon the delivery of energy by these entities. Electric and natural gas utilities now pay replacement taxes to the State in lieu of property taxes. All replacement taxes are allocated among local taxing cities by the State Department of Revenue and Finance and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Properties of these utilities are exempt from the levy of property tax by political subdivisions. Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State. The utility replacement tax statute states that the utility replacement tax collected by the State and allocated among local taxing cities (including the Issuer) shall be treated as property tax when received and shall be disposed of by the county treasurer as taxes on real estate. However, utility property is not subject to the levy of property tax by political subdivisions, only the utility replacement tax and statewide property tax. It is possible that the Issuer's authority to levy taxes to pay principal and interest on the Certificates could be adjudicated to be proportionately reduced in future years if the utility replacement tax were to be other than "taxable property" for purposes of computing the Issuer's levy limit under Iowa Code Section 298.18, as amended from time to time. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the Issuer can issue or (ii) adversely affect the Issuer's ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations, including the Certificates.

Direct Debt – New Jobs Training Certificate (1)

Presented below is a summary of the NJTP issues outstanding:

<u>Bond date</u>	<u>Original Amount</u>	<u>Final Maturity</u>	<u>Outstanding as of 6/30/25</u>	<u>Retired in 2026</u>	<u>Issued in 2026</u>	<u>Outstanding as of 6/30/26</u>
7/12/16	2,540,000	2026	305,000	-305,000		0
6/29/17	5,070,000	2027	1,180,000	-555,000		625,000
11/5/18	3,015,000	2028	1,065,000	-335,000		730,000
6/20/19	2,145,000	2029	955,000	-225,000		730,000
10/8/20	2,755,000	2030	1,485,000	-305,000		1,180,000
7/13/21	4,685,000	2031	2,970,000	-465,000		2,505,000
7/11/22	6,240,000	2032	4,815,000	-595,000		4,220,000
7/6/23	2,255,000	2033	1,995,000	-205,000		1,790,000
7/9/24	2,260,000	2034	2,110,000	-165,000		1,945,000
7/7/25	1,775,000	2035	0	-135,000	1,775,000	1,640,000
6/30/26	1,660,000	2036	0		1,660,000	1,660,000
			0			
			16,880,000	-3,290,000	3,435,000	17,025,000

Presented below is the annual P&I on the Issuer's Industrial New Jobs Training Certificates, including this issue:

<u>Fiscal Year</u>	<u>6/29/17</u>	<u>11/5/18</u>	<u>6/20/19</u>	<u>10/8/20</u>	<u>7/13/21</u>	<u>7/11/22</u>	<u>7/6/23</u>	<u>7/9/24</u>	<u>7/7/25</u>	<u>6/30/26</u>
6/30/27	625,000	345,000	230,000	285,000	515,000	625,000	215,000	195,000	140,000	40,000
6/30/28		385,000	235,000	285,000	475,000	700,000	220,000	210,000	165,000	135,000
6/30/29			265,000	290,000	485,000	670,000	260,000	220,000	170,000	160,000
6/30/30				320,000	485,000	690,000	250,000	250,000	175,000	160,000
6/30/31					545,000	725,000	265,000	245,000	190,000	170,000
6/30/32						810,000	270,000	255,000	185,000	190,000
6/30/33							310,000	270,000	190,000	185,000
6/30/34								300,000	205,000	190,000
6/30/35									220,000	205,000
6/30/36										225,000
Totals:	625,000	730,000	730,000	1,180,000	2,505,000	4,220,000	1,790,000	1,945,000	1,640,000	1,660,000

<u>Fiscal Year</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total P&I</u>
6/30/27	3,215,000	600,720	3,815,720
6/30/28	2,810,000	508,625	3,318,625
6/30/29	2,520,000	417,363	2,937,363
6/30/30	2,330,000	334,470	2,664,470
6/30/31	2,140,000	257,998	2,397,998
6/30/32	1,710,000	181,389	1,891,389
6/30/33	955,000	108,537	1,063,537
6/30/34	695,000	64,459	759,459
6/30/35	425,000	31,090	456,090
6/30/36	225,000	10,681	235,681
Totals:	17,025,000	2,515,330	19,540,330

(1) Source: the Issuer

General Obligation Bonds (1) (2)

Presented below is a summary of the GO Bond issues outstanding:

<u>Date</u>	<u>Original Amount</u>	<u>Final Maturity</u>	<u>Out as of 6/30/25</u>	<u>Retired in 2026</u>	<u>Issued in 2026</u>	<u>Out as of 6/30/26</u>
6/20/19	9,265,000	2036	8,595,000	-350,000		8,245,000
9/8/20	12,600,000	2033	12,265,000	0		12,265,000
6/8/21	9,100,000	2028	6,000,000	-3,000,000		3,000,000
6/2/22	8,035,000	2026	380,000	-380,000		0
			27,240,000	-3,730,000	0	23,510,000

Presented below is the principal and interest on the College's outstanding general obligation bonds, presented by fiscal year and issue:

<u>Year</u>	<u>6/20/19</u>	<u>9/8/20</u>	<u>6/8/21</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>Principal</u>	<u>Interest</u>	<u>P&I</u>
6/30/27			2,000,000				2,000,000	594,350	2,597,150
6/30/28			1,000,000				1,000,000	534,350	1,537,150
6/30/29		1,500,000					1,500,000	485,150	1,987,350
6/30/30		3,100,000					3,100,000	462,650	3,564,850
6/30/31		3,200,000					3,200,000	400,650	3,602,850
6/30/32		3,265,000					3,265,000	336,650	3,603,850
6/30/33	770,000	1,200,000					1,970,000	271,350	2,243,550
6/30/34	3,460,000						3,460,000	224,250	3,685,850
6/30/35	3,560,000						3,560,000	120,450	3,680,450
6/30/36	1,095,000			-20,000	-270,000	-350,000	455,000	13,650	468,650
Totals:	8,885,000	12,265,000	3,000,000	-20,000	-270,000	-350,000	23,510,000	3,443,500	26,971,700

(1) Source: the Issuer

(2) The Issuer levied \$350,000 for its Fiscal Year 2026 to be used to retire a portion of the 6/1/2036 maturity of the 2019 bond, at its first call date of 6/1/28.

Overlapping & Underlying Debt (1) (2)

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

<u>Taxing Authority</u>	<u>Outstanding Debt</u>	<u>2024 Taxable Valuation</u>	<u>Taxable Value Within Issuer</u>	<u>Percentage Applicable</u>	<u>Amount Applicable</u>
Western Dubuque Co Csd	8,490,000	2,006,595,130	2,006,595,130	100.00%	8,490,000
West Delaware Co Csd	18,285,000	761,701,512	761,701,512	100.00%	18,285,000
Allamakee Csd	665,000	668,359,796	668,359,796	100.00%	665,000
New Hampton Csd	12,945,000	604,568,292	604,568,292	100.00%	12,945,000
Maquoketa Valley Csd	1,133,000	498,951,514	498,951,514	100.00%	1,133,000
Riceville Csd	312,000	464,255,124	464,255,124	100.00%	312,000
Central Clayton Csd	3,930,000	224,716,236	224,716,236	100.00%	3,930,000
Edgewood-Colesburg Csd	11,175,000	214,312,783	214,312,783	100.00%	11,175,000
West Central Csd	2,480,000	196,321,196	196,321,196	100.00%	2,480,000
Sumner-Fredericksburg Csd	796,000	415,784,669	139,920,037	33.65%	267,870
City Of Dubuque	92,710,000	3,553,879,718	3,553,879,718	100.00%	92,710,000
City Of Decorah	5,810,000	433,580,389	433,580,389	100.00%	5,810,000
City Of Dyersville	8,777,500	387,832,013	387,832,013	100.00%	8,777,500
City Of Asbury	3,465,000	358,029,901	358,029,901	100.00%	3,465,000
City Of Manchester	5,135,000	268,610,193	268,610,193	100.00%	5,135,000
City Of Peosta	8,220,000	248,384,112	248,384,112	100.00%	8,220,000
City Of Oelwein	6,160,000	187,165,203	187,165,203	100.00%	6,160,000
City Of New Hampton	1,075,000	174,665,507	174,665,507	100.00%	1,075,000
City Of Waukon	6,713,000	163,517,333	163,517,333	100.00%	6,713,000
City Of Cresco	5,745,000	140,293,627	140,293,627	100.00%	5,745,000
City Of Cascade	3,101,667	134,219,489	134,219,489	100.00%	3,101,667
City Of Farley	5,860,000	115,342,062	115,342,062	100.00%	5,860,000
City Of Guttenberg	2,700,000	92,747,250	92,747,250	100.00%	2,700,000
City Of West Union	1,130,000	90,503,421	90,503,421	100.00%	1,130,000
City Of Epworth	2,800,000	89,594,633	89,594,633	100.00%	2,800,000
City Of Postville	885,000	64,423,306	64,423,306	100.00%	885,000
City Of Elkader	3,815,000	55,003,335	55,003,335	100.00%	3,815,000
City Of Monona	394,763	54,660,722	54,660,722	100.00%	394,763
City Of Lansing	250,000	51,666,152	51,666,152	100.00%	250,000
City Of Edgewood	1,265,000	41,820,304	41,820,304	100.00%	1,265,000
City Of Calmar	89,700	40,751,375	40,751,375	100.00%	89,700
City Of Strawberry Point	652,200	38,461,432	38,461,432	100.00%	652,200
City Of McGregor	76,474	36,378,946	36,378,946	100.00%	76,474
City Of Fredericksburg	130,000	34,739,498	34,739,498	100.00%	130,000
City Of Riceville	685,000	29,528,210	29,528,210	100.00%	685,000
City Of Fayette	727,837	29,508,760	29,508,760	100.00%	727,837
City Of Ossian	1,360,000	29,330,618	29,330,618	100.00%	1,360,000
City Of Delhi	793,000	27,749,687	27,749,687	100.00%	793,000
City Of Gamavillo	334,000	23,251,106	23,251,106	100.00%	334,000
City Of Earlville	155,095	22,435,256	22,435,256	100.00%	155,095
City Of Lime Springs	665,000	20,899,473	20,899,473	100.00%	665,000
City Of Clermont	800,483	20,638,911	20,638,911	100.00%	800,483
City Of New Vienna	640,000	19,255,271	19,255,271	100.00%	640,000
City Of Hopkinton	532,000	18,157,138	18,157,138	100.00%	532,000
City Of Elgin	65,000	17,212,726	17,212,726	100.00%	65,000
City Of Ryan	240,000	17,208,449	17,208,449	100.00%	240,000
City Of Luxemburg	231,000	15,092,388	15,092,388	100.00%	231,000
City Of Ridgeway	298,000	14,420,351	14,420,351	100.00%	298,000
City Of Elma	185,111	14,184,397	14,184,397	100.00%	185,111
City Of Hazleton	400,000	14,026,546	14,026,546	100.00%	400,000
City Of Holy Cross	150,045	13,729,952	13,729,952	100.00%	150,045
City Of Lawler	1,000,000	13,640,267	13,640,267	100.00%	1,000,000
City Of Fort Atkinson	736,500	11,872,860	11,872,860	100.00%	736,500
City Of Hawkeye	21,420	11,376,293	11,376,293	100.00%	21,420

(1) Direct debt Source: EMMA.MSRB.ORG; State Treasurer of Iowa

(2) Valuation source: Iowa Department of Management

Overlapping Debt (1) (2), continued....

<u>Taxing Authority</u>	<u>Outstanding Debt</u>	<u>2024 Taxable Valuation</u>	<u>Taxable Value Within Issuer</u>	<u>Percentage Applicable</u>	<u>Amount Applicable</u>
City Of Luana	2,500	11,045,636	11,045,636	100.00%	2,500
City Of Waucoma	482,084	8,623,370	8,623,370	100.00%	482,084
City Of Greeley	89,455	5,733,612	5,733,612	100.00%	89,455
City Of Delaware	55,000	5,689,407	5,689,407	100.00%	55,000
City Of St Lucas	198,438	5,661,007	5,661,007	100.00%	198,438
City Of Chester	40,000	3,659,032	3,659,032	100.00%	40,000
City Of McIntire	1,069,160	2,257,866	2,257,866	100.00%	1,069,160
City Of St Olaf	197,000	2,249,003	2,249,003	100.00%	197,000
City Of Stanley	54,523	1,394,718	1,394,718	100.00%	54,523
Dubuque County	18,627,019	6,637,106,332	6,629,312,087	99.88%	18,605,144
Delaware County	3,610,000	1,692,153,317	1,641,522,601	97.01%	3,501,986
Clayton County	7,468,000	1,228,609,593	1,228,609,593	100.00%	7,468,000
Fayette County	6,637,000	1,361,612,958	1,200,047,895	88.13%	5,849,473
Allamakee County	2,725,000	1,021,420,832	1,021,420,832	100.00%	2,725,000
Howard County	11,360,000	853,867,493	853,867,493	100.00%	11,360,000
Chickasaw County	1,825,000	1,005,976,365	811,369,725	80.65%	1,471,953
Mitchell County	13,895,000	1,202,735,302	200,997,847	16.71%	2,322,095
Buchanan County	4,600,000	1,396,753,765	175,452,739	12.56%	577,827
Jackson County	4,845,000	1,346,331,641	93,131,637	6.92%	335,150
Bremer County	3,770,000	1,636,209,074	1,781,358	0.11%	4,104
Central Rivers Aca	3,765,766	29,657,903,529	125,637,196	0.42%	15,953
Total					293,087,509

Debt Limit (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 Issuers debt limit, based upon said valuation, amounts to the following:

	<u>1/1/2025</u>	<u>1/1/2024</u>
Actual Value of Property	32,411,920,908	28,016,765,318
X		0.05
Statutory Debt Limit:	1,620,596,045	1,400,838,266

Makeup of Obligations Subject to Debt Limit

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

	end of year <u>FY26</u>
Actual Value of Property	28,016,765,318
X	0.05
Statutory Debt Limit:	1,400,838,266
Total General Obligation Debt:	23,510,000
The Certificates	1,660,000
Plant Fund CLN	0
NJTP	15,365,000
Total Debt Subject to Limit:	40,535,000
Percentage of Debt Limit Obligated:	2.89%

- (1) Direct debt Source: EMMA.MSRB.ORG; State Treasurer of Iowa
- (2) Valuation source: Iowa Department of Management
- (3) Debt Source: the Issuer

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

Actual Value of Property	32,411,920,908
Taxable Value of Property	16,565,230,441
Direct General Obligation Debt:	23,510,000
NJTP Certificates	17,025,000
Leases	
Less Self-Supported General Obligation Debt:	-17,025,000
Net Direct General Obligation Debt:	23,510,000
Overlapping Debt:	0
Net Direct & Overlapping General Obligation Debt:	23,510,000
Population, 2020 US Census Bureau:	201,488
Direct Debt per Capita:	116.68
Total Debt per Capita:	116.68
Net Direct Debt to Taxable Valuation:	0.142%
Total Debt to Taxable Valuation:	0.142%
Net Direct Debt to Actual Valuation:	0.073%
Total Debt to Actual Valuation:	0.073%
Actual Valuation per Capita:	160,863
Taxable Valuation per Capita:	82,214

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

APPENDIX B – FORM OF LEGAL OPINION

We hereby certify that we have examined a certified transcript of the proceedings of the Board of Directors and acts of administrative officers of Northeast Iowa Community College (Merged Area I), in the Counties of Allamakee, Bremer, Buchanan, Chickasaw, Clayton, Delaware, Dubuque, Fayette, Howard, Jackson, Jones, Mitchell and Winneshiek, State of Iowa (the "Issuer"), relating to the issuance of its \$ _____ principal amount of Taxable Industrial New Jobs Training Certificates (2026-1 Multiple Project), Series 2026-1, dated June 30, 2026 (the "Certificates"). We have examined the law and such 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 Certificates (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 Certificates.
2. The Certificates are lawfully issued and constitute a valid and binding obligation of the Issuer payable from revenues of the 2026-1 Multiple Project, including Industrial New Jobs Training Agreements with certain employers. In the event that project revenues, including new jobs credit from withholding and supplemental new jobs credit from withholding held by the College in connection with the Project are not available and appropriated in any year, as provided in the Agreements and Chapter 260E, Code of Iowa, 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 Certificates. Taxes have been levied by the Resolution for the payment of the Certificates and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Certificates to the extent the necessary funds are not provided from other sources.
3. The interest on the Certificates is not excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended. THE HOLDERS OF THE CERTIFICATES SHOULD TREAT THE INTEREST THEREON AS SUBJECT TO FEDERAL INCOME TAXATION. We express no other opinion regarding any other federal or state income tax consequences caused by the receipt or accrual of interest on the Certificates.

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

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

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

Respectfully submitted,

APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Northeast Iowa Community College (the "Issuer"), in connection with the issuance of \$_____ Taxable Industrial New Jobs Training Certificates, Series 2026-1 (the "Certificates") dated June 30, 2026. The Certificates are being issued pursuant to a Resolution of the Issuer approved on June 15, 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 Certificates 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 Certificates (including persons holding Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Certificates 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 Certificates, 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 Certificates, dated _____, 2026.

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

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission (S.E.C.) under the Securities Exchange Act of 1934, and any guidance and procedures thereunder published by the S.E.C., as the same may be amended from time to time.

"State" shall mean the State of Iowa.

Section 3. Provision of Annual Financial Information.

- a. The Issuer shall, or shall cause the Dissemination Agent to, not later than the 15th day of April each year, commencing with information for the 2025/2026 fiscal year, provide to the National Repository an Annual Financial Information filing consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Financial Information filing must be submitted in such format as is required by the MSRB (currently in "searchable PDF" format). The Annual Financial Information filing may be submitted as a single document or as separate documents comprising a package. The Annual Financial Information filing may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Financial Information filing and later than the date required above for the filing of the Annual Financial Information if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

- b. If the Issuer is unable to provide to the National Repository the Annual Financial Information by the date required in subsection (a), the Issuer shall send a notice to the Municipal Securities Rulemaking Board, if any, in substantially the form attached as Exhibit A.
- c. The Dissemination Agent shall:
 - i. each year file Annual Financial Information with the National Repository; and
 - ii. (if the Dissemination Agent is other than the Issuer), file a report with the Issuer certifying that the Annual Financial Information has been filed pursuant to this Disclosure Certificate, stating the date it was filed.

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

- a. The last available audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under State law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with generally accepted accounting principles, noting the discrepancies therefrom and the effect thereof. If the Issuer's audited financial statements for the preceding years are not available by the time Annual Financial Information is required to be filed pursuant to Section 3(a), the Annual Financial Information filing shall contain unaudited financial statements of the type included in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Financial Information when they become available.
- b. A table, schedule or other information prepared as of the end of the preceding fiscal year, of the type contained in the final Official Statement under the captions "Property Valuations", "Tax Rates", "Tax Collection History", "Direct Debt – New Jobs Training Certificates", "General Obligation Bonds", "Debt Limit", "Overlapping & Underlying Debt" 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 Certificates 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 Certificates 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 Certificates, or material events affecting the tax-exempt status of the Certificates;
 - vii. Modifications to rights of Holders of the Certificates, if material;
 - viii. Certificate calls (excluding sinking fund mandatory redemptions), if material, and tender offers;
 - ix. Defeasances of the Certificates;
 - x. Release, substitution, or sale of property securing repayment of the Certificates, if material;
 - xi. Rating changes on the Certificates;
 - xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;
 - xiii. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - xv. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
 - xvi. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.
- b. Whenever the Issuer obtains the knowledge of the occurrence of a Listed Event, the Issuer shall determine if the occurrence is subject to notice only if material, and if so shall as soon as possible determine if such event would be material under applicable federal securities laws.

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

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

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

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

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

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

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

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

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

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating

Underwriters and Holders and Beneficial Owners from time to time of the Certificates, and shall create no rights in any other person or entity.

Section 13. Rescission Rights. The Issuer hereby reserves the right to rescind this Disclosure Certificate without the consent of the Holders in the event the Rule is repealed by the S.E.C. or is ruled invalid by a federal court and the time to appeal from such decision has expired. In the event of a partial repeal or invalidation of the Rule, the Issuer hereby reserves the right to rescind those provisions of this Disclosure Certificate that were required by those parts of the Rule that are so repealed or invalidated.

Date: 15th day of June, 2026.

NORTHEAST IOWA COMMUNITY COLLEGE

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: Northeast Iowa Community College, Iowa.

Name of Certificate Issue: \$ _____ Taxable Industrial New Jobs Training Certificates, Series 2026-1

Dated Date of Issue: June 30, 2026

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

Dated: _____ day of _____, 20__.

NORTHEAST IOWA COMMUNITY COLLEGE

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.

The remainder of this page was left blank intentionally.

Financial Statements
June 30, 2025

Northeast Iowa Community College

Board of Trustees and College Officials	1
Independent Auditor’s Report	2
Management's Discussion and Analysis	6
Basic Financial Statements	
Statement of Net Position	13
Statement of Revenues, Expenses, and Changes in Net Position.....	15
Statement of Cash Flows	16
Notes to Financial Statements	18
Required Supplementary Information	
Schedules of Employer’s Share of Net Pension Liability (Asset) and Employer Contributions	44
Notes to Required Supplementary Information – Pension Liability	45
Schedule of Changes in Total OPEB Liability.....	46
Notes to the Required Supplementary Information – OPEB Liability and Related Ratios.....	47
Supplementary Information	
Schedule 1 – Budgetary Comparison Schedule of Expenditures – Budget to Actual	48
Schedule 2 – Combining Balance Sheet – All Funds	49
Schedule 3 – Schedule of Revenues, Expenditures, and Changes in Fund Balance – All Funds.....	51
Schedule 4 – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Unrestricted – Education and Support	53
Schedule 5 – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Unrestricted – Auxiliary...	54
Schedule 6 – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Restricted	55
Schedule 7 – Schedule of Taxes and Intergovernmental Revenues For the Last Ten Years.....	56
Schedule 8 – Schedule of Current Funds Revenues by Source and Expenditures by Function	57
Schedule 9 – Schedule of Credit and Contact Hours	58

Northeast Iowa Community College
Board of Trustees and College Officials

Board of Trustees

Name	Title	Term Expires
Jim Anderson	Chair	2027
Kathy Gunderson	Vice Chair	2025
John Finley	Member	2027
Wendy Knight	Member	2027
Gary McAndrew	Member	2025
Sue Runyon	Member	2025
Geri Schilling-Johnson	Member	2025
Dean Sherman	Member	2025
Jason Norton	Member	2025

Community College Officials

David Dahms	Interim President
Lexi Wagner	Vice President of Finance & Administration
Anna Berns	Executive Director of Advancement
Amy Gaffney	Vice President of Student Services
Amy Lasack	Vice President of Business & Community Solutions
Kathy Nacos-Burds	Vice President of Teaching & Learning
Heather Groth	Board Secretary
Renaë Parker	Board Treasurer, Director of Accounting



Independent Auditor's Report

To the Board of Trustees
Northeast Iowa Community College
Calmar, Iowa

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional 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 the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of employer's share of net pension liability (asset) and employer contributions, the notes to required supplementary information – pension liability, the schedule of changes in total OPEB liability, and the notes to the required supplementary information – OPEB liability and related ratios, as noted in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic 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 the financial statements of the College. The supplementary information included in Schedules 1 through 9 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information included in Schedules 1 through 9 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Financial Statements. The other information comprises the schedule of Board of Trustees and College Officials but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2025, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering College's internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Dubuque, Iowa
November 10, 2025

Northeast Iowa Community College (College) provides this management's discussion and analysis of its annual financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2025.

The intent of this discussion and analysis is to look at Northeast Iowa Community College's financial performance as a whole with comparisons to the previous fiscal year activities. Readers should also review the basic financial statements and notes to enhance their understanding of the College's financial performance. This information does not include the discretely presented component unit, Northeast Iowa Community College Foundation; therefore, readers should review the basic financial statements and notes of the discretely presented component unit.

2025 Financial Highlights

Operating revenues decreased overall by 4.8% or approximately \$1,115,000 from fiscal year 2024 due to a decrease in sales and services. Nonoperating revenues increased by 3.72% or approximately \$1,276,000 due to an increase in Pell Grant and property tax.

Operating expenses increased .82% or approximately \$428,000 from fiscal year 2024.

The College's net position increased 5.2% or approximately \$3,765,000, during fiscal year 2025.

Using this Annual Report

These statements are organized so the reader can understand Northeast Iowa Community College as a financial whole or as an entire operating entity. The annual report consists of a series of financial statements, notes to those statements and other information, as follows:

Management's discussion and analysis introduces the basic financial statements and provides an analytical overview of the College's financial activities.

The basic financial statements consist of a statement of net position, a statement of revenues, expenses and changes in net position and a statement of cash flows. These provide information about the activities of the College as a whole and present an overall view of the College's finances.

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

Required supplementary information presents the College's proportionate share of the net pension liability and related contributions, as well as presenting the changes in the College's total OPEB liability, related ratios and notes.

Supplementary information provides detailed information about the individual funds. The budgetary comparison schedule of expenditures - budget to actual further explains and supports the financial statements with a comparison of the College's budget for the year.

Reporting the College's Financial Activities

The Statement of Net Position

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

Comparison of Net Position

The largest portion of the College's net position is invested in capital assets (e.g., land, buildings, intangibles and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets. The net investments in capital assets balance at June 30, 2025, was approximately \$43,914,000 or 57.5% of total net position.

Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations – balance at June 30, 2025, was approximately \$25,478,000 or 33.4% of total net position.

Statements of net position as of June 30, 2025 and 2024, are as follows:

	Condensed Statement of Net Position (Expressed in Thousands)	
	2025	2024
Current and Other Assets	\$ 70,865	\$ 71,018
Other Noncurrent Assets	2,860	3,310
Capital Assets, Net	73,934	75,224
Total assets	\$ 147,659	\$ 149,552
Deferred Outflows of Resources	\$ 2,111	\$ 2,574
Current Liabilities	\$ 13,850	\$ 14,574
Noncurrent Liabilities	45,603	51,373
Total liabilities	\$ 59,453	\$ 65,947
Deferred Inflows of Resources	\$ 13,921	\$ 13,548
Net Position		
Net investment in capital assets	\$ 43,914	\$ 42,027
Restricted for specific purposes	7,004	7,105
Unrestricted	25,478	23,499
Total net position	\$ 76,396	\$ 72,631

Statement of Revenues, Expenses and Changes in Net Position

Changes in total net position presented in the statement of net position are based on the activity presented in the statement of revenues, expenses and changes in net position. The purpose of the statement is to present the revenues earned by the College, both operating and nonoperating, the expenses incurred by the College, both operating and nonoperating, and any other revenues, expenses, gains and losses received or spent by the College.

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

The statements of activities for the years ended June 30, 2025 and 2024, are as follows:

	Changes in Net Position (Expressed in Thousands)	
	2025	2024
Operating Revenues		
Tuition and fees	\$ 10,520	\$ 10,105
Federal appropriations	2,055	2,077
Iowa Industrial New Jobs Training Program	3,993	4,192
Sales and services	2,137	3,182
Miscellaneous	3,421	3,685
	22,126	23,241
Total operating revenues		
Total operating expenses	52,699	52,271
Operating loss	(30,573)	(29,030)
Non-Operating Revenues (Expenses)		
State appropriations	15,069	15,283
Pell Grant	4,864	3,878
Property taxes	13,632	12,781
Investment income (loss)	2,124	2,345
Gain (loss) on sale of capital assets	(116)	10
Interest on indebtedness	(1,235)	(1,340)
	34,338	32,957
Net nonoperating revenues (expenses)		
Change in net position	3,765	3,927
Net Position Beginning of Year	72,631	68,704
Net Position End of Year	\$ 76,396	\$ 72,631

The statement of revenues, expenses and changes in net position reflects an increase in the net position at the end of the fiscal year.

In fiscal year 2025, operating revenues decreased approximately \$1,115,000 as a result of the following changes:

- Revenue from the New Jobs Training Program declined in fiscal year 2025 compared to fiscal year 2024.

Operating expenses for the years ended June 30, 2025 and 2024, are as follows:

	Operating Expenses (Expressed in Thousands)	
	2025	2024
Operating Expenses		
Liberal arts and sciences	\$ 4,058	\$ 4,195
Vocational technical	10,510	10,529
Adult education	4,396	3,952
Cooperative services	6,755	6,250
General administration	684	660
Student services	3,059	3,057
Learning resources	1,346	1,259
Physical plant	4,267	4,399
General institution	5,860	5,692
Auxiliary Enterprises	4,328	4,118
Scholarships and Grants	1,446	1,688
Depreciation/Amortization	5,030	5,120
Other	960	1,351
	\$ 52,699	\$ 52,270

In fiscal year 2025, operating expenses resulted in the following changes:

- The increase in Adult Education is attributed to a rise in Business and Community Solutions training and tuition revenue.

Capital Assets

At June 30, 2025, the College had approximately \$136.5 million invested in capital assets, less accumulated depreciation and amortization of \$62.5 million. Depreciation and amortization expense totaled approximately \$5 million fiscal year 2025. Details of net capital assets are shown below:

	Capital Assets, Net (Expressed in Thousands)	
	2025	2024
Land	\$ 1,017	\$ 1,017
Buildings	64,127	65,437
Construction in progress	4	570
Other structures and improvements	1,939	1,750
Right-to-use leased building and vehicles	273	35
Right-to-use subscription asset	1,503	999
Intangibles	37	39
Furniture and equipment	5,034	5,377
Total	\$ 73,934	\$ 75,224

More detailed information about the College's capital assets is presented in Note 3 to the financial statements.

Debt

At June 30, 2025, the College had \$47 million in debt outstanding, a decrease of \$4.5 million from 2024. The table below summarizes these amounts by type.

	Long-term Debt (Expressed in Thousands)	
	2025	2024
Termination benefits	\$ 148	\$ 230
Lease agreements	258	412
Software subscription payable	1,454	689
Certificates payable	16,880	18,160
Bonds Payable	28,308	32,095
Total	\$ 47,048	\$ 51,586

More detailed information about the College's outstanding debt is presented in Note 4 to the financial statements.

Northeast Iowa Community College Economic Factors

In fiscal year 2025, the College continued to strengthen its financial position, despite several economic factors shaping its financial outlook. College officials remain attentive and proactive in addressing these challenges, which include:

- **Demographic Shifts:** The region continues to experience a declining population and fewer high school graduates, which poses a challenge to enrollment. Additionally, increased competition from four-year institutions and a growing number of students entering the workforce directly after high school further complicate recruitment efforts.
- **State General Aid:** Uncertainty surrounding the future of state general aid funding remains a concern. Ensuring that these funds adequately meet the educational needs of our students is a top priority for the College.
- **Rising Expenses:** Fiscal year 2026 is projected to see increased expenses, primarily driven by salary and benefit adjustments along with rising costs for professional services, supplies, and other operating expenses. These increases are further compounded by ongoing inflationary pressures affecting goods and services across the higher education sector.
- **Technological Challenges:** The rapid pace of technological advancement and the ongoing need to replace outdated systems continue to present challenges for the College. Maintaining up-to-date technology that supports academic and operational effectiveness while managing costs remains a key priority.

Despite these challenges, the College remains steadfast in its mission and is actively implementing strategies to ensure financial resilience and adaptability. As we expect the current fiscal year to mirror past trends, we will continue to carefully monitor our resources to effectively manage any unforeseen economic challenges.

Contacting the College's Financial Management

This financial report is designed to provide our constituents with a general overview of the College's finances and to demonstrate the College's accountability for the resources it receives. If you have questions about the report or need additional financial information, contact Lexi Wagner, Vice President, Finance & Administration at Northeast Iowa Community College, telephone 844-642-2338.

Northeast Iowa Community College
Statement of Net Position
June 30, 2025

	Business-type Activities	Component Unit Foundation
Assets		
Current Assets		
Cash and cash equivalents	\$ 53,270,970	\$ 458,063
Investments	-	565,487
Receivables		
Accounts, less allowance of \$215,680	1,544,211	-
Promises, net discount	-	42,856
Accrued interest	9,395	-
Property tax		
Current year delinquent	95,532	-
Succeeding year	13,767,612	-
Notes	92,732	-
Iowa Industrial New Jobs Training Program	942,659	-
Due from other governments	866,310	-
Prepaid expenses	185,725	-
Inventories	90,011	-
	<u>70,865,157</u>	<u>1,066,406</u>
Total current assets		
Noncurrent Assets		
Investments	-	5,792,442
Promises, net discount	-	401,508
Due from Iowa Industrial New Jobs Training Program	2,860,151	-
Capital assets, non-depreciable	1,020,414	-
Capital assets, net accumulated depreciation/amortization	72,913,410	-
	<u>76,793,975</u>	<u>6,193,950</u>
Total noncurrent assets		
Total assets		
	<u>147,659,132</u>	<u>7,260,356</u>
Deferred Outflows of Resources		
Pension related deferred outflows	2,053,354	-
OPEB related deferred outflows	58,109	-
	<u>2,111,463</u>	<u>-</u>
Total deferred outflows of resources		
Total assets and deferred outflows of resources		
	<u>\$ 149,770,595</u>	<u>\$ 7,260,356</u>

Northeast Iowa Community College
Statement of Net Position
June 30, 2025

	Business-type Activities	Component Unit Foundation
Liabilities		
Current Liabilities		
Accounts payable	\$ 1,232,619	\$ -
Salaries and benefits payable	2,126,464	-
Accrued interest payable	58,907	-
Compensated absences payable	202,211	-
Unearned revenues	3,076,247	-
Termination benefits	58,429	-
Lease agreements	113,561	-
Software subscription payable	446,723	-
Certificates payable	3,155,000	-
Bonds payable	3,380,000	-
Total current liabilities	13,850,161	-
Noncurrent Liabilities		
Termination benefits	89,567	-
Lease agreements	144,516	-
Software subscription payable	1,007,070	-
Certificates payable	13,725,000	-
Bonds payable	24,928,241	-
Net pension liability	5,322,092	-
Total OPEB liability	386,894	-
Total noncurrent liabilities	45,603,380	-
Total liabilities	59,453,541	-
Deferred Inflows of Resources		
Succeeding year property tax	13,767,612	-
Pension related deferred inflows	3,380	-
OPEB related deferred inflows	149,673	-
Total deferred inflows of resources	13,920,665	-
Net Position		
Net investment in capital assets	43,913,713	-
Restricted for specific purposes	7,004,459	6,024,718
Unrestricted	25,478,217	1,235,638
Total net position	76,396,389	7,260,356
Total liabilities, deferred inflows of resources and net position	\$ 149,770,595	\$ 7,260,356

Northeast Iowa Community College
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2025

	Business-type Activities	Component Unit Foundation
Operating Revenues		
Tuition and fees, net of scholarship allowances of \$4,849,388	\$ 10,520,348	\$ -
Federal appropriations	2,054,538	-
Iowa Industrial New Jobs Training Program	3,992,607	-
Sales and services	2,137,154	-
Miscellaneous	3,421,123	1,443,188
Total operating revenues	<u>22,125,770</u>	<u>1,443,188</u>
Operating Expenses		
Liberal arts and sciences	4,058,294	-
Vocational technical	10,509,582	-
Adult education	4,395,726	-
Cooperative services	6,755,428	-
General administration	683,773	6,408
Student services	3,059,045	-
Learning resources	1,345,565	-
Physical plant	4,267,178	-
General institution	5,860,278	-
Auxiliary enterprises	4,327,545	-
Scholarships and grants	1,446,362	386,220
Depreciation/amortization	5,029,873	-
Other	960,226	1,241,031
Total operating expenses	<u>52,698,875</u>	<u>1,633,659</u>
Operating (loss) income	<u>(30,573,105)</u>	<u>(190,471)</u>
Non-Operating Revenues (Expenses)		
State appropriations	15,068,789	-
Pell Grant	4,863,632	-
Property taxes	13,632,484	-
Investment income (loss)	2,123,838	767,228
Gain (loss) on sale of capital assets	(115,835)	-
Interest on indebtedness	(1,234,903)	-
Net nonoperating revenues (expenses)	<u>34,338,005</u>	<u>767,228</u>
Change in Net Position	3,764,900	576,757
Net Position, Beginning of Year	<u>72,631,489</u>	<u>6,683,599</u>
Net Position End of Year	<u>\$ 76,396,389</u>	<u>\$ 7,260,356</u>

Northeast Iowa Community College
Statement of Cash Flows
Year Ended June 30, 2025

	Business-type Activities
Cash Flows from (used in) Operating Activities	
Tuition and fees	\$ 10,813,993
Federal appropriations	751,863
Iowa Industrial New Jobs Training Program	4,482,987
Payments to employees for salaries and benefits	(31,476,353)
Payments to suppliers for goods and services	(11,232,941)
Payments to NJTP recipients	(2,949,835)
Cost of goods sold	(1,828,662)
Scholarships	355,994
Auxiliary enterprise receipts	2,052,657
Other operating receipts	4,663,346
Net cash used in operating activities	(24,366,951)
Cash Flows from Non-Capital Financing Activities	
State appropriations	15,068,789
Pell Grant	4,863,632
Property taxes	13,625,955
Proceeds from issuance of debt	2,260,000
Principal paid on New Jobs Training certificates	(3,540,000)
Interest paid on New Jobs Training certificates	(634,955)
Net cash provided by non-capital financing activities	31,643,421
Cash Flows from (used in) Capital and Related Financing Activities	
Acquisition of capital assets	(2,941,641)
Principal paid on debt and leases	(4,055,041)
Interest paid on debt and leases	(907,337)
Net cash used in capital and related financing activities	(7,904,019)
Cash Flows from Investing Activities	
Interest on investments	2,120,776
Net increase in cash	1,493,227
Cash and Cash Equivalents, Beginning of Year	51,777,743
Cash and Cash Equivalents, End of Year	\$ 53,270,970

Note 1 - Nature of Operations and Significant Accounting Policies**Nature of Operations**

Northeast Iowa Community College (College) is a publicly supported school established and operated by Merged Area I under the provisions of Chapter 260C of the Code of Iowa. The College offers programs of adult and continuing education, lifelong learning, community education and up to two years of liberal arts, pre-professional or occupational instruction partially fulfilling the requirements for a baccalaureate degree but confers no more than an associate degree. The College also offers up to two years of career and technical education, training or retraining to persons who are preparing to enter the labor market. The College maintains campuses in Calmar and Peosta, Iowa, and has its administrative offices in Calmar. The College also has service locations in Cresco, Dubuque, Manchester, New Hampton, Oelwein, and Waukon. The College is governed by a Board of Trustees whose members are elected from each director district within Merged Area 1.

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

Significant Accounting Policies*Scope of Reporting Entity*

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

These financial statements present Northeast Iowa Community College (the primary government) and its component unit. The component unit discussed below is included in the College's reporting entity because of the significance of its operational or financial relationship with the College. Certain disclosures about the component unit are not included because the component unit has been audited separately and a report has been issued under separate cover. The audited financial statements are available at the Northeast Iowa Community College District Office located at Hwy 150 South, Calmar, Iowa 52132.

Discrete Component Unit

The College has one component unit that meets the Governmental Accounting Standards Board (GASB) criteria. The Northeast Iowa Community College Foundation (College Foundation) is a nonprofit corporation that is governed by a separate Board of Directors. The College Foundation's purpose is to support the College through donations to provide scholarships to students and for the enhancement and extension of facilities, equipment, and services. The activities of the College Foundation are reported using the discrete method. The independent auditor's report on the component unit financial statements for year ended June 30, 2025, expresses an unmodified opinion dated November 10, 2025.

The College Foundation is a nonprofit organization that reports under accounting standards established by the Financial Accounting Standards Board (FASB). The College Foundation's financial statements were prepared in accordance with the provisions of Financial Statements of Not-For-Profit Organizations. 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 College Foundation's financial information in the College's financial reporting for these differences. The College Foundation reports net assets, which is equivalent to net position reported by the College.

Related Party

The Northeast Iowa Dairy & Agriculture Foundation (Dairy Foundation) is a nonprofit corporation that is governed by a separate Board of Directors. The Dairy Foundation's purpose is to support educational efforts relating to the needs of dairy and agriculture industry research, development, instruction, and outreach in Northeast Iowa. The Dairy Foundation is considered a related party but is not considered a part of the financial reporting entity of the College.

Basis of Presentation

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

Net Investment in Capital Assets – Capital assets, net of accumulated depreciation/amortization and outstanding debt obligations attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position:

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

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

Unrestricted Net Position – Net position not subject to externally imposed situations. Resources may be designated for specific purposes by action of management or by the Board of Trustees or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for academic and general programs of the College.

GASB Statement No. 35 also requires the Statements of Net Position, Revenues, Expenses and Changes in Net Position and Cash Flows be reported on a consolidated basis. These basic financial statements report information on all of the activities of the College. For the most part, the effect of interfund activity has been removed from these statements.

Measurement Focus and Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business type activities as defined in GASB Statement No. 34. Accordingly, the basic financial statements of the College have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

The following accounting policies are followed in preparing the statement of net position:

Cash and Investments

Investments are stated at fair value except for the investment in the Iowa Schools Joint Investment Trust which is valued at amortized cost and non-negotiable certificates of deposit which are stated at cost. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The College's policy is to classify non-negotiable certificates of deposit as investments on the financial statements.

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 amount of cash and, at the day of purchase, have a maturity date no longer than three months.

Property Tax Receivable

Property tax receivable is recognized on the levy or lien date, which is the date the tax asking is certified by the Board of Trustees to the appropriate County Auditors. Delinquent property tax receivable represents unpaid taxes from the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Trustees to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Trustees is required to certify its budget to the County Auditor prior to June 1 of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is reported as a deferred inflow of resources and will not be recognized as revenue until the year for which it is levied.

Accounts Receivable

Accounts receivable consists of payments due from students and third parties for tuition and reimbursements. Accounts receivable are shown at the amount expected to be collected after determining the allowance for doubtful accounts based on an aging of all the individual balances. The College does not deem student accounts uncollectible if the student re-enrolls, as the account must be paid in full before re-enrollment.

Due from Other Governments

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

Inventories

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

Receivable for Iowa Industrial New Jobs Training Program (NJTP)

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

Capital Assets

Capital assets, which include property, intangibles, buildings, other structures and improvements, and furniture and equipment are recorded at cost or estimated historical cost if actual historical cost records are not available (except for intangible right-to-use lease assets, the measurement of which is discussed under “Leases” and “IT Subscription-Based Information Technology Arrangements” below). Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class. Capital assets are defined by the College as assets with initial, individual costs in excess of the following thresholds and estimated useful lives in excess of two years:

<u>Asset Class</u>	<u>Amount</u>
Land	\$ 25,000
Buildings and improvements	25,000
Furniture and equipment	5,000
Intangible assets	200,000
Right-to-use leased assets	100,000
Right-to-use IT subscription	100,000

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>In Years</u>
Buildings and improvements	30
Furniture and equipment	5-10
Intangible assets	25
Right-to-use leased assets	2-15
Right-to-use IT subscription	2-15

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

Leases - College as Lessee

Northeast Iowa Community College is the lessee for noncancellable leases of buildings and vehicles. The College has recognized a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. The College recognizes lease liabilities with an initial, individual value of \$100,000 or more.

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

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

The College uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the College generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and a purchase option price the College is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported as long-term debt on the statement of net position.

Leases - College as Lessor

The College is the lessor for noncancellable leases of buildings. The College recognizes a lease receivable and a deferred inflow of resources in the financial statements.

At the commencement of a lease, the College initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

The College uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

Subscription-Based Information Technology Arrangements (SBITA)

The College has entered into contracts that conveys control of the right to use information technology software. The College has recognized an IT subscription liability and an intangible right-to-use IT subscription asset in the financial statements. The College recognized IT subscription liabilities with an initial, individual value of \$100,000, or more.

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

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

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

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

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

Right-to-use IT subscription assets are reported with other capital assets and IT subscription liabilities are reported as long-term debt on the statement of net position.

Deferred Outflows of Resources

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

Salaries and Benefits Payable

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

Compensated Absences

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

Pensions

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

Total OPEB Liability

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information has been determined based on Northeast Iowa Community College's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources in the statement of net position consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied, 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 assets and deferred amounts related to leases.

Auxiliary Enterprise Revenues

Auxiliary enterprise revenues primarily represent revenues generated by the bookstore, food service, childcare, farm, trade and industry, professional development, athletics, and miscellaneous items.

Tuition and Fees

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

Summer Session

The College operates summer sessions during June, July, and August. Revenues and expenses for the summer sessions are recorded in the appropriate fiscal year. Tuition and fees are allocated based on the load study distributions supplied by the College Registrar and the College's refund policy.

Operating and Nonoperating Activities

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

Use of Estimates

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

Scholarship Allowances and Student Aid

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

Note 2 - Cash and Investments

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

The College's cash and investments as of June 30, 2025, consist of the following:

Petty cash	\$ 2,705
Deposit accounts	31,072,275
Iowa Schools Joint Investment Trust	<u>22,195,990</u>
Total	<u>\$ 53,270,970</u>

Iowa Schools Joint Investment Trust (ISJIT)

At June 30, 2025, the College had investments in the ISJIT Diversified Fund (DVF) which are valued at an amortized cost. There were no limitations or restrictions on withdrawals for the ISJIT investments. The investments in ISJIT were rated AAAM by Standard & Poor’s Financial Services.

Interest Rate Risk

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

Credit Risk

Generally, credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. To limit its exposure, the College's investment policy prohibits investments in commercial paper and other corporate debt.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the College's deposits may not be returned to it. The College's deposits and investments held at year end are 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.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The College held no such investments during the year.

Component Unit

Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, considering factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the College Foundation’s assessment of the quality, risk, or liquidity profile of the asset or liability.

A significant portion of investment assets are classified within Level 1 because they comprise open-end mutual funds with readily determinable fair values based on daily redemption values.

The College Foundation’s investments are stated at fair value, are subject to risk categorization and consist of the following:

<u>Investments</u>	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Money market funds (at cost)	\$ 239,684	\$ -	\$ -	\$ -
Corporate bonds	1,616,179	1,616,179	-	-
Common stock	4,144,099	4,144,099	-	-
Equity mutual funds	<u>357,967</u>	<u>357,967</u>	<u>-</u>	<u>-</u>
	<u>\$ 6,357,929</u>	<u>\$ 6,118,245</u>	<u>\$ -</u>	<u>\$ -</u>

Note 3 - Capital Assets

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

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Capital Non-Depreciable Assets				
Land	\$ 1,016,866	\$ -	\$ -	\$ 1,016,866
Construction in progress	569,541	3,548	569,541	3,548
Capital non-depreciable assets	<u>1,586,407</u>	<u>3,548</u>	<u>569,541</u>	<u>1,020,414</u>
Capital Assets, Being Depreciated/ Amortized				
Buildings	111,759,382	1,907,702	-	113,667,084
Other structures and improvements	4,449,560	319,355	-	4,768,915
Right to-use leased buildings and vehicles	963,145	-	36,614	926,531
Right-to-use subscription asset	1,372,257	1,174,951	213,164	2,334,044
Intangibles	48,369	-	-	48,369
Furniture and equipment	<u>13,356,588</u>	<u>1,019,414</u>	<u>677,736</u>	<u>13,698,266</u>
Gross capital assets being depreciated/amortized	<u>131,949,301</u>	<u>4,421,422</u>	<u>927,514</u>	<u>135,443,209</u>
Less Accumulated Depreciation/ Amortization				
Buildings	46,322,747	3,217,529	-	49,540,276
Other structures and improvements	2,699,576	130,750	-	2,830,326
Right to-use leased buildings and vehicles	534,174	155,728	36,614	653,288
Right-to-use subscription asset	486,680	556,967	213,164	830,483
Intangibles	9,673	1,935	-	11,608
Furniture and equipment	<u>8,258,755</u>	<u>966,964</u>	<u>561,901</u>	<u>8,663,818</u>
Total accumulated depreciation/amortization	<u>58,311,605</u>	<u>5,029,873</u>	<u>811,679</u>	<u>62,529,799</u>
Net Capital Assets Being Depreciated/Amortized	<u>73,637,696</u>	<u>(608,451)</u>	<u>115,835</u>	<u>72,913,410</u>
Capital Assets, Net	<u>\$ 75,224,103</u>	<u>\$ (604,903)</u>	<u>\$ 685,376</u>	<u>\$ 73,933,824</u>

Note 4 - Long-term Obligations

Long-term liability activity for the year ended June 30, 2025, was as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Amounts Due Within One year
Termination benefits	\$ 229,690	\$ -	\$ 81,694	\$ 147,996	\$ 58,429
Lease agreements	412,681	-	154,604	258,077	113,561
Software subscription payable	689,339	1,174,891	410,437	1,453,793	446,723
Certificates payable	18,160,000	2,260,000	3,540,000	16,880,000	3,155,000
Bonds payable	30,730,000	-	3,490,000	27,240,000	3,380,000
Premium on bonds	1,364,706	-	296,465	1,068,241	-
Long-term Liabilities	<u>\$ 51,586,416</u>	<u>\$ 3,434,891</u>	<u>\$ 7,973,200</u>	<u>\$ 47,048,107</u>	<u>\$ 7,153,713</u>

Certificates Payable

In accordance with agreements dated between July 1, 2013, and June 30, 2025, the College issued certificates totaling \$16,880,000 with interest rates ranging from 1.00% to 5.50% per annum. The debt was incurred to fund the development and training costs related to implementing Chapter 260E of the Code of Iowa, Iowa Industrial New Jobs Training Program (NJTP). NJTP's purpose is to provide tax aided training for employees of industries which are new to or are expanding their operations within the State of Iowa. Interest is payable semiannually, while principal payments are due annually. The certificates are to be retired by proceeds from anticipated job credits from withholding tax, incremental property tax, budgeted reserves and, in the case of default, from standby property tax. During the year ended June 30, 2025, principal and interest paid were \$3,540,000 and \$634,954, respectively. \$2,260,000 of NJTP certificates were issued during the year ended June 30, 2025.

Year Ending June 30,	Principal	Interest	Total
2026	\$ 3,155,000	\$ 551,429	\$ 3,706,429
2027	3,035,000	455,324	3,490,324
2028	2,510,000	366,059	2,876,059
2029	2,190,000	288,169	2,478,169
2030	1,995,000	219,979	2,214,979
2031-2034	<u>3,995,000</u>	<u>313,187</u>	<u>4,308,187</u>
Total	<u>\$ 16,880,000</u>	<u>\$ 2,194,147</u>	<u>\$ 19,074,147</u>

Lease Agreements

The College has entered into various lease agreements for facilities within the area to house different divisions of the College. The agreements require various monthly payments over five years with various implicit interest rates. The leases expire in 2026 through 2028.

The College entered into ten agreements to lease ten fleet vehicles. The agreements are for a period of four years. The agreements require various monthly payments over four years with various implicit interest rates. The leases expire in 2026 and require the payment of normal maintenance charges.

Future principal and interest payments as of June 30, 2025, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 113,561	\$ 8,142	\$ 121,703
2027	100,702	4,298	105,000
2028	<u>43,814</u>	<u>1,186</u>	<u>45,000</u>
Total	<u>\$ 258,077</u>	<u>\$ 13,626</u>	<u>\$ 271,703</u>

IT Subscription Liability

The College has entered into multiple subscription license and services technology agreements with vendors for financial and educational software. The agreements require annual payments over five years with various implicit interest rates. The subscriptions expire in 2026 through 2029.

Future principal and interest payments as of June 30, 2025, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 446,723	\$ 57,472	\$ 504,195
2027	373,744	40,982	414,726
2028	402,029	27,501	429,530
2029	<u>231,297</u>	<u>10,657</u>	<u>241,954</u>
Total	<u>\$ 1,453,793</u>	<u>\$ 136,612</u>	<u>\$ 1,590,405</u>

Bonded Indebtedness

\$8,885,000 General Obligation School Refunding Bonds Series 2019, due annually in varying installments June 1, 2025 through June 1, 2036, plus interest semiannually with interest rate of 3.00%. The proceeds of these bonds were used to refinance existing debt and provide resources to improve the College’s infrastructure, security, technology, and create innovative learning spaces.

\$12,265,000 General Obligation School Bonds Series 2020, due annually in varying installments June 1, 2025 through June 1, 2033, plus interest semiannually with interest rates of 1.50% to 2.00%. The proceeds of these bonds were used to provide resources to improve the College’s infrastructure, security, technology, and create innovative learning spaces.

\$7,550,000 General Obligation School Bonds Series 2021, due annually in varying installments June 1, 2025 through June 1, 2028, plus interest semiannually with interest rate of 3.00%. The proceeds of these bonds were used to provide resources to improve the College’s infrastructure, security, technology, and create innovative learning spaces.

\$8,035,000 General Obligation School Bonds Series 2022, due annually in varying installments June 1, 2025 through June 1, 2026, plus interest semiannually with interest rate of 5.00%. The proceeds of these bonds were used to provide resources to improve the College’s infrastructure, security, technology, and create innovative learning spaces.

Future principal and interest payments as of June 30, 2025, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 3,380,000	\$ 703,350	\$ 4,083,350
2027	2,000,000	594,350	2,594,350
2028	1,000,000	534,350	1,534,350
2029	1,500,000	504,350	2,004,350
2030	3,100,000	481,850	3,581,850
2031-2035	15,165,000	1,449,350	16,614,350
2036	<u>1,095,000</u>	<u>32,850</u>	<u>1,127,850</u>
Total	<u>\$ 27,240,000</u>	<u>\$ 4,300,450</u>	<u>\$ 31,540,450</u>

Note 5 - Termination Benefits

In April of 2021, the College offered a voluntary early retirement plan with options to retire between June 30, 2021 and August 16, 2022. Staff eligible under this offer could retire on June 30, 2021, or select a retirement date in fiscal year 2022 (July 1, 2021 through June 30, 2022). Faculty eligible under this offer could retire August 15, 2021, December 31, 2021, or August 15, 2022.

In the College’s policy, employees qualifying for early retirement must have completed at least ten years of full-time staff and regular part-time (minimum of 80% FTE) service with the College and must have reached the minimum age of 55 years. The application for early retirement was subject to approval by the Board of Trustees during the year the plan was offered.

Those eligible employees who were approved to receive benefits under the early retirement plan received a cash payment equal to 50% plus an additional .75% of their regular contractual salary for each full year of consecutive service beyond ten years. Retirees in the 2021 plan receive their cash payout in their choice of one year (26 biweekly payments) or two years (two equal installments). All cash payments have been made as of June 30, 2025.

The College also contributes a set amount toward single plan health insurance for the retiree, if the retiree chooses to remain in the employer's health insurance plan. This contribution continues until the day the retiree is eligible under another group plan or until the end of the month prior to the month in which the retiree becomes eligible for Medicare. The plan is funded on a pay-as-you-go basis through property tax levies. At June 30, 2025, the College has health insurance obligations to twelve participants with a total early retirement liability of \$147,996. Actual early retirement expenditures for the year ended June 30, 2025 totaled \$81,694.

Note 6 - Iowa Public Employees' Retirement System (IPERS)**Plan Description**

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

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

Pension Benefits

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

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

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month 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 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 College contributed 9.44% of covered payroll, for a total rate of 15.73%.

The College's contributions to IPERS for the year ended June 30, 2025, totaled \$1,323,622.

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

At June 30, 2025, the College reported a net pension liability of \$5,322,092 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on the College's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2024, the College's proportion was 0.146151%, which was an increase of 0.004653% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the College recognized pension expense of \$664,590. At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 423,483	\$ 3,306
Changes of assumptions	-	74
Net difference between projected and actual earnings on IPERS' investments	66,562	-
Changes in proportion and differences between College contributions and College's proportionate share of contributions	239,687	-
College contributions subsequent to the measurement date	<u>1,323,622</u>	<u>-</u>
	<u>\$ 2,053,354</u>	<u>\$ 3,380</u>

\$1,323,622 reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ (621,521)
2027	1,353,312
2028	107,604
2029	(128,480)
2030	<u>15,437</u>
	<u>\$ 726,352</u>

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions

The total pension liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement.

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

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 assets	9.0	4.25
Private credit	5.5	6.62
	100.0 %	

Discount Rate

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

The following presents the College's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
College's proportionate share of the net pension liability	\$ 13,060,319	\$ 5,322,092	\$ (1,158,713)

IPERS' Fiduciary Net Position

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

Payables to IPERS

At June 30, 2025, the College reported payables to IPERS of \$84,655 for legally required College contributions and \$56,437 for legally required employee contributions withheld from employee wages which had not yet been remitted to IPERS.

Note 7 - Teachers Insurance and Annuity Association

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

Benefit terms, including contribution requirements, for TIAA are established and specified by the plan with TIAA and in accordance with the Code of Iowa. For each employee in the pension plan, the College is required to contribute 9.44% of annual salary, including overtime pay, to an individual employee account. Each employee is required to contribute 6.29%. Contributions made by both the College and employees vest immediately. For the year ended June 30, 2025, employee contributions totaled \$483,778 and the College recognized pension expense of \$726,053.

At June 30, 2025, the College reported payables to the TIAA of \$44,039 for legally required College contributions and \$29,344 for legally required employee contributions which had been withheld from employee wages but not yet remitted to TIAA.

Note 8 - Other Postemployment Benefits (OPEB)**Plan Description**

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

OPEB Benefits

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

Retired participants must be age 55 or older at retirement. At June 30, 2025, there were 312 active employees and 6 inactive employees covered by the benefit terms.

Total OPEB Liability

The College’s total OPEB liability of \$386,894 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024.

Actuarial Assumptions

The total OPEB liability in the 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	3.0% per year
Rates of salary increase	3.0% per year
Discount rate	3.93% per year
Healthcare cost trend rate	7.00% initial rate decreasing by .50% annually to an ultimate rate of 5.00%.

Discount Rate

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

Mortality rates are from the RP-2014 annuitant distinct mortality table adjusted to 2006 with MP 2021 generational projection of future mortality improvement.

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB Liability Beginning of Year	\$ 466,241
Changes for the Year	
Service cost	34,910
Interest cost	15,608
Difference between expected and actual experience	12,694
Changes of assumptions	(90,796)
Benefit payments	(51,763)
Net Change	(79,347)
Total OPEB Liability End of Year	\$ 386,894

Sensitivity of the College's Total OPEB Liability to Changes in the Discount Rate

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

	1% Decrease 2.93%	Discount Rate 3.93%	1% Increase 4.93%
Total OPEB liability	\$ 409,147	\$ 386,894	\$ 366,441

Sensitivity of the College's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (6%) or 1% higher (8%) than the current healthcare cost trend rates.

	1% Decrease 6.0% Decreasing to 4.0%	Current Healthcare Cost Trend Rate 7.0% Decreasing to 5.0%	1% Increase 8.0% Decreasing to 6.0%
Total OPEB liability	\$ 357,551	\$ 386,894	\$ 420,602

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the College recognized OPEB expense of \$35,691. At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 41,095	\$ 66,451
Changes of assumptions	<u>17,014</u>	<u>83,222</u>
	<u>\$ 58,109</u>	<u>\$ 149,673</u>

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ (14,827)
2027	(16,093)
2028	(17,983)
2029	(10,576)
2030	(8,732)
Thereafter	<u>(23,353)</u>
	<u>\$ (91,564)</u>

Note 9 - Related Organizations

Northeast Iowa Dairy & Agriculture Foundation is a nonprofit organization whose goal is to support educational efforts and whose financial activities are not included in these financial statements. The Board of Trustees of the College has a member who is an ex-officio member of the Board of Directors of the above Foundation. However, these members do not compromise a majority in the above Foundation's Board. Audited financial statements of Northeast Iowa Dairy & Agriculture Foundation are available at the Northeast Iowa Community College District Office located at Hwy 150 South, Calmar, Iowa 52132.

Significant financial data for the year ended June 30, 2025, which is audited, is as follows:

Total assets	\$ 2,375,196
Total liabilities	1,021,340
Total net assets	1,353,856
Total revenue	1,574,502
Total expenses	2,176,619
Total non-operating income	848,465
Services received from personnel of an affiliate	78,253

Note 10 - New Jobs Training Programs

The College administers the Iowa Industrial New Jobs Training Program (NJTP) in Area I in accordance with Chapter 260E of the Code of Iowa. NJTP's purpose is to provide tax aided training or retraining for employees of industries which are new to or are expanding their operations within the State of Iowa. Certificates are sold by the College to fund approved projects and are to be retired by proceeds from anticipated jobs credits from withholding taxes, incremental property tax, budgeted reserves and in the case of default, from standby property tax. Since inception, the College has administered 374 projects. There are 318 projects that have been completed and 56 are currently open.

The College also administers the Iowa Jobs Training Program (IJTP) in Area I in accordance with Chapter 260F of the Code of Iowa. The current program's purpose is to provide tax aided training or retraining for employers of businesses whose training costs cannot be economically funded under Chapter 260E. Approved businesses received forgivable loans from the Workforce Development Fund, a state administered fund. Since inception of this program, the College has administered 605 projects with 19 new projects in the year ended June 30, 2025.

Note 11 - Commitments

As of June 30, 2025, the College has entered into various agreements for equipment and construction contracts for a total of \$107,996.

The College entered into an operational agreement on September 16, 2019, with the Dairy & Ag Foundation. The Dairy & Ag Foundation will manage the livestock and day-to-day operations of the agricultural items. The College will provide fiscal, custodial and maintenance personnel. The College entered into an agreement on July 15, 2024, to lease the Farm Manager to the Dairy & Ag Foundation.

Note 12 - Contingent Liabilities

The College participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenses financed by grants were subjected to local audit but still remain open to audit by the appropriate grantor government. If the grantor government disallows expenses due to noncompliance with grant program regulations, the College may be required to reimburse the grantor government. As of June 30, 2025, significant amounts of grant expenses have not been audited by granting authorities, but the College believes that disallowed expenses, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the College.

Note 13 - Risk Management Policies

The College carries commercial insurance coverage for coverage associated with property and inland marine, general liability, automobile liability, automobile physical damage, fidelity bonds, health, cyber, and worker's compensation. The College also carries coverage for operating equipment protection insurance up to \$1.4 million of costs. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The College is self-insured with respect to their health insurance coverage. The College maintains reinsurance that carries a specific stop loss of \$100,000 per employee covered and an aggregate stop loss of 125% of total estimated claims. Claims payable include all known claims and an amount for claims that have been incurred but not reported (IBNR).

The changes in the aggregate liabilities for claims included in accounts payable for the years ended June 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Estimated claims payable, beginning of year	\$ 717,532	\$ 632,455
Claims recognized	4,817,855	4,503,631
Claim payments	<u>(4,891,933)</u>	<u>(4,418,554)</u>
Estimated claims payable, end of year	<u>\$ 643,454</u>	<u>\$ 717,532</u>

Note 14 - Tax Abatements

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

College Tax Abatements

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

For the year ended June 30, 2025, the College had no abatements of property tax and \$3,844,622 of state income tax withholding under the projects.

Note 15 - Net Position

The statement of net position reports \$7,004,459 of restricted net position, of which \$6,136,787 is restricted by enabling legislation.

Note 16 - Subsequent Events

Iowa Industrial New Jobs Training Program (NJTP) – On July 7, 2025, the College issued certificates totaling \$1,775,000 for NJTP projects with interest rates ranging from 4.5% to 5.0%. The debt was incurred as allowed by Chapter 260E of the Code of Iowa and will mature beginning on June 1, 2026.

Required Supplementary Information
June 30, 2025

Northeast Iowa Community College

Northeast Iowa Community College
Schedules of Employer's Share of Net Pension Liability (Asset) and Employer Contributions
Year Ended June 30, 2025

Schedule of the College's Proportionate Share of the Net Pension Liability
Iowa Public Employees' Retirement System
For the Last Ten Years (In Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
College's proportion of the net pension liability	0.146151%	0.141499%	0.144069%	-0.055613%	0.135367%	0.134215%	0.141353%	0.153889%	0.155812%	0.155012%
College's proportionate share of the net pension liability	\$ 5,322	\$ 6,387	\$ 5,443	\$ 192	\$ 9,509	\$ 7,772	\$ 8,945	\$ 10,251	\$ 9,806	\$ 7,658
College's covered payroll	\$ 13,453	\$ 12,415	\$ 11,600	\$ 11,130	\$ 10,752	\$ 10,244	\$ 10,616	\$ 11,630	\$ 11,254	\$ 10,621
College's proportionate share of the net pension liability as a percentage of its covered payroll	39.56%	51.45%	46.92%	1.73%	88.44%	75.87%	84.26%	88.14%	87.13%	72.10%
IPERS' net position as a percentage of the total pension liability	92.30%	90.13%	91.41%	100.81%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%

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

Schedule of College Contributions
Iowa Public Employees' Retirement System
For the Last Ten Years (In Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 1,324	\$ 1,270	\$ 1,172	\$ 1,095	\$ 1,051	\$ 1,015	\$ 967	\$ 948	\$ 1,039	\$ 1,005
Contributions in relation to the statutorily required contribution	(1,324)	(1,270)	(1,172)	(1,095)	(1,051)	(1,015)	(967)	(948)	(1,039)	(1,005)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered payroll	\$ 14,025	\$ 13,453	\$ 12,415	\$ 11,600	\$ 11,130	\$ 10,752	\$ 10,244	\$ 10,616	\$ 11,630	\$ 11,254
Contributions as a percentage of covered payroll	9.44%	9.44%	9.44%	9.44%	9.44%	9.44%	9.44%	8.93%	8.93%	8.93%

Changes of Benefit Terms:

There are no significant changes in benefit terms.

Changes of Assumptions:

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

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

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

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

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

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

Northeast Iowa Community College
Schedule of Changes in Total OPEB Liability
Year Ended June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 34,910	\$ 42,836	\$ 41,589	\$ 35,035	\$ 34,014	\$ 22,921	\$ 22,253	\$ 27,682
Interest cost	15,608	16,209	14,630	7,381	6,657	12,084	11,090	12,951
Difference between expected and actual experiences	12,694	-	40,486	-	(68,262)	-	(88,024)	-
Changes in assumptions	(90,796)	-	959	-	19,794	-	(6,330)	30,294
Benefit payments	(51,763)	(15,676)	(10,091)	(12,120)	(5,792)	(11,500)	(5,140)	(26,946)
Net change in total OPEB liability	(79,347)	43,369	87,573	30,296	(13,589)	23,505	(66,151)	43,981
Total OPEB liability beginning of year	466,241	422,872	335,299	305,003	318,592	295,087	361,238	317,257
Total OPEB liability end of year	<u>\$ 386,894</u>	<u>\$ 466,241</u>	<u>\$ 422,872</u>	<u>\$ 335,299</u>	<u>\$ 305,003</u>	<u>\$ 318,592</u>	<u>\$ 295,087</u>	<u>\$ 361,238</u>
Covered-employee payroll	\$ 18,245,027	\$ 17,442,916	\$ 16,934,870	\$ 16,251,923	\$ 15,265,890	\$ 14,772,964	\$ 13,826,660	\$ 14,781,549
Total OPEB liability as a percentage of covered-employee payroll	2.12%	2.67%	2.50%	2.06%	2.00%	2.16%	2.13%	2.44%

Changes in Benefit Terms:

There were no significant changes in benefit terms.

Changes in Assumptions:

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

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

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

Supplementary Information
June 30, 2025

Northeast Iowa Community College

Northeast Iowa Community College

Schedule 1 – Budgetary Comparison Schedule of Expenditures – Budget to Actual

June 30, 2025

Funds/Levy	Original Budget	Actual	Variance Actual and Budget
Unrestricted	\$ 42,155,455	\$ 32,558,182	\$ 9,597,273
Restricted	16,100,000	7,357,805	8,742,195
Unemployment	25,000	982	24,018
Insurance	2,296,219	1,985,658	310,561
Early retirement	81,000	-	81,000
Equipment replacement	1,256,939	915,808	341,131
Total restricted	19,759,158	10,260,253	9,498,905
Plant	5,142,333	960,226	4,182,107
Bonds and interest	4,624,318	5,510,967	(886,649)
Total plant	9,766,651	6,471,193	3,295,458
Total	<u>\$ 71,681,264</u>	<u>\$ 49,289,628</u>	<u>\$ 22,391,636</u>

Note to Budgetary Reporting:

The Board of Trustees annually prepares a budget designating the proposed expenditures for operation of the College on a statutory (regulatory) basis. Following required public notice and hearing, and in accordance with Chapter 260C of the Code of Iowa, the Board of Trustees certifies the approved budget to the appropriate County Auditors and then submits the budget to the State Board of Education for approval. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Formal and legal budgetary control is based on total operating expenditures.

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

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

Northeast Iowa Community College
Schedule 2 – Combining Balance Sheet – All Funds
June 30, 2025

	Current Funds				Unexpended	Plant Funds		GAAP Adjustments	GAAP Basis
	Unrestricted	Auxiliary	Restricted	Scholarships		Retirement of Indebtedness	Investment in Plant		
Assets									
Cash and cash equivalents	\$ 14,940,830	\$ 9,331,441	\$ 20,978,451	\$ 497,577	\$ 7,522,671	\$ -	\$ -	\$ -	\$ 53,270,970
Receivables									
Accounts, less allowance of \$215,860	586,107	650,023	308,081	-	-	-	-	-	1,544,211
Accrued interest	-	9,395	-	-	-	-	-	-	9,395
Property tax:									
Current year delinquent	20,336	-	24,943	-	-	50,253	-	-	95,532
Succeeding year	2,889,888	-	3,544,395	-	-	7,333,329	-	-	13,767,612
Notes	-	92,732	-	-	-	-	-	-	92,732
Iowa Industrial New Jobs Training Program	-	-	3,802,810	-	-	-	-	-	3,802,810
Due from other governments	255,439	664	469,785	139,737	-	685	-	-	866,310
Prepaid expenses	-	-	-	-	-	185,725	-	-	185,725
Inventories	-	90,011	-	-	-	-	-	-	90,011
Capital assets									
Land	-	-	-	-	-	-	1,016,866	-	1,016,866
Construction in progress	-	-	-	-	-	-	3,548	-	3,548
Buildings	-	-	-	-	-	-	113,667,084	-	113,667,084
Other structures and improvements	-	-	-	-	-	-	4,768,915	-	4,768,915
Right to-use leased buildings and vehicles	-	-	-	-	-	-	926,531	-	926,531
Right-to-use subscription asset	-	-	-	-	-	-	2,334,044	-	2,334,044
Intangibles	-	-	-	-	-	-	48,369	-	48,369
Furniture and equipment, including assets acquired	-	-	-	-	-	-	13,698,266	-	13,698,266
Accumulated depreciation and amortization	-	-	-	-	-	-	(62,529,799)	-	(62,529,799)
Total assets	18,692,600	10,174,266	29,128,465	637,314	7,522,671	7,569,992	73,933,824	-	147,659,132
Deferred Outflows of Resources									
Pension related deferred outflows	-	-	-	-	-	-	-	2,053,354	2,053,354
OPEB related deferred outflows	-	-	-	-	-	-	-	58,109	58,109
Total deferred outflows of resources	-	-	-	-	-	-	-	2,111,463	2,111,463
Total assets and deferred outflows of resources	\$ 18,692,600	\$ 10,174,266	\$ 29,128,465	\$ 637,314	\$ 7,522,671	\$ 7,569,992	\$ 73,933,824	\$ 2,111,463	\$ 149,770,595

Northeast Iowa Community College
Schedule 2 – Combining Balance Sheet – All Funds
June 30, 2025

	Current Funds				Plant Funds			GAAP Adjustments	GAAP Basis
	Unrestricted	Auxiliary	Restricted	Scholarships	Unexpended	Retirement of Indebtedness	Investment in Plant		
Liabilities									
Accounts payable	\$ 880,075	\$ 107,822	\$ 150,875	\$ 6,305	\$ 87,542	\$ -	\$ -	\$ -	\$ 1,232,619
Salaries and benefits payable	2,112,859	4,712	8,481	-	412	-	-	-	2,126,464
Accrued interest payable	-	-	-	-	58,907	-	-	-	58,907
Compensated absences payable	183,125	19,086	-	-	-	-	-	-	202,211
Unearned revenues	815,481	835	2,259,931	-	-	-	-	-	3,076,247
Termination benefits	-	-	147,996	-	-	-	-	-	147,996
Lease agreements	-	-	-	-	-	-	258,077	-	258,077
Software subscription payable	-	-	-	-	-	-	1,453,793	-	1,453,793
Certificates payable	-	-	16,880,000	-	-	-	-	-	16,880,000
Bonds payable	-	-	-	-	-	-	28,308,241	-	28,308,241
Net pension liability	-	-	-	-	-	-	-	5,322,092	5,322,092
Total OPEB liability	-	-	-	-	-	-	-	386,894	386,894
Total liabilities	3,991,540	132,455	19,447,283	6,305	146,861	-	30,020,111	5,708,986	59,453,541
Deferred Inflows of Resources									
Succeeding year property tax	2,889,888	-	3,544,395	-	-	7,333,329	-	-	13,767,612
Pension related deferred inflows	-	-	-	-	-	-	-	3,380	3,380
OPEB related deferred inflows	-	-	-	-	-	-	-	149,673	149,673
Total deferred inflows of resources	2,889,888	-	3,544,395	-	-	7,333,329	-	153,053	13,920,665
Fund Balances									
Net investment in capital assets	-	-	-	-	-	-	43,913,713	-	43,913,713
Fund balances:									
Restricted for specific purposes	-	-	6,136,787	631,009	-	236,663	-	-	7,004,459
Unrestricted (deficit)	11,811,172	10,041,811	-	-	7,375,810	-	-	(3,750,576)	25,478,217
Total fund balance	11,811,172	10,041,811	6,136,787	631,009	7,375,810	236,663	43,913,713	(3,750,576)	76,396,389
Total liabilities, deferred inflows of resources and fund balance	\$ 18,692,600	\$ 10,174,266	\$ 29,128,465	\$ 637,314	\$ 7,522,671	\$ 7,569,992	\$ 73,933,824	\$ 2,111,463	\$ 149,770,595

Northeast Iowa Community College
 Schedule 3 – Schedule of Revenues, Expenditures, and Changes in Fund Balance – All Funds
 Year Ended June 30, 2025

	Current Funds				Plant Funds			GAAP Adjustments	GAAP Basis
	Unrestricted	Auxiliary	Restricted	Scholarships	Unexpended	Retirement of Indebtedness	Investment in Plant		
Revenues									
General									
State appropriations	\$ 11,694,789	\$ 7,266	\$ 1,814,156	\$ 1,483,796	\$ 68,782	\$ -	\$ -	\$ -	\$ 15,068,789
Tuition and fees	15,262,068	107,668	-	-	-	-	-	(4,849,388)	10,520,348
Property taxes	2,857,743	-	3,504,921	-	1,733,992	5,535,828	-	-	13,632,484
Federal appropriations	5,660	19,559	1,852,457	8,234,373	-	-	-	(3,193,879)	6,918,170
Investment income	1,623,200	3,999	438,515	-	58,124	-	-	-	2,123,838
Iowa Industrial New Jobs Training Program	-	-	3,992,607	-	-	-	-	-	3,992,607
Sales and services	41,834	-	-	-	74,490	-	-	-	116,324
Miscellaneous	273,491	-	1,795,860	509,322	79,054	-	-	-	2,657,727
Total	31,758,785	138,492	13,398,516	10,227,491	2,014,442	5,535,828	-	(8,043,267)	55,030,287
Auxiliary enterprises									
Sales and services	-	2,839,185	-	-	-	-	-	(818,355)	2,020,830
Miscellaneous	-	763,396	-	-	-	-	-	-	763,396
Total auxiliary enterprises	-	3,602,581	-	-	-	-	-	(818,355)	2,784,226
Total revenues	31,758,785	3,741,073	13,398,516	10,227,491	2,014,442	5,535,828	-	(8,861,622)	57,814,513
Expenditures									
Education and support									
Liberal arts and sciences	4,190,976	-	198	-	-	-	-	(132,880)	4,058,294
Vocational technical	9,943,828	-	1,040,009	-	-	-	-	(474,255)	10,509,582
Adult education	3,626,901	-	755,770	-	-	-	-	13,055	4,395,726
Cooperative services	2,657,686	-	4,992,534	-	-	-	-	(894,792)	6,755,428
General administration	768,293	-	-	-	-	-	-	(84,520)	683,773
Student services	2,976,869	-	131,029	-	-	-	-	(48,853)	3,059,045
Learning resources	608,105	-	760,711	-	-	-	-	(23,251)	1,345,565
Physical plant	2,322,562	-	2,090,442	-	-	-	-	(145,826)	4,267,178
General institution	5,462,962	-	489,560	-	-	-	-	(92,244)	5,860,278
Total education and support	32,558,182	-	10,260,253	-	-	-	-	(1,883,566)	40,934,869
Auxiliary enterprises	-	4,388,012	-	-	-	-	-	(60,467)	4,327,545
Scholarships and grants	-	-	-	10,307,984	-	-	-	(8,861,622)	1,446,362
Plant asset acquisitions	-	-	-	-	2,052,055	-	-	(2,052,055)	-
Interest on indebtedness	-	-	-	-	-	599,948	-	634,955	1,234,903
Other	-	-	-	-	960,226	-	-	-	960,226
Expended for plant assets	-	-	-	-	-	-	(2,680,472)	2,680,472	-
Retirement of indebtedness	-	-	-	-	(559,447)	4,911,019	(4,351,572)	-	-
Disposal of plant assets	-	-	-	-	-	-	115,835	-	115,835
Depreciation	-	-	-	-	-	-	5,029,873	-	5,029,873
Total expenditures	32,558,182	4,388,012	10,260,253	10,307,984	2,452,834	5,510,967	(1,886,336)	(9,542,283)	54,049,613

Northeast Iowa Community College
Schedule 3 – Schedule of Revenues, Expenditures, and Changes in Fund Balance – All Funds
Year Ended June 30, 2025

	Current Funds				Plant Funds			GAAP Adjustments	GAAP Basis
	Unrestricted	Auxiliary	Restricted	Scholarships	Unexpended	Retirement of Indebtedness	Investment in Plant		
Excess (deficiency) of revenues over (under) expenditures	\$ (799,397)	\$ (646,939)	\$ 3,138,263	\$ (80,493)	\$ (438,392)	\$ 24,861	\$ 1,886,336	\$ 680,661	\$ 3,764,900
Transfers									
Mandatory	730,043	-	(838,865)	4,271		-	-	-	(104,551)
Nonmandatory	712,162	1,485,937	(2,342,500)	(5,860)	254,812	-	-	-	104,551
Total transfers	1,442,205	1,485,937	(3,181,365)	(1,589)	254,812	-	-	-	-
Net increase (decrease) in fund balance	642,808	838,998	(43,102)	(82,082)	(183,580)	24,861	1,886,336	680,661	3,764,900
Fund Balances Beginning of Year	11,168,364	9,202,813	6,179,889	713,091	7,559,390	211,802	42,027,377	(4,431,237)	72,631,489
Fund Balances End of Year	\$ 11,811,172	\$ 10,041,811	\$ 6,136,787	\$ 631,009	\$ 7,375,810	\$ 236,663	\$ 43,913,713	\$ (3,750,576)	\$ 76,396,389

Northeast Iowa Community College
Schedule 4 – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Unrestricted
Education and Support
Year Ended June 30, 2025

	Education			Support					Total	
	Liberal Arts and Sciences	Vocational Technical	Adult Education	Cooperative Services	General Administration	Student Services	Learning Resources	Physical Plant		General Institution
Revenues										
State appropriations	\$ 5,137,776	\$ 4,683,792	\$ 1,826,765	\$ -	\$ 28,392	\$ -	\$ -	\$ 18,064	\$ -	\$ 11,694,789
Tuition and fees	4,678,036	6,372,786	2,439,218	1,752,293	-	7,947	-	-	11,788	15,262,068
Property taxes	-	-	-	-	2,857,743	-	-	-	-	2,857,743
Federal appropriations	-	5,660	-	-	-	-	-	-	-	5,660
Sales and services	-	-	23,136	-	-	-	12,600	-	6,098	41,834
Investment income	-	-	-	-	1,623,200	-	-	-	-	1,623,200
Miscellaneous	-	161,126	33,622	850	16,434	-	36,643	3,599	21,217	273,491
Total revenues	9,815,812	11,223,364	4,322,741	1,753,143	4,525,769	7,947	49,243	21,663	39,103	31,758,785
Expenditures										
Salaries and wages	3,056,984	6,554,734	1,991,792	1,830,826	819,403	2,040,344	427,384	667,355	3,056,077	20,444,899
Employee fringe benefits	1,076,537	2,483,101	617,214	655,717	(382,916)	822,227	142,272	306,996	1,300,879	7,022,027
Services	8,292	219,203	896,021	135,064	286,988	73,021	1,449	1,187,107	967,820	3,774,965
Materials and supplies	12,733	497,858	24,495	21,693	3,235	30,172	36,929	104,977	80,235	812,327
Travel	3,626	51,726	97,379	14,386	27,942	11,105	71	56,127	55,175	317,537
Loan cancellation and bad debts	32,804	47,206	-	-	13,641	-	-	-	-	93,651
Miscellaneous expenditure	-	90,000	-	-	-	-	-	-	2,776	92,776
Total expenditures	4,190,976	9,943,828	3,626,901	2,657,686	768,293	2,976,869	608,105	2,322,562	5,462,962	32,558,182
Excess (deficiency) of revenues over (under) expenditures	5,624,836	1,279,536	695,840	(904,543)	3,757,476	(2,968,922)	(558,862)	(2,300,899)	(5,423,859)	(799,397)
Transfers										
Mandatory	-	-	-	686,583	43,460	-	-	-	-	730,043
Nonmandatory	(26,205)	(179,145)	400,549	(3,663)	(18,197)	(27)	-	551,395	(12,545)	712,162
Total transfers	(26,205)	(179,145)	400,549	682,920	25,263	(27)	-	551,395	(12,545)	1,442,205
Net increase (decrease) in fund balance	\$ 5,598,631	\$ 1,100,391	\$ 1,096,389	\$ (221,623)	\$ 3,782,739	\$ (2,968,949)	\$ (558,862)	\$ (1,749,504)	\$ (5,436,404)	642,808
Fund Balances Beginning of Year										11,168,364
Fund Balances End of Year										<u>\$ 11,811,172</u>

Northeast Iowa Community College
Schedule 5 – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Unrestricted
Auxiliary
Year Ended June 30, 2025

	Bookstore	Food Services	Child Care	Farm	Trade and Industry	Professional Development	Athletics	Miscellaneous	Total
Revenues									
State appropriations	\$ -	\$ -	\$ 7,266	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,266
Tuition and fees	-	-	-	-	-	24,187	-	83,481	107,668
Federal appropriations	-	-	19,559	-	-	-	-	-	19,559
Sales and services	1,482,253	259,847	985,576	62,013	49,496	-	-	-	2,839,185
Investment income	-	-	-	3,999	-	-	-	-	3,999
Miscellaneous	47,678	5,918	75,673	-	1,871	2,706	26,833	602,717	763,396
Total revenues	1,529,931	265,765	1,088,074	66,012	51,367	26,893	26,833	686,198	3,741,073
Expenditures									
Salaries and wages	98,925	172,932	856,248	84,579	-	3,300	227,828	187,459	1,631,271
Employee fringe benefits	28,771	53,406	176,233	33,013	-	354	88,970	63,533	444,280
Services	12,698	12,690	42,045	-	7,582	9,039	30,589	110,023	224,666
Materials and supplies	7,527	13,975	85,641	233	19,942	903	21,070	48,700	197,991
Travel	126	-	-	-	-	12,226	8,195	42,344	62,891
Cost of goods sold	1,464,015	128,368	-	-	20,737	-	-	212,577	1,825,697
Miscellaneous expenditure	28	-	-	-	-	-	-	1,188	1,216
Total expenditures	1,612,090	381,371	1,160,167	117,825	48,261	25,822	376,652	665,824	4,388,012
Excess (deficiency) of revenues over (under) expenditures	(82,159)	(115,606)	(72,093)	(51,813)	3,106	1,071	(349,819)	20,374	(646,939)
Transfers									
Nonmandatory	31,919	-	-	-	-	(100)	204,673	1,249,445	1,485,937
Net (decrease) increase in fund balance	(50,240)	(115,606)	(72,093)	(51,813)	3,106	971	(145,146)	1,269,819	838,998
Fund Balances Beginning of Year	2,435,824	(765,432)	(771,797)	(634,080)	50,459	44,688	-	8,843,151	9,202,813
Fund Balances End of Year	\$ 2,385,584	\$ (881,038)	\$ (843,890)	\$ (685,893)	\$ 53,565	\$ 45,659	\$ (145,146)	\$ 10,112,970	\$ 10,041,811

Northeast Iowa Community College

Schedule 6 – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Restricted
Year Ended June 30, 2025

	Restricted Property Tax Levies	Iowa Industrial New Jobs Training	Other Federal Programs	Miscellaneous	Total
Revenues					
State appropriations	\$ 34,822	\$ -	\$ 69,090	\$ 1,710,244	\$ 1,814,156
Property taxes	3,504,921	-	-	-	3,504,921
Federal appropriations	-	-	1,641,133	211,324	1,852,457
Investment income	-	438,515	-	-	438,515
Iowa Industrial New Jobs Training Program	-	3,992,607	-	-	3,992,607
Miscellaneous	-	-	-	1,795,860	1,795,860
Total revenues	3,539,743	4,431,122	1,710,223	3,717,428	13,398,516
Expenditures					
Salaries and wages	-	-	782,497	471,292	1,253,789
Employee fringe benefits	95,832	-	298,392	130,018	524,242
Services	1,890,808	2,949,835	263,480	515,425	5,619,548
Materials and supplies	622,262	-	77,451	674,403	1,374,116
Travel	-	-	68,167	55,969	124,136
Plant asset acquisitions	293,546	-	235,907	114,594	644,047
Interest on indebtedness	-	634,955	-	-	634,955
Miscellaneous expenditure	-	35,935	29,129	20,356	85,420
Total expenditures	2,902,448	3,620,725	1,755,023	1,982,057	10,260,253
Excess (deficiency) of revenues over (under) expenditures	637,295	810,397	(44,800)	1,735,371	3,138,263
Transfers					
Mandatory	-	-	(43,282)	(795,583)	(838,865)
Nonmandatory	-	(35,367)	65,700	(2,372,833)	(2,342,500)
Total transfers	-	(35,367)	22,418	(3,168,416)	(3,181,365)
Net increase (decrease) in fund balance	637,295	775,030	(22,382)	(1,433,045)	(43,102)
Fund Balances Beginning of Year	4,032,189	1,830,556	120,858	196,286	6,179,889
Fund Balances End of Year	\$ 4,669,484	\$ 2,605,586	\$ 98,476	\$ (1,236,759)	\$ 6,136,787

Northeast Iowa Community College
 Schedule 7 – Schedule of Taxes and Intergovernmental Revenues For the Last Ten Years
 Year Ended June 30, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Local (property tax)	\$ 13,632,484	\$ 12,780,687	\$ 12,206,448	\$ 11,838,742	\$ 12,123,047	\$ 12,708,408	\$ 13,230,509	\$ 12,540,258	\$ 10,376,338	\$ 9,544,851
State appropriations	15,068,789	15,283,024	13,510,453	13,124,745	12,885,522	13,636,511	12,294,936	12,336,125	12,358,774	12,262,797
Federal appropriations	6,918,170	5,955,425	14,043,132	18,476,254	17,702,815	13,030,670	13,217,605	14,090,430	13,888,483	17,072,041
Total	<u>\$ 35,619,443</u>	<u>\$ 34,019,136</u>	<u>\$ 39,760,033</u>	<u>\$ 43,439,741</u>	<u>\$ 42,711,384</u>	<u>\$ 39,375,589</u>	<u>\$ 38,743,050</u>	<u>\$ 38,966,813</u>	<u>\$ 36,623,595</u>	<u>\$ 38,879,689</u>

Northeast Iowa Community College
Schedule 8 – Schedule of Current Funds Revenues by Source and Expenditures by Function
For the Last Ten Years
Year Ended June 30, 2025

	Statutory Basis									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
State appropriations	\$ 15,000,007	\$ 15,199,354	\$ 15,859,822	\$ 15,021,353	\$ 14,699,363	\$ 13,934,735	\$ 12,528,025	\$ 12,608,131	\$ 12,498,883	\$ 12,491,879
Tuition and fees	15,369,736	14,661,007	14,444,282	14,238,229	13,486,883	14,265,310	14,541,728	14,003,180	14,495,965	15,005,062
Property taxes	6,362,664	5,897,483	5,470,862	5,307,865	5,728,520	6,541,041	7,208,365	6,611,738	4,490,655	3,639,966
Federal appropriations	10,112,049	9,316,379	11,337,285	16,361,256	15,701,850	12,456,976	12,533,127	13,410,996	13,302,701	16,322,449
Investment income	2,065,714	2,178,506	1,296,324	139,137	185,690	704,399	682,959	438,773	342,710	294,668
Iowa Industrial New Jobs Training Program	3,992,607	4,191,980	5,852,520	6,437,117	2,675,052	4,113,714	4,917,599	4,394,955	3,809,580	3,997,803
Auxiliary enterprises	3,602,581	3,803,559	3,388,477	3,164,532	2,909,110	3,614,252	3,821,997	3,556,143	3,914,866	4,010,072
Miscellaneous	2,620,507	2,845,845	2,334,814	2,139,547	2,307,390	2,590,476	3,316,878	3,544,066	3,099,802	1,006,592
	<u>\$ 59,125,865</u>	<u>\$ 58,094,113</u>	<u>\$ 59,984,386</u>	<u>\$ 62,809,036</u>	<u>\$ 57,693,858</u>	<u>\$ 58,220,903</u>	<u>\$ 59,550,678</u>	<u>\$ 58,567,982</u>	<u>\$ 55,955,162</u>	<u>\$ 56,768,491</u>
Expenditures										
Liberal arts and sciences	\$ 4,191,174	\$ 4,337,646	\$ 4,178,287	\$ 3,920,012	\$ 3,807,138	\$ 3,685,252	\$ 6,127,445	\$ 6,285,530	\$ 6,713,289	\$ 7,509,574
Vocational technical	10,983,837	10,811,371	10,470,850	10,177,160	9,117,504	9,155,223	6,353,620	7,298,510	8,299,617	8,313,748
Adult education	4,382,671	4,254,330	4,806,852	4,254,195	3,687,809	3,372,709	3,576,329	3,654,389	3,251,667	4,492,912
Cooperative services	7,650,220	7,306,223	8,868,736	9,653,693	5,771,151	6,962,259	8,090,806	7,397,329	8,153,577	7,750,338
General administration	768,293	666,841	1,079,168	2,271,366	1,108,296	1,382,393	1,275,410	1,149,425	1,363,372	1,521,997
Student services	3,107,898	3,112,834	3,276,727	6,988,227	3,938,403	3,110,699	2,494,062	2,102,627	2,057,071	2,352,556
Learning resources	1,368,816	1,284,726	1,110,613	738,696	751,312	892,573	812,952	838,155	885,016	1,288,052
Physical plant	4,413,004	4,434,277	4,271,884	3,762,860	3,571,972	4,247,397	4,354,466	4,143,121	3,965,725	4,221,979
General institution	5,952,522	5,782,531	5,693,146	6,472,051	7,648,047	5,560,188	6,103,723	8,183,360	6,692,742	6,472,382
Auxiliary enterprises	4,388,012	4,162,047	3,950,551	3,760,070	3,241,461	3,697,006	4,424,482	3,564,208	4,349,088	4,164,126
Scholarships and grants	10,307,984	9,604,957	10,220,851	10,139,285	10,932,503	12,470,146	11,914,390	12,051,299	11,980,379	13,761,880
	<u>\$ 57,514,431</u>	<u>\$ 55,757,783</u>	<u>\$ 57,927,665</u>	<u>\$ 62,137,615</u>	<u>\$ 53,575,596</u>	<u>\$ 54,535,845</u>	<u>\$ 55,527,685</u>	<u>\$ 56,667,953</u>	<u>\$ 57,711,543</u>	<u>\$ 61,849,544</u>

Northeast Iowa Community College
Schedule 9 – Schedule of Credit and Contact Hours
Year ended June 30, 2025

Category	Credit Hours			Contact Hours		
	Eligible for Aid	Not Eligible for Aid	Total	Eligible for Aid	Not Eligible for Aid	Total
Arts and Sciences	46,346	-	46,346	-	-	-
Career and Technical Education	25,377	-	25,377	-	-	-
Adult Education / Continuing Education	-	-	-	255,221	30,983	286,204
Related Services Activities	-	-	-	-	20,799	20,799
Total	71,723	-	71,723	255,221	51,782	307,003

Federal Awards Reports in Accordance
with the Uniform Guidance
June 30, 2025

Northeast Iowa Community College

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* 1

Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by Uniform Guidance 3

Schedule of Expenditures of Federal Awards 7

Notes to the Schedule of Expenditures of Federal Awards 9

Schedule of Findings and Questioned Costs 10



**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 Trustees
Northeast Iowa Community College
Calmar, Iowa

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities and the discretely presented component unit, of the Northeast Iowa Community College (the College), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College’s basic financial statements and have issued our report thereon dated November 10, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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

College's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the College's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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



Dubuque, Iowa
November 10, 2025



Independent Auditor’s Report on Compliance for the Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The Board of Trustees
Northeast Iowa Community College
Calmar, Iowa

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

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

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

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-001 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-002 to be a significant deficiency.

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

Government Auditing Standards requires the auditor to perform limited procedures on the College's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and the discretely presented component unit of the College as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We issued our report thereon dated November 10, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Eide Bailly LLP

Dubuque, Iowa

February 19, 2026, except for the schedule of expenditures of federal awards which is dated November 10, 2025

Northeast Iowa Community College, Iowa
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Program Expenditures
U.S. Department of Agriculture			
Passed through Iowa Department of Education			
Child and Adult Care Food Program	10.558	318022 / 968012	\$ 19,560
Passed through Northeast Community College			
Soil and Water Conservation	10.902	NR203A750007C001 NR243A750018C042	<u>19,671</u>
Subtotal U.S. Department of Agriculture			<u>39,231</u>
U.S. Department of Commerce			
WIOA Cluster			
Passed through Northeast Iowa Local Workforce Development Board			
WIOA Youth Activities	17.259	Unknown	76,365
WIOA Adult Program	17.278	Unknown	<u>92,143</u>
Subtotal WIOA Cluster			<u>168,508</u>
Subtotal U.S. Department of Commerce			<u>168,508</u>
U.S. Department of the Treasury			
Passed through Iowa Workforce Development			
Coronavirus State and Local Fiscal Recovery Funds	21.027	Unknown	<u>25,384</u>
National Science Foundation			
Research and Development Cluster			
Passed through Upper Iowa University			
STEM Education	47.076	2050497	<u>582</u>
Small Business Development Center			
Passed through Iowa State University			
Small Business Development Centers	59.037	026829G	<u>63,936</u>
U.S. Department of Veteran Affairs			
Direct			
Post 9/11 Veterans Educational Assistance	64.027	Not applicable	<u>37,395</u>
U.S. Department of Education			
Passed through Iowa Department of Education			
Adult Education - Basic Grants to States	84.002	AEL2401 IELCE2401NICC	<u>321,271</u>
Direct			
Higher Education Institutional Aid	84.031	Not applicable	<u>336,183</u>

Northeast Iowa Community College, Iowa
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Program Expenditures
U.S. Department of Education (continued)			
Direct			
TRIO Cluster			
TRIO Student Support Services	84.042	Not applicable	\$ 312,447
Student Financial Assistance Cluster			
Federal Supplemental Educational Opportunity Grants	84.007	Not applicable	121,600
Federal Work - Study Program	84.033	Not applicable	33,043
Federal Pell Grant Program	84.063	Not applicable	4,869,292
Federal Direct Student Loans - Plus Loans	84.268	Not applicable	40,997
Federal Direct Student Loans - Subsidized Loans	84.268	Not applicable	1,397,828
Federal Direct Student Loans - Unsubsidized Loans	84.268	Not applicable	1,796,051
			<u>8,258,811</u>
Passed through Iowa Vocational Rehabilitation Services Fund for the Improvement of Postsecondary Education	84.116Z	P116Z220126	<u>19,338</u>
Passed through Iowa Vocational Rehabilitation Services Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	23-COORD-10	<u>89,335</u>
Vocational Education - Basic Grants to States			
Passed through Iowa Department of Education Career and Technical Education - Basic Grants to States	84.048	G-PER 23-180	<u>302,685</u>
Subtotal U.S. Department of Education			<u>9,640,070</u>
U.S. Department of Health and Human Services Congressional Directives	93.493	Not applicable	<u>129,946</u>
Total Federal Financial Assistance			<u>\$ 10,105,052</u>

Note 1 - Basis of Presentation

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

Note 2 - Summary of Significant Accounting Policies

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

Pass-through entity identifying numbers are presented where available. No federal financial assistance has been provided to a subrecipient.

Note 3 - Indirect Cost Rate

The College has not elected to use the 10% de minimis cost rate.

Part I: Summary of the Auditor's Results:

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	Yes
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)	Yes

Identification of major programs

Type of auditor's report issued on compliance for major programs	Unmodified
<u>Name of Federal Programs</u>	<u>Federal Financial Assistance Listing</u>
Student Financial Assistance Cluster	
Federal Supplemental Educational Opportunity Grants	84.007
Federal Work - Study Program	84.033
Federal Pell Grant Program	84.063
Federal Direct Student Loans - Plus Loans	84.268
Federal Direct Student Loans - Subsidized Loans	84.268
Federal Direct Student Loans - Unsubsidized Loans	84.268
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

2025-001 U.S. Department of Education
Student Financial Assistance Cluster
Federal Financial Assistance Listing Number(s): 84.007, 84.033, 84.063, 84.268

Compliance Requirement(s): Special Tests and Provisions – Enrollment Reporting
Material Weakness in Internal Control

Criteria: 34 CFR 690.83(b)(2) and 34 CFR 685.309 states that Institutions are responsible for timely and accurate reporting of a student’s enrollment status and changes in those enrollment statuses, whether they report directly or via a third-party servicer. When an Institution is made aware of a change in a student’s enrollment status, the Institution has 60 days to update the change in enrollment status via NSLDS.

Condition: During our testing of compliance for Enrollment Reporting, there were 9 instances out of 60 where the College did not report a student’s change in enrollment status accurately or within the required time frame of 60 days from the effective date of the student’s change in enrollment status.

Cause: Enrollment Services did not catch that some status changes that had been reported to the Federal Clearing House did not get updated in NSLDS by the Federal Clearing House. In addition, Enrollment Services did not include Winterim sources in calculating a student’s spring semester enrollment status.

Effect: The student’s change in enrollment status was not accurately reported in NSLDS and/or was not reported timely.

Questioned Costs: None reported.

Context/Sampling: A nonstatistical sample of 60 participants out of 849 students who had a change in enrollment status were selected for testing.

Repeat Finding from Prior Year(s): Yes

Recommendation: The Enrollment Services Office should review their current practices and controls over reporting changes in student enrollment statuses to ensure any change to a student’s enrollment status is reported both accurately and timely to NSLDS.

Views of Responsible Officials: Management agrees with the finding. The Registrar’s Office will collaborate with the Financial Aid Office to provide oversight to the Enrollment Reporting process.

2025-002

U.S. Department of Education
Student Financial Assistance Cluster
Federal Financial Assistance Listing Number(s): 84.007, 84.033, 84.063, 84.268

Compliance Requirement(s): Special Tests and Provisions – Return of Title IV Funds
Significant Deficiency in Internal Control

Criteria: The unearned amount of Title IV assistance to be returned is calculated by subtracting the amount of Title IV assistance earned by the student from the amount of Title IV aid that was disbursed to the student as of the date of the institution's determination that the student withdrew (34 CFR 668.22(e)).

Condition: One instance was identified where the amount of funds to be returned was not calculated/remitted correctly.

Cause: Although the College has a formal and documented control process in place for R2T4 calculations, an incorrect withdrawal date was used in one instance, which resulted in an error in the calculation and related remittance.

Effect: Due to the incorrect withdrawal date, the R2T4 calculation and the related remittance was incorrect.

Questioned Costs: None reported.

Context/Sampling: Of the 234 students who had an R2T4 calculation performed, 36 students were tested.

Repeat Finding from Prior Year(s): No

Recommendation: The College should ensure the review process captures the correct withdrawal date used in the R2T4 calculation.

Views of Responsible Officials: Management agrees with the finding. The Financial Aid Office will collaborate with the full Student Services team (Advising, Registrar, Financial Aid, Finance) in order to continue a strong focus on the importance of the Return of Title IV Funds (R2T4) policy and procedures.

Part IV: Other Findings Related to Required Statutory Reporting:

2025-IA-A Certified Budget – Disbursements during year ended June 30, 2025 did not exceed the amount budgeted.

2025-IA-B Questionable Disbursements – We noted no disbursements that fail to meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979.

2025-IA-C Travel Expense – No disbursements of College money for travel expenses of spouses of College officials or employees were noted.

2025-IA-D Business Transactions – Business transactions between the College and College officials and employees are detailed as follows:

Name, Title, and Business Connection	Transaction Description	Amount
Wendy Knight, trustee, is owner of Focus Forward	Services	\$ 4,366
Erin Powers Daley, employee, is owner of Clarity Growth Consulting	Services	188

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

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

2025-IA-G Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.

2025-IA-H Publication – The College published a statement showing the receipt and disbursement of all funds, including the names of all persons, firms or corporations to which disbursements were made, as required by Section 260C.14(12) of the Code of Iowa.

2025-IA-I Deposits and Investments – No instances of noncompliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the College’s investment policy were noted.

2025-IA-J Credit and Contact Hours – Eligible credit and contact hours reported to the Iowa Department of Education by the College for the year ended June 30, 2025, were supported by detailed records maintained by the College.

2025-IA-K Iowa Department of Education Annual Report – The fiscal year 2024 annual reports submitted to the Iowa Department of Education were accurate and complete, except for an overstatement of fund balance for the Restricted Fund. The College reported \$6,269,601 in total fund balance, which is \$89,712 more than the actual balance of \$6,179,889.

Recommendation – The College should develop procedures to ensure the report submitted to the Iowa Department of Education is supported by detailed records.

Views of Responsible Officials – The College has reviewed its reporting procedures and will implement additional reconciliation steps. The Accounting Assistant will prepare the required reports and perform an initial reconciliation, and the Director of Accounting will complete a detailed reconciliation to ensure that all amounts reported to the Iowa Department of Education are fully supported by accounting records and accurately reflected in future submissions.