

cPa DIXON, WALLER & CO., INC.

KIM SCHOOL DISTRICT RE-88

KIM, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2022

DIXON, WALLER & CO., INC.

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KIM SCHOOL DISTRICT RE-88

FINANCIAL STATEMENTS

JUNE 30, 2022

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KIM SCHOOL DISTRICT RE-88
ROSTER OF SCHOOL OFFICIALS
June 30, 2022

BOARD OF EDUCATION

Nikki Shannon	President
John Cranson	Vice-President
Tate Watkins	Secretary/Treasurer
Brandi Jackson	Member
Rommel Moismann	Member

SCHOOL OFFICIALS

Paul Blanford	Superintendent
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FINANCIAL SECTION

164 E. MAIN
TRINIDAD, COLORADO 81082
(719) 846-9241 FAX (719) 846-3352

INDEPENDENT AUDITOR'S REPORT

Board of Education
Kim School District RE-88
Kim, Colorado 81049

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kim School District Number RE-88, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Kim School District Number RE-88's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Kim School District Number RE-88, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Kim School District Number RE-88, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Kim School District Number RE-88's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Kim School District Number RE-88's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Kim School District Number RE-88's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Kim School District Number RE-88's basic financial statements. The accompanying 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, other schedules, and state required schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



November 8, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

Kim School District RE-88 – Management Discussion and Analysis

This is the Management Discussion and analysis (MD&A) for the Kim School District RE-88. It offers the reader management’s perspective of the financial activities of the school district for the year ended June 30, 2022. The focus of this discussion is the primary government (general) fund.

The MD&A is an element of reporting put forth by the Government Accounting Standards Board (GASB), in Accordance with GASB Statement No. 34, Basic Financial Statement and Management Discussion and Analysis for State and Local Governments.

Financial Highlights

In government-wide activities the District’s net position totaled \$10,358,526 at the end of 2022 fiscal Year.

Governmental funds revenue was \$1,691,163; expenditures totaled 1,503,696, with an ending fund balance of \$2,241,751.

Overview of the Financial Statements

The Management’s Discussion & Analysis is presented as an introduction into the Kim School District’s Basic financial information. This information is comprised in the following three components:

- 1) Government-wide financial statements
- 2) Fund Financial Statements
- 3) Supplemental Information

Government-Wide Financial Statements

Government-wide statements provide an overall view of the District’s financial status specific to those activities directly related to the education of our students. The government-wide statements report assets and liabilities. The difference between the assets and liabilities is reported as net assets. The statements of net assets are one way to measure the financial position of the District. Over time, changes in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The district-wide statements are divided into two categories: Governmental activities’ and Business-type activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been “set apart” for specific activities. The fund financial statements provide detailed information about the District’s funds. These statements focus on those specific funds, not the District as a whole. Kim School District RE-88, like other governmental agencies, uses fund accounting to demonstrate and ensure compliance.

Governmental Funds: The District’s basic services are reported in governmental funds. This information is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted into cash. Governmental fund accounting may help the reader determine whether there are more or less financial resources that can be spent in the near future. The differences between governmental activities and governmental funds are reconciled in the financial statement’s.

JUNE 30, 2022
KIM DCHOOL FIDTRICT RE-88 – MANAGEMENT DUSCUSSION AND ANALYSIS

Supplemental Information; In addition to the financial statements and accompanying notes the District's Financial audit also contains more detailed financial information and other supplemental information concerning the District's non-major governmental funds.

Financial Analysis of the Governmental Funds: the focus of the District's governmental funds is to provide information on balances of available (spendable) resources. Such information is useful in assessing the Districts financing requirements. In particular, unreserved fund balance may serve as a useful tool in measuring the District's net resources available for spending at the end of the fiscal year. Then combined general fund is the major governmental fund of the Kim School District. The combined general fund under GASB 34 reporting requirements involves the general fund (\$1,880,310) and the Preschool (\$640). As of June 30, 2022 the combined general fund shows an ending fund balance of \$1,880,950.

Capital Assets and Debt Administration: The District's investment in capital assets for its governmental and business-type activities as of June 30, 2022 amounts to \$11,311,895. This is a total capital assets of \$15,391,142 less accumulated depreciation of \$4,079,247.

The District's total net position on June 30, 2022 was \$10,358,526. Of the District's \$13,653,925 in assets, \$15,391,142 reflects investment in capital assets (e.g. land, buildings, infrastructure, machinery, and equipment). The District uses capital assets to provide services to students; consequently, these assets are not available for future spending. The district currently has a negative unrestricted net position of 581,911. The district was awarded the Best grant in the amount of \$7,923,336. The grant was matched with a local 20 year bond initiative in the amount of \$2,717,118. This maximizes the bonding capacity of the district. The bond long-term debt on June 30, 2022 was \$1,885,391 current debt \$119,142.

Table 1:
NET POSITION

	2022		2021	
	Governmental Activities	Total	Governmental Activities	Total
ASSETS				
Current and Other Assets	2,342,030	2,342,030	2,175,799	2,175,799
Capital Assets - Net	11,311,895	11,311,895	11,734,165	11,734,165
Deferred Outflows	242,739	242,739	403,792	403,792
Total Assets and Flows	<u>13,896,664</u>	<u>13,896,664</u>	<u>14,313,756</u>	<u>14,313,756</u>
LIABILITIES				
Current and Other Liabilities	1,194,133	1,194,133	235,837	235,837
Long Term Liabilities	1,761,260	1,761,260	3,367,769	3,367,769
Deferred Inflows	582,745	582,745	685,151	685,151
Total Liabilities and Flows	<u>3,538,138</u>	<u>3,538,138</u>	<u>4,288,757</u>	<u>4,288,757</u>
NET POSITION				
Net Investment in Capital Assets	9,426,504	9,426,504	9,729,632	9,729,632
Restricted for:				
Tabor Reserve	39,000	39,000	36,000	36,000
Preschool	640	640	217	217
Food Service	7,593	7,593	13,749	13,749
Debt	302,878	302,878	276,074	276,074
Capital Outlay	-	-	-	-
Unrestricted	583,837	583,837	(30,673)	(30,673)
	<u>10,360,452</u>	<u>10,360,452</u>	<u>10,024,999</u>	<u>10,024,999</u>

JUNE 30, 2022
KIM DCHOOL FIDTRICT RE-88 – MANAGEMENT DUSCUSSION AND ANALYSIS

Table 2:
Changes in Net Position

	2022		2021	
	Governmental Activities	Total	Governmental Activities	Total
Revenues				
Charges for Services	60,085	60,085	64,011	64,011
Operating Grants and Contributions	291,485	291,485	198,103	198,103
Capital Grants and Contributions	-	-	-	-
Property taxes	726,810	726,810	669,030	669,030
Specific Ownership Taxes	87,617	87,617	81,968	81,968
Equalization	511,198	511,198	496,623	496,623
Earnings on investments	4,507	4,507	12,768	12,768
Other Revenues	16,311	16,311	5,831	5,831
Transfers	-	-	-	-
TOTAL REVENUES	1,698,013	1,698,013	1,528,334	1,528,334
Expenses				
Instructional services	797,662	797,662	875,154	875,154
Students	63,383	63,383	-	-
Instructional staff	27,560	27,560	20,075	20,075
District administration	302,586	302,586	333,859	333,859
School administration	80,954	80,954	-	-
Business	-	-	-	-
Operation and maintenance of facilities	201,660	201,660	170,400	170,400
Transportation	80,180	80,180	72,374	72,374
Central	107,510	107,510	89,912	89,912
Capital outlay	-	-	-	-
Interest on Long Term Liabilities	81,786	81,786	86,690	86,690
Food Service	62,998	62,998	55,464	55,464
Pension and OPEB Changes	(443,719)	(443,719)	(428,194)	(428,194)
TOTAL EXPENSES	1,362,560	1,362,560	1,275,734	1,275,734
Increase (Decrease in Net Position)	335,453	335,453	252,600	252,600

June 30, 2022
KIM SCHOOL DISTRICT RE-88 – MANAGEMENT DISCUSSION AND ANALYSIS

The following table shows the net cost (total cost less revenues generated by activities) of the District’s major functions.

Table - 3 Governmental Activities by Major Function

	2022		2021	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instructional services	797,662	(555,060)	-663,190	(828,939)
Students	63,383	(12,023)	-	-
Instructional staff	27,560	(27,560)	-20,075	(26,623)
District administration	302,586	(302,586)	-333,859	(242,041)
School administration	80,954	(80,954)	-	-
Business	-	-	-	-
Operation and maintenance of facilities	201,660	(192,935)	(157,379)	(165,065)
Transportation	80,180	(58,139)	(56,914)	(68,208)
Central	107,510	(107,510)	(89,912)	(102,045)
Capital outlay	-	-	-	-
Interest on Long Term Liabilities	81,786	(81,786)	(86,690)	(91,400)
Food Service	62,998	(36,156)	(33,795)	(24,863)
Pension and OPEB Changes	(443,719)	443,719	428,194	259,324
Total	<u>1,362,560</u>	<u>(1,010,990)</u>	<u>(1,013,620)</u>	<u>(1,289,860)</u>

The cost of all governmental activities this year was \$2,174,457.

The federal and state governmental subsidized certain programs with grants and contributions of \$52,881.

Most of the District’s costs, however, were financed by Districts and State taxpayers with \$726,810 in state equalization from the school finance act, \$511,198 (including the bond fund) in taxes \$87,617 in specific ownership taxes and \$20,818 in investment earnings and other miscellaneous revenue.

The food service program had revenue of \$56,842 (including a transfer of \$30,000 from the General Fund) and expenses of \$62,998.

Financial Analysis of the District’s Funds

General Fund Budgetary Highlights

The District’s budget is prepared according to Colorado law and based on accounting for certain Transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is The General Fund.

June 30, 2022
KIM SCHOOL DISTRICT RE-88 – MANAGEMENT DISCUSSION AND ANALYSIS

Total revenues in the General Fund were \$5,108 more than the preceding year. The district must maintain a 3% emergency reserve as part of TABOR Amendment (Taxpayer Bill Of Rights). On June 30, 2022 the District’s TABOR reserve amounted to \$39,000.

Capital Assets and Debt Administration
Capital Assets

The District’s net investment in capital assets for its governmental activities as of June 30, 2022 Amount to \$9,426,504.

Table 4: Capital Assets (Net of Depreciation)

	Governmental <u>2021-2022</u>	Governmental <u>2020-2021</u>
Land & Sites	10,030	10,030
Buildings & Improvements	11,176,644	11,550,764
Equipment & Vehicles	125,221	173,371
Total Capital Assets	<u>11,311,895</u>	<u>11,734,165</u>

Economic Factors

As a result of the stewardship of the board of Education the District enjoys an above average fund balance. The state general funds has remained relatively consistent and has not declined due the enrollment decreasing. Occasionally, the District enrollment is above the 50-student mark and receives additional funding. The Board of Education and the Administration has governed the district with great care and focus. Maintaining the integrity of the district’s for the long term.

General obligation bonds were issued December 9, 2013 for the purpose of constructing and remodeling District’s facilities. The Series 2013 matching money bonds of \$2,717,119 were used to match \$7,923,336 in State of Colorado BEST program Series 2013 Projected funds. These bonds were issued at an interest rate Of 4.187817%.

June 30, 2022
 KIM SCHOOL DISTRICT RE-88 – MANAGEMENT DISCUSSION AND ANALYSIS

CHANGES IN LONG TERM DEBT

	<u>Balance</u> <u>7/1/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2022</u>
2013 General Obligation Matching Bonds	2,004,533	-	119,142	1,885,391
Totals	2,004,533	-	119,142	1,885,391

This financial report is designed to provide a general overview of the Kim School District’s finances for all those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Monica Giffing
 Superintendent of Schools
 Kim School District Re-88
 425 State Street/ P.O. Box 100
 Kim, CO 81049

BASIC FINANCIAL STATEMENTS

KIM SCHOOL DISTRICT RE-88
STATEMENT OF NET POSITION
June 30, 2022

	<u>Governmental Activities</u>	<u>Total</u>
<u>ASSETS</u>		
Cash and Investments	2,174,457	2,174,457
Accounts Receivable	-	-
Grants Receivables	130,429	130,429
Property Taxes Receivable	31,350	31,350
Inventories	5,794	5,794
Capital Assets	15,391,142	15,391,142
Accumulated Depreciation	<u>(4,079,247)</u>	<u>(4,079,247)</u>
<u>Total Assets</u>	<u>13,653,925</u>	<u>13,653,925</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>		
Pensions	237,825	237,825
Other Post Employment Benefits	<u>4,914</u>	<u>4,914</u>
<u>Total Deferred Outflow of Resources</u>	<u>242,739</u>	<u>242,739</u>
<u>LIABILITIES</u>		
Accounts Payable	17,601	17,601
Accrued Salaries	60,166	60,166
Accrued Interest	6,580	6,580
Compensated Absences	1,055	1,055
Unearned Revenue	4,588	4,588
Net Pension Liability	934,787	934,787
Net OPEB Liability	45,225	45,225
Debt – Current	124,131	124,131
Debt – Long Term	<u>1,761,260</u>	<u>1,761,260</u>
<u>Total Liabilities</u>	<u>2,955,393</u>	<u>2,955,393</u>
<u>DEFERRED INFLOW OF RESOURCES</u>		
Pensions	560,550	560,550
Other Post Employment Benefits	<u>22,195</u>	<u>22,195</u>
<u>Total Deferred Inflow of Resources</u>	<u>582,745</u>	<u>582,745</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	9,426,504	9,426,504
Restricted for:		
TABOR Reserve	39,000	39,000
Preschool	640	640
Debt Service	302,878	302,878
Food Service	7,593	7,593
Unrestricted	<u>583,837</u>	<u>583,837</u>
<u>TOTAL NET POSITION</u>	<u>10,360,452</u>	<u>10,360,452</u>

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

KIM SCHOOL DISTRICT RE-88
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2022

FUNCTIONS/PROGRAMS	Net (Expenses) Revenue and Changes in Net Position			
	Primary Government			Total
	Expenses	Charges for Services	Program Revenues	
	Operating Grants & Contributions	Capital Grants and Contributions		
Instructional Services	797,662	242,602	-	(555,060)
Supporting Services:				
Students	63,383	-	-	(12,023)
Instructional Staff	27,560	-	-	(27,560)
District Administration	302,586	-	-	(302,586)
School Administration	80,954	-	-	(80,954)
Business	-	-	-	-
Operation & Maintenance of Facilities	201,660	-	-	(192,935)
Transportation	80,180	22,041	-	(58,139)
Central	107,510	-	-	(107,510)
Food Service	62,998	26,842	-	(36,156)
Capital Outlay	-	-	-	-
Interest and Fees	81,786	-	-	(81,786)
Net Pension Activity	(436,102)	-	-	436,102
Net OPEB Activity	(7,617)	-	-	7,617
<u>Total Governmental Activities</u>	<u>1,362,560</u>	<u>291,485</u>	<u>-</u>	<u>(1,010,990)</u>
<u>Total School District</u>	<u>1,362,560</u>	<u>291,485</u>	<u>-</u>	<u>(1,010,990)</u>
<u>General Revenues</u>				
Property Taxes Levied for General Purposes			726,810	726,810
Specific Ownership Taxes			87,617	87,617
Equalization			511,198	511,198
Earnings on Investments			4,507	4,507
Other Revenues			16,311	16,311
<u>Total General Revenues and Transfers</u>			<u>1,346,443</u>	<u>1,346,443</u>
Change in Net Position			335,453	335,453
Net Position, Beginning			10,024,999	10,024,999
Net Position, Ending			<u>10,360,452</u>	<u>10,360,452</u>

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

KIM SCHOOL DISTRICT RE-88
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

	<u>General Fund</u>	<u>Bond Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Cash and Investments	1,817,026	298,878	58,553	2,174,457
Accounts Receivable	-	-	-	-
Grants Receivable	130,484	-	1,871	132,355
Due From Other Funds	-	-	-	-
Property Taxes Receivable	20,450	10,900	-	31,350
Inventories	-	-	5,794	5,794
<u>Total Assets</u>	<u>1,967,960</u>	<u>309,778</u>	<u>66,218</u>	<u>2,343,956</u>
<u>LIABILITIES</u>				
Accounts Payable	13,239	-	4,362	17,601
Accrued Salaries	56,233	-	3,933	60,166
Due To Other Funds	-	-	-	-
Other Payables	-	-	-	-
Unearned Grant Revenue	4,588	-	-	4,588
<u>Total Liabilities</u>	<u>74,060</u>	<u>-</u>	<u>8,295</u>	<u>82,355</u>
<u>DEFERRED INFLOW OF RESOURCES</u>				
Deferred Property Taxes	12,950	6,900	-	19,850
<u>Total Deferred Inflow of Resources</u>	<u>12,950</u>	<u>6,900</u>	<u>-</u>	<u>19,850</u>
<u>FUND BALANCES</u>				
Nonspendable				
Inventories	-	-	5,794	5,794
Restricted				
Emergencies	39,000	-	-	39,000
Preschool	640	-	-	640
Capital Outlay	-	-	-	-
Debt Service	-	302,878	-	302,878
Food Service	-	-	1,799	1,799
Assigned				
Student Activities	-	-	50,330	50,330
Unassigned	1,841,310	-	-	1,841,310
<u>Total Fund Balances</u>	<u>1,880,950</u>	<u>302,878</u>	<u>57,923</u>	<u>2,241,751</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>	<u>1,967,960</u>	<u>309,778</u>	<u>66,218</u>	<u>2,343,956</u>

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

KIM SCHOOL DISTRICT RE-88
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET POSITION
June 30, 2022

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

<u>Total Fund Balance – Governmental Funds</u>	2,241,751
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$15,391,142 and the accumulated depreciation is \$4,079,247.	11,311,895
Property tax revenue is recognized when earned (claim to resources established) rather than when “available.” All of the deferred property tax revenue is not available.	19,850
Compensated absences are not reported as a liability in the funds.	(1,055)
Long term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(1,885,391)
Accrued interest on long term debt is not reported in the funds.	(6,580)
The Districts portion of the net pension obligation for PERA is reported on the statement of net position is not reported as a liability in the funds.	(934,787)
The Districts portion of the net OPEB obligation is reported on the statement of net position is not reported as a liability in the funds.	(45,225)
Deferred flows for contributions made toward the net pension obligation from December 31, 2021 until June 30, 2022 is not reported in the funds.	59,390
Deferred flows for contributions made toward the net OPEB obligation from December 31, 2021 until June 30, 2022 is not reported in the funds.	2,898
Deferred employer and plan level pension flows are not reported in the funds.	(382,115)
Deferred employer and plan level OPEB flows are not reported in the funds.	<u>(20,179)</u>
<u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	<u>10,360,452</u>

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

KIM SCHOOL DISTRICT RE-88
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For The Year Ended June 30, 2022

	General Fund	Bond Fund	Other Governmental Funds	Total Governmental Funds
<u>REVENUES</u>				
Property Taxes	492,237	227,723	-	719,960
Specific Ownership Taxes	87,617	-	-	87,617
Earnings on Investments	4,444	63	-	4,507
Other Local Sources	61,342	361	51,360	113,063
State Aid	586,639	-	1,101	587,740
Federal Aid	152,535	-	25,741	178,276
Allocation to Reserves	-	-	-	-
<u>Total Revenues</u>	<u>1,384,814</u>	<u>228,147</u>	<u>78,202</u>	<u>1,691,163</u>
<u>EXPENDITURES</u>				
Current:				
Instructional Services	447,675	-	-	447,675
Supporting Services:				
Students	12,140	-	51,243	63,383
Instructional Staff	27,560	-	-	27,560
District Administration	297,674	-	-	297,674
School Administration	80,954	-	-	80,954
Business	-	-	-	-
Operation & Maintenance of Facilities	164,201	-	-	164,201
Transportation	64,915	-	-	64,915
Central	92,993	-	-	92,993
Food Service	-	-	62,998	62,998
Facility	-	-	-	-
Debt Service:				
Principal Retirement	-	119,142	-	119,142
Interest and Fiscal Charges	-	82,201	-	82,201
Capital Outlay	-	-	-	-
<u>Total Expenditures</u>	<u>1,188,112</u>	<u>201,343</u>	<u>114,241</u>	<u>1,503,696</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>196,702</u>	<u>26,804</u>	<u>(36,039)</u>	<u>187,467</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	(30,000)	-	30,000	-
Proceeds From Debt	-	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>(30,000)</u>	<u>-</u>	<u>30,000</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>166,702</u>	<u>26,804</u>	<u>(6,039)</u>	<u>187,467</u>
<u>FUND BALANCES – Beginning</u>	<u>1,714,248</u>	<u>276,074</u>	<u>63,962</u>	<u>2,054,284</u>
<u>FUND BALANCES – Ending</u>	<u>1,880,950</u>	<u>302,878</u>	<u>57,923</u>	<u>2,241,751</u>

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

KIM SCHOOL DISTRICT RE-88
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, 2022

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

Net Change in Fund Balances – Total Governmental Funds 187,467

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated useful 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	-	
Depreciation Expense	(422,270)	(422,270)

Property tax revenues received prior to the year for which they are being levied or are not “available” at year end are reported as deferred revenue in the governmental funds. They are, however, recorded as revenue in the statement of activities. Deferred property tax revenues increased this year. 6,850

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. 130

The governmental funds report debt proceeds as another financing source, while repayment of debt principal is reported as an expenditure. 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:

Principal Payment		119,142
Accrued Interest		415

The statement of activities reports net pension obligation which is not reported in the fund financial statements:

Change in net pension obligation		495,583
Change in net OPEB obligation		6,783
Deferred flows from net pension obligations		(59,481)
Deferred flows from net OPEB obligations		<u>834</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES 335,453

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

NOTES TO BASIC FINANCIAL STATEMENTS

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Kim School District RE-88 (District) conform with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

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 Kim School District RE-88. 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 and does not include any other component unit as part of its "reporting entity". As required by accounting principles generally accepted in the USA, these basis financial statements present the District (the primary government) and its component units.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

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.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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 to collect within 60 days after year-end.

Property and automotive ownership taxes are reported as receivables and deferred revenue 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.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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 Fund – used to account for the activities associated with the payment of debt obligations.

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.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Investments (Continued)

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.

F. Receivables

Property taxes levied in 2021 but uncollected in 2022 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2022 are recorded as deferred inflows, and are presented net of an allowance for uncollectible taxes. 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 (5-40 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition and any remaining depreciation is recorded in the year of disposition.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. 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. General Obligation Bonds are serviced from property taxes and other revenues of the Debt Service Fund. Capital leases are serviced from property taxes and other revenues of the General Fund. The long-term accumulated unpaid accrued sick leave is serviced from property taxes and other revenues by the respective fund type from future appropriations.

J. 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.

On November 4, 1997 the registered voters approved a ballot resolution authorizing Kim School District RE-88 to collect, retain and expend all revenues from any source provided that no property tax mill levy be increased or any new tax be imposed.

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, 2022, the District reserved \$39,000 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.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2021 property tax calendar for Las Animas County was as follows:

Levy Date	December 15, 2021
Lien Date	January 1, 2022
Tax Bills Mailed	January 1, 2022
First Installment Due	February 28, 2022
Second Installment Due	June 15, 2022
If Paid in Full, Due	April 30, 2022
Tax Sale – 2020 Delinquent Property Taxes	October 25, 2021

L. Accumulated Sick Leave

Compensated absences are made up of accumulated sick leave reported as non-current liabilities in the government-wide financial statements. As of June 30, 2022, the District has recorded an estimated liability of \$1,055 relating to accrued sick leave payable.

A summary of changes in compensated absences is as follows:

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2022</u>
Accumulated Sick Leave	<u>1,185</u>	<u>—</u>	<u>130</u>	<u>1,055</u>

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.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. 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.

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.

KIM SCHOOL DISTRICT RE-88
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. GASB Statement No. 54 (Continued)

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Bond Fund</u>	<u>Food Service Fund</u>	<u>Pupil Activities</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>					
Inventories	-	-	5,794	-	5,794
<u>Restricted:</u>					
Emergencies	39,000	-	-	-	39,000
Preschool	640	-	-	-	640
Debt Service	-	302,878	-	-	302,878
Capital Reserve	-	-	-	-	-
Food Service	-	-	1,799	-	1,799
<u>Committed:</u>					
Capital Outlay	-	-	-	-	-
<u>Assigned:</u>					
Student Activities	-	-	-	50,330	50,330
<u>Unassigned:</u>	<u>1,841,310</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,841,310</u>
<u>Total Fund Balances</u>	<u>1,880,950</u>	<u>302,878</u>	<u>7,593</u>	<u>50,330</u>	<u>2,241,751</u>

O. 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.

In addition to liabilities, the statement of financial position and the balance sheet 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.

P. GASB 87

On July 1, 2021 Kim School District Number RE-88 adopted GASB 87, Leases. The District will comply with GASB 87 on all leases that are individually and aggregately material to the financial statements.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

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 governmental 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>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	-	-	-	30,000
Bond Fund	-	-	-	-
Food Service Fund	-	-	30,000	-

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.
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, Bond Fund and Special Revenue Funds.
6. Budgets for the General Fund, Bond Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 3 BUDGETARY INFORMATION (continued)

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 EQUIVALENTS

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.

At June 30, 2022, 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	1,623,889	1,437,423
Cash with County Treasurer	2,124	-
Cash with Fiscal Agent	298,194	-
Cash on Hand	<u>250</u>	<u>-</u>
<u>Total Cash and Deposits</u>	<u>2,174,457</u>	<u>1,687,423</u>

As presented above, deposits with a bank balance of \$1,437,423 and a carrying balance of \$1,623,889 as of June 30, 2022 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Balance</u> <u>June 30, 2022</u>
<u>Capital Assets Not Being Depreciated</u>					
Land	10,030	-	-	-	10,030
<u>Capital Assets Being Depreciated:</u>					
Buildings & Site Improvements	14,345,992	-	-	-	14,345,992
Equipment & Vehicles	1,035,120	-	-	-	1,035,120
Construction in Progress	-	-	-	-	-
<u>Total Capital Assets Being Depreciated</u>	<u>15,381,112</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,381,112</u>
<u>Less Accumulated Depreciation:</u>					
Buildings & Site Improvements	2,795,228	374,120	-	-	3,169,348
Equipment & Vehicles	861,749	48,150	-	-	909,899
<u>Total Accumulated Depreciation</u>	<u>3,656,977</u>	<u>422,270</u>	<u>-</u>	<u>-</u>	<u>4,079,247</u>
<u>Total Capital Assets Being Depreciated, Net</u>	<u>11,724,135</u>	<u>(422,270)</u>	<u>-</u>	<u>-</u>	<u>11,301,865</u>
<u>Governmental Activities Capital Assets, Net</u>	<u>11,734,165</u>	<u>(422,270)</u>	<u>-</u>	<u>-</u>	<u>11,311,895</u>

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

Governmental Activities:

Instruction	350,117
Student Support	-
Instructional Support	-
General Administration Support	4,912
School Administration Support	-
Business Services Support	-
Operations and Maintenance	37,459
Transportation	15,265
Food Service	14,517
<u>Total Depreciation Expense –Governmental Activities</u>	<u>422,270</u>

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 6 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Kim School District RE-88 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.

General Information about the Pension Plan

Plan description. Eligible employees of the Kim School District RE-88 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 annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2021. 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% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% 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.

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% 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.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 **PENSION PLAN (Continued)**

In all cases the service retirement benefit is limited to 100% 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% or 100% 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.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S.. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, 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 the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% 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, 2022: Eligible employees of, Kim School District RE-88 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 10.50% of their PERA-includable salary during the period of July 1, 2021 through June 30, 2022. Employer contribution requirements are summarized in the table below.

	July 1, 2021 Through June 30, 2022
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%
Total employer contribution rate to the SCHDTF	19.88%

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

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 PENSION PLAN (Continued)

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Kim School District RE-88 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Kim School District RE-88 were \$102,797 for the year ended June 30, 2022.

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. As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million (actual dollars) direct distribution 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. In addition to the \$225 million (actual dollars) direct distribution due July 1, 2022, House Bill (HB) 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of \$380 million (actual dollars), upon enactment, with reductions to future direct distributions scheduled to occur July 1, 2023, and July 1, 2024.

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, 2021, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the TPL to December 31, 2021. The Kim School District RE-88 proportion of the net pension liability was based on Kim School District RE-88 contributions to the SCHDTF for the calendar year 2021 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2022, the Kim School District RE-88 reported a liability of \$934,787 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the Kim School District RE-88 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 Kim School District RE-88 were as follows:

Kim School District RE-88 proportionate share of the net pension liability	\$ 934,787
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Kim School District RE-88	\$ 107,161
Total	\$ 1,041,948

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 PENSION PLAN (Continued)

At December 31, 2021, the Kim School District RE-88 proportion was 0.008%, which was a decrease of 0.0014% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the Kim School District RE-88 recognized pension income of \$436,102 and revenue of \$11,441 for support from the State as a nonemployer contributing entity. At June 30, 2022, the Kim School District RE-88 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	35,787	-
Changes of assumptions or other inputs	71,364	-
Net difference between projected and actual earnings on pension plan investments	-	(351,452)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	71,284	(209,098)
Contributions subsequent to the measurement date	59,390	N/A
Total	237,825	(560,550)

\$59,390 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, 2023. 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, 2022	
2023	(77,819)
2024	(151,825)
2025	(109,811)
2026	(42,660)
2027	-
Thereafter	-

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 **PENSION PLAN (Continued)**

Actuarial assumptions. The TPL in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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)	1.00%
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.

The TPL as of December 31, 2021, includes the anticipated adjustments to contribution rates and the AI cap, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

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

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% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83% of the rates prior to age 80 and 106% 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% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

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

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 PENSION PLAN (Continued)

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

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.

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% 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%
Total	100.00%	

Note: 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%.

Discount rate. The discount rate used to measure the TPL was 7.25%. 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%.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 6 PENSION PLAN (Continued)

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in Senate Bill (SB) 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. 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, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% 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.
- 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.
- The projected benefit payments reflect the lowered AI cap, from 1.25% to 1.00%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 **PENSION PLAN (Continued)**

Sensitivity of the Kim School District RE-88 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%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension	1,375,931	934,787	566,670

Pension plan fiduciary net position. Detailed information about the SCHDTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

Defined Contribution Pension Plans

Voluntary Investment Program

Plan Description – Employees of the Kim School District RE-88 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 ACFR which includes additional information on the Voluntary Investment Program. That report can be obtained at 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, 2022, program members contributed \$1,567.

NOTE 7 **OTHER POST EMPLOYMENT BENEFITS**

Defined Benefit Other Post Employment Benefit (OPEB) Plan

Summary of Significant Accounting Policies

OPEB. Kim School District RE-88 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 Kim School District RE-88 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, and 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 by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at 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.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

Enrollment in the PERACare health benefits program 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% 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 service-based subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5% 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% of PERA-includable salary into the HCTF.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 7 **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 Kim School District RE-88 is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Kim School District RE-88 were \$5,274 for the year ended June 30, 2022.

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

At June 30, 2022, the Kim School District RE-88 reported a liability of \$45,225 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2021, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the TOL to December 31, 2021. The Kim School District RE-88 proportion of the net OPEB liability was based on Kim School District RE-88 contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, the Kim School District RE-88 proportion was 0.005%, which was a decrease of 0.0002% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the Kim School District RE-88 recognized OPEB income of \$7,617. At June 30, 2022, the Kim School District RE-88 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	69	(10,723)
Changes of assumptions or other inputs	936	(2,453)
Net difference between projected and actual earnings on OPEB plan investments	-	(2,799)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,011	(6,220)
Contributions subsequent to the measurement date	2,898	N/A
Total	4,914	(22,195)

\$2,898 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, 2023. 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, 2022	
2023	(5,354)
2024	(5,537)
2025	(5,735)
2026	(2,784)
2027	(672)
Thereafter	(97)

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

Actuarial assumptions. The TOL in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method			Entry age	
Price inflation			2.30%	
Real wage growth			0.70%	
Wage inflation			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
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			4.50% in 2021, 6.00% in 2022 gradually decreasing to 4.50% in 2029	
Medicare Part A premiums			3.75% in 2021, 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	

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 7 **OTHER POST EMPLOYMENT BENEFITS (Continued)**

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, 2020, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2021 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	\$633	\$230	\$591
Kaiser Permanente Medicare Advantage HMO	596	199	562

The 2021 Medicare Part A premium is \$471 (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.

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, 2020, 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 TOL are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

Mortality assumptions used in the December 31, 2020 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

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% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% 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% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83% of the rates prior to age 80 and 106% 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.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

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

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

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% 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 following health care costs assumptions were updated and used in the roll forward calculation for the Trust Fund:

- 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 2021 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 PERA Board's actuary, as discussed above.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

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.

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.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 7 **OTHER POST EMPLOYMENT BENEFITS (Continued)**

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%
Total	100.00%	

Note: 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%.

Sensitivity of the Kim School District RE-88 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	3.50%	4.50%	5.50%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$43,927	\$45,225	\$46,730

Discount rate. The discount rate used to measure the TOL was 7.25%. 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, 2021, measurement date.
- 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%.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

- 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 be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Kim School District RE-88 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%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$52,524	\$45,225	\$38,991

OPEB plan fiduciary net position. Detailed information about the HCTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

KIM SCHOOL DISTRICT RE-88
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 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 9 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) to provide insurance coverage to participants in the areas of General Liability, Errors and Omissions, Automobile Liability, Auto Physical Damage, Auto Personal Injury Protection, Real and Personal Property, Crime, Workers' Compensation and other coverage. The Board of Directors is composed of eight persons; seven of whom are appointed by the Board of Directors of CASB and the Executive Director of CASB. The Pool is managed by an independent manager chosen by the Board of Directors. 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 and other factors touching on the status of the Pool or an individual participant, and as approved by the Colorado Insurance Commissioner.

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 General Fund.

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, 2022.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 9 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL (Continued)

An audited summary of the Colorado School District's Pool financial information at June 30, 2021 and for the year then ended (latest information available) follows:

Total Assets	<u>64,950,784</u>
Total Liabilities	<u>26,531,849</u>
Total Equity	<u>38,418,935</u>
Revenue	32,051,341
Underwriting Expenses	<u>22,573,689</u>
Underwriting Gain (Loss)	9,477,652
Net Investment Income	1,118,389
Other Income	-
Net Income (Loss) Before Dividend	<u>10,596,041</u>
Dividend	-
Net Income	<u>10,596,041</u>
Transfer of Capital Contributions	-
Change in Non Admitted Assets	<u>(19,019)</u>
Capital Contributions from Members	-
Unassigned Surplus	<u>38,418,935</u>

NOTE 10 FOOD INVENTORIES

Food Service Fund inventories at June 30, 2022, consisted of purchased, non-food and donated commodities amounting to \$5,794. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.

NOTE 11 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, at June 30, 2022 are estimated to be \$60,166. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

NOTE 12 LITIGATION

None.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 13 SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES

Claims and Judgments - The District participates in a number of federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2022, significant amounts of grant expenditures have not been audited by the grantor but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the District.

NOTE 14 JOINT VENTURES

Not reflected in the accompanying financial statements is the District's participation in the Southeastern 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. The 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, 2022. The joint venture summary audited financial information as of June 30, 2021 is as follows:

Assets and Deferred Outflows	<u>2,857,875</u>
Liabilities and Deferred Inflows	<u>5,386,689</u>
Net Position	<u>(2,528,814)</u>
Revenues	3,450,395
Expenditures	<u>2,740,871</u>
Change In Net Position	<u>709,524</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 report with the Colorado State Auditor's Office.

NOTE 15 INTERFUND BALANCES AND TRANSFERS

<u>INTERFUND BALANCES</u>	<u>Due To</u>	<u>Due From</u>
Major Funds	-	-
Nonmajor Funds	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<u>TRANSFERS</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	-	30,000
Food Service Fund	<u>30,000</u>	<u>-</u>
	<u>30,000</u>	<u>30,000</u>

Transfers were made from the General Fund to the Food Service Fund for the purpose of assisting operations. Due To and Due From are to be repaid within three months of year end.

KIM SCHOOL DISTRICT RE-88
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 16 LONG-TERM DEBT – GENERAL OBLIGATION BONDS

	<u>Balance</u> <u>7/1/2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>6/30/2022</u>	<u>Current</u> <u>Portion</u>
G.O. Matching Money Bonds 2013	2,004,533	-	119,142	1,885,391	124,131

Series 2013 General Obligation Matching Money Bonds

These general obligation bonds were issued December 9, 2013 for the purpose of constructing District facilities. The Series 2013 matching money bonds of \$2,717,118 were used to match \$7,923,336 in State of Colorado – BEST Program Series 2013 Project funds. These bonds were issued at an interest rate of 4.187817%.

Below is a schedule of debt service to maturity:

<u>Year Ended</u> <u>6-30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	124,131	76,358	200,489
2024	129,329	71,050	200,379
2025	134,746	65,521	200,267
2026	140,388	59,760	200,148
2027	146,268	53,757	200,025
2028-2032	828,514	169,577	998,091
2033-2034	382,015	16,163	398,178
	<u>1,885,391</u>	<u>512,186</u>	<u>2,397,577</u>

NOTE 17 COMPLIANCE WITH BUDGET LAWS

The following condition was noted and may be a violation of Colorado law:

Expenditures in the Food Service Fund exceeded budgeted amounts by \$7,245.

REQUIRED SUPPLEMENTAL INFORMATION

BUDGETARY COMPARISONS

PENSION TREND DATA

OTHER POST EMPLOYMENT BENEFITS TREND DATA

MAJOR 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.

Pension and Other Post Employment Benefits Trend Data

KIM SCHOOL DISTRICT RE-88
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
<u>Local Sources</u>				
Property Taxes	440,000	440,000	492,237	52,237
Specific Ownership Taxes	79,000	79,000	87,617	8,617
Earnings on Investments	5,250	5,250	4,444	(806)
Delinquent Taxes and Interest	1,200	1,200	774	(426)
Other	61,786	61,786	60,568	(1,218)
<u>State Sources</u>				
Equalization	504,061	504,061	511,198	7,137
Transportation	21,564	21,564	22,041	477
Vocational Education	4,888	4,888	4,973	85
Other	32,954	32,954	48,427	15,473
<u>Federal Sources</u>				
Other	156,746	156,746	152,535	(4,211)
<u>TOTAL REVENUES</u>	<u>1,307,449</u>	<u>1,307,449</u>	<u>1,384,814</u>	<u>77,365</u>
<u>EXPENDITURES</u>				
<u>INSTRUCTION</u>				
<u>Regular Programs</u>				
Salaries	266,002	266,002	270,780	(4,778)
Employees Benefits	115,238	115,238	111,044	4,194
Purchased Services-Professional	900	900	667	233
Purchased Services-Other	36,756	36,756	33,450	3,306
Supplies and Materials	25,859	25,859	22,796	3,063
Other Objects	32,554	32,554	8,938	23,616
<u>Total Instruction</u>	<u>477,309</u>	<u>477,309</u>	<u>447,675</u>	<u>29,634</u>
<u>SUPPORTING SERVICES</u>				
<u>Student Supporting Services</u>				
Salaries	-	-	10,000	(10,000)
Employees Benefits	-	-	2,140	(2,140)
Purchased Services-Professional	-	-	-	-
Purchased Services-Property	-	-	-	-
Purchased Services-Other	-	-	-	-
Supplies and Materials	-	-	-	-
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Student Supporting Services</u>	<u>-</u>	<u>-</u>	<u>12,140</u>	<u>(12,140)</u>

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

KIM SCHOOL DISTRICT RE-88
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>SUPPORTING SERVICES (continued)</u>				
<u>Instructional Staff</u>				
Salaries	4,408	4,408	12,604	(8,196)
Employee Benefits	985	985	4,243	(3,258)
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	-	-	-	-
Purchased Services – Other	-	-	-	-
Supplies and Materials	10,850	10,850	10,713	137
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Instructional Staff</u>	<u>16,243</u>	<u>16,243</u>	<u>27,560</u>	<u>(11,317)</u>
<u>General Administration</u>				
Salaries	159,690	159,690	163,507	(3,817)
Employee Benefits	47,553	47,553	52,702	(5,149)
Purchased Services-Professional	32,850	32,850	30,554	2,296
Purchased Services-Property	-	-	-	-
Purchased Services-Other	4,800	4,800	1,603	3,197
Supplies and Materials	46,401	46,401	14,715	31,686
Property	-	-	-	-
Other Objects	<u>94,474</u>	<u>94,474</u>	<u>27,101</u>	<u>67,373</u>
<u>Total General Administration</u>	<u>385,768</u>	<u>385,768</u>	<u>290,182</u>	<u>95,586</u>
<u>School Administration</u>				
<u>Office of the Principal</u>				
Salaries	-	-	38,795	(38,795)
Employee Benefits	-	-	6,937	(6,937)
Purchased Services-Professional	-	-	-	-
Purchased Services-Property	-	-	-	-
Purchased Services-Other	-	-	7,492	(7,492)
Supplies and Materials	105,591	105,591	35,222	70,369
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total School Administration</u>	<u>105,591</u>	<u>105,591</u>	<u>88,446</u>	<u>17,145</u>

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

KIM SCHOOL DISTRICT RE-88
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>SUPPORTING SERVICES (continued)</u>				
<u>Operations and Maintenance</u>				
Salaries	20,050	20,050	19,390	660
Employees Benefits	4,500	4,500	6,001	(1,501)
Purchased Services-Professional	-	-	-	-
Purchased Services-Property	63,500	63,500	51,091	12,409
Purchased Services-Other	4,800	4,800	5,620	(820)
Supplies and Materials	63,000	63,000	82,099	(19,099)
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Operations and Maintenance</u>	<u>155,850</u>	<u>155,850</u>	<u>164,201</u>	<u>(8,351)</u>
<u>Student Transportation</u>				
Salaries	22,050	22,050	22,069	(19)
Employee Benefits	7,681	7,681	8,712	(1,031)
Purchased Services-Professional	-	-	-	-
Purchased Services-Property	-	-	-	-
Purchased Services-Other	12,000	12,000	8,409	3,591
Supplies and Materials	25,000	25,000	25,725	(725)
Property	-	-	-	-
Other Objects	(21,564)	(21,564)	-	(21,564)
<u>Total Student Transportation</u>	<u>45,167</u>	<u>45,167</u>	<u>64,915</u>	<u>(19,748)</u>
<u>Central Support</u>				
Salaries	-	-	-	-
Employee Benefits	-	-	-	-
Purchased Services-Professional	-	-	-	-
Purchased Services-Property	-	-	-	-
Purchased Services-Other	91,871	91,871	92,670	(799)
Supplies and Materials	-	-	-	-
Property	-	-	-	-
Other Objects	-	-	323	(323)
<u>Total Central Support</u>	<u>91,871</u>	<u>91,871</u>	<u>92,993</u>	<u>(1,122)</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>800,490</u>	<u>800,490</u>	<u>740,437</u>	<u>60,053</u>

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

KIM SCHOOL DISTRICT RE-88
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2022

<u>APPROPRIATED RESERVES</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u> -</u>	<u>1,500,000</u>
<u>TOTAL EXPENDITURES</u>	<u>2,777,799</u>	<u>2,777,799</u>	<u>1,188,112</u>	<u>1,589,687</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(1,470,350)	(1,470,350)	196,702	
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	<u> (30,000)</u>	<u> (30,000)</u>	<u> (30,000)</u>	<u> -</u>
<u>REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	(1,500,350)	(1,500,350)	166,702	
<u>FUND BALANCE, July 1</u>	<u>1,500,350</u>	<u>1,500,350</u>	<u>1,714,248</u>	
<u>FUND BALANCE, June 30</u>	<u> -</u>	<u> -</u>	<u>1,880,950</u>	

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

KIM SCHOOL DISTRICT RE-88
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<u>2022</u>	<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>
District's proportion of the net pension liability (asset)	0.008%	0.0095%	0.0087%	0.0094%	0.0103%	0.0105%	0.0102%	0.0107%	0.0106%	-
	\$934,787	\$1,430,370	\$1,304,649	\$1,663,539	\$3,345,761	\$3,130,930	\$1,561,381	\$1,454,664	\$1,358,164	-
District's proportionate share of the net pension liability (asset)										
State's proportionate share of the net pension liability associated with the District**	\$107,161	-	\$165,478	\$227,466	-	-	-	-	-	-
District's covered payroll	\$517,089	\$517,219	\$503,744	\$528,224	\$503,447	\$467,021	\$455,545	\$450,519	\$424,049	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	181%	277%	259%	315%	665%	670%	343%	323%	320%	-
Plan fiduciary net position as a percentage of the total pension liability	74.86%	66.99%	64.52%	57.01%	43.96%	43.13%	59.20%	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.

KIM SCHOOL DISTRICT RE-88
 SCHEDULE OF DISTRICT CONTRIBUTIONS - PENSION
 For The Last 10 Fiscal Years (As Available)

	<u>2022</u>	<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>
Contractually required contributions	\$ 102,797	\$ 102,823	\$ 97,626	\$ 101,049	\$ 95,082	\$ 85,828	\$ 80,837	\$ 76,052	\$ 74,813	\$ 70,134
Contributions in relation to the contractually required contributions	<u>\$ (102,797)</u>	<u>\$ (102,823)</u>	<u>\$ (97,626)</u>	<u>\$ (101,049)</u>	<u>\$ (95,082)</u>	<u>\$ (85,828)</u>	<u>\$ (80,837)</u>	<u>\$ (76,052)</u>	<u>\$ (74,813)</u>	<u>\$ (70,134)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$517,089	\$517,219	\$503,744	\$528,224	\$503,447	\$467,021	\$455,545	\$450,519	\$424,049	\$398,838
Contributions as a percentage of covered payroll	19.88%	19.88%	19.38%	19.13%	18.89%	18.38%	17.74%	16.88%	17.64%	17.58%

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

KIM SCHOOL DISTRICT RE-88
 SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<u>2022</u>	<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>
District's proportion of the net OPEB liability (asset)	0.0052%	0.0055%	0.0057%	0.0061%	0.0058%	0.0059%	-	-	-	-
District's proportionate share of the net OPEB liability (asset)	\$45,225	\$52,008	\$64,174	\$83,084	\$76,403	\$77,497	-	-	-	-
District's covered payroll	\$517,089	\$517,219	\$503,744	\$528,224	\$503,447	\$467,021	-	-	-	-
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	8.75%	10.05%	12.74%	15.73%	15.18%	16.59%	-	-	-	-
Plan fiduciary net position as a percentage of the total OPEB liability	39.40%	32.78%	24.49%	17.03%	17.53%	16.72%	-	-	-	-

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

KIM SCHOOL DISTRICT RE-88
 SCHEDULE OF DISTRICT CONTRIBUTIONS - OPEB
 For The Last 10 Fiscal Years (As Available)

	<u>2022</u>	<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>
Contractually required contributions	\$ 5,274	\$ 5,276	\$ 5,138	\$ 5,388	\$ 5,135	\$ 4,764	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$(5,274)</u>	<u>\$(5,276)</u>	<u>\$(5,138)</u>	<u>\$(5,388)</u>	<u>\$(5,135)</u>	<u>\$(4,764)</u>	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-
District's covered payroll	\$517,089	\$517,219	\$503,744	\$528,224	\$503,447	\$467,021	-	-	-	-
Contributions as a percentage of covered payroll	1.02%	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

MAJOR GOVERNMENTAL FUNDS

Debt Service Fund

Bond Fund

This fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources 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.

Pupil Activity Fund

This fund accounts for financial transactions of all schools in the District through individual school activity accounts.

KIM SCHOOL DISTRICT RE-88
 COMBINING BALANCE SHEET
 GOVERNMENTAL FUNDS
 June 30, 2022

	<u>Food Service</u>	<u>Pupil Activity</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>			
Cash and Investments	3,861	54,692	58,553
Accounts Receivable	-	-	-
Grants Receivable	1,871	-	1,871
Property Taxes Receivable	-	-	-
Inventories	<u>5,794</u>	<u>-</u>	<u>5,794</u>
<u>Total Assets</u>	<u>11,526</u>	<u>54,692</u>	<u>66,218</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities</u>			
Accounts Payable	-	4,362	4,362
Accrued Salaries	3,933	-	3,933
Due To Other Funds	-	-	-
Other Payables	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Liabilities</u>	<u>3,933</u>	<u>4,362</u>	<u>8,295</u>
 <u>Deferred Inflow of Resources</u>			
Deferred Property Taxes	<u>-</u>	<u>-</u>	<u>-</u>
 <u>Fund Balances</u>			
Nonspendable:			
Inventories	5,794	-	5,794
Restricted:			
Food Service	1,799	-	1,799
Assigned:			
Pupil Activities	-	50,330	50,330
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Fund Balances</u>	<u>7,593</u>	<u>50,330</u>	<u>57,923</u>
 <u>TOTAL LIABILITIES, DEFERRED INFLOWS & FUND BALANCES</u>			
	<u>11,526</u>	<u>54,692</u>	<u>66,218</u>

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

KIM SCHOOL DISTRICT RE-88
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2022

	<u>Food Service</u>	<u>Pupil Activity</u>	<u>Total Nonmajor Governmental Funds</u>
<u>REVENUES</u>			
Property Taxes	-	-	-
Specific Ownership Taxes	-	-	-
Earnings on Investments	-	-	-
Other Local Sources	-	51,360	51,360
State Aid	1,101	-	1,101
Federal Aid	<u>25,741</u>	-	<u>25,741</u>
<u>Total Revenues</u>	<u>26,842</u>	<u>51,360</u>	<u>78,202</u>
<u>EXPENDITURES</u>			
Current:			
Instructional Services	-	-	-
Supporting Services:			
Students	-	51,243	51,243
Instructional Staff	-	-	-
District Administration	-	-	-
School Administration	-	-	-
Business	-	-	-
Operation and Maintenance of Facilities	-	-	-
Transportation	-	-	-
Central	-	-	-
Food Service	<u>62,998</u>	-	<u>62,998</u>
<u>Total Expenditures</u>	<u>62,998</u>	<u>51,243</u>	<u>114,241</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(36,156)</u>	<u>117</u>	<u>(36,039)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>30,000</u>	-	<u>30,000</u>
<u>Total Other Financing Sources (Uses)</u>	<u>30,000</u>	-	<u>30,000</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(6,156)</u>	<u>117</u>	<u>(6,039)</u>
<u>FUND BALANCE, Beginning</u>	<u>13,749</u>	<u>50,213</u>	<u>63,962</u>
<u>FUND BALANCE, Ending</u>	<u>7,593</u>	<u>50,330</u>	<u>57,923</u>

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

KIM SCHOOL DISTRICT RE-88
 BOND REDEMPTION FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>REVENUES</u>			
Property Taxes	207,584	227,723	20,139
Specific Ownership Taxes	-	-	-
Earnings on Investments	-	63	63
Other Local Sources	-	361	361
<u>Total Revenues</u>	<u>207,584</u>	<u>228,147</u>	<u>20,563</u>
<u>EXPENDITURES</u>			
Debt Service:			
Principal Retirement	103,750	119,142	(15,392)
Interest and Fiscal Charges	96,000	82,201	13,799
Other	-	-	-
Contingency	<u>172,684</u>	-	<u>172,684</u>
<u>Total Expenditures</u>	<u>372,434</u>	<u>201,343</u>	<u>171,091</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(164,850)	26,804	
<u>FUND BALANCE, July 1</u>	<u>164,850</u>	<u>276,074</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>302,878</u>	

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

KIM SCHOOL DISTRICT RE-88
FOOD SERVICE – SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>OPERATING REVENUES</u>			
<u>Local Sources</u>			
Food Sales	-	-	-
Earnings on Investments	-	-	-
Other	-	-	-
<u>State Sources</u>			
School Lunches	9,297	1,101	(8,196)
<u>Federal Sources</u>			
School Lunches	9,700	25,741	16,041
Commodities	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Operating Revenues</u>	<u>18,997</u>	<u>26,842</u>	<u>7,845</u>
 <u>OPERATING EXPENDITURES</u>			
Salaries	26,169	27,565	(1,396)
Employee Benefits	5,849	6,167	(318)
Purchased Services – Professional	-	-	-
Purchased Services – Property	-	-	-
Purchased Services - Other	-	-	-
Supplies and Materials	22,500	22,710	(210)
Capital Outlay	-	-	-
Other	1,235	6,556	(5,321)
Commodities	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Expenditures</u>	<u>55,753</u>	<u>62,998</u>	<u>(7,245)</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(36,756)	(36,156)	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers from General Fund	<u>30,000</u>	<u>30,000</u>	<u>-</u>
<u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	(6,756)	(6,156)	
<u>FUND BALANCE, July 1</u>	<u>6,756</u>	<u>13,749</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>7,593</u>	

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

KIM SCHOOL DISTRICT RE-88
PUPIL ACTIVITY – SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>OPERATING REVENUES</u>			
Local Sources	45,000	51,360	6,360
State Sources	-	-	-
Federal Sources	-	-	-
<u>Total Operating Revenues</u>	<u>45,000</u>	<u>51,360</u>	<u>6,360</u>
 <u>OPERATING EXPENDITURES</u>			
Supporting Services:			
Purchased Services-Other	-	7,660	(7,660)
Supplies and Materials	<u>93,000</u>	<u>43,583</u>	<u>49,417</u>
<u>Total Operating Expenditures</u>	<u>93,000</u>	<u>51,243</u>	<u>41,757</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	(48,000)	117	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In (Out)	-	-	-
 <u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	(48,000)	117	
 <u>FUND BALANCE, July 1</u>	<u>48,000</u>	<u>50,213</u>	
 <u>FUND BALANCE, June 30</u>	<u>-</u>	<u>50,330</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: 1760 - Kim Reorganized 88
 Fiscal Year 2021-22
 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
Governmental				
10 General Fund	1,274,031	1,329,564	1,163,785	1,880,310
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	317	35,250	24,828	640
Sub-Total	1,274,348	1,354,814	1,188,613	1,880,950
11 Charter School Fund	0	0	0	0
2026-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Maint. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	13,750	56,842	63,998	7,594
22 Govt Design-Med-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	50,213	51,369	51,243	50,330
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	326,074	228,107	201,343	303,678
29 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Bonding Fund	0	0	0	0
42 Special Bonding Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0	0
48 Supplemental Cap Const Tech, Maint Fund	0	0	0	0
Total	2,054,295	2,054,295	1,880,950	2,241,751
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (E-3) Risk-Related Activity Fund	0	0	0	0
5085-69 Other Internal Service Funds	0	0	0	0
Fiduciary				
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
Total	0	0	0	0

FINAL



Colorado Department of Education
Bolded Balance Sheet Report
 District: 1760 - Kim Reorganized 88
 Fiscal Year 2021-22
 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)	935,351	0	3,434	54,692	0	0	3,861	0	0	0	0	0	0	0	0	997,338
Cash with Fiscal Agent (8105)	1,430	0	0	0	0	0	0	298,878	0	0	0	0	0	0	0	300,308
Other Investment Accounts (8112-8115)	876,811	0	0	0	0	0	0	0	0	0	0	0	0	0	0	876,811
Taxes Receivable (8121,8122)	20,450	0	0	0	0	0	0	10,900	0	0	0	0	0	0	0	31,350
Interfund Loans Receivable (8131,8132)	246	0	0	0	0	0	0	0	0	0	0	0	0	0	246	
Grants Accounts Receivable (8142)	130,484	0	0	0	0	0	1,871	0	0	0	0	0	0	0	0	132,355
Other Receivables (8151-8154,8161)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inventories (8171,8172,8173)	0	0	0	0	0	0	5,795	0	0	0	0	0	0	0	0	5,795
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	1,964,771	0	3,434	54,692	0	0	11,527	309,778	0	0	0	0	0	0	0	2,344,202

	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	
LIABILITIES & FUND EQUITY																	
LIABILITIES																	
Interfund Payables (7401,7402)	0	0	246	0	0	0	0	0	0	0	0	0	0	0	0	246	
Other Payables (7421-7423)	13,239	0	0	4,362	0	0	0	0	0	0	0	0	0	0	0	17,601	
Accrued Expenses (7461)	53,683	0	2,549	0	0	0	3,933	0	0	0	0	0	0	0	0	60,165	
Payroll Debit and Withholdings (7471-7473)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Unearned Revenue (7481)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Grants Deferred Revenue (7482)	4,588	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,588	
Deferred Inflow (7800)	12,950	0	0	0	0	0	0	6,900	0	0	0	0	0	0	0	19,850	
Total Liabilities	84,451	0	2,795	4,362	0	0	3,933	6,900	0	0	0	0	0	0	0	102,451	

Governmental

Proprietary

Fiduciary

FUND EQUITY

	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	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	5,795	0	0	0	0	0	0	0	0	5,795
Restricted Fund Balance 6720	0	0	0	0	0	0	1,799	302,878	0	0	0	0	0	0	0	304,677
TABOR 3% Emergency Reserve 6721	39,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39,000
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	640	0	0	0	0	0	0	0	0	0	0	0	0	640
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
BEST Capital Reserve 6727	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Program Reserve 6728	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Committed Fund Balance 6750	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assigned Fund Balance 6760	0	0	0	50,330	0	0	0	0	0	0	0	0	0	0	0	50,330
Unassigned Fund Balance 6770	1,841,310	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,841,310
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
Total Fund Equity	1,880,310	0	640	50,330	0	0	7,594	302,878	0	0	0	0	0	0	0	2,241,751

	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	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
General Funds 10,12-18	1,964,771	0	3,434	54,692	0	0	11,527	309,778	0	0	0	0	0	0	0	2,344,202
Charter School Fund 11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Preschool Fund 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Special Revenue Funds 20, 22-29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Supplemental Cap Const Fund 06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Program Reserve Fund 07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Food Service Special Revenue Fund 21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service Funds 30-39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Projects Funds 40-45, 47-49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Supplemental Cap Const Fund 46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Enterprise Funds 50, 52-59	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Risk-Related Activity Funds 63-64	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Internal Service Funds 60, 70-79	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trust & Agency Funds 70-79	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Foundations Fund 85	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

For Each Fund Type:
Do Assets=Liability+Fund Equity

Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes