

cPa DIXON, WALLER & CO., INC.

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LIMON PUBLIC SCHOOLS RE-4J

LIMON, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2021

DIXON, WALLER & CO., INC.

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LIMON PUBLIC SCHOOLS RE-4J

FINANCIAL STATEMENTS

June 30, 2021

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LIMON PUBLIC SCHOOLS RE-4J  
ROSTER OF SCHOOL OFFICIALS  
June 30, 2021

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BOARD OF EDUCATION

Craig Bailey	President
Mike Hines	Vice - President
Wendy Pottorff	Secretary
Theron Perry	Treasurer
Ryan Erwin	Member

SCHOOL OFFICIAL

Robert McMullen	Superintendent
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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Education  
Limon Public Schools RE-4J  
Limon, Colorado 80828

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Limon Public Schools RE-4J, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Limon Public Schools RE-4J, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and other post employment benefits trend data on pages i through xi and 44 through 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Limon Public Schools RE-4J's basic financial statements. The combining and individual fund financial statements, other schedules, and state required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, other schedules, and state required schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, other schedules, and state required schedules, are fairly stated, in all material respect, in relation to the basic financial statements as a whole.

*Linton, Waller & Co., Inc.*

Trinidad, Colorado  
November 26, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

LIMON SCHOOL DISTRICT RE-4J  
912 Badger Way  
PO Box 249  
Limon, CO 80828

MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2021

This Management's Discussion and Analysis (MD&A) of Limon School District RE-4J is an element of the new reporting for the Governmental Accounting Standard Board (GASB) in their Statement no. 34, Basic Financial Statements for State and Local Governments, issued June 1999. This discussion provides an overall review of the District's financial activities for the fiscal year ended June 30, 2021. The intent of this report is to look at the District's financial performance as a whole; readers should review the information presented here in conjunction with the District's financial statements following this section.

The District was required to implement GASB 75 in 2018 resulting in a net other post-employment benefit (OPEB) liability of \$361,851. In 2019 that liability increased to \$379,747, in 2020 that amount decreased to \$312,232 and in 2021 decreased to \$272,651. Under GASB 75 the District's proportionate share of the OPEB liability of the Colorado state retirement system Health Care Trust Fund, administered by the Public Employees Retirement Association, is recorded as a liability of the District.

#### FINANCIAL HIGHLIGHTS

The District's total combined assets and deferred flows (for governmental activities) exceeded the total liabilities by \$14,992,750 at June 30, 2021.

The General Fund reported a fund balance of \$2,225,377 at the close of the fiscal year 2021 which was higher than the previous year balance of \$2,182,211 for an increase of \$43,166. The district strives to limit the spending of the reserves; which will eventually deplete the reserves.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to Limon School District RE-4J's basic financial statements. The basic financial statements consist of three parts – management's discussion and analysis (this section), the basic financial statements and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District government, reporting the District's operations in more detail than the government-wide statements.

The governmental funds statements tell how general government services were financed in the short-term as well as what remains for future spending.

Proprietary fund statements offer short and long-term financial information about the activities that the district operates like businesses. As of July 1, 2014 the Food Service Fund is presented as a special revenue fund in the governmental activities. In accordance with instructions from the Colorado Department of Education the District was also required to change its Food Service Fund from a proprietary fund in 2014 to a special revenue governmental fund in 2015. As a special revenue fund certain assets and liabilities had to be reclassified to fund balance. Prior to this it was presented in the business type activities. Fiduciary fund statements provide information about financial relationships where the District acts solely as a trustee or agent for the benefit of others to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and how they relate to one another.

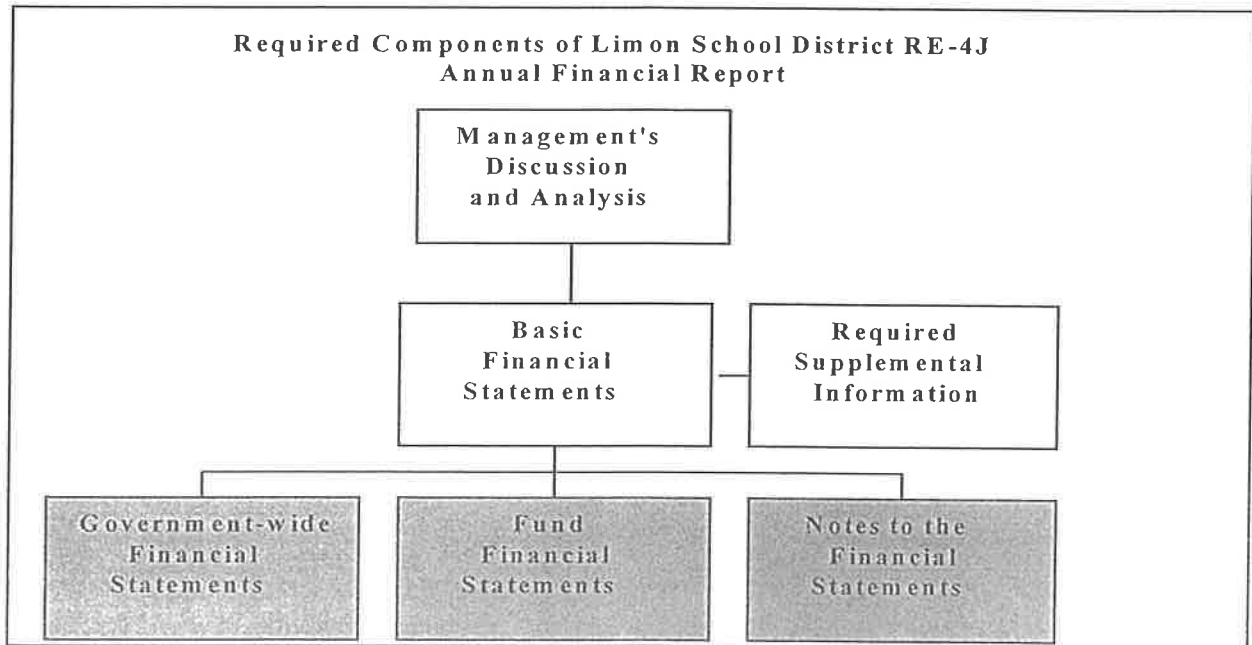


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District government they cover and the types of information they contain. The remainder of the overview section of the management’s discussion and analysis explains the structure and contents of each of the statements.

**Figure A-2**  
Major Features of Limon School District RE-4J Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District government (except fiduciary funds and the districts component units)	The activities of the District that are not proprietary or fiduciary, such as elementary and high school education programs	Activities the District operate similar to private businesses	Instances in which the District is the trustee or agent for someone else’s resources.
Required Financial Statements	*Statement of Net Position *Statement of Activities	*Balance Sheet *Statement of Revenues, Expenditures and Changes in Fund Balances	*Statement of Net Position *Statement of Revenues, Expenses and Changes in Fund Net Position *Statement of Cash Flows	*Statement of Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets, liabilities and deferred flows, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term, the Districts funds do not currently contain capital assets although they can
Type of Inflow/Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

### Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. They consist of two statements:

The statement of net position presents information on all of the District’s assets, liabilities and deferred flows with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of changes in the financial position of the District.

The statement of activities presents information reporting how the District's net position changed during the fiscal year 2019-2020. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows for future fiscal periods. Earned but unused vacation leave and uncollected taxes are examples of these types of items.

The government-wide financial statements of the District are reported in two categories:

**Governmental Activities** - This category includes the District's basic instructional services, such as elementary, junior high, and high school educational programs, support services (executive administration, board of education, fiscal services, etc.), debt service payments, extracurricular activities (sports, speech, music, etc.) and capital equipment purchases. Property taxes, state grants, federal grants and interest earnings finance most of these activities.

**Business-type Activities** - The district currently has no business-type activities.

### Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All District funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds** – Most of the District's basic services are included in the governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at the year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements, or on the subsequent page, that explains the relationship (or differences) between them.

Limon School District RE-4J maintains five individual governmental funds. Information is presented separately in the governmental fund - balance sheet and in the governmental fund - statement of revenues, expenditures and changes in fund balances for the (1) General Fund (2) Bond Redemption fund (3) Special Revenue funds and (4) Capital Project funds. Also included in the supplementary information section is budget-to-actual information as required by law.

**Proprietary Funds** – Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both short- and long-term financial information. The district has no proprietary funds maintained by the District.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government, such as scholarship funds and student activity funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. The District has no fiduciary funds at this time.

## Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statements. Information includes combining statements mentioned earlier in connection with non-major governmental funds as well as budget-to-actual information for all funds as dictated by state law. A budgetary comparison schedule has been provided for the General, Capital Projects, Food Service, Student Activity and Bond Redemption funds to demonstrate compliance.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The statement of net position reports all financial and capital resources. The statement presents the assets, liabilities and deferred flows in order of relative liquidity. The liabilities with average maturities greater than one year are reported in two components – the amount due within one year and the amount due in more than one year. The long-term liabilities of the district, consisting of compensated absences payable, early retirement benefits payable and capital outlay certificates payable have been reported in this manner on the statement of net position. The difference between the district's assets, liabilities and deferred flows is its net position.

The table on the next page provides a statement of the district's net position as of June 30, 2021 and June 30, 2020. A comparison between the two years highlights a few items:

- The total liabilities increased in 2021 by \$348,742 compared to the year 2020.
- The total assets decreased by \$912,240 in 2021.
- Ending net position increased by \$1,575,394 in 2021 from 2020.

Limon School District RE-4J  
STATEMENT OF NET POSTITION

	June 30, 2021 Governmental Activities	June 30, 2020 Governmental Activities
Assets:		
Cash	4,525,234	4,847,419
Investments		
Accounts receivable	44,583	39,233
Accrued revenue	114,771	
Property taxes receivable	56,000	135,000
Inventories	13,553	13,151
Capital assets	31,576,792	31,550,087
Accumulated depreciation	(6,308,370)	(5,650,087)
Total Assets	<u>30,022,563</u>	<u>30,934,803</u>
Deferred Outflows of Resources		
Deferred Refunding - Debt	24,124	36,637
Deferred Pension Cost – Plan	2,554,499	1,528,521
Deferred Pension Cost - Entity	32,506	29,753
Total Deferred Outflows	<u>2,611,129</u>	<u>1,594,911</u>
Liabilities :		
Accounts payable	67,925	113,514
Accrued salaries and benefits	475,604	469,297
Other Liabilities	13,773	8,947
Grant funds received, not yet earned	25,602	341,348
Accrued interest payable	20,198	21,651
Noncurrent liabilities:		
Compensated absences	187,091	160,500
Lease Payments due within one year	-	
Bond payments due within one year	455,757	438,467
Bonds payments due in more than one year	5,323,532	5,779,289
Net Pension Liability	7,503,106	6,350,712
Net OPEB Liability	272,651	312,232
Total Liabilities	<u>14,344,699</u>	<u>13,995,957</u>
Deferred Inflow of Resources:		
Pension	3,207,249	5,052,210
Other Post-Employment Benefits	88,994	64,191
Total Deferred Inflows	<u>3,296,243</u>	<u>5,116,401</u>
Net Position:		
Invested in capital assets	19,489,133	19,682,244
Restricted for: BEST Capital Renewal Reserve	287,522	238,590
Labor Reserve	158,000	180,000
Food Service	-	5,043
Preschool	990	1,720
Debt Service	1,481,854	1,447,062
Unrestricted	(6,424,749)	(8,137,303)
Total Net Position	<u>14,992,750</u>	<u>13,417,356</u>

## Changes in Net Position

This section will show condensed financial comparison of revenues and expenses and provide explanations for significant differences.

Some of the highlights comparing the two years are:

Revenues decreased in 2021 from 2020 by \$26,417. Expenses decreased by \$413,318 in 2021.

### Financial Comparison of Revenues and Expenses

	June 30, 2021	June 30, 2020
	Governmental	Governmental
	Activities	Activities
Revenues		
Charges for Services	17,616	94,676
Operating Grants	1,636,624	1,277,606
Property/Ownership Taxes	2,829,631	2,692,433
Capital Grants	73,750	-
Earnings on investments	22,455	40,756
Other local sources	83,601	100,232
State Equalization	2,287,362	2,771,753
Transfers	-	-
Total Revenues	6,951,039	6,977,456
Expenses		
Instructional Services	4,201,548	3,948,270
Supporting Services	2,461,837	2,333,003
Interest, amortization	262,151	281,094
Food Service	184,368	192,255
Pension Cost	(1,718,545)	(960,926)
OPEB Cost	(17,531)	(4,732)
Capital Outlay	1,818	-
Total Expenses	5,375,646	5,788,964
Increase (Decrease) in net position	1,575,393	1,188,492
Beginning net position	13,417,357	12,228,864
Total Net Position	14,992,750	13,417,356

The District's revenues totaled \$6,951,039 in 2021. Approximately 41 percent of the District's revenue came from property and other taxes, with 33 percent coming from state equalization.

The total cost of all programs and services in 2021 was \$7,111,722, a increase of \$357,100 from 2020. The District's expenses cover a range of services, encompassing instruction, support services and food services.

## Governmental Activities

The primary source of operating revenue for school districts comes from the School Finance Act of 1994. Under this act, the District received \$8,948.34 per funded student. In fiscal year 2020-2021, the funded average pupil count was 481.9. Funding for the School Finance act comes from property taxes, specific ownership taxes and state equalization.

The attached table in this section demonstrates the changes by year for governmental activities by major function.

	2021		2020	
	<u>Total Cost of Service</u>	<u>Net Cost of Service</u>	<u>Total Cost of Service</u>	<u>Net Cost of Service</u>
Instructional services	4,201,548	3,389,224	3,948,270	3,022,774
Students	451,291	264,184	504,816	287,281
Instructional staff	246,131	78,611	98,961	98,961
District administration	200,057	200,057	200,233	200,233
School administration	338,024	338,024	337,956	337,956
Business	180,522	(37,994)	114,486	114,486
Operation and maintenance of facilities	752,934	705,805	682,801	662,447
Transportation	174,203	124,430	210,434	162,124
Central	118,675	118,675	183,316	183,316
Capital outlay	1,818	(71,932)	-	-
Interest	262,151	262,151	281,094	281,094
Pension & OPEB	(1,736,076)	(1,736,076)	(965,658)	(965,658)
Food Service	184,368	12,497	192,255	31,668
Total:	5,375,646	3,647,656	5,788,964	4,416,682

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

### Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

#### General Fund

The General Fund is the major operating fund of the District, providing the majority of the resources for the educational and support programs. The School Board approves a budget in June based on enrollment projections for the following school year.

Actual revenues for the General fund totaled \$5,855,910 which was \$304,371 more than the final budget. The actual expenditures of \$5,737,745 were below budget by \$1,906,016. The District increased the General Fund's fund balance from the previous year by \$43,165. The \$2,225,376 fund balance as of June 30, 2021 includes \$158,000 reserved for TABOR. The budgetary basis differs from generally accepted accounting principles (GAAP) in the treatment of accrued salaries, benefits and related liabilities. According to state statutes, the accrued salaries and related benefits do not need to be "funded" and, therefore, are not subtracted from budgetary basis fund balance.

#### Bond Redemption Fund

A General Obligation Refunding issue in the amount of \$1,575,000 was issued in 2014. The corresponding activity was recorded in this fund as well as the levy and receipt of taxes to pay principal and interest on this debt as well as Matching Money Bonds.

#### Food Service Fund

This fund is used to account for all activity in the school lunch and breakfast program. Revenues come from meal charges as well as federal and state grants. The ending fund balance was \$12,306.

#### Capital Reserve Capital Project Fund.

This fund replaces the Capital Reserve Fund. The revenue is primarily from funds allocated from the general fund or from any grants designated specifically for building projects. The ending fund balance was \$153,855.

#### Insurance Reserve Funds (combined with General Fund)

The Insurance Reserve fund includes revenues and expenses relating to property, general liability, and workers' compensation insurance. Employee insurance programs and unemployment is expensed throughout the General Fund. The District allocated \$180,000 to the Insurance Reserve fund. Insurance policies cost \$178,485, leaving a fund balance of \$1,805. This fund is combined with the General Fund for financial statement reporting.

#### Student Activity Fund

The Student Activity Fund is established to account for monies related to student clubs, class monies and athletics. The deposits held for this fund for the various clubs at the close of the year was \$264,730.

## BUDGETARY HIGHLIGHTS

The final fiscal year 2020-2021 budget adopted by the Board of Education for the District as a whole totaled appropriation of \$10.8 million including: General Fund appropriations of \$7.5 million, Insurance Reserve Fund appropriations of \$188,300, Bond Redemption Fund appropriations of \$2.4 million and Capital Building Project appropriations of \$141,525.

### CAPITAL ASSET ADMINISTRATION

By the end of 2021, the District had invested \$31.5 million in a broad range of government-wide capital assets, including, land, buildings, various machinery and equipment. Assets are shown before accumulated depreciation of \$6,308,370.

#### Limon School District RE-4J Capital Assets – Governmental Activities

	June 30, 2021	June 30, 2020
Land	90,000	90,000
Construction in Progress	73,500	-
Buildings	29,686,676	29,686,676
Site Improvements	577,192	577,192
Vehicles	785,892	840,184
Equipment	363,532	356,035
Total Funds Capital Assets	<u>31,576,792</u>	<u>31,550,087</u>

## GENERAL OBLIGATION DEBT

The District issued \$1,575,000 in General Obligation Refunding Bonds to defease outstanding Limited Tax Certificates of Participation. Additionally, \$6,973,015 of Matching Money Bonds were issued to provide the District's match in a \$31,992,337 BEST construction project. Outstanding General Obligation debt at June 30, 2021 was \$5,779,289.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

Information from the 2020-2021 student enrollment "October count" shows that Limon School District RE-4J has decreased over the last year. The district's enrollment for the last five years has been as follows:

	20/21 FY	19/20 FY	18/19 FY	17/18 FY	16/17 FY
At Risk Count	187	188	221	199	171
Oct. 1 FTE Count	437	456	471.5	468	467.5
Average Funded Pupil Count	481.9	480.7	469.5	472.2	474.3

The United States and the State of Colorado have experienced slowing economic conditions in the past several years. One impact of this economic slowing is the reduction in the State of Colorado's general fund revenues, which are expected to continue to decline. Because educational expenditures represent a significant portion of the State of Colorado's total expenditures, the District anticipates its revenues may be adversely impacted. The District may also have to reduce its future expenditures to maintain its fund balance.

Colorado issues School Performance Frame Works for every public school in the state. The report rates each school based upon student performance on the Transitional Colorado Assessment Program (TCAP). The TCAP is administered to all three through tenth grade students. The elementary, middle schools and the high school of the District received the highest performance rating. Schools placed on a turnaround plan for three straight years face a possible state take over and/or conversion to a charter school. The district was accredited by the state.

## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Superintendent, Limon School District RE-4J, PO Box 249, 912 Badger Way, Limon, CO 80828

Respectfully submitted,

*Kimberly Steinhart*  
Director of Business Services

BASIC FINANCIAL STATEMENTS

LIMON PUBLIC SCHOOLS RE-4J  
STATEMENT OF NET POSITION  
June 30, 2021

	Governmental Activities	Total
<u>ASSETS</u>		
Cash and Equivalents	4,525,234	4,525,234
Investments	-	-
Accounts Receivable	44,583	44,583
Accrued Revenue	114,771	114,771
Property Taxes Receivable	56,000	56,000
Inventories	13,553	13,553
Capital Assets	31,576,792	31,576,792
Accumulated Depreciation	<u>(6,308,370)</u>	<u>(6,308,370)</u>
<u>Total Assets</u>	<u>30,022,563</u>	<u>30,022,563</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Refunding – Debt	24,124	24,124
Pension	2,554,499	2,554,499
Other Post Employment Benefits	<u>32,506</u>	<u>32,506</u>
<u>Total Deferred Outflows of Resources</u>	<u>2,611,129</u>	<u>2,611,129</u>
<u>LIABILITIES</u>		
Accounts Payable	67,925	67,925
Accrued Salaries and Benefits	475,604	475,604
Other Liabilities	13,773	13,773
Grants Funds Received Not Yet Earned	25,062	25,062
Accrued Interest Payable	20,198	20,198
NonCurrent Liabilities:		
Compensated Absences	187,091	187,091
Bonds Due Within One Year	455,757	455,757
Bonds Due in More than One Year	5,323,532	5,323,532
Net Pension Liability	7,503,106	7,503,106
Net OPEB Liability	<u>272,651</u>	<u>272,651</u>
<u>Total Liabilities</u>	<u>14,344,699</u>	<u>14,344,699</u>
<u>DEFERRED INFLOW OF RESOURCES</u>		
Pension	3,207,249	3,207,249
Other Post Employment Benefits	<u>88,994</u>	<u>88,994</u>
<u>Total Deferred Inflows</u>	<u>3,296,243</u>	<u>3,296,243</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	19,489,133	19,489,133
Restricted for:		
TABOR Reserve	158,000	158,000
BEST Capital Renewal Reserve	287,522	287,522
Preschool	990	990
Food Service	-	-
Debt Service	1,481,854	1,481,854
Unrestricted	<u>(6,424,749)</u>	<u>(6,424,749)</u>
<u>TOTAL NET POSITION</u>	<u>14,992,750</u>	<u>14,992,750</u>

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2021

		Program Revenues			Net (Expenses) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants & Contributions	Capital Grants and Contributions	Governmental Activities	Total
<b>FUNCTIONS</b>						
Instructional Services	4,201,548	4,012	808,312	-	(3,389,224)	(3,389,224)
Supporting Services:						
Students	451,291	-	187,107	-	(264,184)	(264,184)
Instructional Staff	246,131	-	167,520	-	(78,611)	(78,611)
District Administration	200,057	-	-	-	(200,057)	(200,057)
School Administration	338,024	-	-	-	(338,024)	(338,024)
Business	180,522	-	218,516	-	37,994	37,994
Operation & Maintenance of Facilities	752,934	-	47,129	-	(705,805)	(705,805)
Transportation	174,203	-	49,773	-	(124,430)	(124,430)
Central Support	118,675	-	-	-	(118,675)	(118,675)
Community Support	-	-	-	-	-	-
Food Service	184,368	13,604	158,267	-	(12,497)	(12,497)
Capital Outlay	1,818	-	-	73,750	71,932	71,932
Interest on Long Term Debt	262,151	-	-	-	(262,151)	(262,151)
<b>Total Governmental Activities</b>	<u>7,111,722</u>	<u>17,616</u>	<u>1,636,624</u>	<u>73,750</u>	<u>(5,383,732)</u>	<u>(5,383,732)</u>
<b>Total School District</b>	<u>7,111,722</u>	<u>17,616</u>	<u>1,636,624</u>	<u>73,750</u>	<u>(5,383,732)</u>	<u>(5,383,732)</u>
<b>General Revenues</b>						
Property Taxes Levied for General Purposes					2,546,543	2,546,543
Specific Ownership Taxes					283,088	283,088
Equalization					2,287,362	2,287,362
Earnings on Investments					22,455	22,455
Other Revenues					83,601	83,601
Change in Pension and OPEB Liabilities					1,736,076	1,736,076
<b>Total General Revenues and Transfers</b>					<u>6,959,125</u>	<u>6,959,125</u>
<b>Change in Net Position</b>					1,575,393	1,575,393
<b>Net Position, Beginning</b>					13,417,357	13,417,357
<b>Net Position, Ending</b>					<u>14,992,750</u>	<u>14,992,750</u>

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2021

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Cash and Equivalents	2,594,704	1,475,489	455,041	4,525,234
Investments	-	-	-	-
Accounts Receivable	42,373	-	2,210	44,583
Accrued Revenue	114,771	-	-	114,771
Due From Other Funds	-	-	8,427	8,427
Property Taxes Receivable	40,000	16,000	-	56,000
Inventories	-	-	13,553	13,553
<u>Total Assets</u>	<u>2,791,848</u>	<u>1,491,489</u>	<u>479,231</u>	<u>4,762,568</u>
<u>LIABILITIES:</u>				
Accounts Payable	56,804	-	11,121	67,925
Accrued Salaries and Benefits	459,563	-	16,041	475,604
Due To Other Funds	1,021	-	7,406	8,427
Other Liabilities	-	-	13,773	13,773
Unearned Grant Revenue	25,062	-	-	25,062
<u>Total Liabilities</u>	<u>542,450</u>	<u>-</u>	<u>48,341</u>	<u>590,791</u>
<u>DEFERRED INFLOW OF RESOURCES</u>				
Property Tax	24,021	9,635	-	33,656
<u>FUND BALANCES:</u>				
Nonspendable:				
Inventories	-	-	13,553	13,553
Restricted:				
Emergencies	158,000	-	-	158,000
BEST Capital Renewal Reserve	287,522	-	-	287,522
Debt Service	-	1,481,854	-	1,481,854
Preschool	990	-	-	990
Food Service	-	-	-	-
Committed:				
Capital Outlay	-	-	153,855	153,855
Insurance	1,805	-	-	1,805
Assigned:				
Student Activities	-	-	264,729	264,729
Unassigned	1,777,060	-	(1,247)	1,775,813
<u>Total Fund Balances</u>	<u>2,225,377</u>	<u>1,481,854</u>	<u>430,890</u>	<u>4,138,121</u>
<u>Total Liabilities, Deferred Inflows and Fund Balances</u>	<u>2,791,848</u>	<u>1,491,489</u>	<u>479,231</u>	<u>4,762,568</u>

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
June 30, 2021

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Amounts reported for governmental activities in the statement of net position are different because:

<u>Total Fund Balance – Governmental Funds</u>	4,138,121
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$31,576,792 and the accumulated depreciation is \$6,308,370.	25,268,422
Property tax revenue is recognized when earned (claim to resources established) rather than when “available” in the entity-wide financial statements.	33,656
Interest is recognized when paid in the funds. This is accrued interest payable to year end.	(20,198)
For debt refundings, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This is the unamortized deferred refunding amount.	24,124
Long-term liabilities, including capital leases and general obligation bonds are not due and payable in the current period and therefore are not reported in funds.	(5,779,289)
Compensated absences are not reported as a liability in the funds.	(187,091)
Net pension and other post employment benefits liabilities, along with associated deferred flows, are not recorded at the fund level:	
Net Pension Liability	(7,503,106)
Net Other Post Employment Benefits Liability	(272,651)
Deferred Outflows	2,587,005
Deferred Inflows	<u>(3,296,243)</u>
<u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	<u>14,992,750</u>

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2021

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>				
Property Taxes	1,836,065	718,595	-	2,554,660
Specific Ownership Taxes	283,088	-	-	283,088
Earnings on Investments	17,277	5,178	-	22,455
Other Local Sources	189,039	1,217	219,989	410,245
State Aid	2,943,480	-	1,780	2,945,260
Federal Aid	586,961	-	156,487	743,448
<u>Total Revenues</u>	<u>5,855,910</u>	<u>724,990</u>	<u>378,256</u>	<u>6,959,156</u>
<u>EXPENDITURES</u>				
<u>Current:</u>				
Instructional Services	3,414,494	-	94,257	3,508,751
Supporting Services:				
Students	270,290	-	181,001	451,291
Instructional Staff	246,131	-	-	246,131
District Administration	200,057	-	-	200,057
School Administration	338,024	-	-	338,024
Business	180,522	-	-	180,522
Operation & Maintenance of Facilities	747,645	-	-	747,645
Transportation	139,732	-	-	139,732
Community	-	-	-	-
Central	118,035	640	-	118,675
Food Service	-	-	177,759	177,759
Debt Service:				
Principal	-	438,467	-	438,467
Interest	-	251,091	-	251,091
Capital Outlay	82,815	-	-	82,815
<u>Total Expenditures</u>	<u>5,737,745</u>	<u>690,198</u>	<u>453,017</u>	<u>6,880,960</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>118,165</u>	<u>34,792</u>	<u>(74,764)</u>	<u>78,196</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	(75,000)	-	75,000	-
<u>Total Other Financing Sources (Uses)</u>	<u>(75,000)</u>	<u>-</u>	<u>75,000</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	43,165	34,792	239	78,196
<u>FUND BALANCE—Beginning</u>	<u>2,182,212</u>	<u>1,447,062</u>	<u>430,651</u>	<u>4,059,925</u>
<u>FUND BALANCES—Ending</u>	<u>2,225,377</u>	<u>1,481,854</u>	<u>430,890</u>	<u>4,138,121</u>

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
 BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 For the Year Ended June 30, 2021

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

Net Change in Fund Balances – Total Governmental Funds 78,196

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more the \$5,000 are capitalized and the cost is allocated over their estimated used lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital Outlays more than \$5,000	80,997	
Depreciation Expense	(712,575)	(631,578)

Property tax revenues are not recognized for amounts levied and due but not “available” at year end and are reported as deferred inflows in the governmental funds. They are, however, recorded as revenues in the statement of activities. (8,117)

The governmental funds report debt proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. The effect of premiums are recognized when the debt is issued in governmental funds, whereas these amounts are deferred and amortized in the statement of activities. Interest expense is recognized as it accrues in the statement of activities regardless of when it is due. The net effect of these differences follows:

Repayment of Debt Principal	438,467	
Amortization of Deferred Refunding	(12,513)	
Interest Expense	<u>1,453</u>	427,407

In the statement of activities compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amount paid). During the year, compensated absences changed by this amount. (26,591)

The increase in net pension and other post employment benefits liabilities, along with the changes and amortizations of deferred flows associated with those liabilities, are not recorded at the fund level:

Pension Cost	1,718,545	
Other Post Employment Benefits Cost	<u>17,531</u>	<u>1,736,076</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES 1,575,393

The accompanying notes are an integral part of these financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

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NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Limon Public Schools RE-4J (the District) conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

The District operates under an elected Board of Education with five members.

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Limon Public Schools RE-4J. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The Board of Education members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

A.    Reporting Entity

Governmental Accounting Standards board (GASB) Statement No. 14 (as amended by Statements No. 34, No. 39 and No. 61), "*The Financial Reporting Entity*" (GASB No. 14) describes the financial reporting entity as it relates to governmental accounting. According to this Statement, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

This District is not included in any other governmental "reporting entity" as defined in GASB No. 14.

Blended Component Unit. The Limon School District Public Building Authority (LSDPBA) is governed by a three-member board appointed to perpetual terms by the District board of elected directors. Although LSDPBA is legally separate from the District, it is reported as it were part of the District primary government because its sole purpose is to finance and construct buildings and improvements for Lincoln County School District Number RE-4J.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

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NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B.      Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C.      Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the District's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balance as a measure of available spendable resources. This means that only current liabilities are generally included on their balance sheets.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

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NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C.      Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Amounts reported as program revenues included 1) charges to customers or applicants for goods, services or privileges provided 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

All governmental fund types use the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end.

Property and automotive ownership taxes are reported as receivables and deferred inflows when levied and as revenues when due for collection in the following year and determined to be available.

Grants and entitlement revenues are recognized when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue receipts.

Expenditures are recorded when the related fund liability is incurred with the exception of general obligation and capital lease debt service which is recognized when due and certain accrued sick and personal pay which are accounted for as expenditures when expected to be liquidated with expendable available financial resources.

The proprietary fund types are accounted for on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. The measurement focus in these funds is on the flow of economic resources and emphasizes the determination of net income. All assets and all liabilities associated with their activity are included on their statements of net position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources, as they are needed.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

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NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D.    Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred flows, fund equity, revenues and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The major funds presented in the accompanying basic financial statements are as follows:

- Major Governmental Funds
  1. General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
  2. Bond Redemption Debt Service Fund – used to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.

E.    Cash and Investments

Cash represents amounts on deposit with financial institutions or held by the District. The District is allowed to invest in the following types of investments: short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, government pools, and U.S. Treasury Obligations. The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments are recorded at fair value in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

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NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F.    Receivables

Property taxes levied in 2020 but uncollected in 2021 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2021 are recorded as deferred inflows. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

G.    Inventories

Materials and supplies inventories are stated at cost. Inventories recorded in the Food Services Fund consist of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the Federal Government, are recorded at their estimated fair value at the date of receipt.

The cost of all inventories is recorded as an asset when the individual inventory items are purchased, and as an expenditure or expense when consumed.

H.    Capital Assets

Capital assets, which include property, vehicles and equipment, are utilized for general District operations and are capitalized at actual or estimated cost. Donations of such assets are recorded at estimated fair value at the time of donation. Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Maintenance, repairs, and minor renovations are recorded as expenditures when incurred. Major additions and improvements are capitalized. When assets used in the operation of the governmental fund types are sold, the proceeds of the sale are recorded as revenues in the appropriate fund. The District does not capitalize interest on the construction of capital assets in governmental funds. However, the District does capitalize interest on the construction of capital assets in business-type activities.

The monetary threshold for capitalization of assets is \$5,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (5-50 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition.

I.    Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

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NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I.    Deferred Outflows/Inflows of Resources (continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

J.    Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position. The District records long-term debt of governmental funds at the face value.

K.    Constitutional Amendment

In November 1992, Colorado voters approved Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations, which apply to the State of Colorado and local governments. It requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to any entity.

In November of 1996 the registered voters approved a ballot resolution authorizing Limon Public Schools RE-4J to collect, retain and expend all revenues collected during 1995 and any subsequent year from any source provided that no property tax mill levy be increased or any new tax imposed without the consent of the voters.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending (excluding bonded debt service). As of June 30, 2021 the District reserved \$158,000 for this purpose.

Spending and revenue limits are determined based on the prior fiscal year's spending adjusted for inflation in the prior calendar year plus annual increases in funded student enrollment. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L.    Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2020 property tax calendar for Lincoln County was as follows:

Levy Date	December 15, 2020
Lien Date	January 1, 2021
Tax Bills Mailed	January 1, 2021
First Installment Due	February 28, 2021
Second Installment Due	June 15, 2021
If Paid in Full, Due	April 30, 2021
Tax Sale – 2019 Delinquent Property Taxes	October 25, 2020

M.    Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

N.    Interest Expense

All interest expense has been reported as unallocated in the Government-wide financial statements.

O.    GASB Statement No. 54

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District Board of Directors (the District's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021

NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O.    GASB Statement No. 54 (Continued)

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

The District's Committed Fund Balance is fund balance reporting required by the School Board, either because of a School Board Policy in the School Board Policy Manual, or because of motions that passed at School Board meetings.

Assigned Fund Balance Policy:

The District's Assigned Fund Balance is fund balance reporting occurring by School Board Administration authority, under the direction of the Chief Business Officer.

Order of Fund Balance Spending Policy

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

First, non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then unrestricted fund balances are determined following the order of committed, assigned, and unassigned.

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Capital Reserve Capital Project Fund</u>	<u>Bond Redemption Fund</u>	<u>Pupil Activity Fund</u>	<u>Food Service Fund</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>						
Inventories	-	-	-	-	13,553	13,553
<u>Restricted:</u>						
Emergencies	158,000	-	-	-	-	158,000
Preschool	990	-	-	-	-	990
Debt Service BEST Capital	-	-	1,481,854	-	-	1,481,854
Renewal Reserve	287,522	-	-	-	-	287,522
Food Service	-	-	-	-	-	-
<u>Committed:</u>						
Insurance	1,805	-	-	-	-	1,805
Capital Outlay	-	153,855	-	-	-	153,855
<u>Assigned:</u>						
Pupil Activities	-	-	-	264,729	-	264,729
<u>Unassigned</u>	<u>1,777,060</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,247)</u>	<u>1,775,813</u>
<u>Total Fund Balances</u>	<u>2,225,377</u>	<u>153,855</u>	<u>1,481,854</u>	<u>264,729</u>	<u>12,306</u>	<u>4,138,121</u>

LIMON PUBLIC SCHOOLS RE-4J  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2021

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes a reconciliation between *fund balances – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total government funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis were eliminated from the government fund statements during the consolidation of governmental activities.

	<u>Items Eliminated</u>		<u>Items Eliminated</u>	
	<u>Transfers To Other Funds</u>	<u>Transfers From Other Funds</u>	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>
General Fund	75,000	-	1,021	-
Food Service	-	-	-	8,427
Capital Reserve- Capital Project	-	50,000	-	-
Student Activity - Special Revenue	-	<u>25,000</u>	<u>7,406</u>	<u>-</u>
	<u>75,000</u>	<u>75,000</u>	<u>8,427</u>	<u>8,427</u>

NOTE 3 BUDGETARY INFORMATION

Revenues and expenditures are controlled by budgetary accounting systems in accordance with various legal requirements. The budgeted revenues and expenditures represent the original adopted budget as subsequently adjusted by the Board of Education in accordance with Colorado School Laws. Budgets are generally prepared on the same basis as that used for accounting purposes.

The District has set procedures to be followed in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the Business Manager submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

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NOTE 3      BUDGETARY INFORMATION (Continued)

2. Public notices are released to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.
4. The Business Manager is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration should be employed as a management control device during the year for the General Fund, Debt Service, Capital Projects and Special Revenue Funds.
6. Budgets for the General, Debt Service, Capital Projects and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

All appropriations lapse at the end of each fiscal year. Authorization to transfer budgeted amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent of Schools and may be delegated to an appropriate level of management. Revisions and/or supplemental appropriations that alter the total expenditures of any fund must be approved by the Board of Education.

Budgetary amounts reported in the accompanying basic financial statements are as originally adopted and amended by the Superintendent and/or the Board of Education throughout the year.

NOTE 4      CASH AND INVESTMENTS

Deposits

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories, eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 4      CASH AND INVESTMENTS (Continued)

At June 30, 2021, the District's bank balance and corresponding carrying balance were as follows:

	<u>Carrying Balance</u>	<u>Bank Balance</u>
Insured (FDIC)	250,000	250,000
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	4,198,894	4,056,036
Cash Equivalents	-	-
Cash with County Treasurer	76,085	-
Cash on Hand	255	-
<u>Total Cash and Deposits</u>	<u>4,525,234</u>	<u>4,306,036</u>

As presented above, deposits with a bank balance of \$4,056,036 and a carrying balance of \$4,198,894 as of June 30, 2021 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

NOTE 5      CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>
<u>Non-Depreciable Assets:</u>				
Land	90,000	-	-	90,000
Construction in Progress	-	73,500	-	73,500
<u>Total Non-Depreciable Assets</u>	<u>90,000</u>	<u>73,500</u>	<u>-</u>	<u>163,500</u>
<u>Depreciable Assets:</u>				
Buildings	29,686,676	-	-	29,686,676
Site Improvements	577,192	-	-	577,192
Vehicles	840,184	-	54,292	785,892
Equipment	356,035	7,497	-	363,532
<u>Total Depreciable Assets</u>	<u>31,460,087</u>	<u>7,497</u>	<u>54,292</u>	<u>31,413,292</u>
<u>Less Accumulated</u>				
<u>Depreciation for:</u>				
Buildings	4,485,377	636,817	-	5,122,194
Site Improvements	284,028	24,383	-	308,411
Vehicles	719,385	29,176	54,292	694,269
Equipment	161,297	22,199	-	183,496
<u>Total Accumulated</u>	<u>5,650,087</u>	<u>712,575</u>	<u>54,292</u>	<u>6,308,370</u>
<u>Total Capital Assets, Net</u>	<u>25,900,000</u>	<u>(631,578)</u>	<u>-</u>	<u>25,268,422</u>

LIMON PUBLIC SCHOOLS RE-4J  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2021

NOTE 5      CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:

Instruction	666,206
Operations and Maintenance	5,289
Transportation	34,471
Food Service	<u>6,609</u>
<u>Total Depreciation Expense – Governmental Activities</u>	<u>712,575</u>

NOTE 6      ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, and June 30, 2021, are estimated to be \$475,604. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

NOTE 7      INTERFUND TRANSACTIONS

	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>	<u>Transfer To Other Funds</u>	<u>Transfer From Other Funds</u>
General Fund	1,021	-	75,000	-
Capital Reserve - Capital Project	-	-	-	50,000
Food Service	-	8,427	-	-
Student Activity – Special Revenue	<u>7,406</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
	<u>8,427</u>	<u>8,427</u>	<u>75,000</u>	<u>75,000</u>

All interfund due to/from amounts were accumulated in the normal course of operations and represent amounts paid or settled between the General Fund and other operating funds of the District. All are expected to be repaid within the upcoming period. Transfers were to support normal operations.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

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NOTE 8

PENSION PLAN

**Defined Benefit Pension Plan**

**Summary of Significant Accounting Policies**

Pensions. Limon Public Schools RE-4J participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications to the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions. Most of these changes were in effect as of June 30, 2021.

**General Information about the Pension Plan**

*Plan description.* Eligible employees of the Limon Public Schools RE-4J are provided with pensions through the SCHDTF - a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (Annual Report) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits provided as of December 31, 2020.* PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

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NOTE 8      PENSION PLAN (Continued)

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

*Contributions provisions as of June 30, 2021:* Eligible employees of, Limon Public Schools RE-4J and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 10.00 percent of their PERA-includable salary during the period of July 1, 2020 through June 30, 2021. Employer contribution requirements are summarized in the table below.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 8      PENSION PLAN (Continued)

	July 1, 2020 Through June 30, 2021
Employer contribution rate	10.90%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount apportioned to the SCHDTF	9.88%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%
<b>Total employer contribution rate to the SCHDTF</b>	<b>19.88%</b>

\*\*Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million (actual dollars) each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. House Bill (HB) 20-1379 suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Limon Public Schools RE-4J is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Limon Public Schools RE-4J were \$550,780 for the year ended June 30, 2021.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The net pension liability for the SCHDTF was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total pension liability to December 31, 2020. The Limon Public Schools RE-4J proportion of the net pension liability was based on Limon Public Schools RE-4J contributions to the SCHDTF for the calendar year 2020 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

Due to the aforementioned suspension of the July 1, 2020, direct distribution payment, the nonemployer contributing entity's proportion is zero percent. Pursuant to C.R.S. § 24-51-414, the direct distribution payment from the State of Colorado is to recommence annually starting on July 1, 2021. For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation.

LIMON PUBLIC SCHOOLS RE-4J  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2021

**NOTE 8**      **PENSION PLAN (Continued)**

At June 30, 2021, the Limon Public Schools RE-4J reported a liability of \$7,503,106 for its proportionate share of the net pension liability. The amount recognized by the Limon Public Schools RE-4J as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with Limon Public Schools RE-4J were as follows:

Limon Public Schools RE-4J proportionate share of the net pension liability	\$ 7,503,106
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Limon Public Schools RE-4J	\$ -
Total	\$ 7,503,106

At December 31, 2020, the Limon Public Schools RE-4J proportion was 0.0496 percent, which was an increase of 0.007 percent from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the Limon Public Schools RE-4J recognized pension income of \$1,718,545. At June 30, 2021, the Limon Public Schools RE-4J reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	412,258	-
Changes of assumptions or other inputs	721,776	(1,261,209)
Net difference between projected and actual earnings on pension plan investments	-	(1,651,604)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,140,467	(294,436)
Contributions subsequent to the measurement date	279,998	N/A
Total	2,554,499	(3,207,249)

\$279,998 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30, 2021	
2022	(1,121,804)
2023	548,696
2024	(99,090)
2025	(260,550)
2026	-
Thereafter	-

LIMON PUBLIC SCHOOLS RE-4J  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2021

NOTE 8      PENSION PLAN (Continued)

*Actuarial assumptions.* The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50% – 9.70 %
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.25%
PERA benefit structure hired after 12/31/06*	Financed by the AIR

\*Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available, therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

The mortality assumption for disabled retirees was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

LIMON PUBLIC SCHOOLS RE-4J  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2021

NOTE 8      PENSION PLAN (Continued)

Based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total pension liability from December 31, 2019, to December 31, 2020.

Actuarial cost method	Entry age
Price inflation	2.30 %
Real wage growth	0.70 %
Wage inflation	3.00 %
Salary increases, including wage inflation	3.40 % – 11.00 %
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 %
Discount rate	7.25 %
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.25 %
PERA benefit structure hired after 12/31/06*	Financed by the AIR

\*Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available, therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

The pre-retirement mortality assumptions were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions were based upon the PubT-2010 Healthy; Retiree Table, adjusted as follows:

- **Males:** 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105 percent of the rates for all ages, with generational projection using scale MP-2019.

LIMON PUBLIC SCHOOLS RE-4J  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2021

**NOTE 8**      PENSION PLAN (Continued)

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a benefit-weighted basis.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives*	6.00%	4.70%
<b>Total</b>	<b>100.00%</b>	

\*The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25 percent.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

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NOTE 8      PENSION PLAN (Continued)

*Discount rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. HB 20-1379 suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020, for the State's 2020-21 fiscal year.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

LIMON PUBLIC SCHOOLS RE-4J  
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**NOTE 8**      PENSION PLAN (Continued)

Based on the above assumptions and methods, the SCHDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

*Sensitivity of the Limon Public Schools RE-4J proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	10,234,851	7,503,106	5,226,662

*Pension plan fiduciary net position.* Detailed information about the SCHDTF's FNP is available in PERA's Annual Report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**Defined Contribution Pension Plan**

Voluntary Investment Program

*Plan Description* – Employees of the Limon Public Schools RE-4J that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available Annual Report which includes additional information on the Voluntary Investment Program. That report can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Funding Policy* – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2021, program members contributed \$8,012 for the Voluntary Investment Program.

**NOTE 9**      **OTHER POST EMPLOYMENT BENEFITS**

**Defined Benefit Other Post Employment Benefit (OPEB) Plan**

**Summary of Significant Accounting Policies**

*OPEB.* Limon Public Schools RE-4J participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the OPEB Plan**

*Plan description.* Eligible employees of the Limon Public Schools RE-4J are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (Annual Report) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits provided.* The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

LIMON PUBLIC SCHOOLS RE-4J  
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NOTE 9      OTHER POST EMPLOYMENT BENEFITS (Continued)

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

*PERA Benefit Structure*

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

*DPS Benefit Structure*

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

*Contributions.* Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

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**NOTE 9**      **OTHER POST EMPLOYMENT BENEFITS (Continued)**

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Limon Public Schools RE-4J is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Limon Public Schools RE-4J were \$28,259 for the year ended June 30, 2021.

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

At June 30, 2021, the Limon Public Schools RE-4J reported a liability of \$272,651 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The Limon Public Schools RE-4J proportion of the net OPEB liability was based on Limon Public Schools RE-4J contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

At December 31, 2020, the Limon Public Schools RE-4J proportion was 0.029 percent, which was an increase of 0.001 percent from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the Limon Public Schools RE-4J recognized OPEB income of \$17,531. At June 30, 2021, the Limon Public Schools RE-4J reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	724	(59,942)
Changes of assumptions or other inputs	2,037	(16,719)
Net difference between projected and actual earnings on OPEB plan investments	-	(11,141)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	15,379	(1,192)
Contributions subsequent to the measurement date	14,366	N/A
Total	32,506	(88,994)

\$14,366 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30, 2021	
2022	(15,687)
2023	(14,129)
2024	(18,289)
2025	(17,217)
2026	(5,210)
Thereafter	(322)

LIMON PUBLIC SCHOOLS RE-4J  
 NOTES TO BASIC FINANCIAL STATEMENTS  
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NOTE 9      OTHER POST EMPLOYMENT BENEFITS (Continued)

*Actuarial assumptions.* The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50% in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	8.10% in 2020, gradually decreasing to 4.50% in 2029
Medicare Part A premiums	3.50% in 2020, gradually increasing to 4.50% in 2029
DPS benefit structure:	
Service-based premium subsidy	0.00 %
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2019, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2020 for the PERA Benefit Structure:

Medicare Plan	Initial Costs for Members Without Medicare Part A		
	Monthly Cost	Monthly Premium	Monthly Cost Adjusted to Age 65
Medicare Advantage/Self-Insured Rx	\$588	\$227	\$550
Kaiser Permanente Medicare Advantage HMO	621	232	586

The 2020 Medicare Part A premium is \$458 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

LIMON PUBLIC SCHOOLS RE-4J  
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**NOTE 9**      **OTHER POST EMPLOYMENT BENEFITS (Continued)**

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2019, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2020	8.10%	3.50%
2021	6.40%	3.75%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	4.00%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions used in the December 31, 2019 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

LIMON PUBLIC SCHOOLS RE-4J  
 NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 9**      OTHER POST EMPLOYMENT BENEFITS (Continued)

Post-retirement non-disabled mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

The mortality assumption for disabled retirees was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the period January 1, 2012, through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period of January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total OPEB liability from December 31, 2019, to December 31, 2020.

	Trust Fund			
	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Price inflation	2.30%	2.30%	2.30%	2.30%
Real wage growth	0.70%	0.70%	0.70%	0.70%
Wage inflation	3.00%	3.00%	3.00%	3.00%
Salary increases, including wage inflation:				
Members other than State Troopers	3.30% - 10.90%	3.40% - 11.00%	3.20% - 11.30%	2.80% - 5.30%
State Troopers	3.20% - 12.40%	N/A	3.20% - 12.40% *	N/A

\* C.R.S. § 24-51-101 (46), as amended, expanded the definition of "State Troopers" to include certain employees within the Local Government Division, effective January 1, 2020. See Note 4 of the Notes to the Financial Statements in PERA's 2020 Annual Report for more information.

The long-term rate of return, net of OPEB plan investment expenses, including price inflation and discount rate assumptions were 7.25 percent.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

Mortality assumptions used in the roll forward calculations for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the roll forward calculation for the HCTF, using a headcount-weighted basis.

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NOTE 9      OTHER POST EMPLOYMENT BENEFITS (Continued)

Pre-retirement mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

The pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree table, adjusted as follows:

- **Males:** 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105 percent of the rates for all ages, with generational projection using scale MP-2019.

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NOTE 9      OTHER POST EMPLOYMENT BENEFITS (Continued)

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a head-count weighted basis.

The following health care costs assumptions were updated and used in the roll forward calculation for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2020 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the Board's actuary, as discussed above.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

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**NOTE 9**      **OTHER POST EMPLOYMENT BENEFITS (Continued)**

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives*	6.00%	4.70%
<b>Total</b>	<b>100.00%</b>	

\*The Opportunity Fund's name changed to Alternatives, effective January 1, 2020

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25 percent.

*Sensitivity of the Limon Public Schools RE-4J proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.* The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	265,604	272,651	280,854

*Discount rate.* The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2020, measurement date.

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NOTE 9      OTHER POST EMPLOYMENT BENEFITS (Continued)

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF's FNP was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

*Sensitivity of the Limon Public Schools RE-4J proportionate share of the net OPEB liability to changes in the discount rate.* The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	312,326	272,651	238,751

*OPEB plan fiduciary net position.* Detailed information about the HCTF's fiduciary net position is available in PERA's Annual Report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

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NOTE 10     JOINT VENTURE

Not reflected in the accompanying financial statements is the District's participation in the East Central Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational services at a shared lower cost per district.

The District has one member on the Board. This Board has final authority for all budgeting and financing of the joint venture. The District's share of the joint venture is not determinable at June 30, 2021. The joint venture summary audited financial information for the year ended June 30, 2020, is as follows:

Assets and Deferred Outflows	3,975,540
Liabilities and Deferred Inflows	<u>13,721,932</u>
Net Position	<u>(9,746,392)</u>
Revenues	10,237,636
Expenses	<u>9,008,734</u>
Change in Net Position	<u>1,228,902</u>

The BOCES is not included as a component unit of the District as the financial responsibility is minimal, there is no financial interdependency, the District does not have the ability to significantly influence the operations of the BOCES and the District is not accountable for fiscal matters of the BOCES. The BOCES is audited annually and files a copy of the audited financial statement with the office of Colorado State Auditor.

NOTE 11     LONG-TERM DEBT – GENERAL OBLIGATION BONDS

General Obligation Refunding Bonds Taxable Series 2013

On November 12, 2013 the District issued \$1,575,000 in General Obligation Refunding Bonds bearing interest rates ranging from .78% to 4.5% to advance refund \$1,700,000 in Limon School District Public Building Authority Limited Tax Certificates of Participation (Series 2004) with an average interest rate of 5.5%. Refunding proceeds and District funds totaling \$1,797,040 were deposited with an escrow agent to provide debt service payments of \$1,700,000 principal and \$439,091 in interest on the 2004 certificates. As a result, the debt was considered to be defeased and the liability for the issue was removed from the financial statements. The remaining unpaid balance of the defeased debt at June 30, 2021 is \$810,000.

As a result of the reacquisition price and carrying amount of the old debt, a deferred refunding was recorded in the amount of \$153,511. It is being amortized against interest costs of the refunding issue.

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NOTE 11     LONG-TERM DEBT – GENERAL OBLIGATION BONDS (Continued)

General Obligation Refunding Bonds Taxable Series 2013 (Continued)

The District completed the advance refunding to reduce the total debt service over the next 11 years by \$47,678 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of approximately \$52,542.

Following is a schedule of debt service to maturity:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2022	150,000	24,002
2023	155,000	17,869
2024	160,000	11,180
2025	<u>170,000</u>	<u>3,842</u>
	<u>635,000</u>	<u>56,893</u>

Series 2013 Matching Money Bonds

These Matching Money Bonds were issued December 9, 2013 for the purpose of constructing District facilities. The Series 2013 Matching Money Bonds of \$6,973,015 were used to match \$25,019,362 in State of Colorado – BEST Program funds as required under the State of Colorado Building Excellent Schools Today Qualified School Construction Program. The Series 2013 Matching Money Bonds were issued at an interest rate of 4.18781%.

Below is a schedule of debt service requirements to maturity:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2022	305,757	209,031
2023	318,561	195,958
2024	331,902	182,338
2025	345,801	168,148
2026	360,283	153,363
2027-2031	2,040,775	522,443
2032-2034	<u>1,441,210</u>	<u>92,184</u>
	<u>5,144,289</u>	<u>1,523,465</u>

NOTE 12     LONG-TERM DEBT – COMPENSATED ABSENCES

Compensated Absences

In accordance with generally accepted accounting principles for governmental entities, the District had accrued a liability for future compensated absences (sick leave, vacation allowance, etc.). The amount due as of June 30, 2021 is \$187,091.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 13     SUMMARY OF LONG TERM DEBT

The following is a summary of the changes in Long-Term Debt for the year ended June 30, 2021:

<u>Description</u>	<u>Balance</u> <u>July 1,</u> <u>2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30,</u> <u>2021</u>	<u>Current</u> <u>Portion</u>
Compensated Absences	160,500	26,591	-	187,091	-
GO Refunding Bonds 2013	780,000	-	145,000	635,000	150,000
Matching Money Bonds 2013	5,437,756	-	293,467	5,144,289	305,757
Deferred Refunding	<u>(36,637)</u>	<u>-</u>	<u>(12,513)</u>	<u>(24,124)</u>	<u>(10,177)</u>
<u>Total</u>	<u>6,341,619</u>	<u>26,591</u>	<u>425,954</u>	<u>5,942,256</u>	

NOTE 14     RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 15     COLORADO SCHOOL DISTRICT SELF INSURANCE POOL

The District belongs to the Colorado School District's Self-Insurance Pool. The Pool was established by the Colorado Association of School Boards (CASB) in 1981 to provide insurance coverage to participants in the areas of General Liability, Errors and Omissions, Employment Practices Liability, Automobile Liability, Auto Physical Damage, Real and Personal Property, Crime, and other coverages. The Board of Directors is composed of eight persons. Each member's initial contribution and subsequent contributions are determined by the Pool based on factors including, but not limited to, the Aggregate Pool claims, the cost of Administrative and other operating expenses, the number of participants, the adequacy of both Operating and Reserve Funds, risk exposure and other factors touching on the status of the Pool or an individual participant.

As the District did not exercise oversight responsibility nor have sufficient control over Pool activities, the Pool is not a component unit of the District and only the District's share of contributions to the Pool is recorded as expenditures in the Insurance Reserve Fund.

LIMON PUBLIC SCHOOLS RE-4J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

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NOTE 15    COLORADO SCHOOL DISTRICT SELF INSURANCE POOL (Continued)

The District's share in the Pool is not determinable from current information, but is estimated to be less than 1%. The District's share, if calculated, would not be material to the Pool's financial information at June 30, 2021.

An audited summary of the Colorado School District's Pool financial information for the year ended June 30, 2020 (latest information available) follows:

Total Assets	<u>50,982,972</u>
Total Liabilities	<u>23,141,059</u>
Total Equity	<u>27,841,913</u>
Revenue	31,306,454
Underwriting Expenses	<u>26,904,016</u>
Underwriting Gain (Loss)	4,402,438
Net Investment Income	1,580,789
Other Income	-
Net Income (Loss) Before Dividend	<u>5,983,227</u>
Dividend	-
Net Income (Loss)	<u>5,983,227</u>
Transfer of Capital Contributions	-
Change in Non Admitted Assets	<u>48,913</u>
Capital Contributions from Members	-
Unassigned Surplus	<u>27,841,913</u>

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISONS

PENSION TREND DATA

OTHER POST EMPLOYMENT BENEFITS TREND DATA

REQUIRED SUPPLEMENTARY INFORMATION

GOVERNMENTAL FUNDS

General Fund

The General Fund accounts for all transactions of the District not accounted for in other funds. This fund represents an accounting for the District's ordinary operations financed from property taxes and other general revenues. It is the most significant fund in relation to the District's overall operations.

LIMON PUBLIC SCHOOLS RE-4J  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 2021

<u>REVENUES</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Local Sources</u>				
Property Taxes	1,518,290	1,822,328	1,836,065	13,737
Specific Ownership Taxes	225,150	245,832	283,088	37,256
Earnings on Investments	22,000	22,000	17,277	(4,723)
Delinquent Taxes & Interest	700	700	2,872	2,172
Other	250,312	223,312	186,167	(37,145)
<u>State Sources</u>				
Equalization	2,494,590	2,216,557	2,287,362	70,805
Transportation	-	47,215	49,772	2,557
Vocational Education	-	111,000	55,553	(55,447)
Special Education	156,500	100,000	278,488	178,488
Other	77,999	295,044	272,305	(22,739)
<u>Federal Sources</u>				
Designated Purpose Grants	389,701	467,551	586,961	119,410
Other	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>5,135,242</u></b>	<b><u>5,551,539</u></b>	<b><u>5,855,910</u></b>	<b><u>304,371</u></b>
 <u>EXPENDITURES</u>				
<u>INSTRUCTION</u>				
<u>Regular Programs</u>				
Salaries	1,787,772	1,816,822	1,863,030	(46,208)
Employee Benefits	722,906	743,626	737,303	6,323
Purchased Services - Professional	45,632	45,632	43,928	1,704
Purchased Services – Property	42,100	42,100	42,423	(323)
Purchased Services – Other	370,901	402,608	409,259	(6,651)
Supplies and Materials	98,150	305,963	151,070	154,893
Property	20,125	20,125	165,144	(145,019)
Other Objects	7,500	7,500	2,337	5,163
<u>Total Instruction</u>	<u>3,095,086</u>	<u>3,384,376</u>	<u>3,414,494</u>	<u>(30,118)</u>
<u>SUPPORTING SERVICES</u>				
<u>Student Supporting Services</u>				
Salaries	61,040	113,740	83,294	30,446
Employee Benefits	21,428	38,353	30,712	7,641
Purchased Services – Professional	-	-	6,300	(6,300)
Purchased Services –Property	-	-	-	-
Purchased Services – Other	196,737	134,772	133,476	1,296
Supplies and Materials	10,300	22,475	10,470	12,005
Property	-	-	-	-
Other Objects	-	9,000	6,038	2,962
<u>Total Student Services</u>	<u>289,505</u>	<u>318,340</u>	<u>270,290</u>	<u>48,050</u>

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance - Favorable <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>SUPPORTING SERVICES (Continued)</u>				
<u>Instructional Staff</u>				
Salaries	48,500	139,636	137,948	1,688
Employee Benefits	9,295	28,178	28,796	(618)
Purchased Services – Professional	-	5,250	-	5,250
Purchased Services – Property	-	300	-	300
Purchased Services – Other	9,900	22,850	18,898	3,952
Supplies and Materials	33,350	150,350	36,194	114,156
Property	600	600	7,496	(6,896)
Other Objects	-	-	16,799	(16,799)
<u>Total Instructional Staff</u>	<u>101,645</u>	<u>347,164</u>	<u>246,131</u>	<u>101,033</u>
<u>General Administration</u>				
Salaries	107,000	107,500	97,928	9,572
Employee Benefits	46,010	46,010	47,798	(1,788)
Purchased Services – Professional	22,000	22,000	16,731	5,269
Purchased Services – Other	500	500	-	500
Supplies and Materials	16,700	16,700	27,063	(10,363)
Property	-	-	-	-
Other Objects	7,200	7,200	10,537	(3,337)
<u>Total General Administration</u>	<u>199,410</u>	<u>199,910</u>	<u>200,057</u>	<u>(147)</u>
<u>School Administration</u>				
<u>Office of the Principal</u>				
Salaries	238,000	238,000	247,008	(9,008)
Employee Benefits	84,128	84,128	86,624	(2,496)
Purchased Services – Other	1,500	2,500	2,584	(84)
Supplies and Materials	550	550	1,308	(758)
Property	600	600	-	600
Other Objects	2,000	2,000	500	1,500
<u>Total School Administration</u>	<u>326,778</u>	<u>327,778</u>	<u>338,024</u>	<u>(10,246)</u>
<u>Business Services</u>				
Salaries	60,000	60,000	63,176	(3,176)
Employee Benefits	20,962	20,962	21,596	(634)
Purchased Services – Professional	10,050	10,050	7,206	2,844
Purchased Services – Property	-	-	-	-
Purchased Services – Other	1,750	1,750	3,397	(1,647)
Supplies and Materials	8,000	226,424	81,034	145,390
Property	500	500	-	500
Other Objects	1,000	1,000	4,113	(3,113)
<u>Total Business Services</u>	<u>102,262</u>	<u>320,686</u>	<u>180,522</u>	<u>140,164</u>

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2021

<u>SUPPORTING SERVICES (Continued)</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance - Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Operations and Maintenance</u>				
Salaries	187,500	191,500	199,231	(7,731)
Employee Benefits	61,650	62,555	63,298	(743)
Purchased Services – Professional	23,000	23,000	18,756	4,244
Purchased Services – Property	60,000	60,000	152,390	(92,390)
Purchased Services – Other	174,500	178,500	174,623	3,877
Supplies and Materials	536,701	175,000	104,021	70,979
Property	2,000	2,000	35,326	(33,326)
Other Objects	-	-	-	-
<u>Total Operations and Maintenance</u>	<u>1,045,351</u>	<u>692,555</u>	<u>747,645</u>	<u>(55,090)</u>
<u>Student Transportation</u>				
Salaries	97,000	83,000	80,122	2,878
Employee Benefits	28,325	28,325	21,299	7,026
Purchased Services – Professional	1,500	1,500	728	772
Purchased Services – Property	15,350	15,350	8,682	6,668
Purchased Services – Other	500	500	28	472
Supplies and Materials	44,600	35,100	28,736	6,364
Property	-	-	-	-
Other Objects	750	750	137	613
<u>Total Student Transportation</u>	<u>188,025</u>	<u>164,525</u>	<u>139,732</u>	<u>24,793</u>
<u>Central Support</u>				
Salaries	62,500	62,500	62,500	-
Employee Benefits	22,900	22,900	21,295	1,605
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	-	-	-	-
Purchased Services – Other	30,020	30,020	29,303	717
Supplies and Materials	8,000	8,000	4,937	3,063
Property	1,500	1,500	-	1,500
Other Objects	-	-	-	-
<u>Total Central Support</u>	<u>124,920</u>	<u>124,920</u>	<u>118,035</u>	<u>6,885</u>
<u>Community Services</u>				
Purchased Services – Other	-	-	-	-
<u>Total Community Services</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Facilities Acquisition and Construction</u>				
Property	20,000	20,000	82,815	(62,815)
<u>Total Facilities Acquisition and Construction</u>	<u>20,000</u>	<u>20,000</u>	<u>82,815</u>	<u>(62,815)</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>2,397,896</u>	<u>2,515,878</u>	<u>2,323,251</u>	<u>192,627</u>

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance - Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Appropriated Reserves</u>	<u>1,320,230</u>	<u>1,743,507</u>	<u>-</u>	<u>1,743,507</u>
<u>TOTAL EXPENDITURES</u>	<u>6,813,212</u>	<u>7,643,961</u>	<u>5,737,745</u>	<u>1,906,016</u>
<u>Revenues Over (Under) Expenditures</u>	<u>(1,677,970)</u>	<u>(2,092,222)</u>	<u>118,165</u>	
<u>Other Financing Sources (Uses)</u>				
<u>Transfers</u>	<u>(90,000)</u>	<u>(90,000)</u>	<u>(75,000)</u>	<u>15,000</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(90,000)</u>	<u>(90,000)</u>	<u>(75,000)</u>	<u>15,000</u>
<u>Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses</u>	<u>(1,767,970)</u>	<u>(2,182,222)</u>	<u>43,165</u>	
<u>FUND BALANCE, July 1</u>	<u>1,767,970</u>	<u>2,182,222</u>	<u>2,182,212</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>-</u>	<u>2,225,377</u>	

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
 For The Last 10 Fiscal Years (As Available)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
District's proportion of the net pension liability (asset)	0.0496%	0.0425%	0.0429%	0.0490%	0.0471%	0.0461%	0.0483%	0.0478%	-	-
District's proportionate share of the net pension liability (asset)	\$7,503,106	\$6,350,712	\$7,603,466	\$15,845,793	\$14,012,943	\$7,056,260	\$6,550,479	\$6,094,429	-	-
State's proportionate share of the net pension liability associated with the District**	-	\$805,506	\$1,039,668	-	-	-	-	-	-	-
District's covered payroll	\$2,770,522	\$2,601,859	\$2,410,530	\$2,303,311	\$2,191,616	\$2,058,864	\$2,003,098	\$1,984,206	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	271%	244%	315%	688%	639%	343%	327%	307%	-	-
Plan fiduciary net position as a percentage of the total pension liability	66.99%	64.52%	57.01%	43.96%	43.13%	59.2 %	62.80%	64.06%	-	-

\*\* A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018 based on Senate Bill 18-200.

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
 SCHEDULE OF DISTRICT CONTRIBUTIONS - PENSION  
 For The Last 10 Fiscal Years (As Available)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contributions	\$ 550,780	\$ 504,226	\$ 461,134	\$ 434,960	\$ 402,979	\$ 365,188	\$ 338,109	\$ 317,344	\$ 288,655	-
Contributions in relation to the contractually required contributions	<u>\$ (550,780)</u>	<u>\$ (504,226)</u>	<u>\$ (461,134)</u>	<u>\$ (434,960)</u>	<u>\$ (402,979)</u>	<u>\$ (365,188)</u>	<u>\$ (338,109)</u>	<u>\$ (317,344)</u>	<u>\$ (288,655)</u>	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$2,770,522	\$2,601,859	\$2,410,530	\$2,303,311	\$2,191,616	\$2,058,864	\$2,003,098	\$1,984,206	\$1,913,750	-
Contributions as a percentage of covered payroll	19.88%	19.38%	19.13%	18.88%	18.38%	17.74%	16.88%	15.99%	15.08%	-

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
 SCHEDULE OF PROPORTIONATE SHARE OF NET OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY  
 For The Last 10 Fiscal Years (As Available)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
District's proportion of the net OPEB liability (asset)	0.0287%	0.0277%	0.0279%	0.0278%	0.0268%	-	-	-	-	-
District's proportionate share of the net OPEB liability (asset)	\$272,651	\$312,232	\$379,747	\$361,851	\$346,849	-	-	-	-	-
District's covered payroll	\$2,770,522	\$2,601,859	\$2,410,530	\$2,303,311	\$2,191,616	-	-	-	-	-
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	9.84%	12.00%	15.75%	15.71%	15.83%	-	-	-	-	-
Plan fiduciary net position as a percentage of the total OPEB liability	32.78%	24.49%	17.03%	17.53%	16.71%	-	-	-	-	-

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
 SCHEDULE OF DISTRICT CONTRIBUTIONS - OPEB  
 For The Last 10 Fiscal Years (As Available)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contributions	\$ 28,259	\$ 26,539	\$ 24,588	\$ 23,493	\$ 22,354	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$ (28,259)</u>	<u>\$ (26,539)</u>	<u>\$ (24,588)</u>	<u>\$ (23,493)</u>	<u>\$ (22,354)</u>	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-
District's covered payroll	\$2,770,522	\$2,601,859	\$2,410,530	\$2,303,311	\$2,191,616	-	-	-	-	-
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	-	-	-	-	-

The accompanying notes are an integral part of these financial statements.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES

### Bond Redemption – Debt Service Fund

Bond Redemption Fund – used to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest and related costs.

## NON MAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

Special revenue funds account for revenues that are legally restricted to expenditures for specified purposes.

Food Service Fund – This fund accounts for all financial activities associated with the District's school breakfast and lunch programs.

Student Activities Fund – This fund is used to account for expenditures made in co-curricular instructional activities funded by local revenues and transfers from the General Fund and for local revenues and activity expenditures associated with various clubs and organizations.

Capital Reserve Capital Project Fund – This fund accounts for the acquisition of sites, buildings, equipment and vehicles.

LIMON PUBLIC SCHOOLS RE-4J  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2021

	Capital Reserve Capital <u>Project</u>	<u>Special Revenue Funds</u>		Total Non-Major Governmental <u>Funds</u>
		<u>Food Service</u>	<u>Student Activities</u>	
<u>ASSETS</u>				
Cash	153,855	17,930	283,256	455,041
Investments	-	-	-	-
Accounts Receivable	-	2,210	-	2,210
Accrued Revenue	-	-	-	-
Due From Other Funds	-	8,427	-	8,427
Inventories	-	<u>13,553</u>	-	<u>13,553</u>
<u>Total Assets</u>	<u>153,855</u>	<u>42,120</u>	<u>283,256</u>	<u>479,231</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities:</u>				
Accounts Payable	-	-	11,121	11,121
Accrued Salaries	-	16,041	-	16,041
Due To Other Funds	-	-	7,406	7,406
Other Liabilities	-	<u>13,773</u>	-	<u>13,773</u>
<u>Total Liabilities</u>	-	<u>29,814</u>	<u>18,527</u>	<u>48,341</u>
 <u>Fund Balances:</u>				
Nonspendable:				
Inventories	-	13,553	-	13,553
Restricted:				
Food Service	-	-	-	-
Committed				
Capital Outlay	153,855	-	-	153,855
Assigned:				
Student Activities	-	-	264,729	264,729
Unassigned	-	<u>(1,247)</u>	-	<u>(1,247)</u>
<u>Total Fund Balances</u>	<u>153,855</u>	<u>12,306</u>	<u>264,729</u>	<u>430,890</u>
 <u>TOTAL LIABILITIES &amp; FUND BALANCES</u>				
	<u>153,855</u>	<u>42,120</u>	<u>283,256</u>	<u>479,231</u>

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2021

	Capital Reserve Capital Project	Special Revenue Funds Food Service	Student Activities	Total Non-Major Governmental Funds
<u>REVENUES</u>				
Earnings on Investments	-	-	-	-
Other Local Sources	-	13,604	206,385	219,989
State Aid	-	1,780	-	1,780
Federal Aid	-	156,487	-	156,487
<u>Total Revenues</u>	<u>-</u>	<u>171,871</u>	<u>206,385</u>	<u>378,256</u>
<u>EXPENDITURES</u>				
Current:				
Instructional Services	-	-	94,257	94,257
Supporting Services:				
Students	-	-	181,001	181,001
Instructional Staff	-	-	-	-
District Administration	-	-	-	-
School Administration	-	-	-	-
Business	-	-	-	-
Operation & Maintenance of Facilities	-	-	-	-
Transportation	-	-	-	-
Food Service	-	177,759	-	177,759
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
<u>Total Expenditures</u>	<u>-</u>	<u>177,759</u>	<u>275,258</u>	<u>453,017</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>-</u>	<u>(5,888)</u>	<u>(68,873)</u>	<u>(74,761)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	50,000	-	25,000	75,000
<u>Total Other Financing Sources (Uses)</u>	<u>50,000</u>	<u>-</u>	<u>25,000</u>	<u>75,000</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>50,000</u>	<u>(5,888)</u>	<u>(43,873)</u>	<u>239</u>
<u>FUND BALANCES, Beginning</u>	<u>103,855</u>	<u>18,194</u>	<u>308,602</u>	<u>430,651</u>
<u>FUND BALANCES, Ending</u>	<u>153,855</u>	<u>12,306</u>	<u>264,729</u>	<u>430,890</u>

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOOD SERVICE – SPECIAL REVENUE FUND  
For the Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
<u>Local Sources</u>			
Food Sales	70,700	12,308	(58,392)
Earnings on Investments	-	-	-
Other	20,150	1,296	(18,854)
<u>State Sources</u>			
School Lunches and Breakfast	3,000	1,780	(1,220)
<u>Federal Sources</u>			
School Lunches and Breakfast	90,200	144,406	54,206
Commodities	<u>15,000</u>	<u>12,081</u>	<u>(2,919)</u>
<u>Total Revenues</u>	<u>199,050</u>	<u>171,871</u>	<u>(27,179)</u>
 <u>EXPENDITURES</u>			
Salaries	86,500	81,401	5,099
Employee Benefits	26,830	26,037	793
Purchased Services – Professional	-	-	-
Purchased Services – Property	-	-	-
Purchased Services - Other	1,650	-	1,650
Food Purchases	65,000	52,658	12,342
Capital Outlay	10,000	-	10,000
Commodities	16,500	12,081	4,419
Non-Food Supplies	13,000	4,628	8,372
Other	1,700	954	746
Appropriated Reserves	<u>11,064</u>	<u>-</u>	<u>11,064</u>
<u>Total Expenditures</u>	<u>232,244</u>	<u>177,759</u>	<u>54,485</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(33,194)	(5,888)	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>
<u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	(18,194)	(5,888)	
<u>FUND BALANCE, July 1</u>	<u>18,194</u>	<u>18,194</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>12,306</u>	

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
CAPITAL RESERVE CAPITAL PROJECT FUND  
For the Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues</u>			
Earnings on Investments	-	-	-
Other Local Donations	5,000	-	(5,000)
State Grants	-	-	-
Federal Grants	-	-	-
<u>Total Revenues</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
 <u>Expenditures</u>			
Land and Sites	-	-	-
Buildings and Improvements	12,670	-	12,670
Equipment:			
Transportation Equipment	25,000	-	25,000
Debt Service	-	-	-
Appropriated Reserves	103,855	-	103,855
<u>Total Expenditures</u>	<u>141,525</u>	<u>-</u>	<u>141,525</u>
 <u>Revenues Over (Under) Expenditures</u>	 (136,525)	 <u>-</u>	
 <u>Other Financing Sources (Uses)</u>			
Transfers	50,000	50,000	-
<u>Total Other financing Sources (Uses)</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
 <u>Revenues and Sources Over (Under) Expenditures and Uses</u>	 (86,525)	 50,000	
 <u>FUND BALANCES, July 1</u>	 <u>86,525</u>	 <u>103,855</u>	
 <u>FUND BALANCES, June 30</u>	 <u>-</u>	 <u>153,855</u>	

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
BOND REDEMPTION DEBT SERVICE FUND  
For the Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Property Taxes	950,000	718,595	(231,405)
Specific Ownership Taxes	-	-	-
Earnings on Investments	-	5,178	5,178
Other Local	-	1,217	1,217
<u>Total Revenues</u>	<u>950,000</u>	<u>724,990</u>	<u>(225,010)</u>
 <u>EXPENDITURES</u>			
Debt Service:			
Principal	602,000	438,467	163,533
Interest	340,000	251,091	88,909
Other	1,500	640	860
Appropriated Reserves	<u>1,453,562</u>	-	<u>1,453,562</u>
<u>Total Expenditures</u>	<u>2,397,062</u>	<u>690,198</u>	<u>1,706,864</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	 <u>(1,447,062)</u>	 <u>34,792</u>	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	 <u>(1,447,062)</u>	 <u>34,792</u>	
 <u>FUND BALANCES, July 1</u>	 <u>1,447,062</u>	 <u>1,447,062</u>	
 <u>FUND BALANCES, June 30</u>	 <u>-</u>	 <u>1,481,854</u>	

The accompanying notes are an integral part of these financial statements.

LIMON PUBLIC SCHOOLS RE-4J  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES -- BUDGET AND ACTUAL  
STUDENT ACTIVITIES SPECIAL REVENUE FUND  
For the Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>REVENUES</u>			
Other Local	115,000	206,385	91,385
<u>Total Revenues</u>	<u>115,000</u>	<u>206,385</u>	<u>91,385</u>
<u>EXPENDITURES</u>			
Co – Curricular Instruction	144,000	94,257	49,743
Student Support	<u>304,602</u>	<u>181,001</u>	<u>123,601</u>
<u>Total Expenditures</u>	<u>448,602</u>	<u>275,258</u>	<u>173,344</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(333,602)	(68,873)	
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>25,000</u>	<u>25,000</u>	-
<u>Total Other Financing Sources (Uses)</u>	<u>25,000</u>	<u>25,000</u>	-
<u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	(308,602)	(43,873)	
<u>FUND BALANCE, July 1</u>	308,602	308,602	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>264,729</u>	

The accompanying notes are an integral part of these financial statements.

STATE REQUIRED SCHEDULES

Auditor's Integrity Report (Revenues, Expenditures, and Fund Balance by Fund)

Bolded Balance Sheet



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 1790 - Limon RE-4J  
 Fiscal Year 2020-21  
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
<b>Governmental</b>					
10 General Fund	2,180,202		5,480,155	5,437,774	2,222,583
18 Risk Mgmt Sub-Fund of General Fund	290		180,000	178,485	1,805
19 Colorado Preschool Program Fund	1,720		120,755	121,485	990
Sub-Total	2,182,211		5,780,911	5,737,744	2,225,378
11 Charter School Fund	0		0	0	0
20,26-29 Special Revenue Fund	0		0	0	0
06 Supplemental Cap Const., Tech, Main, Fund	0		0	0	0
07 Total Program Reserve Fund	0		0	0	0
21 Food Service Spec Revenue Fund	18,194		171,871	177,259	12,306
22 Govt Designated-Purpose Grants Fund	0		0	0	0
23 Pupil Activity Special Revenue Fund	308,602		231,386	275,258	264,730
24 Full Day Kindergarten Mill Levy Override	0		0	0	0
25 Transportation Fund	0		0	0	0
31 Bond Redemption Fund	1,447,062		724,990	690,198	1,481,854
39 Certificate of Participation (COP) Debt Service Fund	0		0	0	0
41 Building Fund	0		0	0	0
47 Special Building Fund	0		0	0	0
43 Capital Reserve Capital Projects Fund	103,855		50,000	0	153,855
46 Supplemental Cap Const. Tech, Main Fund	0		0	0	0
<b>Totals</b>	<b>4,059,924</b>		<b>6,959,157</b>	<b>6,880,959</b>	<b>4,138,172</b>
<b>Proprietary</b>					
50 Other Enterprise Funds	0		0	0	0
64 (63) Risk-Related Activity Fund	0		0	0	0
60,65-69 Other Internal Service Funds	0		0	0	0
<b>Totals</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Fiduciary</b>					
70 Other Trust and Agency Funds	0		0	0	0
72 Private Purpose Trust Fund	0		0	0	0
73 Agency Fund	0		0	0	0
74 Pupil Activity Agency Fund	0		0	0	0
79 GASB 34-Permanent Fund	0		0	0	0
85 Foundations	0		0	0	0
<b>Totals</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>

FINAL



**Colorado Department of Education**

**Bolded Balance Sheet Report**

District: 1790 - Limon RE-4J

Fiscal Year 2020-21

Colorado School District/BOCES

ASSETS	Governmental						Proprietary						Fiduciary			
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Cash and Investments (8100-8104,8111)	2,534,869	0	235	283,256	0	0	17,930	1,475,489	153,855	0	0	0	0	0	0	4,465,633
Cash with Fiscal Agent (8105)	59,601	0	0	0	0	0	0	0	0	0	0	0	0	0	0	59,601
Taxes Receivable (8121,8122)	40,000	0	0	0	0	0	0	16,000	0	0	0	0	0	0	0	56,000
Interfund Loans Receivable (8131,8132)	0	0	755	0	0	0	8,427	0	0	0	0	0	0	0	0	9,182
Intergovernmental Accounts Rec (8141)	20,203	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,203
Grants Accounts Receivable (8142)	114,771	0	0	0	0	0	0	0	0	0	0	0	0	0	0	114,771
Other Receivables (8151-8154,8161)	22,170	0	0	0	0	0	2,210	0	0	0	0	0	0	0	0	24,380
Inventories (8171,8172,8173)	0	0	0	0	0	0	13,553	0	0	0	0	0	0	0	0	13,553
Buildings (8231-8234)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Assets</b>	<b>2,791,614</b>	<b>0</b>	<b>990</b>	<b>283,256</b>	<b>0</b>	<b>0</b>	<b>42,120</b>	<b>1,491,489</b>	<b>153,855</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,763,323</b>

	Governmental							Proprietary					Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85
LIABILITIES & FUND EQUITY															
LIABILITIES															
Interfund Payables (7401,7402)	1,777	0	0	7,406	0	0	0	0	0	0	0	0	0	0	9,182
Other Payables (7421-7423)	56,804	0	0	11,121	0	0	0	0	0	0	0	0	0	0	67,925
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses (7461)	459,563	0	0	0	0	0	16,041	0	0	0	0	0	0	0	475,604
Unearned Revenue (7481)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Deferred Revenue (7482)	25,062	0	0	0	0	0	0	0	0	0	0	0	0	0	25,062
Other Current Liabilities (7491,7492,7499)	0	0	0	0	0	0	13,773	0	0	0	0	0	0	0	13,773
Deferred Inflow (7800)	24,021	0	0	0	0	0	0	9,635	0	0	0	0	0	0	33,656
Total Liabilities	567,226	0	0	18,526	0	0	29,814	9,635	0	0	0	0	0	0	625,201

Governmental

Proprietary

Fiduciary

FUND EQUITY	Governmental										Proprietary					Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60, 70-79	Trust & Agency Funds 70-79	Foundations Fund 85	Totals		
Non-spendable Fund Balance 6710	0	0	0	0	0	0	13,553	0	0	0	0	0	0	0	0	13,553		
Restricted Fund Balance 6720	0	0	0	0	0	0	0	1,481,854	0	0	0	0	0	0	0	1,481,854		
TABOR 3% Emergency Reserve 6721	158,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	158,000		
TABOR Multi-Year 6722	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
District Emergency Reserve (letter of credit or real estate) 6723	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Colorado Preschool Program (CPP) Reserve 6724	0	0	990	0	0	0	0	0	0	0	0	0	0	0	0	990		
Full-Day Kindergarten Reserve 6725	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Risk-Related / Restricted Capital Reserve 6726	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
SEST Capital Reserve 6727	287,522	0	0	0	0	0	0	0	0	0	0	0	0	0	0	287,522		
Total Program Reserve 6728	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Committed Fund Balance 6750	1,805	0	0	0	0	0	0	0	153,855	0	0	0	0	0	0	155,660		
Assigned Fund Balance 6760	0	0	0	264,730	0	0	0	0	0	0	0	0	0	0	0	264,730		
Unassigned Fund Balance 6770	1,777,061	0	0	0	0	0	-1,247	0	0	0	0	0	0	0	0	1,775,814		
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
<b>Total Fund Equity</b>	<b>2,224,388</b>	<b>0</b>	<b>990</b>	<b>264,730</b>	<b>0</b>	<b>0</b>	<b>12,306</b>	<b>1,481,854</b>	<b>153,855</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,138,122</b>		

Total Liabilities & Fund Equity	Governmental										Proprietary					Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60, 70-79	Trust & Agency Funds 70-79	Foundations Fund 85	Totals		
2,791,614	0	0	990	283,256	0	0	42,120	1,491,489	153,855	0	0	0	0	0	0	4,763,323		

Do Assets=Liability+Fund Equity	Governmental										Proprietary					Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60, 70-79	Trust & Agency Funds 70-79	Foundations Fund 85	Totals		
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes		