APPENDIX A - INFORMATION ABOUT THE ISSUER

ADEL DESOTO MINBURN COMMUNITY SCHOOL DISTRICT, IOWA

DISTRICT OFFICIALS

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRESIDENT</td>
<td>Tim Canney</td>
</tr>
</tbody>
</table>
| BOARD MEMBERS     | Kim Roby, Vice President  
                                | Bart Banwart  
                                | Kelli Book  
                                | Rod Collins |
| SUPERINTENDENT    | Greg Dufoe            |
| DISTRICT SECRETARY| Nancy Gee             |
| DISTRICT TREASURER| Nancy Gee             |

CONSULTANTS

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOND COUNSEL</td>
<td>Ahlers &amp; Cooney</td>
</tr>
<tr>
<td></td>
<td>Des Moines, Iowa</td>
</tr>
<tr>
<td>FINANCIAL ADVISOR</td>
<td>Piper Jaffray &amp; Co.</td>
</tr>
<tr>
<td></td>
<td>Des Moines, Iowa</td>
</tr>
<tr>
<td>PAYING AGENT</td>
<td>Wells Fargo Bank</td>
</tr>
<tr>
<td></td>
<td>Minneapolis, MN</td>
</tr>
</tbody>
</table>
General Information

The Adel-DeSoto-Minburn Community School District is located in Dallas and Madison Counties, immediately west of the Des Moines Metropolitan area. Included within the District's 137.4 square miles are the Cities of Adel, DeSoto and Minburn, serving as trading centers for the rich surrounding agricultural area. Although the primary economic activity within the District lies in the production of agricultural goods and services, a majority of the District's residents find employment within the Des Moines Metropolitan area. Transportation facilities are provided to the District by U.S. Highway 169 and 6, U.S. Interstate 80, Iowa Highway 44 and an excellent network of paved county roads. Commercial airline service is available at the Des Moines International Airport. Continuing educational opportunities within community distance include: Area XI Des Moines Area Community College, Ankeny, American Institute of Business, William Penn University, Upper Iowa University, Des Moines University – Osteopathic Medical Center, Drake University and Grand View College, Des Moines, Iowa State University of Science and Technology, Ames; Simpson College, Indianola.

District Facilities

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

<table>
<thead>
<tr>
<th>Building</th>
<th>Construction Date</th>
<th>Grades Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School</td>
<td>1986</td>
<td>9-12/Adel</td>
</tr>
<tr>
<td>Middle School</td>
<td>2006</td>
<td>6-8/Adel</td>
</tr>
<tr>
<td>Intermediate</td>
<td>1924, 1990</td>
<td>3-5/DeSoto</td>
</tr>
</tbody>
</table>

Enrollment

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

<table>
<thead>
<tr>
<th>Count Date</th>
<th>Fiscal Year</th>
<th>Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>October-13</td>
<td>2014-15</td>
<td>1,480.1</td>
</tr>
<tr>
<td>October-12</td>
<td>2013-14</td>
<td>1,459.7</td>
</tr>
<tr>
<td>October-11</td>
<td>2012-13</td>
<td>1,435.2</td>
</tr>
<tr>
<td>October-10</td>
<td>2011-12</td>
<td>1,408.4</td>
</tr>
<tr>
<td>October-09</td>
<td>2010-11</td>
<td>1,408.9</td>
</tr>
<tr>
<td>October-08</td>
<td>2009-10</td>
<td>1,395.8</td>
</tr>
</tbody>
</table>

Open Enrollment

The District has and may have in the future certain students enrolling into or enrolling out of the District. Presented below are open enrollment results for the periods outlined:

<table>
<thead>
<tr>
<th>Count Date</th>
<th>Enrolled In</th>
<th>Enrolled Out</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>October-13</td>
<td>202</td>
<td>101</td>
<td>101</td>
</tr>
<tr>
<td>October-12</td>
<td>183.2</td>
<td>77.9</td>
<td>105.3</td>
</tr>
<tr>
<td>October-11</td>
<td>180.3</td>
<td>89.1</td>
<td>91.2</td>
</tr>
<tr>
<td>October-10</td>
<td>159.3</td>
<td>82.6</td>
<td>76.7</td>
</tr>
<tr>
<td>October-09</td>
<td>164.1</td>
<td>78.2</td>
<td>85.9</td>
</tr>
<tr>
<td>October-08</td>
<td>164.3</td>
<td>81.0</td>
<td>83.3</td>
</tr>
</tbody>
</table>

Staff

Presented below is a list of the District's 238 employees.

Administrators: 7.5  Media Specialists: 2
Teachers: 112.5  Nurses: 2
Teacher Aids: 53  Guidance: 3
Custodians: 8  Secretaries: 13
Food Service: 18  Transportation: 16
Other: 2  Maintenance: 1

District Funds

The District is organized and operates pursuant to Chapter 274 of the Code. The District maintains various funds. Presented on the next page is a description of some of the various funds.
The General Fund

The General Fund receives those revenues of the District not specifically required to be deposited in other funds. General fund revenues are obtained from ad-valorem taxation in the District, State foundation aid payments, and minimal federal sources. In addition, revenues generated as miscellaneous revenues including, but not limited to, general fund investment income, and tuition income are deposited in the general fund. The bulk of the general fund revenues are derived from local and State foundation aid sources.

The District receives a mix of property tax and State foundation aid based on a formula which takes into account District enrollment, District property valuations and District costs per pupil. The description of the formula is found in Chapter 257.1 of the Code and reads as follows:

"For a budget year, each school district in the State is entitled to receive foundation aid in an amount per pupil equal to the difference between the amount per pupil of foundation property tax in the district, and the combined district cost per pupil, whichever is less."

The Code allowed for an "State Percentage of Growth," defined as "... the amount by which State cost per pupil and district cost per pupil will increase from one budget year to the next" which is calculated on or before October 1 of each year by the Department of Management of the State.

Presented below is the State Percentage of growth the District has received (in total dollars) for the period indicated:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Allowable Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$322,679</td>
</tr>
<tr>
<td>2013</td>
<td>241,435</td>
</tr>
<tr>
<td>2012</td>
<td>83,167</td>
</tr>
<tr>
<td>2011</td>
<td>237,847</td>
</tr>
<tr>
<td>2010</td>
<td>152,349</td>
</tr>
</tbody>
</table>

Presented below is the District's per pupil cost for the period indicated:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>District Per Pupil Cost</th>
<th>State Average Per Pupil Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$6,141</td>
<td>$6,037</td>
</tr>
<tr>
<td>2013</td>
<td>6,021</td>
<td>6,001</td>
</tr>
<tr>
<td>2012</td>
<td>5,903</td>
<td>5,883</td>
</tr>
<tr>
<td>2011</td>
<td>5,903</td>
<td>5,883</td>
</tr>
<tr>
<td>2010</td>
<td>5,788</td>
<td>5,768</td>
</tr>
</tbody>
</table>

The District has generated a revenue mix in the operating fund as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Property Tax Revenues</th>
<th>State Aid Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$4,504,146</td>
<td>$8,041,026</td>
</tr>
<tr>
<td>2013</td>
<td>4,648,630</td>
<td>7,816,059</td>
</tr>
<tr>
<td>2012</td>
<td>5,062,224</td>
<td>7,585,583</td>
</tr>
<tr>
<td>2011</td>
<td>4,785,052</td>
<td>7,183,011</td>
</tr>
<tr>
<td>2010</td>
<td>4,425,694</td>
<td>7,295,870</td>
</tr>
</tbody>
</table>

Additional General Fund State and Local Revenues

Instructional Support:

Districts are allowed to fund additional educational programs or enhanced current programs under the instructional support program, which allows a district to generate 10% of the total regular program district cost for the budget year. These revenues can be locally generated from either ad valorem taxation, income surtax or both. In addition, revenues are appropriated by the State and provided to each district depending on formula. The District can participate in the instructional support program by generating local revenues after either (i) scheduling and holding an election on the proposed funding, programs, and mix of funding, which requires 50% approval of those voting at a special district election and allows the program to be funded for a period of up to ten years; or (ii) after scheduling and holding a hearing on the program and mix of funding, which can then be implemented after a 28-day period during which voters of the District can force an election or a recision, for a period of up to five years.
Presented below is a summary of the instructional support levy for the periods indicated:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>ISL Property Tax</th>
<th>ISL State Aid</th>
<th>ISL Income Surtax</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$641,465</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>2013</td>
<td>616,041</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2012</td>
<td>598,829</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2011</td>
<td>594,730</td>
<td>26,464</td>
<td>0</td>
</tr>
<tr>
<td>2010</td>
<td>572,632</td>
<td>47,827</td>
<td>0</td>
</tr>
</tbody>
</table>

Management Levy:

A District can levy for certain costs relating to payment of employee benefits, tort insurance and early retirement outside of the General Operating Levy. These revenues are generated through a property tax, and there is no limitation on the tax rate or amount. Presented below is the management fund levies for the period indicated:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Management Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$604,999</td>
</tr>
<tr>
<td>2013</td>
<td>580,001</td>
</tr>
<tr>
<td>2012</td>
<td>500,001</td>
</tr>
<tr>
<td>2011</td>
<td>489,521</td>
</tr>
<tr>
<td>2010</td>
<td>451,868</td>
</tr>
</tbody>
</table>

Educational Improvement Program

The District can schedule and hold an election on funding the educational improvement program if the District's per pupil cost is in excess of 110% of the State average per pupil cost, which takes 50% approval and is funded by a combination of property tax and income surtax.

Cash Reserve Levy

The District can certify a cash reserve levy as a part of its general fund levy but in addition to the property tax levied as a part of each of the above general fund levies. This levy covers cash-flow needs and funds programs when the above revenue sources are reduced. This is levied annually at the discretion of the Board of Directors. The District has levied the following in cash reserve for the period indicated:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Regular Cash Reserve</th>
<th>Cash Reserve - SBRC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>2013</td>
<td>0</td>
<td>274,062</td>
</tr>
<tr>
<td>2012</td>
<td>493,000</td>
<td>238,525</td>
</tr>
<tr>
<td>2011</td>
<td>0</td>
<td>713,179</td>
</tr>
<tr>
<td>2010</td>
<td>0</td>
<td>480,069</td>
</tr>
</tbody>
</table>

The School Infrastructure Funds

Physical Plant & Equipment Levies

The District can, at Board discretion, annually levy on ad valorem tax of $.33 per $1,000 of assessed valuation for certain capital, land costs etc. In addition, upon voter approval, the District can institute a property tax or property tax income surtax that generates up to $1.34 per $1,000 of assessed valuation. The District has historically levied the Board discretionary Physical Plant and Equipment Levy. On February 7, 2012, the District's voters approved a $1.00 per $1,000 Physical Plant and Equipment Levy from fiscal year 2013 through fiscal year 2022.

Debt Service Levy

The debt service levy is an ad valorem tax levied for the payment of bonds and interest and is approved at a special election of the District with minimum of 60% in favor of the proposal. Payment of principal and interest on the Bonds will be paid from this levy.

Capital Projects Fund

This fund is used to account for the revenues received from the state-wide school infrastructure sales, services and use tax.

Historic and Potential State and Federal Actions that impact current and future District Budgets

A-4
The District’s operating budget is subject to change based on events outside of its control, including State and Federal funding. There may be changes in funding that are unknown or unanticipated at this time. Presented on the next page is a discussion of some of the known changes that might impact the District’s operating budget:

State Funding
After the appropriation of State Aid (and after the adoption of the District’s budget for a particular fiscal year), the Governor and the General Assembly have the ability to rescind all or a portion of the appropriation. Certain areas of the State’s budget are exempt from these potential cuts, however, K-12 and community college funding are not exempt from rescission. Historically, rescissions were imposed in an “across-the-board” fashion, and all state funding was reduced in a percentage format. This had the potential to impact schools with low valuation per pupil much greater than schools with high per pupil valuations. In the 2002 General Assembly, the formula for rescission was altered for K-12 funding, such that all future rescissions, if any, would be applied to K-12 education on a “per-pupil” basis.

Historically, the Governor has rescinded state aid in the following percentages since 1980:

<table>
<thead>
<tr>
<th>Date</th>
<th>Percentage Rescission</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/5/2009</td>
<td>10.00%</td>
</tr>
<tr>
<td>12/23/2008</td>
<td>1.50</td>
</tr>
<tr>
<td>10/10/2003</td>
<td>2.50</td>
</tr>
<tr>
<td>11/1/2001</td>
<td>4.30</td>
</tr>
<tr>
<td>4/8/1992</td>
<td>0.62</td>
</tr>
<tr>
<td>7/1/1991</td>
<td>3.25</td>
</tr>
<tr>
<td>9/3/1983</td>
<td>2.60</td>
</tr>
<tr>
<td>12/15/1980</td>
<td>1.00</td>
</tr>
<tr>
<td>8/12/1980</td>
<td>3.60</td>
</tr>
</tbody>
</table>

Note – reduction in state aid impacts only the general fund operating account of a district. The revenues pledged for the repayment of these Bonds are not impacted in any way by reductions in State Aid.

Federal Funding
Federal legislation with respect to student achievement in future years may result in sanctions that could have financial implications for the general fund operating budget. The “No Child Left Behind” act of 2001 applies sanctions to under-performing schools that, if the school remains under-performing (as defined by the act) allows the parents of pupils in the school to move to another school, transferring their funding to the new school. This act applies to individual school facilities and does not necessarily apply to school districts, however, the revenue impact to a school district could be material if the school district has a school facility that under-performs and starts to lose enrollment.

GASB 45
In June 2004, the Governmental Accounting Standards Board (“GASB”) issued GASB 45, which address how state and local governments are required to account for and report their costs and obligations related to other post employment benefits (“OPEB”), defined to include post retirement healthcare benefits. GASB 45 Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension establishes financial reporting standards designed to measure, recognize and display OPEB costs. OPEB costs would become measurable on an accrual basis of accounting, and contribution rates (actuarially determined) would be prescribed for funding such costs. The provisions of GASB 45 do not require governments to fund their OPEBs. The Issuer may establish its OPEB liability at zero as of the beginning of the initial year of implementation; however, the unfunded actuarial liability is required to be amortized over future periods. In accordance with the requirements of GASB 45, the Issuer’s financial statements must comply with these provisions no later than the fiscal year ending June 30, 2009.

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

The District has offered an early retirement incentive program in the past and offered the plan at the end of 2013. Only one employee applied for the incentive at a cost of $22,010. The eligible employee(s) will receive a tax-sheltered annuity in the amount of 44% of their base salary for 2013. This retirement program will be funded through the Management Fund.

Plan Description - The District operates a single-employer retiree benefit plan which provides medical and prescription drug benefits for retirees and their spouses. There are 191 active and 14 retired members in the plan. Employees must be age 55 or older at retirement.

The medical/prescription drug coverage is provided through a fully-insured plan. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability.
Funding Policy — the contribution requirements of plan members are established and may be amended by the District. The district currently finances the retiree benefit plan on a pay-as-you-go basis.

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

The following table shows the components of the District’s annual OPEB cost for June 30, 2012, the amount actually contributed to the plan and changes in the District’s net OPEB obligation:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Required Contribution</td>
<td>$95,293</td>
</tr>
<tr>
<td>Interest on net OPEB obligation</td>
<td>4,201</td>
</tr>
<tr>
<td>Adjustment to annual required contribution</td>
<td>22,588</td>
</tr>
<tr>
<td>Annual OPEB costs (expense)</td>
<td>122,082</td>
</tr>
<tr>
<td>Contributions made</td>
<td>22,048</td>
</tr>
<tr>
<td>Increase in net OPEB obligation</td>
<td>100,034</td>
</tr>
<tr>
<td>Net OPEB obligation – beginning of year</td>
<td>103,411</td>
</tr>
<tr>
<td>Net OPEB obligation – end of year</td>
<td>$203,445</td>
</tr>
</tbody>
</table>

For calculation of the net OPEB obligation, the actuary has set the transition day as of July 1, 2008. The end of the year net OPEB obligation was calculated by the actuary as the cumulative difference between the actuarially determined funding requirements and the plans actual contributions for the year ended June 30, 2012.

For the year ended June 30, 2012, the District contributed $22,048 to the medical plan. Plan members eligible for benefits contributed $95,446, or 81% of the premium costs.

The District’s annual OPEB costs, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of June 30, 2011 are summarized as follows:

<table>
<thead>
<tr>
<th>Fiscal Year ended</th>
<th>Annual OPEB Cost</th>
<th>Percentage of Annual OPEB cost contributed</th>
<th>Net OPEB obligation</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 2010</td>
<td>$82,529</td>
<td>49%</td>
<td>$64,942</td>
</tr>
<tr>
<td>June 30, 2011</td>
<td>78,685</td>
<td>51</td>
<td>103,411</td>
</tr>
<tr>
<td>June 30, 2012</td>
<td>122,082</td>
<td>18</td>
<td>203,445</td>
</tr>
</tbody>
</table>

Funded Status and Funding Progress – As of July 1, 2011, the most recent actuarial valuation date for the period July 1, 2011 through June 30, 2012, the actuarial accrued liability was $570,498, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of $570,498. The covered payroll (annual payroll of active employees covered by the plan) was $6,940,000, and the ratio of the UAAL to the covered payroll was 8.2%. As of June 30, 2012, there were no trust fund assets.

Actuarial Methods and Assumptions – Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding process presented above, will present multi year trend information about whether other actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of July 1, 2011, actuarial valuation date, the frozen entry age actuarial cost method was used. The actuarial assumptions include a 2.5% discount rate based on the District’s funding policy. The projected annual medical trend rate is 6%. The ultimate medical trend rate is 6%.

Mortality rates are from the 94 Group Annuity Mortality Table, applied on a gender-specific basis. The UAAL is being amortized as a level percentage of projected payroll expense on an open basis over 30 years.

Source: District’s 2012 Independent Audited Financial Statement
Investment of Public Funds

The District invests its funds pursuant to Chapter 12B of the Code. Presented below are the District's investing activities as of January 31, 2014.

<table>
<thead>
<tr>
<th>Type of Investment</th>
<th>Amount Invested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments</td>
<td>$0</td>
</tr>
<tr>
<td>Local Bank Deposit Accounts</td>
<td>9,455,452.29</td>
</tr>
<tr>
<td>Local Bank Time CD’s</td>
<td>0</td>
</tr>
<tr>
<td>ISJIT Money Market</td>
<td>108,793.35</td>
</tr>
<tr>
<td>ISJIT Time CD’s</td>
<td>0</td>
</tr>
</tbody>
</table>

Anticipatory Warrants

The District has issued anticipatory warrants as outlined below:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Principal of Warrant Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011B</td>
<td>$0</td>
</tr>
<tr>
<td>2011A</td>
<td>0</td>
</tr>
<tr>
<td>2010B</td>
<td>0</td>
</tr>
<tr>
<td>2010A</td>
<td>0</td>
</tr>
<tr>
<td>2009B</td>
<td>0</td>
</tr>
<tr>
<td>2009A</td>
<td>1,204,000</td>
</tr>
<tr>
<td>2008B</td>
<td>1,222,000</td>
</tr>
<tr>
<td>2008A</td>
<td>1,769,000</td>
</tr>
<tr>
<td>2007B</td>
<td>0</td>
</tr>
<tr>
<td>2007A</td>
<td>0</td>
</tr>
<tr>
<td>2006B</td>
<td>0</td>
</tr>
<tr>
<td>2006A</td>
<td>0</td>
</tr>
</tbody>
</table>

Pensions

The Issuer contributes to the Iowa Public Employees' Retirement System ("IPERS"), which is a state-wide multiple-employer cost-sharing defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. All full-time employees of the Issuer are required to participate in IPERS. Employees who retire at age 65 (or anytime after age 58 with 30 or more years of service) are entitled to full monthly benefits. IPERS offers five options for distribution of retirement benefits. Prior to July 1, 2012, benefits become fully vested after completing four years of service or after attaining age 55 and after July 1, 2012 benefits become fully vested after completing seven years of service or after attaining age 65.

IPERS plan members are required to contribute a percentage of their annual salary, in addition to the Issuer being required to make annual contributions to IPERS. Contribution amounts are set by State statute. The Issuer’s share, payable from the applicable funds of the Issuer, is provided by an annual levy of taxes without limit or restriction as to rate or amount against all the taxable property of the Issuer. All contributions are on a current basis. See “APPENDIX D — AUDITED FINANCIAL STATEMENTS” for additional information on IPERS.

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

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Amount Contributed by Issuer</th>
<th>% of Payroll paid by Issuer</th>
<th>% of Payroll paid by Employee</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$498,842</td>
<td>6.05%</td>
<td>3.95%</td>
</tr>
<tr>
<td>2009</td>
<td>534,820</td>
<td>6.35</td>
<td>4.10</td>
</tr>
<tr>
<td>2010</td>
<td>555,792</td>
<td>6.65</td>
<td>4.30</td>
</tr>
<tr>
<td>2011</td>
<td>572,829</td>
<td>6.95</td>
<td>4.50</td>
</tr>
<tr>
<td>2012</td>
<td>677,997</td>
<td>8.07</td>
<td>5.38</td>
</tr>
<tr>
<td>2013</td>
<td>NA</td>
<td>8.67</td>
<td>5.78</td>
</tr>
</tbody>
</table>


The fund is administered by the State with administration costs paid from income derived from invested funds. IPERS has an unfunded actuarial liability and unrecognized actuarial loss. The following table sets forth certain information about the funding status of IPERS that has been extracted from the comprehensive annual financial report of IPERS for fiscal year 2013 (the “IPERS CAFR”). A complete copy of the IPERS CAFR can be obtained by visiting IPERS website at: http://www.ipers.org/publications/misc/pdf/financial/cafr/cafr.pdf or by...
writing to IPERS at P.O. Box 9117, Des Moines, Iowa 50306-9117. According to IPERS, as of the end of fiscal year 2013, there were approximately 342,652 total members participating in IPERS, including Issuer employees. IPERS does not break out the funding status for each participating entity; therefore, it is not possible to determine the Issuer’s allocable share of the funding status of IPERS.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$21,857,423,183</td>
<td>$24,522,216,589</td>
<td>$2,664,793,406</td>
<td>89.13%</td>
<td>$6,131,445,367</td>
<td>43.46%</td>
</tr>
<tr>
<td>2009</td>
<td>21,123,979,941</td>
<td>26,018,593,823</td>
<td>4,894,613,882</td>
<td>81.19</td>
<td>6,438,643,124</td>
<td>76.02</td>
</tr>
<tr>
<td>2010</td>
<td>21,537,458,560</td>
<td>26,468,419,650</td>
<td>4,930,961,090</td>
<td>81.37</td>
<td>6,571,182,005</td>
<td>75.04</td>
</tr>
<tr>
<td>2011</td>
<td>22,575,309,199</td>
<td>28,257,080,114</td>
<td>5,681,770,915</td>
<td>79.89</td>
<td>6,574,872,719</td>
<td>86.42</td>
</tr>
<tr>
<td>2012</td>
<td>23,530,094,461</td>
<td>29,446,197,486</td>
<td>5,916,103,025</td>
<td>79.91</td>
<td>6,786,158,720</td>
<td>87.18</td>
</tr>
<tr>
<td>2013</td>
<td>24,711,096,187</td>
<td>30,498,342,320</td>
<td>5,787,246,133</td>
<td>81.02</td>
<td>6,880,131,134</td>
<td>84.12</td>
</tr>
</tbody>
</table>

Source: IPERS Comprehensive Annual Financial Report (Fiscal Year 2012)

When calculating the funding status of IPERS for fiscal year 2012, the following assumptions were used: (1) the amortization period for the total unfunded actuarial liability is 30 years (which is consistent with the maximum acceptable amortization period set forth by the Governmental Accounting Standards Board ("GASB") in GASB Statement No. 25); (2) the rate of return on investments is assumed to be 7.5%; (3) salaries are projected to increase 4.0-17% for IPERS, depending on years of service; and (4) the rate of inflation is assumed to be 3.25% for prices and 4.0% for wages.

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

Population

Presented below are population figures as officially reported by the U.S. Census for the periods indicated for the cities of Adel, DeSoto and Minburn:

<table>
<thead>
<tr>
<th>Year</th>
<th>Adel</th>
<th>DeSoto</th>
<th>Minburn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>3,682</td>
<td>1,050</td>
<td>365</td>
</tr>
<tr>
<td>2000</td>
<td>3,435</td>
<td>1,009</td>
<td>391</td>
</tr>
<tr>
<td>1990</td>
<td>3,304</td>
<td>1,033</td>
<td>346</td>
</tr>
<tr>
<td>1980</td>
<td>2,846</td>
<td>1,035</td>
<td>390</td>
</tr>
<tr>
<td>1970</td>
<td>2,419</td>
<td>572</td>
<td>378</td>
</tr>
<tr>
<td>1960</td>
<td>2,060</td>
<td>369</td>
<td>357</td>
</tr>
<tr>
<td>1950</td>
<td>1,784</td>
<td>273</td>
<td>353</td>
</tr>
</tbody>
</table>

Population by Age

Presented below is the 2010 Census figures according to age group for Dallas and Madison Counties and the State of Iowa:

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Dallas County</th>
<th>Madison County</th>
<th>State of Iowa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 19 years of age</td>
<td>30.7%</td>
<td>29.2%</td>
<td>26.9%</td>
</tr>
<tr>
<td>20 to 24 years of age</td>
<td>4.5</td>
<td>3.8</td>
<td>7.0</td>
</tr>
<tr>
<td>25 to 44 years of age</td>
<td>23.8</td>
<td>24.5</td>
<td>24.5</td>
</tr>
<tr>
<td>45 to 64 years of age</td>
<td>31.2</td>
<td>27.8</td>
<td>26.7</td>
</tr>
<tr>
<td>65 to 84 years of age</td>
<td>8.4</td>
<td>12.4</td>
<td>12.4</td>
</tr>
<tr>
<td>85 and over</td>
<td>1.4</td>
<td>2.4</td>
<td>2.3</td>
</tr>
<tr>
<td>Median age</td>
<td>34.3</td>
<td>39.8</td>
<td>38.1</td>
</tr>
</tbody>
</table>
Major Employers

Due to the close proximity, many district residents find employment in the Des Moines metropolitan area. Presented below is a summary of the largest employers in the District:

<table>
<thead>
<tr>
<th>Employer</th>
<th>Business</th>
<th>Approximate Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adel Acres</td>
<td>Nursing care facility</td>
<td>69</td>
</tr>
<tr>
<td>Adel-DeSoto-Minburn CSD</td>
<td>Education</td>
<td>238</td>
</tr>
<tr>
<td>BASE</td>
<td>Benefit administration</td>
<td>36</td>
</tr>
<tr>
<td>Dallas County</td>
<td>County government</td>
<td>273</td>
</tr>
<tr>
<td>Evo Medical Solutions</td>
<td>Nebulizers, CPAP therapy devices; aspirators</td>
<td>82</td>
</tr>
<tr>
<td>Hawkeye Breeders Service</td>
<td>Sire housing facility</td>
<td>6</td>
</tr>
<tr>
<td>Hy-Vac</td>
<td>Egg &amp; chicken products</td>
<td>80</td>
</tr>
<tr>
<td>Inland Coatings Company</td>
<td>Coating &amp; sealers</td>
<td>6</td>
</tr>
<tr>
<td>Iowa Spring</td>
<td>Coil and spring manufacturer</td>
<td>90</td>
</tr>
<tr>
<td>Kuder Inc.</td>
<td>Online college/career planning tools</td>
<td>60</td>
</tr>
<tr>
<td>Monarch Manufacturing</td>
<td>Egress window systems</td>
<td>95</td>
</tr>
<tr>
<td>Stine Seed Company</td>
<td>Seed company</td>
<td>225</td>
</tr>
<tr>
<td>United Brick &amp; Tile Co</td>
<td>Clay brick production</td>
<td>169</td>
</tr>
</tbody>
</table>

Unemployment Statistics

The State of Iowa Department of Job Service reports unemployment unadjusted rates as follows (December 2013):

- National Average: 6.70%
- State of Iowa: 4.20%
- Dallas County: 3.50%
- Madison County: 4.30%

Historical Employment Statistics

Presented below are the historical unemployment rates for the years indicated for Dallas and Madison Counties and the State of Iowa.

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Dallas County</th>
<th>Madison County</th>
<th>State of Iowa</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>3.70%</td>
<td>5.00%</td>
<td>4.70%</td>
</tr>
<tr>
<td>2012</td>
<td>4.30%</td>
<td>5.90%</td>
<td>5.20%</td>
</tr>
<tr>
<td>2011</td>
<td>4.80%</td>
<td>6.40%</td>
<td>5.90%</td>
</tr>
<tr>
<td>2010</td>
<td>5.60%</td>
<td>7.50%</td>
<td>6.70%</td>
</tr>
<tr>
<td>2009</td>
<td>4.60%</td>
<td>6.20%</td>
<td>6.00%</td>
</tr>
<tr>
<td>2008</td>
<td>3.20%</td>
<td>4.70%</td>
<td>4.10%</td>
</tr>
</tbody>
</table>

Retail Sales

Presented below are retail sales statistics for the City of Adel, DeSoto and Minburn, for the period indicated:

<table>
<thead>
<tr>
<th>Year Ended</th>
<th>City of Adel Retail Sales</th>
<th>Number of Permits</th>
<th>City of DeSoto Retail Sales</th>
<th>Number of Permits</th>
<th>City of Minburn Retail Sales</th>
<th>Number of Permits</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013*</td>
<td>$49,821,746</td>
<td>223</td>
<td>$4,498,323</td>
<td>29</td>
<td>$1,654,562</td>
<td>21</td>
</tr>
<tr>
<td>2012*</td>
<td>47,569,328</td>
<td>220</td>
<td>4,623,611</td>
<td>27</td>
<td>1,702,142</td>
<td>21</td>
</tr>
<tr>
<td>2011*</td>
<td>43,967,751</td>
<td>230</td>
<td>3,999,268</td>
<td>28</td>
<td>1,581,237</td>
<td>22</td>
</tr>
<tr>
<td>2010*</td>
<td>43,767,078</td>
<td>235</td>
<td>3,878,655</td>
<td>32</td>
<td>1,341,214</td>
<td>25</td>
</tr>
<tr>
<td>2009*</td>
<td>44,509,702</td>
<td>229</td>
<td>4,212,497</td>
<td>30</td>
<td>1,097,904</td>
<td>23</td>
</tr>
</tbody>
</table>

* reported as of June 30
Median Family Income

Dallas and Madison County had a 2000 median family income of $48,528 and $41,845, compared to $39,469 for the State of Iowa. The following table represents the distribution of family incomes for the Counties at the time of the 2000 census:

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Number of Households</th>
<th>Percent Households</th>
<th>Number of Households</th>
<th>Percent Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $10,000</td>
<td>821</td>
<td>5.3%</td>
<td>409</td>
<td>7.7%</td>
</tr>
<tr>
<td>10,000 to 14,999</td>
<td>749</td>
<td>4.8%</td>
<td>621</td>
<td>11.7%</td>
</tr>
<tr>
<td>15,000 to 19,999</td>
<td>2601</td>
<td>16.7%</td>
<td>967</td>
<td>18.2%</td>
</tr>
<tr>
<td>20,000 to 24,999</td>
<td>3604</td>
<td>23.1%</td>
<td>1325</td>
<td>24.9%</td>
</tr>
<tr>
<td>25,000 to 29,999</td>
<td>2034</td>
<td>13.0%</td>
<td>764</td>
<td>14.4%</td>
</tr>
<tr>
<td>30,000 to 34,999</td>
<td>1826</td>
<td>11.7%</td>
<td>621</td>
<td>11.7%</td>
</tr>
<tr>
<td>35,000 to 39,999</td>
<td>749</td>
<td>4.8%</td>
<td>402</td>
<td>7.6%</td>
</tr>
<tr>
<td>40,000 to 44,999</td>
<td>2034</td>
<td>13.0%</td>
<td>764</td>
<td>14.4%</td>
</tr>
<tr>
<td>45,000 to 49,999</td>
<td>1826</td>
<td>11.7%</td>
<td>621</td>
<td>11.7%</td>
</tr>
<tr>
<td>50,000 to 54,999</td>
<td>3604</td>
<td>23.1%</td>
<td>1325</td>
<td>24.9%</td>
</tr>
<tr>
<td>55,000 to 59,999</td>
<td>1917</td>
<td>12.3%</td>
<td>420</td>
<td>7.9%</td>
</tr>
<tr>
<td>60,000 to 64,999</td>
<td>1414</td>
<td>9.1%</td>
<td>292</td>
<td>5.5%</td>
</tr>
<tr>
<td>65,000 to 69,999</td>
<td>323</td>
<td>2.1%</td>
<td>53</td>
<td>1.0%</td>
</tr>
<tr>
<td>70,000 or more</td>
<td>303</td>
<td>1.9%</td>
<td>62</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

Effective Buying Income

The private publication “Sales & Marketing Management” has developed a wealth indicator termed “effective buying income” (EBI) defined as personal income less personal tax and non tax payments, which is considered by the publication to be a bulk measurement of market potential.

<table>
<thead>
<tr>
<th></th>
<th>2009 Dallas County</th>
<th>2009 Madison County</th>
<th>2009 State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Sales (000)</td>
<td>$781,176</td>
<td>$121,214</td>
<td>$40,982,154</td>
</tr>
<tr>
<td>Total FBI (000)</td>
<td>1,439,385</td>
<td>306,465</td>
<td>57,558,473</td>
</tr>
<tr>
<td>Median Household EBI</td>
<td>49,309</td>
<td>42,414</td>
<td>38,919</td>
</tr>
<tr>
<td>% of Households by EBI</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$10,000 to $19,999</td>
<td>12.8</td>
<td>17.9</td>
<td>19.9%</td>
</tr>
<tr>
<td>$20,000 to $34,999</td>
<td>20.0</td>
<td>21.8</td>
<td>24.2%</td>
</tr>
<tr>
<td>$35,000 to $49,999</td>
<td>17.9</td>
<td>19.9</td>
<td>20.5%</td>
</tr>
<tr>
<td>$50,000 and over</td>
<td>49.3</td>
<td>40.4</td>
<td>35.4%</td>
</tr>
</tbody>
</table>

Legislation- Recent Property Tax Legislation

It can be anticipated that, from time to time, legislative proposals may be considered by the Iowa General Assembly that would, if enacted, alter or amend one or more of the tax matters described herein. It cannot be predicted whether or in what forms any of such proposals may be enacted, and there can be no assurance that such proposals will not apply to valuation, assessment or levy procedures for the levy of taxes by the Issuer.

During the 2013 legislative session, the Iowa General Assembly enacted Senate File 295 (the “Act”), which the Governor signed into law on June 12, 2013. Among other things, the Act (i) reduces the maximum annual taxable value growth percent, due to revaluation of existing residential and agricultural property, from the current 4% to 3%, (ii) assigns a “rollback” (the percentage of a property’s value that is subject to tax) to commercial, industrial and railroad property of 95% for the 2013 assessment year and 90% for the 2014 assessment year and all years thereafter, (iii) creates a new property tax classification for multi-residential properties (apartments, nursing homes, assisted living facilities and certain other rental property) that begins in the 2015 assessment year, and assigns a declining rollback percentage to such properties for each subsequent year until the residential rollback percentage is reached in the 2022 assessment year, after which the rollback percentage for such properties will be equal to the residential rollback percentage each assessment year, and (iv) exempts a specified portion of the assessed value of telecommunication properties.

The Act includes a standing appropriation to replace some of the tax revenues lost by local governments, including tax increment districts, resulting from the new rollback for commercial and industrial property. Prior to fiscal year 2018, the appropriation is a standing unlimited appropriation, but beginning in fiscal year 2018 the standing appropriation cannot exceed the actual 2017 appropriation amount. The appropriation does not replace losses to local governments resulting from the Act’s provisions that reduce the annual revaluation growth limit for residential and agricultural properties to 3% from 4%, the gradual transition for multi-residential properties from the commercial rollback percentage (100% of market value) to the residential rollback percentage (currently 53% of market value), or the reduction in the percentage of telecommunications property that is subject to taxation.

A-10
Given the wide scope of the statutory changes, and the State’s discretion in establishing the annual replacement amount that is appropriated each year commencing in fiscal 2018, the impact of the Act on the Issuer’s future property tax collections is uncertain and the Issuer has not attempted to quantify the financial impact of the Act’s provisions on the Issuer’s future operations. It has been projected by Moody’s Investor Service that local governments in Iowa are likely to experience modest reductions in property tax revenues starting in fiscal 2015 as a result of the Act, with sizeable reductions possible starting in fiscal 2018. According to Moody’s, local governments that may experience disproportionately higher revenue losses include regions that have a substantial commercial base, a large share of multi-residential developments (such as college towns), or significant amounts of telecommunications property. The general operating fund levy of school districts, including the Issuer, may not be affected by the Act because of the way the statutory school funding formula operates. The Act does apply to levies which are outside the school funding formula, including the debt service levy which is used to pay principal and interest on the Bonds.

However, Iowa Code section 76.2 provides that when an Iowa political subdivision issues general obligation bonds: "The governing authority of a political subdivision specified in section 76.1, subsection 1, before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding the applicable period of time specified in section 76.1. A certified copy of this resolution shall be filed with the county auditor or the auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditors to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full. The levy shall continue to be made against property that is severed from the political subdivision after the filing of the resolution until funds are realized to pay the bonds in full."

Property Tax Assessment

In compliance with section 44121 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:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Residential Rollback</th>
<th>Ag. Land &amp; Buildings</th>
<th>Commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>54.4002</td>
<td>43.3997</td>
<td>95.0000</td>
</tr>
<tr>
<td>2013-14</td>
<td>52.8166</td>
<td>59.9334</td>
<td>100.0000</td>
</tr>
<tr>
<td>2012-13</td>
<td>50.7518</td>
<td>57.5411</td>
<td>100.0000</td>
</tr>
<tr>
<td>2011-12</td>
<td>48.5299</td>
<td>69.0152</td>
<td>100.0000</td>
</tr>
<tr>
<td>2010-11</td>
<td>46.9094</td>
<td>66.2715</td>
<td>100.0000</td>
</tr>
<tr>
<td>2009-10</td>
<td>45.5893</td>
<td>93.8568</td>
<td>100.0000</td>
</tr>
<tr>
<td>2008-09</td>
<td>44.0803</td>
<td>90.1023</td>
<td>99.7312</td>
</tr>
<tr>
<td>2007-08</td>
<td>45.4460</td>
<td>100.0000</td>
<td>100.0000</td>
</tr>
</tbody>
</table>

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, 2013 are used to calculate tax liability for the tax year starting July 1, 2014 through June 30, 2015. Presented below are the historic property valuations of the Issuer by class of property.
# Property Valuations

## Actual Valuation

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2013-14</th>
<th>2012-13</th>
<th>2011-12</th>
<th>2010-11</th>
<th>2009-10</th>
<th>2008-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>412,171,181</td>
<td>427,397,459</td>
<td>419,677,646</td>
<td>413,198,391</td>
<td>407,079,547</td>
<td>399,158,252</td>
</tr>
<tr>
<td>Agricultural Land</td>
<td>153,953,406</td>
<td>117,280,866</td>
<td>117,783,083</td>
<td>88,154,076</td>
<td>88,972,980</td>
<td>47,655,880</td>
</tr>
<tr>
<td>Ag Buildings</td>
<td>6,299,885</td>
<td>5,907,332</td>
<td>5,792,607</td>
<td>5,456,330</td>
<td>5,482,480</td>
<td>9,947,370</td>
</tr>
<tr>
<td>Commercial</td>
<td>62,988,884</td>
<td>41,384,011</td>
<td>37,487,738</td>
<td>37,053,533</td>
<td>42,272,880</td>
<td>32,038,206</td>
</tr>
<tr>
<td>Industrial</td>
<td>9,125,451</td>
<td>9,298,870</td>
<td>9,298,870</td>
<td>9,791,019</td>
<td>3,776,000</td>
<td>9,787,020</td>
</tr>
<tr>
<td>Personal RE</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Railroads</td>
<td>961,574</td>
<td>781,530</td>
<td>623,846</td>
<td>535,697</td>
<td>447,768</td>
<td>391,988</td>
</tr>
<tr>
<td>Utilities</td>
<td>14,521,777</td>
<td>15,215,861</td>
<td>15,110,840</td>
<td>14,958,351</td>
<td>14,474,082</td>
<td>11,567,772</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Total Valuation: 659,852,248

Less Military: 754,690

Net Valuation: 659,097,558

**TIF Valuation:** 28,954,173

**Utility Replacement:** 21,572,411

## Taxable Valuation

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2013-14</th>
<th>2012-13</th>
<th>2011-12</th>
<th>2010-11</th>
<th>2009-10</th>
<th>2008-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>213,903,850</td>
<td>225,105,700</td>
<td>210,004,825</td>
<td>197,503,586</td>
<td>187,693,928</td>
<td>179,255,176</td>
</tr>
<tr>
<td>Ag Buildings</td>
<td>2,700,262</td>
<td>3,539,781</td>
<td>3,332,109</td>
<td>3,751,899</td>
<td>3,633,322</td>
<td>9,336,291</td>
</tr>
<tr>
<td>Commercial</td>
<td>59,801,989</td>
<td>41,384,011</td>
<td>37,487,738</td>
<td>37,053,533</td>
<td>42,272,880</td>
<td>32,038,206</td>
</tr>
<tr>
<td>Industrial</td>
<td>8,470,669</td>
<td>9,398,870</td>
<td>9,398,870</td>
<td>9,791,019</td>
<td>3,776,000</td>
<td>9,787,020</td>
</tr>
<tr>
<td>Personal RE</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Railroads</td>
<td>913,496</td>
<td>781,530</td>
<td>623,846</td>
<td>535,697</td>
<td>447,768</td>
<td>391,988</td>
</tr>
<tr>
<td>Utilities</td>
<td>14,521,777</td>
<td>15,215,861</td>
<td>15,110,840</td>
<td>14,958,351</td>
<td>14,474,082</td>
<td>11,567,772</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Total Valuation: 366,798,465

Less Military: 754,690

Net Valuation: 366,043,775

**TIF Valuation:** 27,819,192

**Utility Replacement:** 14,774,937

## Taxable Valuation - Yearly Change

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual Valuation</th>
<th>% Change in</th>
<th>Taxable Valuation</th>
<th>% Change in</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>w/ Utilities</td>
<td></td>
<td>w/ Utilities</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>709,624,142</td>
<td>6.91%</td>
<td>408,637,904</td>
<td>1.89%</td>
</tr>
<tr>
<td>2012</td>
<td>663,767,214</td>
<td>0.87%</td>
<td>401,042,193</td>
<td>4.11%</td>
</tr>
<tr>
<td>2011</td>
<td>658,051,267</td>
<td>5.88%</td>
<td>385,214,278</td>
<td>5.01%</td>
</tr>
<tr>
<td>2010</td>
<td>621,531,228</td>
<td>1.00%</td>
<td>366,839,320</td>
<td>3.70%</td>
</tr>
<tr>
<td>2009</td>
<td>615,381,525</td>
<td>9.65%</td>
<td>353,757,668</td>
<td>7.08%</td>
</tr>
<tr>
<td>2008</td>
<td>561,223,186</td>
<td>3.57%</td>
<td>328,172,197</td>
<td>5.42%</td>
</tr>
</tbody>
</table>
Tax Rates

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

### Former Adel-DeSoto CSD

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Operating Fund</th>
<th>Management Fund</th>
<th>Board PPEL</th>
<th>Voter PPEL</th>
<th>Play Ground</th>
<th>Debt Service</th>
<th>School Levy</th>
<th>Total Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>11.77534</td>
<td>1.59381</td>
<td>0.33000</td>
<td>1.00000</td>
<td>0.00000</td>
<td>3.62792</td>
<td>0.00000</td>
<td>18.32707</td>
</tr>
<tr>
<td>2013</td>
<td>12.99715</td>
<td>1.62163</td>
<td>0.33000</td>
<td>1.00000</td>
<td>0.00000</td>
<td>2.46797</td>
<td>0.00000</td>
<td>18.41675</td>
</tr>
<tr>
<td>2012</td>
<td>14.95195</td>
<td>1.47682</td>
<td>0.33000</td>
<td>0.00000</td>
<td>0.00000</td>
<td>1.86547</td>
<td>0.00000</td>
<td>18.62424</td>
</tr>
<tr>
<td>2011</td>
<td>14.63968</td>
<td>1.49767</td>
<td>0.33000</td>
<td>0.00000</td>
<td>0.00000</td>
<td>1.95372</td>
<td>0.00000</td>
<td>18.42107</td>
</tr>
<tr>
<td>2010</td>
<td>14.66852</td>
<td>1.49767</td>
<td>0.33000</td>
<td>0.00000</td>
<td>0.00000</td>
<td>1.95372</td>
<td>0.00000</td>
<td>18.44991</td>
</tr>
</tbody>
</table>

### Former Central Dallas CSD

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Operating Fund</th>
<th>Management Fund</th>
<th>Board PPEL</th>
<th>Voter PPEL</th>
<th>Play Ground</th>
<th>Debt Service</th>
<th>School Levy</th>
<th>Total Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>11.77534</td>
<td>1.59381</td>
<td>0.33000</td>
<td>1.00000</td>
<td>0.00000</td>
<td>3.62792</td>
<td>0.00000</td>
<td>18.32707</td>
</tr>
<tr>
<td>2013</td>
<td>12.99715</td>
<td>1.62163</td>
<td>0.33000</td>
<td>1.00000</td>
<td>0.00000</td>
<td>2.46797</td>
<td>0.00000</td>
<td>18.41675</td>
</tr>
<tr>
<td>2012</td>
<td>14.95195</td>
<td>1.47682</td>
<td>0.33000</td>
<td>0.00000</td>
<td>0.00000</td>
<td>1.86547</td>
<td>0.00000</td>
<td>18.62424</td>
</tr>
<tr>
<td>2011</td>
<td>14.63968</td>
<td>1.49767</td>
<td>0.33000</td>
<td>0.00000</td>
<td>0.00000</td>
<td>1.95372</td>
<td>0.00000</td>
<td>18.42107</td>
</tr>
<tr>
<td>2010</td>
<td>14.66852</td>
<td>1.49767</td>
<td>0.33000</td>
<td>0.00000</td>
<td>0.00000</td>
<td>1.95372</td>
<td>0.00000</td>
<td>18.44991</td>
</tr>
</tbody>
</table>

### Historic Tax Rates

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

#### City of Adel

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>City</th>
<th>School College State</th>
<th>Assessor</th>
<th>Ag Exempts</th>
<th>Hospital</th>
<th>County</th>
<th>Total Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>14.06511</td>
<td>18.32707</td>
<td>0.69120</td>
<td>0.00000</td>
<td>0.31134</td>
<td>0.08087</td>
<td>0.54517</td>
</tr>
<tr>
<td>2013</td>
<td>14.24026</td>
<td>18.41675</td>
<td>0.58466</td>
<td>0.00000</td>
<td>0.31173</td>
<td>0.08066</td>
<td>0.60683</td>
</tr>
<tr>
<td>2012</td>
<td>13.96455</td>
<td>18.62424</td>
<td>0.59018</td>
<td>0.00000</td>
<td>0.27916</td>
<td>0.06751</td>
<td>0.60911</td>
</tr>
<tr>
<td>2011</td>
<td>13.97479</td>
<td>18.42107</td>
<td>0.56008</td>
<td>0.00000</td>
<td>0.32933</td>
<td>0.06839</td>
<td>0.60945</td>
</tr>
<tr>
<td>2010</td>
<td>13.94396</td>
<td>18.44991</td>
<td>0.56778</td>
<td>0.00000</td>
<td>0.33550</td>
<td>0.07164</td>
<td>0.60971</td>
</tr>
</tbody>
</table>

#### City of DeSoto

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>City</th>
<th>School College State</th>
<th>Assessor</th>
<th>Ag Exempts</th>
<th>Hospital</th>
<th>County</th>
<th>Total Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>11.51604</td>
<td>18.32707</td>
<td>0.69120</td>
<td>0.00000</td>
<td>0.31134</td>
<td>0.08087</td>
<td>0.54517</td>
</tr>
<tr>
<td>2013</td>
<td>11.78081</td>
<td>18.41675</td>
<td>0.58466</td>
<td>0.00000</td>
<td>0.31173</td>
<td>0.08066</td>
<td>0.60683</td>
</tr>
<tr>
<td>2012</td>
<td>12.63044</td>
<td>18.62424</td>
<td>0.59018</td>
<td>0.00000</td>
<td>0.27916</td>
<td>0.06751</td>
<td>0.60911</td>
</tr>
<tr>
<td>2011</td>
<td>13.72356</td>
<td>18.42107</td>
<td>0.56008</td>
<td>0.00000</td>
<td>0.32933</td>
<td>0.06839</td>
<td>0.60945</td>
</tr>
<tr>
<td>2010</td>
<td>14.46535</td>
<td>18.44991</td>
<td>0.56778</td>
<td>0.00000</td>
<td>0.33550</td>
<td>0.07164</td>
<td>0.60971</td>
</tr>
</tbody>
</table>

#### City of Minburn

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>City</th>
<th>School College State</th>
<th>Assessor</th>
<th>Ag Exempts</th>
<th>Hospital</th>
<th>County</th>
<th>Total Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>14.38058</td>
<td>18.32707</td>
<td>0.69120</td>
<td>0.00000</td>
<td>0.31134</td>
<td>0.08087</td>
<td>0.54517</td>
</tr>
<tr>
<td>2013</td>
<td>14.50303</td>
<td>18.41675</td>
<td>0.58466</td>
<td>0.00000</td>
<td>0.31173</td>
<td>0.08066</td>
<td>0.60683</td>
</tr>
<tr>
<td>2012</td>
<td>15.40264</td>
<td>18.62424</td>
<td>0.59018</td>
<td>0.00000</td>
<td>0.27916</td>
<td>0.06751</td>
<td>0.60911</td>
</tr>
<tr>
<td>2011</td>
<td>15.60862</td>
<td>18.42107</td>
<td>0.56008</td>
<td>0.00000</td>
<td>0.32933</td>
<td>0.06839</td>
<td>0.60945</td>
</tr>
<tr>
<td>2010</td>
<td>15.04926</td>
<td>18.44991</td>
<td>0.56778</td>
<td>0.00000</td>
<td>0.33550</td>
<td>0.07164</td>
<td>0.60971</td>
</tr>
</tbody>
</table>
Tax Collection History

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

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Amount Levied</th>
<th>Amount Collected</th>
<th>Percentage Collected</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>7,097,476</td>
<td>In collection</td>
<td>NA</td>
</tr>
<tr>
<td>2013</td>
<td>6,691,664</td>
<td>6,679,506</td>
<td>99.82%</td>
</tr>
<tr>
<td>2012</td>
<td>6,367,610</td>
<td>6,361,272</td>
<td>99.90%</td>
</tr>
<tr>
<td>2011</td>
<td>6,082,458</td>
<td>6,062,523</td>
<td>99.67%</td>
</tr>
<tr>
<td>2010</td>
<td>5,627,017</td>
<td>5,617,481</td>
<td>99.83%</td>
</tr>
<tr>
<td>2009</td>
<td>5,342,428</td>
<td>5,326,876</td>
<td>99.71%</td>
</tr>
<tr>
<td>2008</td>
<td>4,799,212</td>
<td>4,800,933</td>
<td>100.04%</td>
</tr>
<tr>
<td>2007</td>
<td>4,427,800</td>
<td>4,423,325</td>
<td>99.90%</td>
</tr>
<tr>
<td>2006</td>
<td>3,961,082</td>
<td>3,959,588</td>
<td>99.96%</td>
</tr>
</tbody>
</table>

Average Percentage Collected: 99.85%

Largest Taxpayers

Set forth in the following table are the persons or entities which represent the 2012 largest taxpayers within the Issuer, as provided by the Auditors Offices of each of said counties. No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the District. The District's tax levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the District from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the tax levies of the other taxing entities which overlap the properties:

<table>
<thead>
<tr>
<th>Taxpayer</th>
<th>2012 Taxable Valuation</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid American Energy</td>
<td>$13,180,566</td>
<td>3.59%</td>
</tr>
<tr>
<td>Stine Seed Farm</td>
<td>5,840,713</td>
<td>1.59%</td>
</tr>
<tr>
<td>Heartland Co-op</td>
<td>3,841,455</td>
<td>1.05%</td>
</tr>
<tr>
<td>Sopix City Brick and Tile Company</td>
<td>3,244,379</td>
<td>0.88%</td>
</tr>
<tr>
<td>Midwest Oilseeds, Inc</td>
<td>2,740,906</td>
<td>0.75%</td>
</tr>
<tr>
<td>Hunt, MJ</td>
<td>2,252,780</td>
<td>0.61%</td>
</tr>
<tr>
<td>Addline Investments L C</td>
<td>1,975,010</td>
<td>0.54%</td>
</tr>
<tr>
<td>WBC Golf Course, LLC</td>
<td>1,820,140</td>
<td>0.50%</td>
</tr>
<tr>
<td>Hy-Vac Jk Hy-Vac Lab Egg Co</td>
<td>1,803,610</td>
<td>0.49%</td>
</tr>
<tr>
<td>Iowa Spring Manufacturing</td>
<td>1,629,530</td>
<td>0.44%</td>
</tr>
</tbody>
</table>

Total of Top 10 Taxpayers: 10.45%

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Presented below is the principal on the District’s outstanding general obligation bonds, presented by fiscal year and issue, including an estimate of the Bonds:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>GO Bonds 1-Apr-06</th>
<th>GO Bonds 1-May-12</th>
<th>GO Bonds 1-May-14</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>885,000</td>
<td>100,000</td>
<td></td>
<td>985,000</td>
</tr>
<tr>
<td>2016</td>
<td>895,000</td>
<td>100,000</td>
<td></td>
<td>995,000</td>
</tr>
<tr>
<td>2017</td>
<td>905,000</td>
<td>100,000</td>
<td></td>
<td>1,005,000</td>
</tr>
<tr>
<td>2018</td>
<td>910,000</td>
<td></td>
<td></td>
<td>910,000</td>
</tr>
<tr>
<td>2019</td>
<td>925,000</td>
<td></td>
<td></td>
<td>925,000</td>
</tr>
<tr>
<td>2020</td>
<td>935,000</td>
<td></td>
<td></td>
<td>935,000</td>
</tr>
<tr>
<td>2021</td>
<td>950,000</td>
<td></td>
<td></td>
<td>950,000</td>
</tr>
<tr>
<td>2022</td>
<td>960,000</td>
<td></td>
<td></td>
<td>960,000</td>
</tr>
<tr>
<td>2023</td>
<td>985,000</td>
<td></td>
<td></td>
<td>985,000</td>
</tr>
<tr>
<td>2024</td>
<td>100,000</td>
<td></td>
<td></td>
<td>100,000</td>
</tr>
<tr>
<td>2025</td>
<td>885,000</td>
<td></td>
<td>-400,000</td>
<td>485,000</td>
</tr>
<tr>
<td>2026</td>
<td></td>
<td></td>
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<td>0</td>
</tr>
<tr>
<td>2027</td>
<td></td>
<td></td>
<td>670,000</td>
<td>670,000</td>
</tr>
<tr>
<td>2028</td>
<td></td>
<td></td>
<td>1,195,000</td>
<td>1,195,000</td>
</tr>
<tr>
<td>2029</td>
<td></td>
<td></td>
<td>1,235,000</td>
<td>1,235,000</td>
</tr>
<tr>
<td>2030</td>
<td></td>
<td></td>
<td>1,280,000</td>
<td>1,280,000</td>
</tr>
<tr>
<td>2031</td>
<td></td>
<td></td>
<td>1,235,000</td>
<td>1,235,000</td>
</tr>
<tr>
<td>2032</td>
<td></td>
<td></td>
<td>1,275,000</td>
<td>1,275,000</td>
</tr>
<tr>
<td>2033</td>
<td></td>
<td></td>
<td>1,430,000</td>
<td>1,430,000</td>
</tr>
<tr>
<td>2034</td>
<td></td>
<td></td>
<td>1,490,000</td>
<td>1,490,000</td>
</tr>
</tbody>
</table>

Totals: 885,000 8,450,000 300,000 -400,000 10,000,000 19,235,000

Presented below is the principal and interest on the District’s outstanding general obligation bonds, presented by fiscal year and issue, including an estimate of the Bonds:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>GO Bonds 1-Apr-06</th>
<th>GO Bonds 1-May-12</th>
<th>GO Bonds 1-May-14</th>
<th>Prepayment Savings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>37,613</td>
<td>1,000,978</td>
<td>102,450</td>
<td>0</td>
<td>379,750</td>
</tr>
<tr>
<td>2016</td>
<td>37,613</td>
<td>1,009,225</td>
<td>101,800</td>
<td>0</td>
<td>379,750</td>
</tr>
<tr>
<td>2017</td>
<td>37,613</td>
<td>1,012,065</td>
<td>101,000</td>
<td>-17,000</td>
<td>379,750</td>
</tr>
<tr>
<td>2018</td>
<td>37,613</td>
<td>1,008,045</td>
<td>0</td>
<td>-17,000</td>
<td>379,750</td>
</tr>
<tr>
<td>2019</td>
<td>37,613</td>
<td>1,012,095</td>
<td>0</td>
<td>-17,000</td>
<td>379,750</td>
</tr>
<tr>
<td>2020</td>
<td>37,613</td>
<td>1,009,145</td>
<td>0</td>
<td>-17,000</td>
<td>379,750</td>
</tr>
<tr>
<td>2021</td>
<td>37,613</td>
<td>1,002,085</td>
<td>0</td>
<td>-17,000</td>
<td>379,750</td>
</tr>
<tr>
<td>2022</td>
<td>37,613</td>
<td>1,007,888</td>
<td>0</td>
<td>-17,000</td>
<td>379,750</td>
</tr>
<tr>
<td>2023</td>
<td>37,613</td>
<td>102,200</td>
<td>0</td>
<td>-17,000</td>
<td>379,750</td>
</tr>
<tr>
<td>2024</td>
<td>922,613</td>
<td>0</td>
<td>0</td>
<td>-417,000</td>
<td>379,750</td>
</tr>
<tr>
<td>2025</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>379,750</td>
</tr>
<tr>
<td>2026</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>379,750</td>
</tr>
<tr>
<td>2027</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,049,750</td>
</tr>
<tr>
<td>2028</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,553,310</td>
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<tr>
<td>2029</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,552,680</td>
</tr>
<tr>
<td>2030</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,551,478</td>
</tr>
<tr>
<td>2031</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,550,465</td>
</tr>
<tr>
<td>2032</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,551,835</td>
</tr>
<tr>
<td>2033</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,551,835</td>
</tr>
<tr>
<td>2034</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,551,835</td>
</tr>
</tbody>
</table>

Totals 1,298,738 9,176,878 305,250 -553,000 16,470,820 26,698,685

* Preliminary, subject to change
School Infrastructure Sales, Services & Use Tax Revenue Bonds

The District does not have any outstanding School Infrastructure Sales, Services & Use Tax Revenue Bonds.

Debt Limit *

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

\[
\frac{1/12012 \text{ Actual Valuation}}{663,767,214} \times 0.05 = 33,188,361
\]

Total General Obligation Debt: 19,235,000

Overlapping & Underlying Debt

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

<table>
<thead>
<tr>
<th>Taxing Authority</th>
<th>Outstanding Debt</th>
<th>2012 Taxable Valuation</th>
<th>Taxable Value Within Issuer</th>
<th>Percentage Applicable</th>
<th>Amount Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Adel</td>
<td>$10,095,000</td>
<td>133,795,277</td>
<td>133,795,277</td>
<td>100.00%</td>
<td>$10,095,000</td>
</tr>
<tr>
<td>City of DeSoto</td>
<td>815,000</td>
<td>27,623,519</td>
<td>27,623,519</td>
<td>100.00%</td>
<td>815,000</td>
</tr>
<tr>
<td>City of Minburn</td>
<td>92,000</td>
<td>8,947,379</td>
<td>8,947,379</td>
<td>100.00%</td>
<td>92,000</td>
</tr>
<tr>
<td>Dallas County</td>
<td>15,279,675</td>
<td>4,445,552,470</td>
<td>389,440,675</td>
<td>8.76%</td>
<td>1,338,535</td>
</tr>
<tr>
<td>Madison County</td>
<td>1,387,611</td>
<td>752,043,151</td>
<td>11,601,518</td>
<td>1.54%</td>
<td>21,406</td>
</tr>
<tr>
<td>Des Moines Area Community College</td>
<td>72,390,000</td>
<td>38,538,891,860</td>
<td>401,042,193</td>
<td>1.04%</td>
<td>753,303</td>
</tr>
<tr>
<td>AEA #11 - Heartland</td>
<td>0</td>
<td>38,538,891,860</td>
<td>401,042,193</td>
<td>1.04%</td>
<td>0</td>
</tr>
</tbody>
</table>

Total Overlapping & Underlying Debt: $13,115,244

Financial Summary

- Actual Value of Property, 2013: $709,624,142
- Taxable Value of Property, 2013: 408,637,904
- Direct General Obligation Debt: $19,235,000
- Overlapping Debt: 12,976,060
- Direct & Overlapping General Obligation Debt: $32,211,060
- Population, 2010 US Census: 7,832
- Direct Debt per Capita: $2,455.95
- Total Debt per Capita: $4,112.75
- Direct Debt to Taxable Value: 4.71%
- Total Debt to Taxable Value: 7.88%
- Direct Debt to Actual Valuation: 2.71%
- Total Debt to Actual Valuation: 4.54%
- Actual Valuation per Capita: $90,606
- Taxable Valuation per Capita: $52,175

* Preliminary, subject to change
APPENDIX B—FORM OF LEGAL OPINION

We hereby certify that we have examined a certified transcript of the proceedings of the Board of Directors of the Adel-DeSoto-Minburn Community School District in the Counties of Dallas and Madison, State of Iowa, and acts of administrative officers of the School District (the "Issuer"), relating to the issuance of General Obligation School Bonds, Series 2014, dated May 1, 2014, in the denominations of $5,000 or multiples thereof, in the aggregate amount of $10,000,000* (the "Bonds").

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

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

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

1. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and issue the Bonds.

2. The Bonds are valid and binding general obligations of the Issuer.

3. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Bonds. Taxes have been levied by the Resolution for the payment of the Bonds and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent the necessary funds are not provided from other sources.

4. Interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

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

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principals, 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.

AHLERS & COONEY, P.C.

* Preliminary, subject to change.
CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Adel-DeSoto-Minburn Community School District, State of Iowa (the "Issuer"), in connection with the issuance of $10,000,000* General Obligation School Bonds, Series 2014 (the "Bonds") dated May 1, 2014. The Bonds are being issued pursuant to a Resolution of the Issuer approved on , 2014 (the "Resolution"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

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 Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" shall mean a day other than a Saturday or a Sunday or a day on which banks in Iowa are authorized or required by law to close.

"Dissemination Agent" shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Holders" shall mean the registered holders of the Bonds, as recorded in the registration books of the Registrar.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"Municipal Securities Rulemaking Board" or "MSRB" shall mean the Municipal Securities Rulemaking Board, 1900 Duke Street, Suite 600, Alexandria, VA 22314.

"National Repository" shall mean the MSRB's Electronic Municipal Market Access website, a/k/a "EMMA" (emma.msrb.org).

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

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Iowa.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than Two Hundred Seventy (270) days after the end of the Issuer's fiscal year (presently June 30th), commencing with the report for the 2013/2014 fiscal year, provide to the National Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report must be submitted in such format as is required by the MSRB (currently in "searchable PDF" format). The Annual Report may be submitted as a single document or as separate documents comprising a package. The Annual Report 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 Report and later than the date required above for the filing of the Annual Report 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 an Annual Report 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.

* Preliminary, subject to change.
(c) The Dissemination Agent shall:

(i) each year file the Annual Report 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 Report has been filed pursuant to this Disclosure Certificate, stating the date it was filed.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report 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 the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.


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 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than 10 Business Days after the day of the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series Bonds, or material events affecting the tax-exempt status of the Bonds;
7. Modifications to rights of Holders of the Bonds, if material;
8. Bond calls (excluding sinking fund mandatory redemptions), if material, and tender offers;
9. Defeasances of the Bonds;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes on the Bonds;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
(13) 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; and

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(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 shall terminate upon
the legal defeasance, prior redemption or payment in full of all of the Bonds 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. If such termination occurs prior to the final maturity of the
Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

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

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

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

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond
counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any
amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the
Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond
counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next
Annual Report, 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 Report 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 Report 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 Report 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 Report or notice of occurrence of a Listed Event.

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

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

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

Date: _______ day of ____________, 2014.

Adel-DeSoto-Minburn Community School District, STATE OF IOWA

By: ________________________________
    President

ATTEST:

By: ________________________________
    Secretary of the Board of Directors
EXHIBIT A

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Adel-DeSoto-Minburn Community School District, Iowa.
Name of Bond Issue: $10,000,000 General Obligation School Bonds, Series 2014
Dated Date of Issue: May 1, 2014

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

Dated: _________ day of ____________ , __________.

Adel-DeSoto-Minburn Community School District, STATE OF IOWA

By: ____________________________________________________________________________

Its: ____________________________________________________________________________

01000721-110114-020
February 21, 2014

Mr. Greg Dufoe, Superintendent
Adel DeSoto Minburn Community School District
801 Nile Kinnick Drive S.
Adel, IA 50003


Pursuant to the Agreement between Piper the Issuer, Piper agreed to provide certain dissemination services to the Issuer respecting its contractual obligation to disseminate certain continuing financial and operating information to the marketplace. The parties to the Dissemination Agreement hereby agree to amend the Dissemination Agreement to add the following subject securities:

<table>
<thead>
<tr>
<th>Name of Issue</th>
<th>Date of Undertaking</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Class: General Obligation Bonds</strong></td>
<td></td>
</tr>
<tr>
<td>General Obligation School Bonds, Series 2014</td>
<td>05/01/2014</td>
</tr>
<tr>
<td>General Obligation School Bonds, Series 2015</td>
<td>TBD</td>
</tr>
</tbody>
</table>

A copy of the Undertaking is in the final transcript with respect to the Bonds.

The parties hereto agree that this letter amendment amends the Dissemination Agreement and is fully incorporated therein in all its terms.

Entered into on behalf of Piper by

[Signature]
Title: Senior Vice President
Date: 02/21/2014

Entered into on behalf of Issuer by

[Signature]
Title: Board President
Date: 

[Signature]
Title: Board President
Date: 
AGREEMENT made as of the Tenth day of July in the year Twenty Twelve
(In words, indicate day, month and year.)

BETWEEN the Architect’s client identified as the Owner:
(Name, legal status, address and other information)
Adel DeSoto Minburn Community School District
801 Nile Kinnick Drive S.
Adel, IA 50603
Telephone Number: 515/994-4283

and the Architect:
(Name, legal status, address and other information)
Prevent-Ramsey-Kobes, Architects-Engineers, P.C.
2600 Westown Parkway, Suite 340
West Des Moines, IA 50266.
Telephone Number: 515/223-5100

for the following Project:
(Name, location and detailed description)
1.) Facilities Master Planning
Adel DeSoto Minburn Community School District

2.) Project(s) as may be authorized or directed by the Board of Education of the
Adel DeSoto Minburn Community School District to be performed by FRK

The Owner and Architect agree as follows.

ADDITIONS AND DELETIONS:
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An Additions and Deletions Report that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.
### Table of Articles

1. Initial Information
2. Architect's Responsibilities
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4. Additional Services
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### Exhibit A: Initial Information

**ARTICLE 1 INITIAL INFORMATION**

§ 1.1 This Agreement is based on the Initial Information set forth in this Article I and in optional Exhibit A, Initial Information.

(Complete Exhibit A, Initial Information, and incorporate it into the Agreement at Section 13.2, or state below Initial Information such as details of the Project's site and program, Owner's contractors and consultants, Architect's consultants, Owner's budget for the Cost of the Work, authorized representatives, anticipated procurement method, and other information relevant to the Project.)

1. Facilities Master Planning for the Adel DeSoto Minburn Community School District.

2. Any building project (Prevert-Ramsey-Kobes may be directed and authorized by the Board of Education to proceed with following the Facilities Master Planning.

See Exhibit A, Initial Information

§ 1.2 The Owner's anticipated dates for commencement of construction and Substantial Completion of the Work are set forth below:

1. Commencement of construction date:
   
   To be determined.

2. Substantial Completion date:
   
   To be determined.
Once determined, specific dates for both commencement of construction and substantial completion shall be incorporated into this Agreement.

§ 1.3 The Owner and Architect may rely on the Initial Information. Both parties, however, recognize that such information may materially change and, in that event, the Owner and the Architect shall appropriately adjust the schedule, the Architect’s services and the Architect’s compensation.

ARTICLE 2 ARCHITECT’S RESPONSIBILITIES

§ 2.1 The Architect shall provide the professional services as set forth in this Agreement.

§ 2.2 The Architect shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.

§ 2.3 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project. This representative shall be David Briden, Principal. The Architect, through this representative, shall advise and consult with the Owner during the administration of the Contract for Construction and shall serve as the “Owner’s Authorized Contract Representative” for the purposes and responsibilities outlined under Iowa Code Section 26.13. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement unless otherwise modified by written amendment.

§ 2.4 Except with the Owner’s knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect’s professional judgment with respect to this Project.

§ 2.5 The Architect shall maintain the following insurance for the duration of this Agreement. If any of the requirements set forth below exceed the types and limits the Architect normally maintains, the Owner shall reimburse the Architect for any additional cost:

(Identify types and limits of insurance coverage, and other insurance requirements applicable to the Agreement, if any.)

1. General Liability

Commercial General Liability with policy limits of not less than One Million Dollars ($1,000,000) for each occurrence and in the aggregate for bodily injury and property damage. Owner is to be included under such policy as additional insured to the extent of liability assumed by Architect, with coverage to be primary and not contributory with any such coverage maintained by Owner. The policy shall contain a severability of interests provision in favor of the additional insureds.

2. Automobile Liability

Automobile Liability covering owned, rented and non-owned vehicles operated by the Architect with policy limits of not less than One Million Dollars ($1,000,000) combined single limit and aggregate for bodily injury and property damage.

3. The Architect may use umbrella or excess liability insurance to achieve the required coverage for Comprehensive General Liability and Automobile Liability, provided that such umbrella or excess insurance results in same type of coverage as required for the individual policies.

4. Workers’ Compensation

Workers’ Compensation at statutory limits required and Employers Liability with a policy limit of not less than Five Hundred Thousand Dollars ($500,000) or the statutorily required amounts of the State of Iowa. The Architect may use umbrella coverage to achieve the required limits for Workers’ Compensation and Employers Liability.
.5 Professional Liability

Professional Liability covering the Architect’s negligent acts, errors and omissions in its performance of professional services with policy limits of not less than Two Million Dollars ($2,000,000) per claim and in the aggregate.

.6 The Architect shall provide to the Owner certificates of insurance evidencing compliance with the requirements of this Section 2.5. All deductibles and premiums associated with the above coverages shall be the responsibility of the Architect. The certificates will show the Owner as an additional insured on the Commercial General Liability and Automobile Liability policies. The Architect shall require that all Consultants engaged by the Architect carry and maintain sufficient insurance that is appropriate to the project in the reasonable discretion of the Architect. The Architect and Consultants shall submit proof of such insurance to the Owner before submittal of the first invoice. The Architect will provide written notice to the Owner at least thirty (30) days prior to any cancellation, nonrenewal, or material modification of the policies for a period of two (2) years from the date of this Agreement.

.7 Commercial Liability and Automobile Liability policies cited above should be endorsed as follows:

"The insurance company and the insured expressly agree and state that the purchase of this policy of insurance by the insured does not waive any of the defense of governmental immunity available to the insured under Iowa Code Section 670 as it now exists or may be amended from time to time. The company and the insured further agree that this policy of insurance shall cover only the claims and not subject to the defense of governmental immunity under Iowa Code Section 670."

.8 The Certificate of Insurance Commercial Liability and Automobile Liability policies should state:

"The insurance company and the insured expressly agree and state that granting additional insured status on this policy of insurance does not waive any of the defenses of governmental immunity available to the Johnston Community School District under Iowa Code Section 670 as it now exists or may be amended from time to time."

ARTICLE 3 SCOPe OF ARCHITECT’S BASIC SERVICES

§ 3.1 The Architect’s Basic Services consist of those described in Article 3 and include usual and customary structural, mechanical, and electrical engineering services (collectively the "Project Team"). Services not set forth in this Article 3 are Additional Services.

§ 3.1.1 The Architect shall manage his services, consult with the Owner, research applicable design criteria, attend Project meetings, communicate with members of the Project team and report progress to the Owner.

§ 3.1.2 The Architect shall coordinate its services with those services provided by the Owner and the Owner’s consultants. The Architect shall be entitled to rely on the accuracy and completeness of services and information furnished by the Owner and the Owner’s consultants. The Architect shall provide prompt written notice to the Owner if the Architect becomes aware of any error, omission or inconsistency in such services or information.

§ 3.1.3 As soon as practicable after the date of this Agreement, the Architect shall submit for the Owner’s approval a schedule for the performance of the Architect’s services. The schedule initially shall include anticipated dates for the commencement of construction and for Substantial Completion of the Work as set forth in the Initial Information. The schedule shall include allowances for periods of time required for the Owner’s review, for the performance of the Owner’s consultants, and for approval of submissions by authorities having jurisdiction over the Project. Once approved by the Owner, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Architect. With the Owner’s approval, the Architect shall adjust the schedule, if necessary, as the Project proceeds until the commencement of construction. The Owner recognizes that the conformance to the construction schedule, once agreed to by the Contractor, is the responsibility of the Contractor.

§ 3.1.4 The Architect shall not be responsible for an Owner’s directive or substitution made without the Architect’s approval.
§ 3.1.5 The Architect shall, at appropriate times, contact the governmental authorities required to approve the Construction Documents and the entities providing utility services to the Project. In designing the Project, the Architect shall respond to applicable design requirements imposed by such governmental authorities and by such entities providing utility services.

§ 3.1.6 The Architect shall assist the Owner in connection with the Owner’s responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

§ 3.1.7 All documents produced by the Architect and its consultants pursuant to this Agreement shall be created with reasonable professional efforts to comply with applicable laws, statutes, ordinances, codes, rules, and regulations in effect at the time of construction document submission to building authorities. Design changes made necessary by newly enacted laws, codes and/or regulations after the date of submission of the documents to the building authorities shall entitle the Architect and its consultants to a reasonable adjustment in the schedule and additional compensation in accordance with the Additional Services provisions of this Agreement. All Construction Documents shall be dated and shall contain, and/or be adopted by a statement referring to each specific document covered by the signature of the registered architect and/or engineer in responsible charge, a certificate that the work was done by such registered architect and/or engineer or under the registered architect’s and/or engineer’s responsible charge and the Iowa legible seal for such registrant.

§ 3.2 SCHEMATIC DESIGN PHASE SERVICES

§ 3.2.1 The Architect shall work with the Owner to develop the program and review other information furnished by the Owner, and shall review laws, codes, and regulations applicable to the Architect’s services.

§ 3.2.2 The Architect shall prepare a preliminary evaluation of the Owner’s program, schedule, budget for the Cost of the Work, Project size, and the proposed procurement or delivery method and other Initial Information, each in terms of the other, to ascertain the requirements of the Project. The Architect shall notify the Owner of (1) any inconsistencies discovered in the information, and (2) other information or consulting services that may be reasonably needed for the Project.

§ 3.2.3 The Architect shall present its preliminary evaluation to the Owner and shall discuss with the Owner alternative approaches to design and construction of the Project, including the feasibility of incorporating environmentally responsible design approaches. The Architect shall reach an understanding with the Owner regarding the requirements of the Project.

§ 3.2.4 Based on the Project’s requirements agreed upon with the Owner, the Architect shall prepare and present for the Owner’s approval a preliminary design illustrating the scale and relationship of the Project components.

§ 3.2.5 Based on the Owner’s approval of the preliminary design, the Architect shall prepare Schematic Design Documents for the Owner’s approval. The Schematic Design Documents shall consist of drawings and other documents including a site plan, if appropriate, and preliminary building plans, sections and elevations; and may include some combination of study models, perspective sketches, or digital modeling. Preliminary selections of major building systems and construction materials shall be noted on the drawings or described in writing.

§ 3.2.5.1 The Architect shall consider environmentally responsible design alternatives, such as material choices and building orientation, together with other considerations based on program and aesthetics, in developing a design that is consistent with the Owner’s program, schedule and budget for the Cost of the Work. The Owner may obtain other environmentally responsible design services under Article 4.

§ 3.2.5.2 The Architect shall consider the value of alternative materials, building systems and equipment, together with other considerations based on program and aesthetics in developing a design for the Project that is consistent with the Owner’s program, schedule and budget for the Cost of the Work.

§ 3.2.6 The Architect shall submit to the Owner an opinion of probable Construction Cost of the Work prepared in accordance with Section 6.3.

§ 3.2.7 The Architect shall submit the Schematic Design Documents to the Owner, and request the Owner’s approval.
§ 3.3 DESIGN DEVELOPMENT PHASE SERVICES
§ 3.3.1 Based on the Owner’s approval of the Schematic Design Documents, and on the Owner’s authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Design Development Documents for the Owner’s approval. The Design Development Documents shall illustrate and describe the development of the approved Schematic Design Documents and shall consist of drawings and other documents including plans, sections, elevations, typical construction details and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, and such other elements as may be appropriate. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish in general their quality levels.

§ 3.3.2 The Architect shall update the opinion of probable Construction Cost of the Work.

§ 3.3.3 The Architect shall submit the Design Development documents to the Owner, advise the Owner of any adjustments to the estimate of the Cost of the Work, and request the Owner’s approval.

§ 3.4 CONSTRUCTION DOCUMENTS PHASE SERVICES
§ 3.4.1 Based on the Owner’s approval of the Design Development Documents, and on the Owner’s authorization of any adjustments in the Project requirements and the preliminary opinion of probable Construction Cost of the Work, the Architect shall prepare Construction Documents for the Owner’s approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications setting forth in detail the quality levels of materials and systems and other requirements for the construction of the Work. The Owner and Architect acknowledge that in order to construct the Work the Contractor will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect shall review in accordance with Section 3.6.4.

§ 3.4.2 The Architect shall incorporate into the Construction Documents the design requirements of governmental authorities having jurisdiction over the Project. The Architect shall be responsible for making such changes in the Construction Documents as may be mandated by said government authorities at its expense if determined by the parties or an independent third party to have been originally drawn in error.

§ 3.4.3 During the development of the Construction Documents, the Architect shall assist the Owner in the development and preparation of (1) bidding and procurement information that describes the time, place and conditions of bidding, including bidding or proposal forms; (2) the form of agreement between the Owner and Contractor; and (3) the Conditions of the Contract for Construction (General, Supplementary and other Conditions). The Architect shall also compile a project manual that includes the Conditions of the Contract for Construction and Specifications and may include bidding requirements and sample forms. Any and all sample forms and contracts provided by the Architect shall to the best of its knowledge conform to applicable requirements of Iowa Code Chapter 573 and other applicable statutes at the time of issuance of bidding documents. Owner’s legal counsel shall be contacted by the Owner to review the Architect’s provided forms and contracts for legal and statutory compliance and legal counsel shall notify the Owner and Architect of any needed changes to ensure statutory compliance.

§ 3.4.4 The Architect shall update the opinion of probable Construction Cost of the Work.

§ 3.4.5 The Architect shall submit the Construction Documents to the Owner, advise the Owner of any adjustments to the opinion of probable Construction Cost of the Work, take any action required under Section 6.5, and request the Owner’s approval.

§ 3.5 BIDDING PHASE SERVICES
§ 3.5.1 GENERAL
The Architect shall assist the Owner in establishing a list of prospective contractors. Following the Owner’s approval of the Construction Documents, the Architect shall assist the Owner in (1) obtaining competitive bids; (2) confirming responsiveness of bids or proposals; (3) determining the successful bid or proposal, if any; and, (4) awarding and preparing contracts for construction.
§ 3.5.2 COMPETITIVE BIDDING
§ 3.5.2.1 Bidding Documents shall consist of bidding requirements and proposed Contract Documents.

§ 3.5.2.2 The Architect shall assist the Owner in bidding the Project by
1. procuring the reproduction of Bidding Documents for distribution to prospective bidders;
2. distributing the Bidding Documents to prospective bidders, requesting their return upon completion of the bidding process, and maintaining a log of distribution and retrieval and of the amounts of deposits, if any, received from and returned to prospective bidders;
3. organizing and conducting a pre-bid conference for prospective bidders;
4. preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to all prospective bidders in the form of addenda; and
5. organizing and conducting the opening of the bids, and subsequently documenting and distributing the bidding results, as directed by the Owner.

§ 3.5.2.3 The Architect shall consider requests for substitutions, if the Bidding Documents permit substitutions, and shall prepare and distribute addenda identifying approved substitutions to all prospective bidders.

§ 3.6. CONSTRUCTION PHASE SERVICES
§ 3.6.1 GENERAL
§ 3.6.1.1 The Architect shall provide administration of the Contract between the Owner and the Contractor as set forth below and in AIA Document A201™—2007, General Conditions of the Contract for Construction. If the Owner and Contractor modify AIA Document A201—2007, those modifications shall not affect the Architect's services under this Agreement unless the Owner and the Architect amend this Agreement. The Architect, as a hired representative of the Owner, shall provide construction phase services in a manner consistent with the interests of the Owner and with that degree of skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

§ 3.6.1.2 The Architect shall advise and consult with the Owner during the Construction Phase Services. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Architect shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall the Architect be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect's negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of the Contractor or of any other persons or entities performing portions of the Work.

§ 3.6.1.3 Subject to Section 4.3, the Architect's responsibility to provide Construction Phase Services commences with the award of the Contract for Construction and terminates on the date the Architect issues the final Certificate for Payment.

§ 3.6.2 EVALUATIONS OF THE WORK
§ 3.6.2.1 The Architect, as a representative of the Owner, shall visit the site at intervals appropriate to the stage of construction, and as mutually agreed upon by the Owner and Architect in Section 4.3.3, to observe the Work, to become generally familiar with the progress and quality of the Work, and to provide an opinion to the Owner regarding whether the Work is proceeding in general accordance with the Contract Documents. On the basis of on-site observations as an architect, the Architect shall keep the Owner reasonably informed of the progress and quality of the Work, and shall use reasonable care customary in the industry to advise the Owner of observed deviations from the Contract Documents and observed failures of the Contractor to carry out the Work in accordance with the Construction Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Architect shall neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, construction schedule or for the safety precautions and programs in connection with the Work.

§ 3.6.2.2 The Architect has the authority to reject Work that does not conform to the Contract Documents, upon notice to the Owner, and shall advise the Owner in writing, regarding a recommendation of rejection of Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect shall...
have the authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees or other persons or entities performing portions of the Work.

§ 3.6.2.3 The Architect shall interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 3.6.2.4 Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and decisions, the Architect shall endeavor to secure faithful performance by both Owner and Contractor and shall not be liable for results of interpretations or decisions rendered in good faith. The Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

§ 3.6.2.5 Unless the Owner and Contractor designate another person to serve as an Initial Decision Maker, as that term is defined in AIA Document A201-2007, the Architect shall render initial decisions on Claims between the Owner and Contractor as provided in the Contract Documents.

§ 3.6.3 CERTIFICATES FOR PAYMENT TO CONTRACTOR

§ 3.6.3.1 The Architect shall review and certify the amounts due the Contractor and shall issue certificates in such amounts. The Architect's certification for payment shall constitute a representation to the Owner, based on the Architect's evaluation of the Work as provided in Section 3.6.2 and on the data comprising the Contractor's Application for Payment, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated and that the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject (1) to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion; (2) to results of subsequent tests and inspections, (3) to correction of minor deviations from the Contract Documents prior to completion, and (4) to specific qualifications expressed by the Architect.

§ 3.6.3.2 The issuance of a Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and material suppliers and other data requested by the Owner to substantiate the Contractor's right to payment, or (4) ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum. However, the issuance of a Certificate for Payment shall constitute a representation to the Owner that to the best of the Architect's knowledge, information and belief, the Contractor is entitled to payment in the amount certified.

§ 3.6.3.3 The Architect shall maintain a record of the Applications and Certificates for Payment, copies of which Applications and Certificates for Payment shall be sent to the Owner with certifications of each signed by the Architect.

§ 3.6.4 SUBMITTALS

§ 3.6.4.1 The Architect shall review the Contractor's submittal schedule and shall not unreasonably delay or withhold approval. The Architect's action in reviewing submittals shall be taken in accordance with the submittal schedule or, in the absence of a submittal schedule, with reasonable promptness while allowing sufficient time in the Architect's professional judgment to permit adequate review.

§ 3.6.4.2 In accordance with the Contractor's submittal schedule, the Architect shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which is the Contractor's responsibility. The Architect's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect, of any construction means, methods, techniques, sequences or
The Architect’s approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 3.6.4.3. If the Contract Documents specifically require the Contractor to provide professional design services or certifications by a design professional related to systems, materials or equipment, the Architect shall specify the appropriate performance and design criteria that such services must satisfy. The Architect shall review shop drawings and other submittals related to the Work designed or certified by the design professional retained by the Contractor that bear such professional’s seal and signature when submitted to the Architect. The Architect shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications and approvals performed or provided by such design professionals.

§ 3.6.4.4. Subject to the provisions of Section 4.3, the Architect shall review and respond to requests for information about the Contract Documents. The Architect shall set forth in the Contract Documents the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect’s response to such requests shall be made in writing within any time limits agreed upon, or otherwise with reasonable promptness. If appropriate, the Architect shall prepare and issue supplemental Drawings and Specifications in response to requests for information.

§ 3.6.4.5. The Architect shall maintain a record of submittals and copies of submittals supplied by the Contractor in accordance with the requirements of the Contract Documents.

§ 3.6.5. CHANGES IN THE WORK

§ 3.6.5.1. The Architect may authorize minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. Subject to the provisions of Section 4.3, the Architect shall prepare Change Orders and Construction Change Directives for the Owner’s approval and execution in accordance with the Contract Documents.

§ 3.6.5.2. The Architect shall maintain records relative to changes in the Work.

§ 3.6.6. PROJECT COMPLETION

§ 3.6.6.1. The Architect shall conduct inspections to determine the date or dates of Substantial Completion and the date of final completion; issue Certificate of Substantial Completion; receive from the Contractor and forward to the Owner, for the Owner’s review and records, written warranties and related documents required by the Contract Documents; and issue a final Certificate for Payment based upon a final inspection indicating the Work complies with the requirements of the Contract Documents.

§ 3.6.6.2. The Architect’s inspections shall be conducted with the Owner to check conformance of the Work with the requirements of the Contract Documents and to verify the accuracy and completeness of the list submitted by the Contractor of Work to be completed or corrected.

§ 3.6.6.3. When the Work is found to be substantially complete, the Architect, acting as the Owner’s authorized contract representative in accordance with the requirements of Iowa Code Chapter 26, shall inform the Owner about the balance of the Contract Sum remaining to be paid the Contractor, including the amount to be retained from the Contract Sum, if any, for final completion or correction of the Work and/or for Iowa Code Chapter 573 claims filed. The Architect shall promptly notify the Owner if the Contractor requests early release of retainage funds upon achieving Substantial Completion and shall inform the Owner if all required documentation for the request of early release of retainage has been received from the Contractor and is in proper order.

§ 3.6.6.4. The Architect shall forward to the Owner the following information received from the Contractor: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (2) affidavits, receipts, releases and waivers of liens or bonds indemnifying the Owner against liens; and (3) any other documentation required of the Contractor under the Contract Documents.

§ 3.6.6.5. Upon request of the Owner, and prior to the warranty expiration of one year from the date of Substantial Completion, the Architect shall, without additional compensation, conduct a meeting with the Owner to review the
facility operations and performance and perform a pre-warranty expiration site observation. A list of items requiring warranty work shall be submitted to the Contractor for corrective action.

ARTICLE 4 ADDITIONAL SERVICES

§ 4.1 Additional Services listed below are not included in Basic Services but may be required for the Project. The Architect shall provide the listed Additional Services only if specifically designated in the table below as the Architect's responsibility, and the Owner shall compensate the Architect as provided in Section 11.2. (Designate the Additional Services the Architect shall provide in the second column of the table below. In the third column indicate whether the service description is located in Section 4.2 or in an attached exhibit. If in an exhibit, identify the exhibit.)

<table>
<thead>
<tr>
<th>Additional Services</th>
<th>Responsibility (Architect, Owner or Not Provided)</th>
<th>Location of Service Description (Section 4.2 below or in an exhibit attached to this document and identified below)</th>
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</table>

§ 4.2 Insert a description of each Additional Service designated in Section 4.1 as the Architect's responsibility, if not further described in an exhibit attached to this document.

§ 4.3 Additional Services may be provided after execution of this Agreement, without invalidating the Agreement. Except for services required due to the fault of the Architect, any Additional Services provided in accordance with this Section 4.3 shall entitle the Architect to compensation pursuant to Section 11.3 and an appropriate adjustment in the Architect's schedule.
§ 4.3.1 Upon recognizing the need to perform the following Additional Services, the Architect shall notify the Owner with reasonable promptness and explain the facts and circumstances giving rise to the need. The Architect shall not proceed to provide the following services until the Architect receives the Owner's written authorization:

1. Services necessitated by a change in the Initial Information, previous instructions or approvals given by the Owner, or a material change in the Project including, but not limited to, size, quality, complexity, the Owner's schedule or budget for Cost of the Work, or procurement or delivery method;

2. Services necessitated by the Owner's request for extensive environmentally responsible design alternatives, such as unique system designs, in-depth material research, energy modeling, or LEED® certification;

3. Changing or editing previously prepared Instruments of Service necessitated by the enactment or revision of codes, laws or regulations or official interpretations;

4. Services necessitated by decisions of the Owner not rendered in a timely manner or any other failure of performance on the part of the Owner or the Owner's consultants or contractors;

5. Preparing digital data for transmission to the Owner's consultants and contractors, or to other Owner authorized recipients;

6. Preparation and documentation for alternate bid or proposal requests proposed by the Owner;

7. Preparation for, and attendance at disputes resolution proceeding or legal proceeding, except where the Architect is party thereto; or

8. Consultation concerning replacement of Work resulting from fire or other cause during construction.

§ 4.3.2 To avoid delay in the Construction Phase, the Architect shall provide the following Additional Services, notify the Owner with reasonable promptness, and explain the facts and circumstances giving rise to the need. If the Owner subsequently determines that all or parts of those services are not required, the Owner shall give prompt written notice to the Architect, and the Owner shall have no further obligation to compensate the Architect for those services:

1. Reviewing a Contractor's submittal out of sequence from the Contractor's schedule;

2. Responding to the Contractor's requests for information that are not prepared in accordance with the Contract Documents or where such information is available to the Contractor from a careful study and comparison of the Contract Documents, field conditions, other Owner-provided information, Contractor-prepared coordination drawings, or prior Project correspondence or documentation;

3. Preparing Construction Change Directives that require evaluation of Contractor's proposals and supporting data, or the preparation or revision of Instruments of Service;

4. Evaluating more than ten (10) Claims as the Initial Decision Maker;

5. Evaluating substitutions proposed by the Owner or Contractor and making subsequent revisions to Instruments of Service resulting therefrom; or

6. To the extent the Architect's Basic Services are affected, providing Construction Phase Services 60 days after (1) the date of Substantial Completion of the Work or (2) the anticipated date of Substantial Completion identified in Initial Information, whichever is earlier.

§ 4.3.3 The Architect shall provide Construction Phase Services exceeding the limits set forth below as Additional Services. When the limits below are reached, the Architect shall notify the Owner:

1. Two (2) reviews of each Shop Drawing, Product Data item, or similar submittal of the Contractor;

2. Two (2) visits per month to the site by the Architect over the duration of the Project during construction excluding visits required in subsections .3 and .4 of this subparagraph 4.3.3;

3. Two (2) inspections for any portion of the Work to determine whether such portion of the Work is substantially complete in accordance with the requirements of the Contract Documents;

4. Two (2) inspections for any portion of the Work to determine final completion;

5. At least one (1) observation of the Work to view what is visually observable after the Work has been accepted by the Owner at approximately eleven (11) months after final acceptance.

§ 4.3.4 If the Master Planning services covered by this Agreement have not been completed within Thirty-six (36) months of the date of this Agreement, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as Additional Services. Any additional projects requested by the Owner to be designed by FRK shall be completed within the designated time provided for in that project's specific amendment to this Agreement.
ARTICLE 5  OWNER’S RESPONSIBILITIES

§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner’s objectives, schedule, constraints and criteria, including space requirements and relationships, flexibility, expandability, special equipment, systems and site requirements. Within 15 days after receipt of a written request from the Architect, the Owner shall furnish the requested information as necessary and relevant for the Architect to evaluate, give notice of or enforce lien rights.

§ 5.2 The Owner shall establish and periodically update the Owner’s budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1; (2) the Owner’s other costs; and, (3) reasonable construction and estimate contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner’s budget for the Cost of the Work, the Owner shall notify the Architect. The Owner and the Architect shall thereafter agree to a corresponding change in the Project’s scope and quality.

§ 5.3 The Owner shall identify a representative authorized to act on the Owner’s behalf with respect to the Project. The Owner shall render decisions and approve the Architect’s submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Architect’s services. The representative shall be Greg DuFoe, Superintendent.

§ 5.4 The Owner shall furnish surveys to describe physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way restrictions, easements, encroachments, zoning, flood restrictions, boundaries and contours of the site; locations, dimensions and necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including invert and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 5.5 The Owner shall furnish services of geotechnical engineers, which may include but are not limited to test borings, test pits, determinations of soil bearing values, percolation tests, geothermal test boring and thermal conductivity evaluations, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsurface conditions, with written reports and appropriate recommendations. The Owner shall also furnish services of a special inspector to provide special inspections in accordance with applicable codes and regulations in force on the date of this agreement.

§ 5.6 The Owner shall coordinate the services of its own consultants with those services provided by the Architect. Upon the Architect’s request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner’s consultants. The Owner shall furnish the services of consultants other than those designated in this Agreement; or authorize the Architect to furnish them as an Additional Service, when the Architect requests such services and demonstrates that they are reasonably required by the scope of the Project. The Owner shall require that its consultants maintain professional liability insurance as appropriate to the services provided.

§ 5.7 The Owner shall furnish tests, inspections and reports required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 5.8 The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner’s needs and interests.

§ 5.9 The Owner shall provide prompt written notice to the Architect if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in the Architect’s Instruments of Service. However, the Owner shall have no responsibility to inspect the Project or the Architect’s Instruments of Service for defects.

§ 5.10 Except as otherwise provided in this Agreement, or when direct communications have been specially authorized, the Owner shall endeavor to communicate with the Contractor and the Architect’s consultants through the Architect about matters arising out of or relating to the Contract Documents. The Owner shall promptly notify the Architect of any direct communications that may affect the Architect’s services.
§ 5.11 Before executing the Contract for Construction, the Owner shall coordinate the Architect’s duties and responsibilities set forth in the Contract for Construction with the Architect’s services set forth in this Agreement. The Owner shall provide the Architect a copy of the executed agreement between the Owner and Contractor, including the General Conditions of the Contract for Construction.

§ 5.12 The Owner shall provide the Architect access to the Project site prior to commencement of the Work and shall obligate the Contractor to provide the Architect access to the Work wherever it is in preparation or progress.

ARTICLE 6 COST OF THE WORK

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include contractors’ general conditions costs, overhead and profit. The Cost of the Work does not include the compensation of the Architect, the costs of the land, rights-of-way, financing, contingencies for changes in the Work or other costs that are the responsibility of the Owner.

§ 6.2 The Owner’s budget for the Cost of the Work is provided in Initial Information, and may be adjusted throughout the Project as required under Sections 5.2, 6.4 and 6.5. Evaluations of the Owner’s budget for the Cost of the Work, the opinion of probable Construction Cost of the Work and updated opinion of probable Construction Cost of the Work prepared by the Architect, represent the Architect’s judgment as a design professional. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials or equipment; the Contractor’s methods of determining bid prices; or competitive bidding, market or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Owner’s budget for the Cost of the Work or from any opinion of probable Construction Cost of the Work or evaluation prepared or agreed to by the Architect.

§ 6.3 In preparing the opinion of probable Construction Cost of Work, the Architect shall be permitted to include contingencies for design, bidding and price escalation; to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents; to make reasonable adjustments in the program and scope of the Project; and to include in the Contract Documents alternate bids as may be necessary to adjust the opinion of probable Construction Cost of the Work to meet the Owner’s budget for the Cost of the Work.

The Architect’s opinion of probable Construction Cost of the Work shall be based on current area, volume or similar conceptual estimating techniques. If the Owner requests detailed cost estimating services, the Architect shall provide such services as an Additional Service under Article 4.

§ 6.4 If the Bidding Phase has not commenced within 90 days after the Architect submits the Construction Documents to the Owner, through no fault of the Architect, the Owner’s budget for the Cost of the Work shall be adjusted to reflect changes in the general level of prices in the applicable construction market.

§ 6.5 If at any time the Architect’s opinion of probable Construction Cost of the Work exceeds the Owner’s budget for the Cost of the Work, the Architect shall make appropriate recommendations to the Owner to adjust the Project’s size, quality or budget for the Cost of the Work, and the Owner shall consider the Architect’s recommendations and cooperate with the Architect to reach mutually agreeable adjustments.

§ 6.6 If the Owner’s budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services is exceeded by the lowest responsive, responsible bid, the Owner shall

1. give written approval of an increase in the budget for the Cost of the Work;
2. authorize rebidding or renegotiating of the Project within a reasonable time;
3. terminate in accordance with Section 9.5;
4. in consultation with the Architect, revise the Project program, scope, or quality as required to reduce the Cost of the Work; or
5. implement any other mutually acceptable alternative.

§ 6.7 If the Owner chooses to proceed under Section 6.6.4, the Architect, without additional compensation, shall modify the Construction Documents as necessary to comply with the Owner’s budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services, or the budget as adjusted under Section 6.6.1. The...
ARTICLE 7 COPYRIGHTS AND LICENSES

§ 7.1 The Architect and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project. If the Owner and Architect intend to transmit Instruments of Service or any other information or documentation in digital form, they shall endeavor to establish necessary protocols governing such transmissions.

§ 7.2 The Architect and the Architect’s consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect’s consultants.

§ 7.3 Upon execution of this Agreement, the Architect grants to the Owner a nonexclusive license to use the Architect’s Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner has made payment of all sums when due, under this Agreement. The Architect shall obtain similar nonexclusive licenses from the Architect’s consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Contractor, Subcontractors, Sub-subcontractors, and material or equipment suppliers, as well as the Owner’s consultants and separate contractors, to reproduce applicable portions of the Instruments of Service solely and exclusively for use in performing services or construction for the Project.

§ 7.3.1 In the event the Owner uses the Instruments of Service without retaining the author of the Instruments of Service, the Owner releases the Architect and Architect’s consultant(s) from all claims and causes of action arising from such uses.

§ 7.4 Except for the license granted in this Article 7, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner’s sole risk and without liability to the Architect and the Architect’s consultants.

ARTICLE 8 CLAIMS AND DISPUTES

§ 8.1 GENERAL

§ 8.1.1 The Owner and Architect shall commence all claims and causes of action, whether in contract, tort, or otherwise, against the Architect arising out of or related to this Agreement in accordance with the requirements of the method of binding dispute resolution selected in this Agreement within the period specified by applicable law, but in no case not more than 10 years after the date of Substantial Completion of the Work. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Section 8.1.1.

§ 8.1.2 To the extent damages are covered by property insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A201–2007, General Conditions of the Contract for Construction. The Owner or the Architect, as appropriate, shall require of the contractors, consultants, agents and employees of any of them similar waivers in favor of the other parties enumerated herein.

§ 8.1.3 Architect and any Architect subconsultants shall indemnify and hold Owner and its officers, employees and successors, harmless from and against all, damages, losses and judgments, including reasonable attorney’s fees and expenses, to the extent they arise from Architect’s negligent acts, errors or omissions in the performance of its services. Architect’s liability arising from this Agreement shall be limited to Two Million Dollars ($2,000,000) or the amount of Architect’s available insurance coverage at the time of settlement or judgment, whichever is greater. Owner further agrees that, to the fullest extent permitted by law, no shareholder, officer, director, partner, principal or employee of Architect shall have personal liability under this Indemnification provision, under any provision of the Agreement or for any matter in connection with the professional services provided in connection with the Project.
§ 8.1.4 The Owner and Architect hereby expressly reserve the right to claim consequential damages against the other for claims, disputes or other matters in question arising out of or relating to this Agreement. This right to claim consequential damages is applicable to all consequential damages due to either party’s termination of this Agreement and shall be limited to $100,000.

§ 8.2 MEDIATION

§ 8.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to non-binding mediation as a condition precedent to binding dispute resolution, upon mutual agreement of the parties. If such matter relates to or is the subject of a lien arising out of the Architect’s services, the Architect may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by non-binding mediation or by binding dispute resolution.

§ 8.2.2 The Owner and Architect shall endeavor in good faith to resolve claims, disputes and other matters in question between them by mutual agreement and may, by mutual agreement and in their discretion, submit same to non-binding mediation which shall be in accordance with Iowa Code Chapter 679C. Requests for mediation shall be made in writing, delivered to the other party to the Agreement. If the Owner and Architect are unable to mutually agree upon a mediator in writing within sixty (60) days of receiving the written request for mediation, either party may then institute legal or equitable proceedings. Mediation shall be voluntary only and shall not be a prerequisite to litigation or other means of dispute resolution.

§ 8.2.3 The parties shall share the mediator’s fee and any filing fees equally. The non-binding mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon.

§ 8.2.4 If the parties do not resolve a dispute through non-binding mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:

(Check the appropriate box. If the Owner and Architect do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.)

[ ] Arbitration pursuant to Section 8.3 of this Agreement
[X] Litigation in a court of competent jurisdiction
[ ] Other (Specify)

(Paragraphs deleted)

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 If the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect’s option, cause for suspension of performance of services under this Agreement, except that payment may be withheld from the Architect for the Architect’s substantial noncompliance or nonperformance determined in accordance with the terms of this Agreement, without penalty to Owner for such withholding. If the Architect elects to suspend services, the Architect shall give seven days’ written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Architect shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect’s services. The Architect’s fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect’s services. The Architect’s fees for the remaining services and the time schedules shall be equitably adjusted.
§ 9.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days' written notice.

§ 9.4 Either party may terminate this Agreement upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 9.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Architect for the Owner's convenience and without cause.

§ 9.6 In the event of termination not the fault of the Architect, the Architect shall be compensated for services performed prior to termination, together with Reimbursable Expenses then due.

§ 9.7 The Owner's rights to use the Architect's Instruments of Service in the event of a termination of this Agreement are set forth in Article 7.

(Paragraph deleted)

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 This Agreement shall be governed by the law of the State of Iowa.

§ 10.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201–2007, General Conditions of the Contract for Construction.

§ 10.3 The Owner and Architect, respectively, bind themselves, their agents, successors, assigns and legal representatives to this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other.

§ 10.4 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of this Agreement.

§ 10.5 Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Owner or Architect.

§ 10.6 Unless otherwise required in this Agreement, the Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 10.7 The Architect shall have the right to include photographic or artistic representations of the design of the Project among the Architect's promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Architect in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect in the Owner's promotional materials for the Project.

§ 10.8 If the Architect or Owner receives information specifically designated by the other party as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except to (1) its employees, (2) those who need to know the content of such information in order to perform services or construction solely and exclusively for the Project, or (3) its consultants and contractors whose contracts include similar restrictions on the use of confidential information.
ARTICLE 11 COMPENSATION
§ 11.1 For the Architect’s Basic Services described under Article 3, the Owner shall compensate the Architect as follows:
(Insert amount of, or basis for, compensation.)

1.) FACILITIES MASTER PLANNING

Hourly Rates not to exceed Ten Thousand Dollars ($10,000).

frk architects + engineers
2012 Personnel Hourly Billable Rates

<table>
<thead>
<tr>
<th>Principal/Engineer</th>
<th>Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>David A. Briden</td>
<td>$158.30</td>
</tr>
<tr>
<td>James P. Figger</td>
<td>$158.30</td>
</tr>
<tr>
<td>C. Douglas Chervek</td>
<td>$112.30</td>
</tr>
<tr>
<td>Richard L. Kyras</td>
<td>$133.25</td>
</tr>
<tr>
<td>Andrew M. Reich</td>
<td>$112.30</td>
</tr>
<tr>
<td>Timothy A. Veatch</td>
<td>$112.30</td>
</tr>
<tr>
<td>Thomas C. Wollan</td>
<td>$112.30</td>
</tr>
</tbody>
</table>

Support Staff:
- Holly A. DeGoey: $73.30
- Annette S. Dotts: $81.25
- Douglas J. Frericks: $89.40
- Cem K. Hux: $84.00
- Pamela M. Lovell: $60.95
- Dale R. Saxton: $77.70
- Melissa J. Winters: $77.05

Farris Engineering, Consulting Engineers
2012 Personnel Hourly Billable Rates

<table>
<thead>
<tr>
<th>Position</th>
<th>Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>$165.00</td>
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<tr>
<td>Project Managers/Engineers</td>
<td>$140.00</td>
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<tr>
<td>Fire Protection Engineers</td>
<td>$110.00</td>
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<tr>
<td>Mechanical/Electrical Engineers</td>
<td>$110.00</td>
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<tr>
<td>Mechanical/Electrical Designers</td>
<td>$80.00</td>
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<tr>
<td>Field Coordinator</td>
<td>$75.00</td>
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<tr>
<td>Technicians/CADD Operators</td>
<td>$63.00</td>
</tr>
<tr>
<td>Clerical Staff</td>
<td>$43.00</td>
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</tbody>
</table>

2.) PROJECTS AS DIRECTED BY THE BOARD OF EDUCATION:

BUILDING ADDITIONS AND RENOVATIONS

Basic Compensation shall be computed at the following sum and percentage of accumulative construction cost for portions of the Project to be awarded at the same time under stipulated sum contracts for General, Mechanical, Electrical, and Fixtures and Equipment Work.

<table>
<thead>
<tr>
<th>Construction Cost</th>
<th>Sum and Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $250,000</td>
<td>Hourly Rates per Paragraph 11.2</td>
</tr>
<tr>
<td>Over $250,000 and Less than $500,000</td>
<td>$28,500 plus 10.50% of amount over $250,000</td>
</tr>
<tr>
<td>Over $500,000 and Less than $750,000</td>
<td>$54,750 plus 9.50% of amount over $500,000</td>
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</table>

Init.
AIA Document G101™—2007 (formerly G101™—1997). Copyright © 1974, 1978, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:24:29 on 08/09/2012 under Order No.71225973491 which expires on 09/23/2012, and is not for resale.
User Notes: (1104609222)
Over $750,000 and Less than $1,000,000: $78,500 plus 8.00% of amount over $750,000
Over $1,000,000 and Less than $2,000,000: $98,500 plus 7.50% of amount over $1,000,000
$2,000,000 and Over: $173,500 plus 7.00% of amount over $2,000,000

NEW CONSTRUCTION

Basic Compensation shall be computed at the following sum and percentage of accumulative construction cost for portions of the Project to be awarded at the same time under stipulated sum contracts for General, Mechanical, Electrical, and Fixtures and Equipment Work.

<table>
<thead>
<tr>
<th>Construction Cost</th>
<th>Sum and Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $250,000</td>
<td>Hourly Rates per Paragraph 11.2</td>
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<td>Over $250,000 and Less than $500,000</td>
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<td>$2,000,000 and Over</td>
<td>$151,000 plus 6.00% of amount over $2,000,000</td>
</tr>
</tbody>
</table>

§ 11.2 For Additional Services designated in Section 4.1, the Owner shall compensate the Architect as follows: (Insert amount of, or basis for, compensation. If necessary, list specific services to which particular methods of compensation apply.)

f/k architects + engineers
2012 Personnel Hourly Billable Rates

Principals of Firm:
- David A. Beidner: $158.30
- James E. Egger: $158.30

Registered Architects-Engineers:
- C. Douglas Chervec: $112.30
- Richard L. Kyras: $133.25
- Andrew M. Reich: $112.30
- Timothy A. Veatch: $112.30
- Thomas C. Wollan: $112.30

Support Staff:
- Holly A. DeGoey: $73.30
- Annette S. Dotts: $81.25
- Douglas J. Prericks: $89.40
- Canh X. Huu: $84.00
- Pamela M. Lovell: $60.95
- Dale R. Saxton: $77.70
- Melissa J. Winters: $77.05
§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.3, the Owner shall compensate the Architect as follows:
(Insert amount of, or basis for, compensation.)

See Paragraph 11.2

§ 11.4 Compensation for Additional Services of the Architect’s consultants when not included in Section 11.2 or 11.3, shall be the amount invoiced to the Architect plus ten percent (10%), or as otherwise stated below:

§ 11.5 Where compensation for Basic Services is based on a stipulated sum or percentage of the Cost of the Work, the compensation for each phase of services shall be as follows:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Percentage</th>
</tr>
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<tbody>
<tr>
<td>Schematic Design Phase</td>
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<td>Design Development Phase</td>
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<td>Construction Documents Phase</td>
<td>40%</td>
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<td>Bidding or Negotiation Phase</td>
<td>5%</td>
</tr>
<tr>
<td>Construction Phase</td>
<td>20%</td>
</tr>
</tbody>
</table>

Total Basic Compensation: one hundred percent (100%)

§ 11.6 When compensation is based on a percentage of the Cost of the Work and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions, in accordance with the schedule set forth in Section 11.5 based on (1) the lowest responsive responsible bid, or (2) if no such bid or proposal is received, the most recent opinion of probable Construction Cost of the Work for each portion of the Project. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.

§ 11.7 The hourly billing rates for services of the Architect and the Architect’s consultants, if any, are set forth below. The rates shall be adjusted in accordance with the Architect’s and Architect’s consultants’ normal review practices. (If applicable, attach an exhibit of hourly billing rates or insert them below.)

See Hourly Rates as defined in Paragraph 11.2

Employee or Category | Rate
---------------------|------

§ 11.8 COMPENSATION FOR REIMBURSABLE EXPENSES

§ 11.8.1 Reimbursable Expenses are in addition to compensation for Basic and Additional Services and include expenses incurred by the Architect and the Architect’s consultants directly related to the Project. Any reimbursable expenses must receive prior approval of the Owner which shall not be unreasonably withheld. Reimbursable expenses are as follows:

1. Transportation and authorized out-of-town travel and subsistence;
2. Long distance services, dedicated data and communication services, teleconferences, Project Web sites, and extranets;
3. Fees paid for securing approval of authorities having jurisdiction over the Project;
4. Printing, reproductions, plots, standard form documents;
5. Postage, handling and delivery;
Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner; renderings, models, mock-ups, professional photography, and presentation materials requested by the Owner; Architect’s Consultant’s expense of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits if the Owner requests such insurance in excess of that normally carried by the Architect’s consultants; all taxes levied on professional services and on reimbursable expenses; and other similar project-related expenditures.

§ 11.8.2 For reimbursable expenses the compensation shall be the expenses incurred by the Architect and the Architect’s consultants with no percentage markup.

§ 11.9 COMPENSATION FOR USE OF ARCHITECT’S INSTRUMENTS OF SERVICE

§ 11.10 PAYMENTS TO THE ARCHITECT

§ 11.10.1 An initial payment of Zero Dollars ($0.00) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner’s account in the final invoice.

§ 11.10.2 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect’s invoice. Amounts unpaid thirty-one (31) days after the invoice date shall bear interest at the rate equal to the rate specified by rule pursuant to Iowa Code Section 74A:2.

§ 11.10.3 The Owner shall not withhold amounts from the Architect’s compensation to impose a penalty or liquidated damages on the Architect, or to offset sums requested by or paid to contractors for the cost of changes in the Work unless the Architect agrees or has been found liable for the amounts in a binding dispute resolution proceeding.

§ 11.10.4 Records of reimbursable expenses, expenses pertaining to additional services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times.

ARTICLE 12 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Agreement are as follows:

(a) The Architect (Company) shall not be owned, operated, or managed by a registered sex offender who has been convicted of a sex offense against a minor in accordance with Iowa Code 692A.113. In addition, the Architect shall not permit an employee, Subconsultant (Company) owned, operated, or managed by, or Subconsultant employee who is a registered sex offender convicted of a sex offense against a minor on real property of the Owner’s schools in accordance with Iowa Code 692A.113. The Architect shall further acknowledge and certify services provided under this Contract comply with Iowa Code 692A.113, and shall fully execute and deliver a copy of “Acknowledgment and Certification” Form, attached hereto as Exhibit B, within 10 days of the execution of the Agreement or before any Company workers are on the Project site.

ARTICLE 13 SCOPE OF THE AGREEMENT

§ 13.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.

§ 13.2 This Agreement is comprised of the following documents listed below:

2. AIA Document E201™-2007, Digital Data Protocol Exhibit, if completed, or the following:
Other documents:
(List other documents, if any, including Exhibit A, Initial Information, and additional scopes of service, if any, forming part of the Agreement.)

Exhibit A, Initial Information
Exhibit B, Acknowledgement and Certification Form

This Agreement entered into as of the day and year first written above.

OWNER
Adel DeSoto Minburn Community School District
Adel, Iowa

ARCHITECT
Frevor-Ramsey-Kobes, Architects-Engineers, PC
West Des Moines, Iowa

(Signature)

(Signature)

(Printed name and title)

(Printed name and title)
Initial Information

for the following PROJECT:

(Name and location or address)

1.) Facilities Master Planning
Adel DeSoto Minburn Community School District

2.) Project(s) as may be authorized or directed by the Board of Education of the
Adel DeSoto Minburn Community School District to be performed by FRK

THE OWNER:

(Name, legal status and address)

Adel DeSoto Minburn Community School District
801 Nile Kinnick Drive S:
Adel, IA 50003

THE ARCHITECT:

(Name, legal status and address)

Freyert-Ramsey-Kobes, Architects-Engineers, P.C.
2500 Westown Parkway, Suite 340
West Des Moines, IA 50266

This agreement is based on the following information.
(Note the disposition for the following items by inserting the requested information or a
statement such as "not applicable," "unknown at time of execution" or "to be determined
later by initial agreement.")

ARTICLE A.1 PROJECT INFORMATION

§ A.1.1 The Owner's program for the project:

(Identify documentation or state the manner in which the program will be developed.)

To be determined

§ A.1.2 The project's physical characteristics:

(Identify or describe, if appropriate, size, location, dimensions, or other pertinent
information, such as geotechnical reports; site, boundary and topographic surveys; traffic
and utility studies; availability of public and private utilities and services; legal
description of the site; etc.)

To be determined

§ A.1.3 The Owner's budget for the Cost of the Work, as defined in Section 6.1:

(Provide total, and if known, a line item break down.)

To be determined

ADDITIONS AND DELETIONS:
The author of this document has added information needed for its
completion. The author may also
have revised the text of the original
AIA standard form. An Additions and
Deletions Report that notes added
information as well as revisions to the
standard form text is available from
the author and should be reviewed. A
vertical line in the left margin of this
document indicates where the author
has added necessary information
and where the author has added to or
deleted from the original AIA text.
This document has important legal
consequences. Consultation with an
attorney is encouraged with respect
to its completion or modification.
§ A.1.4 The Owner's other anticipated scheduling information, if any, not provided in Section 1.2:

To be determined

§ A.1.5 The Owner intends the following procurement or delivery method for the Project:

(Identify method such as competitive bid, negotiated contract, or construction management.)

Competitive Bid

§ A.1.6 Other Project information:

(Identify special characteristics or needs of the Project not provided elsewhere, such as environmentally responsible design or historic preservation requirements.)

To be determined

ARTICLE A.2 PROJECT TEAM

§ A.2.1 The Owner identifies the following representative in accordance with Section 5.3:

(List name, address and other information.)

Greg DeSoto, Superintendent
Adel DeSoto Minburn Community School District

Telephone Number: 515-993-4283

§ A.2.2 The persons or entities, in addition to the Owner's representative, who are required to review the Architect's submittals to the Owner are as follows:

(List name, address and other information.)

None

§ A.2.3 The Owner will retain the following consultants and contractors:

(List discipline and, if known, identify them by name and address.)

To be determined

§ A.2.4 The Architect identifies the following representative in accordance with Section 2.3:

(List name, address and other information.)

David Briden, AIA
Prevert-Ramsey-Kobes Architects-Engineers, PC

Telephone Number: 515-223-5100

§ A.2.5 The Architect will retain the consultants identified in Sections A.2.5.1 and A.2.5.2.

(List discipline and, if known, identify them by name, legal status, address and other information.)

§ A.2.5.1 Consultants retained under Basic Services:

1 Structural Engineer

To be determined
§ A.2.5.2 Consultants retained under Additional Services:

To be determined.

§ A.2.6 Other Initial Information on which the Agreement is based:

(Provide other initial information.)

None.
CERTIFIED BUDGET 2015

- Two Levels of Budgetary Control
  - Certified Budget
    - All Funds
    - Based on Aggregated Functional Level - 4 Areas
    - Required Public Notice
    - Amendment Allowed
  - Unspent (Maximum) Authorized Budget – Spending Authority
    - General Fund Only
    - Budgetary Concept - Not Actual Cash
    - Unspent Balance Carries Forward to Next Year
It is the District’s practice to budget expenditures to present a balanced budget, showing revenues expected and maintaining the beginning cash balance at the end of the year, except for Capital Projects Funds and PPEL Funds.

The District manages or controls each fund’s spending through its line-item budget.

As a result, the District’s certified budget should always exceed the actual expenditures during the year.

CERTIFIED BUDGET 2015

• HOWEVER

  • General Fund
    • Expenditures are expected to exceed revenues as cash reserves are intentionally spent down.
    • Ending balance is lower than beginning balance.
    • Reduction in fund balance lowers solvency ratio.
CERTIFIED BUDGET 2015
GENERAL FUND

- FY 2015 WORKSHEETS
  - ESTIMATED EXPENDITURES INCLUDE CONTINGENCY FOR THE UNKNOWN.

- Certified Budget Amount $16,342,977
- Line Item Budget Amount $15,993,925 (Estimate)

- IMPORTANT TO BUDGET ENOUGH IN EACH FUNCTION TO AVOID BUDGET AMENDMENT
- NO IMPACT ON TAX LEVY - JUST A WORKSHEET

GENERAL FUND 2015
Expenditures

<table>
<thead>
<tr>
<th>Certified Budget</th>
<th>Line Item Budget Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>23</td>
</tr>
<tr>
<td>Student Support Services</td>
<td>24</td>
</tr>
<tr>
<td>Instructional Staff Support Services</td>
<td>25</td>
</tr>
<tr>
<td>General Administration</td>
<td>26</td>
</tr>
<tr>
<td>School/Business Administration</td>
<td>27</td>
</tr>
<tr>
<td>Business &amp; Central Administration</td>
<td>28</td>
</tr>
<tr>
<td>Plant Operation and Maintenance</td>
<td>29</td>
</tr>
<tr>
<td>Student Transportation</td>
<td>30</td>
</tr>
<tr>
<td>This row is intentionally left blank</td>
<td>31</td>
</tr>
<tr>
<td>NonInstructional Programs</td>
<td>32</td>
</tr>
<tr>
<td>Facilities Acquisition and Construction</td>
<td>33</td>
</tr>
<tr>
<td>Debt Service (principal, interest, fiscal charges)</td>
<td>34</td>
</tr>
<tr>
<td>AEA Support - Direct to AEA</td>
<td>35</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>36</td>
</tr>
<tr>
<td>Transfers Out/Special Items/Down Adj</td>
<td>37</td>
</tr>
<tr>
<td>Total Expenditures &amp; Other Uses</td>
<td>38</td>
</tr>
</tbody>
</table>

The Certified Budget is 2.14% Higher Than Projected Line Item Budget
CERTIFIED BUDGET 2015
GENERAL FUND

CERTIFIED BUDGET WORKSHEET SHOWS:
- ESTIMATED BEGINNING FUND BALANCE $4,371,318
- ESTIMATED ENDING FUND BALANCE $3,423,945
- DIFFERENCE $ 947,373

LINE ITEM BUDGET ESTIMATE:
- ESTIMATED BEGINNING FUND BALANCE $4,371,318
- ESTIMATED ENDING FUND BALANCE $3,501,693
- DIFFERENCE $ 869,625

Using the expenditure amounts from the previous slide (Line Item Budget) the SOLVENCY RATIO MAY BE REDUCED TO 24% FROM 30%.

Target solvency ratio is 10% minimum.

CERTIFIED BUDGET 2015
OTHER FUNDS

ACTIVITY FUND - Used for Student Activities Only
- No Impact on Tax Levy Rate
- No Material Change

MANAGEMENT FUND - Used for Property/Liability/WC Insurance Plus Unemployment & Early Retirement
- Reduced Levy Amount from $605,000 to $400,000
- Breakdown Insurance Discontinued
- No Early Retirement Incentive
- Healthy Fund Balance

PHYSICAL PLANT & EQUIPMENT LEVY (PPEL) - Used for Transportation Vehicles & Technology
- Regular PPEL Levy .33
- Voted PPEL Levy 1.0
- No Material Change

SILO/SAVE FUND - Used for Facility Needs & Debt Levy Abatement
- Facility Needs Not Covered by Bond Issue
- Higher Expenses Expected in 2015
CERTIFIED BUDGET 2015
OTHER FUNDS

- OTHER CAPITAL PROJECTS - Used for Bond Issue Additions & Renovations
  - Estimated Amount Expensed During the 2014-15 Fiscal Year
  - Big Impact on Overall Budget Expenditures

- DEBT SERVICE FUND - Used for All Debt Payments
  - Tax Levy Remains Steady
  - Tax Abatement from SILO/SAVE Fund
  - No Pre Levy for Existing Debt

- NUTRITION FUND (Proprietary Fund) - Used for School Breakfast & School Lunch Only
  - No Impact on Tax Levy
  - No Material Change

- ENTERPRISE FUND (Proprietary Fund) - Used for Before and After Day Care Program
  - No Impact on Tax Levy
  - No Material Change

CERTIFIED BUDGET 2015
ALL FUNDS - RESOURCES

<table>
<thead>
<tr>
<th>Funds</th>
<th>Budget 2015</th>
<th>Re-est. 2014</th>
<th>Actual 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes Levied on Property</td>
<td>6,614,966</td>
<td>6,831,263</td>
<td>6,394,127</td>
</tr>
<tr>
<td>Utility Replacement Excise Tax</td>
<td>269,616</td>
<td>271,153</td>
<td>273,376</td>
</tr>
<tr>
<td>Income Surtaxes</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Tuition/Transportation Received</td>
<td>1,456,000</td>
<td>1,314,237</td>
<td>1,225,372</td>
</tr>
<tr>
<td>Earnings on Investments</td>
<td>47,275</td>
<td>35,985</td>
<td>35,985</td>
</tr>
<tr>
<td>Nutrition Program Sales</td>
<td>561,806</td>
<td>530,600</td>
<td>495,607</td>
</tr>
<tr>
<td>Student Activities and Sales</td>
<td>265,000</td>
<td>240,835</td>
<td>235,934</td>
</tr>
<tr>
<td>Other Revenues from Local Sources</td>
<td>1,456,000</td>
<td>1,314,237</td>
<td>1,225,372</td>
</tr>
<tr>
<td>Revenue from Intermediary Sources</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>State Foundation Aid</td>
<td>8,705,360</td>
<td>8,012,449</td>
<td>7,961,677</td>
</tr>
<tr>
<td>Instructional Support State Aid</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other State Sources</td>
<td>1,328,654</td>
<td>1,510,728</td>
<td>48,739</td>
</tr>
<tr>
<td>Commercial &amp; Industrial Replacement</td>
<td>54,269</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Title I Grants</td>
<td>118,366</td>
<td>118,366</td>
<td>118,366</td>
</tr>
<tr>
<td>IDEA and Other Federal Sources</td>
<td>327,200</td>
<td>473,855</td>
<td>499,975</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>26,505,947</td>
<td>19,870,994</td>
<td>18,022,092</td>
</tr>
<tr>
<td>General Long-Term Debt Proceeds</td>
<td>1,456,000</td>
<td>1,314,237</td>
<td>1,225,372</td>
</tr>
<tr>
<td>Transfers In</td>
<td>321,480</td>
<td>422,233</td>
<td>987,130</td>
</tr>
<tr>
<td>Proceeds of Fixed Asset Dispositions</td>
<td>0</td>
<td>19,340</td>
<td>14,270</td>
</tr>
<tr>
<td>Total Revenues &amp; Other Sources</td>
<td>24,327,424</td>
<td>30,312,325</td>
<td>20,279,269</td>
</tr>
<tr>
<td>Beginning Fund Balance</td>
<td>17,091,157</td>
<td>16,073,005</td>
<td>15,207,049</td>
</tr>
<tr>
<td>Total Resources</td>
<td>41,058,580</td>
<td>46,385,330</td>
<td>35,485,334</td>
</tr>
</tbody>
</table>
## CERTIFIED BUDGET 2015
### ALL FUNDS - EXPENSES

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget 2015</th>
<th>Re-est. 2014</th>
<th>Actual 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>11,653,000</td>
<td>10,610,149</td>
<td>10,613,144</td>
</tr>
<tr>
<td>Student Support Services</td>
<td>435,000</td>
<td>380,598</td>
<td>364,951</td>
</tr>
<tr>
<td>Instructional Staff Support Services</td>
<td>537,950</td>
<td>512,411</td>
<td>494,517</td>
</tr>
<tr>
<td>General Administration</td>
<td>485,000</td>
<td>460,544</td>
<td>418,506</td>
</tr>
<tr>
<td>School/Building Administration</td>
<td>978,000</td>
<td>824,400</td>
<td>803,329</td>
</tr>
<tr>
<td>Business &amp; Central Administration</td>
<td>520,000</td>
<td>412,780</td>
<td>402,240</td>
</tr>
<tr>
<td>Plant Operation and Maintenance</td>
<td>1,625,000</td>
<td>1,342,186</td>
<td>1,248,493</td>
</tr>
<tr>
<td>Student Transportation</td>
<td>842,000</td>
<td>759,368</td>
<td>662,537</td>
</tr>
<tr>
<td>Facilities Acquisition and Construction</td>
<td>10,500,000</td>
<td>1,060,000</td>
<td>580,726</td>
</tr>
<tr>
<td>Debt Service</td>
<td>1,777,397</td>
<td>10,551,179</td>
<td>1,786,841</td>
</tr>
<tr>
<td>AEA Support - Direct to AEA</td>
<td>634,527</td>
<td>554,457</td>
<td>521,232</td>
</tr>
<tr>
<td>Total Expenditures (lines 33-35)</td>
<td>12,911,320</td>
<td>12,161,046</td>
<td>7,868,855</td>
</tr>
</tbody>
</table>

### CERTIFIED BUDGET 2015
### SPENDING AND TAXING AUTHORITY
### GENERAL FUND ONLY

**Aid & Levy Worksheets**

- **REGULAR PROGRAM COST**
- **COMBINED (CONTROLLED COST)**
- **PLUS INSTRUCTIONAL SUPPORT LEVY**
- **PLUS MISCELLANEOUS INCOME**
  
  = **TOTAL SPENDING AUTHORITY**
## CERTIFIED BUDGET 2015

### Taxing and Spending Authority Review

<table>
<thead>
<tr>
<th>2014-15 Combined District Cost</th>
<th>Teacher Quality, Early Childhood, and Professional Development: $1,011,478</th>
</tr>
</thead>
<tbody>
<tr>
<td>TSS, EC, &amp; PD</td>
<td>Dropout Prevention/At Risk - $241,390</td>
</tr>
<tr>
<td>At-Risk Funding</td>
<td>AEA Flowthrough - $634,527</td>
</tr>
<tr>
<td>AEA Flowthrough</td>
<td>Supplemental Weighting</td>
</tr>
<tr>
<td>Spec. Ed., Weighting</td>
<td>Weighting of students times cost per student.</td>
</tr>
<tr>
<td></td>
<td>SWV - $6,386 x 17.091 = $109,143</td>
</tr>
<tr>
<td></td>
<td>Special Education</td>
</tr>
<tr>
<td></td>
<td>Weighting of students times cost per student.</td>
</tr>
<tr>
<td></td>
<td>SEW - $6,386 x 167.85 = $1,071,890</td>
</tr>
</tbody>
</table>

### Regular Program Cost

- Number of students times cost per student.
- RPC - $6,386 x 1,481.0 = $9,457,566

### CERTIFIED BUDGET 2015

#### Funding Combined District Cost 2014-15

- State
- Uniform Levy
- Additional Levy
CERTIFIED BUDGET 2015
Maximum Spending Authority Review
General Fund

Combined Cost $12,526,094
Plus
  Instructional Support Levy $ 664,401
  Miscellaneous Income Estimate $ 2,099,044
Equals General Fund Spending Limit Without Using any Previous Unspent Authority $15,289,539

Estimated UAB at end of 2014 is $7,052,208
Unadjusted Maximum Spending Authority is $22,341,747

Note: our estimated line item budget is $15,993,925 which means we're using $704,386 of UAB.

MAXIMUM SPENDING AUTHORITY
General Fund

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum District Cost</td>
<td>11,257,635</td>
<td>11,554,487</td>
<td>11,989,932</td>
<td>12,196,774</td>
<td>12,786,094</td>
</tr>
<tr>
<td>Total Preschool Foundation Aid</td>
<td>0</td>
<td>26,474</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Instructional Support Authority</td>
<td>621,134</td>
<td>598,829</td>
<td>610,041</td>
<td>641,405</td>
<td>664,401</td>
</tr>
<tr>
<td>Ed Improvement Authority</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Miscellaneous Income</td>
<td>2,061,516</td>
<td>1,833,164</td>
<td>1,929,081</td>
<td>2,178,269</td>
<td>2,099,044</td>
</tr>
<tr>
<td>Unspent Auth Budget - Previous Year</td>
<td>3,947,127</td>
<td>5,097,794</td>
<td>5,946,694</td>
<td>6,893,185</td>
<td>7,052,208</td>
</tr>
<tr>
<td>Maximum Authorized Budget</td>
<td>17,887,467</td>
<td>19,105,744</td>
<td>20,481,748</td>
<td>21,909,693</td>
<td>22,501,747</td>
</tr>
<tr>
<td>Expenditures</td>
<td>12,794,673</td>
<td>13,150,034</td>
<td>13,388,563</td>
<td>15,837,483</td>
<td>15,993,923</td>
</tr>
<tr>
<td>Unspent Authorized Budget (UAB)</td>
<td>5,092,794</td>
<td>5,946,694</td>
<td>6,993,185</td>
<td>7,052,208</td>
<td>6,607,822</td>
</tr>
</tbody>
</table>

Using line item budget, the unspent authority is decreased by $444,386
ADM Community School
General Fund Levy Comparison

<table>
<thead>
<tr>
<th>FY 2015</th>
<th>Utility Replacement</th>
<th>Property Taxes Replacement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Levy to Fund Combined District Cost (A&amp;L line 15.3)</td>
<td>$3,784,920</td>
<td></td>
</tr>
<tr>
<td>+Educational Improvement Levy (A&amp;L line 15.5)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>+Cash Reserve Levy - SBRC (A&amp;L line 15.9)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>+Cash Reserve Levy - Other (A&amp;L line 15.10)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>-Use of Fund Balance to Reduce Levy (A&amp;L line 15.11)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>+Subtotal General Fund Levy (A&amp;L line 15.14)</td>
<td>$3,784,920</td>
<td>$157,087</td>
</tr>
<tr>
<td>+Instructional Support Levy (A&amp;L line 15.13)</td>
<td>$664,401</td>
<td>$24,063</td>
</tr>
<tr>
<td>=Total General Fund Levy (A&amp;L line 15.12)</td>
<td>$4,449,321</td>
<td>$181,150</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 2014</th>
<th>Utility Replacement</th>
<th>Property Taxes Replacement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Levy to Fund Combined District Cost (A&amp;L line 15.3)</td>
<td>$3,867,796</td>
<td></td>
</tr>
<tr>
<td>+Educational Improvement Levy (A&amp;L line 15.5)</td>
<td>0</td>
<td></td>
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CERTIFIED BUDGET 2015
INFORMATION/CHANGES

4% Allowable Growth Rate
FY 14 AG was 2% Plus 2% One Time Money
New Money Amount $318,484 ($493,648 - $175,164)
FY 14 Amount = $322,679
Enrollment Increase - 21.39 Students
FY 14 Increase - 24.51
Increase in Last 3 Years
State Funding for Reduced Valuations for Commercial & Industrial Rollback
No Cash Reserve Levy for 2nd Year
FY 14 CRL $0
FY 13 CRL for SBRC Only $274,062
New Bond Issue Added to Debt Levy - No Increase
No overall increase due to prior year pre-levy to pay interest on existing bonds & SILO/SAVE Fund abatement
Management Fund Levy Decreased.
Discontinued Equipment Breakdown Insurance
No Early Retirement Incentive
**CERTIFIED BUDGET 2015**

**Tax Rates for FY 2015**

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## FY 2015 BUDGET YEAR WORKSHEET - Page 1

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<td>Debt Service (Principal, interest, fiscal charges)</td>
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<td>472,000</td>
<td>8,800,000</td>
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<td>924,000</td>
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<td>Transfers Out/ Special Items/ Down Adj</td>
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<td>223,480</td>
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<td>Total Expenditures &amp; Other Uses</td>
<td>38</td>
<td>1,822,000</td>
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<td>1,777,397</td>
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<td>Ending Fund Balance</td>
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<td>103,303</td>
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<td>1,880,700</td>
<td>1,244,715</td>
<td>170,769</td>
<td>46,385,350</td>
<td>35,485,350</td>
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</table>
### NOTICE OF PUBLIC HEARING

**PROPOSED ADEL-DESO-MINBURN SCHOOL BUDGET SUMMARY**  
**FISCAL YEAR 2014-2015**

<table>
<thead>
<tr>
<th>Department of Management - Form S-PB-8</th>
<th>Budget 2015</th>
<th>Re-est. 2014</th>
<th>Actual 2013</th>
<th>Avg % 13-15</th>
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<tr>
<td>Taxes Levied on Property</td>
<td>6,614,966</td>
<td>6,831,263</td>
<td>6,394,127</td>
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<td>Utility Replacement Excise Tax</td>
<td>259,616</td>
<td>271,153</td>
<td>273,276</td>
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<td>Income Surtaxes</td>
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<td>Tuition/Transportation Received</td>
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<td>1,304,347</td>
<td>1,225,275</td>
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<td>Earnings on Investments</td>
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<td>47,750</td>
<td>35,945</td>
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<td>Nutrition Program Sales</td>
<td>561,800</td>
<td>530,000</td>
<td>499,007</td>
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<td>Student Activities and Sales</td>
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<td>240,885</td>
<td>239,954</td>
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<td>528,130</td>
<td>1,711,079</td>
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<td>Revenue from Intermediary Sources</td>
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<td>0</td>
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<td>State Foundation Aid</td>
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<td>8,012,649</td>
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<td>1,510,758</td>
<td>48,739</td>
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<td>113,613</td>
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<td>IDEA and Other Federal Sources</td>
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<td>475,655</td>
<td>499,975</td>
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<tr>
<td>Total Revenues</td>
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<td>18,822,097</td>
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<td>460,810</td>
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<td>Transfers In</td>
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<td>422,231</td>
<td>981,130</td>
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<td>Proceeds of Fixed Asset Dispositions</td>
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<td>Total Revenues &amp; Other Sources</td>
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<td>30,312,525</td>
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<tr>
<td>Total Resources</td>
<td>41,958,580</td>
<td>46,385,530</td>
<td>35,485,336</td>
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</tr>
</tbody>
</table>

**In 5truction**

| *Instruction* | 11,655,000 | 10,606,149 | 10,413,341 | 5.8% |
| Student Support Services | 435,000 | 380,598 | 364,951 | |
| Instructional Staff Support Services | 537,950 | 512,411 | 494,517 | |
| General Administration | 489,000 | 460,544 | 418,506 | |
| School/Building Administration | 978,000 | 874,460 | 803,320 | |
| Business & Central Administration | 520,000 | 412,780 | 402,240 | |
| Plant Operation and Maintenance | 1,625,000 | 1,342,186 | 1,248,493 | |
| Student Transportation | 842,000 | 759,368 | 662,537 | |
| This row is intentionally left blank | 0 | 0 | 0 | |

**Noninstructional Programs**

| Facilities Acquisition and Construction | 10,500,000 | 1,060,000 | 560,796 | 12.8% |
| Debt Service | 1,777,397 | 10,551,179 | 1,786,841 | |
| AEA Support - Direct to AEA | 634,527 | 554,467 | 521,232 | |

**Total Other Expenditures (lines 33-35)**

| Total Expenditures | 30,948,874 | 28,332,142 | 18,427,791 | 112.2% |
| Transfers Out | 321,480 | 422,231 | 984,540 | |
| Total Expenditures & Other Uses | 31,270,354 | 28,754,373 | 19,412,331 | |
| Ending Fund Balance | 10,688,226 | 17,631,157 | 16,073,005 | |
| Total Resources | 41,958,580 | 46,385,336 | 35,485,336 | |

**Proposed Tax Rate (per $1,000 taxable valuation)** 17.57126

**Location of Public Hearing:**

**Adel DeSoto Minburn CSD Middle School**

**Board Room**

**Date of Hearing:** 04/14/14  
**Time of Hearing:** 6:00 PM

The Board of Directors will conduct a public hearing on the proposed 2014/15 school budget at the above-noted location and time. At the hearing, any resident or taxpayer may present objections to, or arguments in favor of, any part of the proposed budget. This notice represents a summary of the supporting detail of revenues and expenditures on file with the district secretary. A copy of the details will be furnished upon request.