Council Bluffs Community School District
Council Bluffs, Iowa

Financial Statements and
Supplementary Information
June 30, 2022

Together with Independent Auditor's Report

Council Bluffs Community School District

Table of Contents

	Page
Officials	1
Independent Auditor's Report	2 – 4
Management's Discussion and Analysis	5 – 13
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	14
Statement of Activities	15
Governmental Fund Financial Statements:	
Balance Sheet	16
Statement of Revenues, Expenditures and Changes in Fund Balance	17
Proprietary Fund Financial Statements:	
Statement of Net Position	18
Statement of Revenues, Expenses and Changes in Net Position	19
Statement of Cash Flows	20
Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Position	21
Statement of Changes in Fiduciary Net Position	22
Notes to Basic Financial Statements	23 – 45
Required Supplementary Information:	
Budgetary Comparison Schedule of Revenues, Expenditures and Changes in Balances – Budget and Actual – All Government Funds and Proprietary Fund	46
Notes to Required Supplementary Information – Budgetary Reporting	47
Schedule of the District's Proportionate Share of the Net Pension Liability	48
Schedule of District Contributions	49
Notes to Required Supplementary Information – Pension Liability	50
Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes	51
Supplementary Information:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	52
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	53

Council Bluffs Community School District

Table of Contents

Capital Project Funds:

Combining Balance Sheet 54

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances 55

Schedule of Changes in Special Revenue Fund – Student Activity Funds 56

Schedule of Revenues by Source and Expenditures by Function – All Governmental Funds 57

Schedule of Expenditures of Federal Awards 58

Notes to Schedule of Expenditure of Federal Awards 59

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* ..... 60 – 61

Independent Auditor's Report on Compliance For Each Major Federal Program and Report on Internal Control Over Compliance Required By the Uniform Guidance ..... 62 – 63

Schedule of Findings and Questioned Costs ..... 64 – 67

Audit Staff 68

Council Bluffs Community School District

Officials

Officials	Board of Education	Term Expires
Chris LaFerla	President	2023
Jill Shudak	Vice President	2023
Troy Arthur	Board Member	2023
David Coziahr	Board Member	2023
Lauren Myers	Board Member	2025
Patrick Peters	Board Member	2025
Jared Tripp	Board Member	2025

School Officials

Dr. Vickie Murillo	Superintendent
Dean Wilson	District Secretary/Treasurer and Chief Financial Officer

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Board of Education
Council Bluffs Community School District:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Council Bluffs Community School District, Council Bluffs, Iowa (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1(I) and Note 5 to the financial statements, in 2022 the District adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Districts 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 Management's Discussion and Analysis on pages 5 through 13, the Budgetary Comparison Information, Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of District Contributions and Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes on pages 46 through 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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 required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The financial statements for the year ended June 30, 2013 (which is not presented herein) were audited by other auditors, in accordance with the standards referred to in the third paragraph of this report, who expressed unmodified opinions on those financial statements; we previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the years ended June 30, 2014 through June 30, 2021 (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included on pages 52 through 59, including the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards,* is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Ede Bailly LLP

Omaha, Nebraska,
February 7, 2023.

Management's Discussion and Analysis

The Council Bluffs Community School District provides this Management's Discussion and Analysis of its financial statements. The narrative overview and analysis of financial activities is for the fiscal year ended June 30, 2022. We encourage readers to consider this information in conjunction with the District's financial statements, which follow.

2022 FINANCIAL OVERVIEW

General Fund revenues increased from $130,071,672 in fiscal 2021 to $137,227,323 in fiscal 2022. The increase in General Fund revenues is attributable to federal ESSER funds related to COVID. General Fund expenditures and transfers-out to other funds increased from $125,120,380 in fiscal 2021 to $135,969,052 in fiscal 2022. The difference between fiscal 2022 revenues and expenditures resulted in a net surplus $1,258,271. As a result, the District's General Fund balance increased from $17,280,010 in fiscal 2021 to $18,538,281 in fiscal 2022, which represents a 7.3% increase from the prior year, attributable to ESSER funds received.

The District's solvency ratio (unreserved-undesignated fund balance/general fund revenues-AEA Flow-through) decreased slightly from 12.44% at June 30, 2021, to 12.00% at June 30, 2022. The State School Budget Review Committee recommends a solvency ratio of 5%-10%.

USING THIS ANNUAL REPORT

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

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the District's financial activities.

The Government-wide Financial Statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of Council Bluffs Community School District as a whole and present an overall view of the District's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report Council Bluffs Community School District's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which Council Bluffs Community School District acts solely as an agent or custodian for the benefit of those outside of the School District.

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

Required Supplementary Information further explains and supports the financial statements with a comparison of the District's budget for the year, as well as presenting the schedule of funding progress for the retiree health plan.

Other Supplementary Information provides detailed information about the non-major funds. In addition, the Schedule of Expenditures of Federal Awards provides details of various programs benefiting the District.

Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1
Council Bluffs Community School District Annual Financial Report

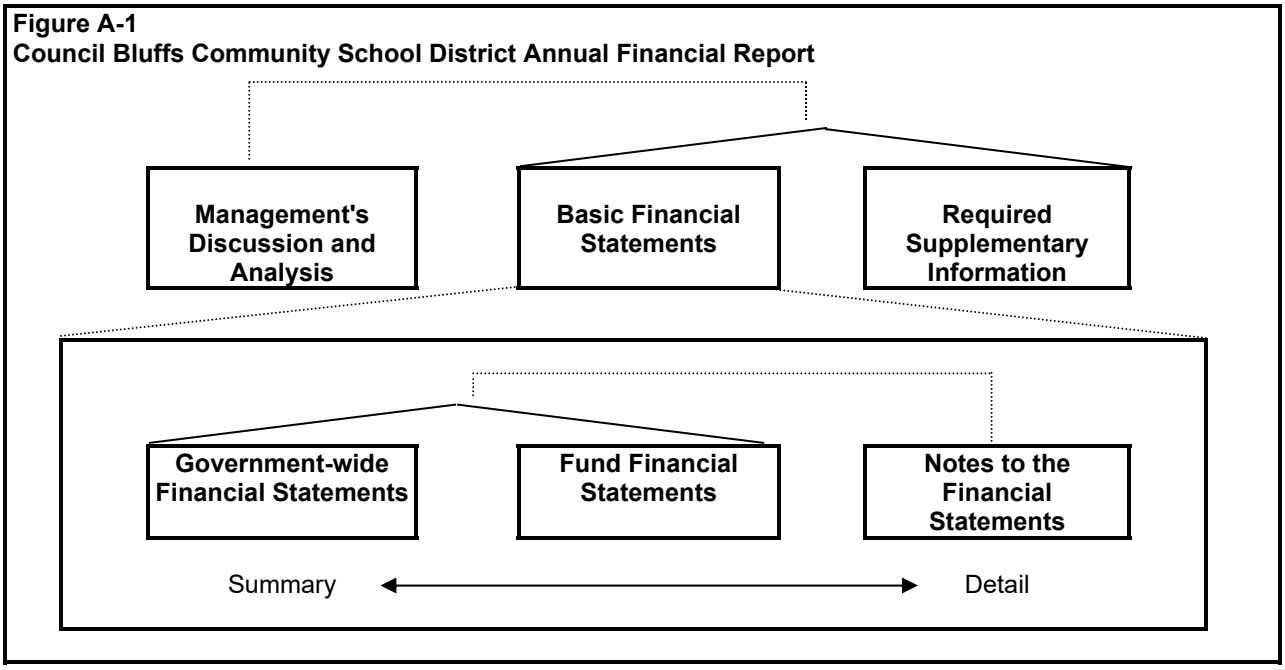

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain.

Figure A-2
Major Features of the Government-Wide and Fund Financial Statements

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services and adult education	Instances in which the District administers resources on behalf of someone else
Required financial statements	• Statement of Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances	• Statement of Position • Statement of Revenues, Expenses and Changes in Net Position • Statement of Cash Flows	• Statement of Fiduciary Net Assets • Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/ liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term: funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

REPORTING OF DISTRICT'S FINANCIAL ACTIVITIES

Government-wide Statements

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

The two Government-wide statements report the District's *net position* and how they have changed. Net Position – the difference between the District's assets and liabilities – are one way to measure the District's financial health or position. Over time, increases or decreases in the District's net Position are an indicator of whether financial position is improving or deteriorating, respectively. To assess the District's overall health, additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities need to be considered.

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

Governmental activities: Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property tax and state aid finance most of these activities.

Business-type activities: The District charges fees to help cover the costs of certain services it provides. The District's school nutrition program and self-insurance program is included here.

Fund Financial Statements

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

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

The District has two kinds of funds:

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

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

The required financial statements for governmental funds include a balance sheet and a statement of revenues, expenditures, and changes in fund balances.

Proprietary funds: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way the Government-wide statements. The District's enterprise funds, one type of proprietary fund, are the same as its business-type activities but provide more detail and additional information such as cash flows. The District currently has two enterprise funds, the School Nutrition Fund and the Regular Education Preschool Fund. Internal service funds are used to report the same functions presented as governmental activities in the government-wide financial statements. The District maintains one internal service fund to account for the premium and claim payments for the self-insured health insurance plans for District employees. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. Because the service provided by the District predominately benefits governmental, rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

The required financial statements for proprietary funds include a statement of revenues, expenses, and changes in fund net position, and a statement of cash flows.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position – Figure A-3 below provides a summary of the District's net position at June 30, 2022 compared to June 30, 2021.

Figure A-3
Statements of Net Position

	Governmental Activities June 30,		Business-type Activities June 30,		Total School District June 30,		% Change
Assets	2022	2021*	2022	2021*	2022	2021*	2021-2022
Current and other assets	$ 112,313,222	108,708,958	4,130,386	2,744,890	116,443,608	111,453,848	4.48%
Capital assets	150,591,671	149,687,314	397,866	291,104	150,989,537	149,978,418	0.67%
Total assets	**262,904,893**	**255,006,515**	**4,528,252**	**3,035,994**	**267,433,145**	**261,432,266**	**2.30%**
Deferred outflows of resources	**10,985,429**	**16,572,711**	**224,826**	**309,741**	**11,210,255**	**16,882,452**	**-33.60%**
Total assets and deferred outflows	$ **273,890,322**	**271,259,567**	**4,753,078**	**3,345,735**	**278,643,400**	**278,314,718**	**0.12%**
Liabilities	$ **116,149,375**	**177,831,799**	**766,474**	**1,939,215**	**116,915,849**	**179,771,014**	**-34.96%**
Deferred inflows of resources	**91,686,331**	**45,891,840**	**1,164,308**	**217,737**	**92,850,639**	**46,109,577**	**101.37%**
Net position:							
Net investment in capital assets	63,235,681	61,324,149	397,866	291,104	63,633,547	61,615,253	3.28%
Restricted	28,314,470	23,197,526	-	-	28,314,470	23,197,526	22.06%
Unrestricted	(25,495,535)	(33,276,331)	2,424,430	897,679	(23,071,105)	(32,378,652)	28.75%
Total net position	**66,054,616**	**51,245,344**	**2,822,296**	**1,188,783**	**68,876,912**	**52,434,127**	**31.36%**
Total liabilities, deferred inflows of resources and net position	$ **273,890,322**	**274,968,983**	**4,753,078**	**3,345,735**	**278,643,400**	**278,314,718**	**0.12%**

** 2021 financial information has not been restated for the effects of the adoption of GASB 87 in the year ended June 30, 2022.*

The District's combined net position increased 31.36%, over the prior year. Restricted net position represents resources subject to external restrictions, constitutional provisions, or enabling legislation on how funds can be used. The District's restricted net position increased 22.06% compared to last year, primarily a result of unspent categorical revenues and capital projects.

Unrestricted net position – the part of net position used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, increased 28.75% due to results from GASB 68-Accounting and Financial Reporting for Pensions.

Changes in net position – Figure A-4 shows the changes in net position for the year ended June 30, 2022 compared to the year ended June 30, 2021.

Figure A-4
Summary of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total School District		
	Year ended June 30,		Year ended June 30,		Year ended June 30,		% Change
	2022	2021*	2022	2021*	2022	2021*	2021-2022
Revenues:							
Program revenues:							
Charges for services	$ 3,700,452	4,153,729	168,241	84,035	3,868,693	4,237,764	-8.71%
Operating grants, contributions and restricted interest	39,446,012	31,396,061	7,567,221	6,024,907	47,013,233	37,420,968	25.63%
Capital grants, contributions, and restricted interest	3,128,163	315,347	--	--	3,128,163	315,347	891.97%
General revenues:							
Property and other tax	41,162,853	40,793,564	--	--	41,162,853	40,793,564	0.91%
Statewide sales, services and use tax	10,732,790	9,105,319	--	--	10,732,790	9,105,319	17.87%
Unrestricted state grants	60,594,355	60,990,975	--	--	60,594,355	60,990,975	-0.65%
Other	430,186	268,277	--	--	430,186	268,277	60.35%
Total revenues	**159,194,811**	**147,023,272**	**7,735,462**	**6,108,942**	**166,930,273**	**153,132,214**	**9.01%**
Program expenses							
Instruction	83,520,573	85,053,813	--	--	83,520,573	85,053,813	-1.80%
Support services	41,713,299	42,589,145	--	--	41,713,299	42,589,145	-2.06%
Non-instructional programs	--	--	6,150,264	5,952,694	6,150,264	5,952,694	3.32%
Other expenses	19,103,350	17,760,219	--	--	19,103,350	17,760,219	7.56%
Total expenses	**144,337,222**	**145,403,177**	**6,150,264**	**5,952,694**	**150,487,486**	**151,355,871**	**-0.57%**
Transfer	(48,317)	--	48,317	--	--	--	-100.00%
Change in net position	**14,809,272**	**1,620,095**	**1,633,515**	**156,248**	**16,442,787**	**1,776,343**	**825.65%**
Beginning Net Position	51,245,344	49,625,249	1,188,781	1,032,533	52,434,125	50,657,782	3.51%
Ending Net Position	**$ 66,054,616**	**51,245,344**	**2,822,296**	**1,188,781**	**68,876,912**	**52,434,125**	**31.36%**

** 2021 financial information has not been restated for the effects of the adoption of GASB 87 in the year ended June 30, 2022.*

In fiscal 2022, property tax, statewide sales, service and use tax and unrestricted state grants account for 70.93% compared to 75.42% in fiscal 2021 of revenue from governmental activities, while charges for services and operating grants and contributions account for 100% of the revenue from business type activities.

As shown in Figure A-4, the District as a whole experienced a 9.01% increase in FY22 revenues compared to a 6.78% increase in FY21, and a 0.57% decrease in FY22 expenditures compared to a 3.59% decrease in FY21 expenses.

Governmental Activities

Revenues for governmental activities were $159,194,811 and expenses/transfers-out net of debt proceeds were $144,337,222 for the year ended June 30, 2022. The District levied a cash reserve levy and minimized increases in expenditures to show an increase in the District's solvency ratio.

Figure A-5 presents the total and net cost of the District's major governmental activities: instruction, support services, non-instructional programs, and other expenses for the year ended June 30, 2022 compared to the year ended June 30, 2021.

Figure A-5
Total and Net Cost of Governmental Activities

	Total Cost			Net Cost		
	Year ended June 30,			Year ended June 30,		
	2022	2021*	% Change	2022	2021*	% Change
Instruction	83,520,573	85,053,813	-1.80%	45,205,254	54,342,068	-16.81%
Support services	41,713,299	42,589,145	-2.06%	41,597,589	42,459,236	-2.03%
Other expenses	19,103,350	17,760,219	7.56%	11,259,752	12,736,736	-11.60%
Totals	144,337,222	145,403,177	-0.73%	98,062,595	109,538,040	-10.48%

The cost financed by users of the District's programs was $3,048,880.

Federal and state governments subsidized certain programs with grants and contributions totaling $39,446,012. The net cost of governmental activities were financed with $41,162,853 in property tax, $10,732,790 in statewide sales, services and use tax, $60,594,355 in unrestricted state grants, $430,186 in interest income and other general revenues.

Business-Type Activities

Revenues of the District's business-type activities were $7,735,462 and expenses were $6,150,264. The District's business-type activities include the School Nutrition Fund and the Preschool Fund. Revenues of these activities were comprised of charges for services, federal and state reimbursements, and investment income. The District provided free breakfast and lunch, without charge, in all CEP (Community Eligibility Provision) schools within the District schools under a key provision of *The Healthy, Hunger Free Kids Act* (HHFKA, Public Law 111-296; December 13, 2010). CEP schools are defined as schools in low-income areas in the aggregate for the specific school. The district is reimbursed using a formula based on the percentage of students participating in other specific means-tested programs.

INDIVIDUAL FUND ANALYSIS

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported combined fund balance of $45,411,802 for 2022 and $40,263,927 for 2021. The increase was attributable to the construction costs for the middle school renovation project.

Governmental Fund Highlights

The District's General Fund financial position is the product of many factors. General Fund revenues increased from FY21 attributable to additional ESSER funding. Expenditures increased due to transfers-out to other funds for capital projects paid with ESSER funds.

Capital Project Fund net position increased from fiscal 2021 due to additional state funding received for the Early Learning Center project.

Proprietary Fund Highlights

The School Nutrition Fund net position increased 146% from $1,188,783 at June 30, 2021 to $2,823,681 at June 30, 2022, attributable to a reduction of shared IPERS unfunded pension liability.

BUDGETARY HIGHLIGHTS

It is the District's practice to budget expenditures at the maximum authorized spending authority for the General Fund. The District then manages or controls General Fund spending through its line-item budget. As a result, the District's certified budget should always exceed actual expenditures for the year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2022, the District had invested $142.1 million, net of accumulated depreciation, in a broad range of capital assets including land, buildings, athletic facilities and transportation equipment. More detailed information about capital assets is available in Note 4 to the financial statements. Depreciation expense for the year was $11.9 million.

The original cost of the District's capital assets was $273.9 million. Governmental funds account for $272.7 million with the remainder in the Proprietary, School Nutrition Fund.

The largest change in capital asset activity during the year occurred in work-in-progress category related to the Early Learning Center construction project.

Figure A-6
Capital Asset Summary

	Governmental Activities		Business Activities		Total School District		% Change
	June 30,		June 30,		June 30,		2021-2022
	2022	2021*	2022	2021*	2022	2021*	
Land	3,976,025	4,352,694	--	--	3,976,025	4,352,694	-8.65%
Construction in progress	5,686,245	17,238,680	--	--	5,686,245	17,238,680	-67.01%
Lease right of use assets	8,458,474	--	--	--	8,458,474	--	100.00%
Buildings and land improvements	127,604,893	124,969,485	--	--	127,604,893	124,969,485	2.11%
Furniture and equipment	4,866,034	3,126,455	397,866	291,104	5,263,900	3,417,559	54.03%
Totals	**150,591,671**	**149,687,314**	**397,866**	**291,104**	**150,989,537**	**149,978,418**	**0.67%**

** 2021 financial information has not been restated for the effects of the adoption of GASB 87 in the year ended June 30, 2022.*

Long-Term Debt

At June 30, 2022, the District had $94.9 million in outstanding long-term debt. This represents a decrease of 38.7% from the prior year, attributable to a reduced proportional share of the state's IPERS pension obligation.

Figure A-7
Long Term Liabilities Summary

	2022	2021	% Change 2021-2022
General obligation bonds	35,345,000	36,745,000	-3.8%
Premium on general obligation bonds	810,841	859,009	-5.6%
Revenue Bonds	37,709,000	42,781,000	-11.9%
Quality Zone Academy Bonds	1,500,000	1,500,000	0.0%
Qualified School Construction Bonds	5,650,000	5,650,000	0.0%
Lease Liability	8,490,999	-	100.0%
Compensated absences	275,684	305,657	-9.8%
Net OPEB liability	3,763,901	5,151,297	-26.9%
Net pension liability	1,233,598	61,728,390	-98.0%
Totals	**94,779,023**	**154,720,353**	-38.7%

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

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

- The political environment in Iowa makes planning for future funding difficult. The Iowa legislature usually sets changes in school funding one to four months prior to the start of the fiscal year.
- The levels of state and federal funding for education are not keeping pace with the increases in cost and mandated growth. The district received 1% increase in state funding for the year ended June 30, 2022. Although the district's financial position is currently stable, small increases in future state aid will negatively affect future district finances.
- Higher rates of inflation experienced during the school year, and the shortage of qualified staff, are an impediment for maintaining current educational supports. These same inflationary pressures have substantially increased the cost of capital projects and equipment replacement.

- Costs associated with special education continue rising. The special education deficit for 2022 was $2.2 million compared to a deficit of $1.5 million in 2021.
- Unfunded mandates at the state or federal level.
- States funding charter schools at the expense of public schools.
- The district experienced a weighted enrollment decrease in FY 2021 of 70.9 students, and a decrease of 237.3 students for FY 2022. Iowa school funding is based on student enrollment. A national trend has emerged of more school-aged students being educated at home or in charter schools, creating economic pressures for public school districts.
- Fixed costs are anticipated to increase regarding routine maintenance and utilities.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Dean Wilson, Chief Financial Officer, Council Bluffs Community School District, 300 W Broadway, Suite 1600, Council Bluffs, Iowa, 51503.

Council Bluffs Community School District

Statement of Net Position
June 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash, cash equivalents and pooled investments	$ 57,713,451	3,922,581	61,636,032
Receivables:			
Property tax:			
Delinquent	508,183	--	508,183
Succeeding year	41,541,715	--	41,541,715
Accounts	8,996,783	180,850	9,177,633
Investments	2,984,360	--	2,984,360
Inventories	117,401	26,955	144,356
Prepaid expenses	451,329	--	451,329
Lease right of use asset	8,458,474	--	8,458,474
Capital assets, not being depreciated	9,662,270	--	9,662,270
Capital assets, net of accumulated depreciation	132,470,927	397,866	132,868,793
Total assets	262,904,893	4,528,252	267,433,145
DEFERRED OUTFLOWS OF RESOURCES			
Deferred gain on refunding	2,210,727	--	2,210,727
OPEB related deferred outflows	233,722	14,497	248,219
Pension related deferred outflows	8,540,980	210,329	8,751,309
Total deferred outflows of resources	10,985,429	224,826	11,210,255
Total assets and deferred outflows of resources	$ 273,890,322	4,753,078	278,643,400
LIABILITIES			
Accounts payable	$ 6,269,832	53,324	6,323,156
Retainage payable	60,877	--	60,877
Salaries and benefits payable	12,730,934	330,482	13,061,416
Accrued interest payable	605,894	--	605,894
Current portion of long-term debt	6,848,000	--	6,848,000
Current portion of lease liability	1,282,648	--	1,282,648
Incurred and unpaid claims	1,061,674	--	1,061,674
Advances from grantors	665,813	20,002	685,815
Compensated absences	275,684	5,809	281,493
Long-term debt, net of current portion	74,166,841	--	74,166,841
Lease liability, net of current portion	7,208,351	--	7,208,351
Other post employment benefits	3,763,901	332,185	4,096,086
Net pension liability	1,208,926	24,672	1,233,598
Total liabilities	116,149,375	766,474	116,915,849
DEFERRED INFLOWS OF RESOURCES			
Succeeding year property tax	41,541,715	--	41,541,715
OPEB related deferred inflows	3,386,549	210,061	3,596,610
Pension related deferred inflows	46,758,067	954,247	47,712,314
Total deferred inflows of resources	91,686,331	1,164,308	92,850,639
NET POSITION			
Net investment in capital assets	63,235,681	397,866	63,633,547
Restricted for:			
Categorical funding	2,050,261	--	2,050,261
Debt service	8,765,039	--	8,765,039
Management levy purposes	2,436,559	--	2,436,559
Student activities	400,105	--	400,105
School infrastructure	8,152,225	--	8,152,225
Physical plant and equipment	6,510,281	--	6,510,281
Unrestricted	(25,495,535)	2,424,430	(23,071,105)
Total net position	66,054,616	2,822,296	68,876,912
Total liabilities, deferred inflows of resources and net position	$ 273,890,322	4,753,078	278,643,400

See accompanying notes to the financial statements

Council Bluffs Community School District

Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants, Contributions and Restricted Interest	Program Revenues: Capital Grants, Contributions and Restricted Interest	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total
Governmental activities:							
Instruction:							
Regular instruction	$ 82,303,266	2,207,714	35,226,625	--	(44,868,927)	--	(44,868,927)
Other instruction	1,217,307	746,008	134,972	--	(336,327)	--	(336,327)
	83,520,573	2,953,722	35,361,597	--	(45,205,254)	--	(45,205,254)
Support services:							
Student services	6,106,631	--	--	--	(6,106,631)	--	(6,106,631)
Instructional staff services	4,821,143	--	--	--	(4,821,143)	--	(4,821,143)
Administration services	14,094,123	--	--	--	(14,094,123)	--	(14,094,123)
Operation and maintenance of plant	10,194,423	95,158	--	--	(10,099,265)	--	(10,099,265)
Transportation services	6,496,979	--	20,552	--	(6,476,427)	--	(6,476,427)
	41,713,299	95,158	20,552	--	(41,597,589)	--	(41,597,589)
Other expenses:							
Facilities acquisition	121,149	--	--	3,128,163	3,007,014	--	3,007,014
Long-term debt interest	2,503,257	--	127,998	--	(2,375,259)	--	(2,375,259)
AEA flowthrough	4,587,437	--	4,587,437	--	--	--	--
ESSER retention pay	160,488	--	--	--	(160,488)	--	(160,488)
Depreciation (unallocated)*	11,731,019	--	--	--	(11,731,019)	--	(11,731,019)
	19,103,350	--	4,715,435	3,128,163	(11,259,752)	--	(11,259,752)
Total governmental activities	144,337,222	3,048,880	40,097,584	3,128,163	(98,062,595)	--	(98,062,595)
Business type activities:							
Non-instructional programs:							
Preschool operations	80,036	--	--	--	--	(80,036)	(80,036)
Food service operations	6,070,228	168,241	7,567,221	--	--	1,665,234	1,665,234
Total business-type activities	6,150,264	168,241	7,567,221	--	--	1,585,198	1,585,198
Total primary government	$ 150,487,486	3,217,121	47,664,805	3,128,163	(98,062,595)	1,585,198	(96,477,397)
General revenues							
Property and other tax levied for:							
General purposes					$ 35,747,594	--	35,747,594
Debt service					1,228,462	--	1,228,462
Capital outlay					4,186,797	--	4,186,797
Statewide sales, services and use tax					10,732,790	--	10,732,790
Unrestricted state grants					60,594,355	--	60,594,355
Unrestricted investment earnings					17,385	--	17,385
Other					412,801	--	412,801
Total general revenues					112,920,184	--	112,920,184
Transfers					(48,317)	48,317	--
Change in net position					14,809,272	1,633,515	16,442,787
Net position, beginning of year					51,245,344	1,188,781	52,434,125
Net position, end of year					$ 66,054,616	2,822,296	68,876,912

* This amount excludes the depreciation that is included in the direct expense of the various programs.

See accompanying notes to the financial statements

Council Bluffs Community School District

Balance Sheet – Governmental Funds
June 30, 2022

	General Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash, cash equivalents and pooled investements	$ 29,213,123	11,819,521	9,356,161	2,858,154	53,246,959
Receivables:					
Property tax:					
Delinquent	423,166	50,346	14,772	19,899	508,183
Succeeding year	34,301,427	4,361,323	1,279,670	1,599,295	41,541,715
Accounts	7,885,533	751,111	--	25,982	8,662,626
Due from other funds	--	1,768,784	--	--	1,768,784
Investments	--	1,984,990	--	--	1,984,990
Inventories	117,401	--	--	--	117,401
Prepaid expenses	447,912	3,417	--	--	451,329
Total assets	$ 72,388,562	20,739,492	10,650,603	4,503,330	108,281,987
LIABILITIES					
Accounts payable	$ 4,519,295	1,651,368	--	67,371	6,238,034
Due to other funds	1,768,784	--	--	--	1,768,784
Retainage payable	--	60,877	--	--	60,877
Advances from grantors	665,813	--	--	--	665,813
Salaries and benefits payable	12,594,962	--	--	--	12,594,962
Total liabilities	19,548,854	1,712,245	--	67,371	21,328,470
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues:					
Succeeding year property tax	34,301,427	4,361,323	1,279,670	1,599,295	41,541,715
FUND BALANCES					
Nonspendable:					
Inventories	117,401	3,418	--	--	120,819
Prepaid items	447,912	--	--	--	447,912
Restricted for:					
Categorical funding	2,050,261	--	--	--	2,050,261
Debt service	--	--	9,370,933	--	9,370,933
School infrastructure	--	8,152,225	--	--	8,152,225
Physical plant and equipment	--	6,510,281	--	--	6,510,281
Management levy purposes	--	--	--	2,436,559	2,436,559
Student activities	--	--	--	400,105	400,105
Unassigned	15,922,707	--	--	--	15,922,707
Total fund balances	18,538,281	14,665,924	9,370,933	2,836,664	45,411,802
Total liabilities, deferred inflows of resources and fund balances	$ 72,388,562	20,739,492	10,650,603	4,503,330	108,281,987

RECONCILIATION		
Total fund balances - governmental funds		$ 45,411,802
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets and right of use assets used in governmental activities are not financial resources and, therefore are not reported in the funds.		150,591,671
Long-term liabilities, including long-term debt, compensated absences payable, other post employment benefits payable, net pension liability and lease liabilities are not due and payable in the current period and therefore are not reported in the funds.		(94,754,351)
Accrued interest payable on long-term liabilities is not due and payable in the current period, and therefore is not reported as a liability in the funds.		(605,894)
Deferred outflows of resources and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds, as follows:		
Deferred outflows of resources	10,985,429	
Deferred inflows of resources	(50,144,616)	(39,159,187)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and vehicles to individual funds. The assets, deferred outflows of resources, liabilities and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position.		4,570,575
Net position - governmental activities		$ 66,054,616

See accompanying notes to the financial statements

Council Bluffs Community School District

Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds
For the Year Ended June 30, 2022

	General Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Local sources:					
Local tax	$ 34,148,404	14,919,587	1,228,462	1,599,190	51,895,643
Tuition	2,910,203	--	--	--	2,910,203
Other	1,486,743	3,128,163	127,998	747,365	5,490,269
State sources	77,433,554	128,317	37,650	50,756	77,650,277
Federal sources	21,248,419	--	--	--	21,248,419
Total revenues	137,227,323	18,176,067	1,394,110	2,397,311	159,194,811
EXPENDITURES					
Current					
Instruction:					
Regular instruction	86,214,512	34,296	--	17,250	86,266,058
Other instruction	393,793	--	--	789,455	1,183,248
	86,608,305	34,296	--	806,705	87,449,306
Support services:					
Student services	6,742,229	26,866	--	--	6,769,095
Instructional staff services	5,231,325	30,143	--	3,797	5,265,265
Administration services	14,276,607	1,342,880	--	12,085	15,631,572
Operation and maintenance of plant services	9,585,454	1,045,989	90,047	1,366,155	12,087,645
Transportation services	5,315,888	1,154,880	--	98	6,470,866
	41,151,503	3,600,758	90,047	1,382,135	46,224,443
Other expenditures:					
Facilities acquisition	--	6,740,791	--	--	6,740,791
Long-term debt:					
Principal	--	--	15,872,000	--	15,872,000
Interest and fiscal charges	--	--	2,364,154	--	2,364,154
AEA flowthrough	4,587,437	--	--	--	4,587,437
ESSER retention pay	160,488	--	--	--	160,488
	4,747,925	6,740,791	18,236,154	--	29,724,870
Total expenditures	132,507,733	10,375,845	18,326,201	2,188,840	163,398,619
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,719,590	7,800,222	(16,932,091)	208,471	(4,203,808)
OTHER FINANCING SOURCES (USES)					
Proceeds from bond issue	--	--	9,400,000	--	9,400,000
Transfers in (out)	(3,461,319)	(4,650,548)	8,064,167	(617)	(48,317)
Total other financing sources and uses	(3,461,319)	(4,650,548)	17,464,167	(617)	9,351,683
CHANGE IN FUND BALANCES	1,258,271	3,149,674	532,076	207,854	5,147,875
FUND BALANCES, BEGINNING OF YEAR	17,280,010	11,516,250	8,838,857	2,628,810	40,263,927
FUND BALANCES, END OF YEAR	$ 18,538,281	14,665,924	9,370,933	2,836,664	45,411,802

RECONCILIATION	
Net change in fund balances - total governmental funds	$ 5,147,875
Internal service funds are used by management to change the cost of certain activities to individual funds. The change in net position is reported with governmental activities.	(315,969)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their useful lives and reported as depreciation expense.	(11,060,124)
The current year District employer share of IPERS contributions are reported as expenditures in governmental funds, but are reported as a deferred outflow of resources in the statement of net position, and pension expense is reported as an expense in the statement of activities.	11,196,281
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the statement of net position.	15,872,000
Bond proceeds provide current financial resources to governmental funds but issuing debt increases long term liabilities in the statement of net position.	(9,400,000)
Some expenses reported in the statement of activities do not require the use of current financial resources and are therefore not reported as expenditures in governmental funds.	(136,799)
Change in net position - governmental activities	$ 11,303,264

See accompanying notes to the financial statements

Council Bluffs Community School District

Statement of Net Position – Proprietary Funds
June 30, 2022

	Business-Type Activities Enterprise Funds			Governmental Activities
	Enterprise			Internal Service
	School Nutrition	Regular Education Preschool	Total	Employee Health
ASSETS				
Current assets:				
Cash, cash equivalents and pooled investments	$ 3,911,813	10,768	3,922,581	4,466,492
Accounts receivable	180,850	--	180,850	334,157
Inventories	26,955	--	26,955	--
Investments	--	--	--	999,370
Total current assets	4,119,618	10,768	4,130,386	5,800,019
Noncurrent assets:				
Capital assets, net of accumulated depreciation	397,866	--	397,866	--
Total assets	4,517,484	10,768	4,528,252	5,800,019
DEFERRED OUTFLOWS OF RESOURCES				
OPEB related deferred outflows	14,497	--	14,497	--
Pension related deferred outflows	210,329	--	210,329	--
Total deferred outflows of resources	224,826	--	224,826	--
Total assets and deferred outflows of resources	$ 4,742,310	10,768	4,753,078	5,800,019
LIABILITIES				
Current liabilities:				
Accounts payable	$ 53,324	--	53,324	31,798
Salaries and benefits payable	318,329	12,153	330,482	135,972
Incurred and unpaid claims	--	--	--	1,061,674
Compensated absences	5,809	--	5,809	--
Total current liabilities	377,462	12,153	389,615	1,229,444
Long-term liabilities:				
Other post employment benefits	332,185	--	332,185	--
Net pension liability	24,672	--	24,672	--
Total long-term liabilities	356,857	--	356,857	--
Total liabilities	734,319	12,153	746,472	1,229,444
DEFERRED INFLOWS OF RESOURCES				
Advances from grantors	20,002	--	20,002	--
OPEB related deferred inflows	210,061	--	210,061	--
Pension related deferred inflows	954,247	--	954,247	--
Total deferred inflows of resources	1,184,310	--	1,184,310	--
NET POSITION				
Net investment in capital assets	397,866	--	397,866	--
Unrestricted	2,425,815	(1,385)	2,424,430	4,570,575
Total net position	2,823,681	(1,385)	2,822,296	4,570,575
Total liabilities, deferred inflows of resources, and net position	$ 4,742,310	10,768	4,753,078	5,800,019

See accompanying notes to the financial statements

Council Bluffs Community School District

Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities Enterprise Funds			Governmental Activities
	Enterprise			Internal Service
	School Nutrition	Regular Education Preschool	Total	Employee Health
OPERATING REVENUES				
Local sources:				
Charges for services	$ 90,661	77,580	168,241	12,045,927
OPERATING EXPENSES				
Support services:				
Student services	--	3,392	3,392	101,379
Transportation services	--	345	345	--
Administration services	--	--	--	14,247,940
Non-instructional programs:				
Food service operations:				
Salaries	1,909,377	21,217	1,930,594	--
Benefits	625,577	53,548	679,125	--
Purchased services	71,575	--	71,575	--
Supplies	3,385,315	1,534	3,386,849	--
Miscellaneous	5,608	--	5,608	--
Depreciation	72,776	--	72,776	--
Total operating expenses	6,070,228	80,036	6,150,264	14,349,319
OPERATING LOSS	(5,979,567)	(2,456)	(5,982,023)	(2,303,392)
NON-OPERATING REVENUES:				
State sources	46,974	--	46,974	--
Federal sources	7,477,759	--	7,477,759	--
Other	42,488	--	42,488	1,987,423
Total non-operating revenues	7,567,221	--	7,567,221	1,987,423
OTHER FINANCING USES				
Transfers in	47,246	1,071	48,317	--
CHANGE IN NET POSITION	1,634,900	(1,385)	1,633,515	(315,969)
NET POSITION, BEGINNING OF YEAR	1,188,781	--	1,188,781	4,886,544
NET POSITION, END OF YEAR	$ 2,823,681	(1,385)	2,822,296	4,570,575

See accompanying notes to the financial statements

Council Bluffs Community School District

Statement of Cash Flows – Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities Enterprise Funds Enterprise School Nutrition	Business-Type Activities Enterprise Funds Enterprise Regular Education Preschool	Governmental Activities Internal Service Employee Health
CASH FLOWS FROM OPERATING ACTIVITIES:			
Received from user charges	$ 90,796	77,580	11,981,184
Payments to employees	(1,885,825)	(12,801)	--
Payments of employee benefits	(750,186)	(53,548)	(719,290)
Payments to suppliers for goods and services	(2,896,353)	(1,534)	(12,846,853)
Net cash used in operating activities	(5,441,568)	9,697	(1,584,959)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
State subsidies received	46,974	--	--
Federal subsidies received	7,490,487	--	--
Transfers to other funds	47,246	1,071	--
Other nonoperating receipts (payments)	38,659	-	1,987,423
Net cash provided by noncapital financing activities	7,623,366	1,071	1,987,423
CASH FLOWS FROM INVESTING ACTIVITIES,			
Purchases of investments	--	--	1,008,609
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES,			
Acquisition of capital assets	(179,538)	--	--
NET CHANGE IN CASH, CASH EQUIVALENTS AND POOLED INVESTMENTS	2,002,260	10,768	1,411,073
CASH, CASH EQUIVALENTS AND POOLED INVESTMENTS, BEGINNING OF YEAR	1,909,553	--	3,055,419
CASH, CASH EQUIVALENTS AND POOLED INVESTMENTS, END OF YEAR	$ 3,911,813	10,768	4,466,492
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:			
Operating loss	$ (5,979,567)	(2,456)	(2,303,392)
Adjustments to reconcile operating loss to net cash used in operating activities			
Depreciation	72,776	--	--
Noncash food commodities	506,633	--	--
Decrease (increase) in accounts receivable	135	--	(64,743)
(Increase) decrease in prepaid expenses	102	--	425,949
Increase in inventories	107,934	--	--
Decrease in deferred outflows of resources	84,915	--	--
(Decrease) increase in accounts payable	(48,524)	--	14,843
Increase in salaries and benefits payable	21,380	12,153	(719,290)
Decrease in incurred and unpaid claims	--	--	1,061,674
Increase in other post employment benefits	(81,795)	--	--
Increase in net pension liability	(1,095,957)	--	--
Decrease in deferred inflows of resources	970,400	--	--
Net cash used in operating activities	$ (5,441,568)	9,697	(1,584,959)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
During the year ended June 30, 2022 the District received $380,923 of federal commodities			

See accompanying notes to the financial statements

Council Bluffs Community School District

Statement of Fiduciary Net Position – Fiduciary Funds
June 30, 2022

	Custodial Funds
ASSETS	
Due from other governments	$ 260,803
LIABILITIES	
Accounts payable	206,251
NET POSITION	
Restricted for individuals, organizations and other governments	54,552
Total liabilities and net position	$ 260,803

See accompanying notes to the financial statements

Council Bluffs Community School District

Statement of Changes in Fiduciary Net Position – Fiduciary Funds
June 30, 2022

		Custodial Funds
ADDITIONS		
Receipts from other governments	$	1,645,739
Other		197,254
Total additions		1,842,993
DEDUCTIONS		
Payments on behalf of other governments		739,112
Other expenses		1,080,223
Total deductions		1,819,335
CHANGE IN NET POSITION		23,658
NET POSITION, BEGINNING OF YEAR		30,894
NET POSITION, END OF YEAR	$	54,552

See accompanying notes to the financial statements

(1) Organization and Summary of Significant Accounting Policies

The Council Bluffs Community School District (the District) is a political subdivision of the State of Iowa and operates public schools for children in grades pre-kindergarten through twelve. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as vocational and recreational courses. The geographic area served includes the cities of Carter Lake, Crescent and Council Bluffs, Iowa and the predominately agricultural territory in Pottawattamie County. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

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

A. Reporting Entity

For financial reporting purposes, the District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the District. The District has no component units which meet the GASB criteria.

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

B. Basis of Presentation

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

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation, gain on refunding bonds and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction, or improvement of those assets.

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

Unrestricted net position consists of net position not meeting the definition of the preceding categories. Unrestricted net position often has constraints on resources that are imposed by management, but can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those 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, contributions and interest that are restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements - Separate financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other nonmajor governmental funds.

The District reports the following major governmental funds:

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

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

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

The District reports the following major proprietary funds:

The Enterprise, School Nutrition Fund is used to account for the food service operations of the District

The Internal Service Fund is used to account for self-funded health insurance provided to other departments or funds of the District. The District's internal service fund is presented in the proprietary fund financial statements. Because the principal users of the internal services are the District's governmental activities, the financial activity of the internal service fund is included in the governmental activities column when presented in the government-wide financial statements.

The District also reports the following fiduciary fund which focuses on net position and changes in net position.

The Custodial Fund is used to account for assets held by the District as an agent for individuals, private organizations and other governments.

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

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

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

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance

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

Cash, Cash Equivalents and Pooled Investments - The cash balances of most District funds are pooled and invested. Investments are stated at fair value except for the investment in the Iowa Schools Joint Investment Trust, which is valued at amortized cost, and non-negotiable certificates of deposit, which are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, they have a maturity date no longer than three months.

Property Tax Receivable - Property taxes in the governmental funds is accounted for using the modified accrual basis of accounting.

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

Property tax revenue recognized in these funds becomes due and collectible in September and March of the fiscal year with a 1.5% per month penalty for delinquent payments; is based on January 1, 2020 assessed property valuations; is for the tax accrual period July 1, 2021 through June 30, 2022 and reflects the tax levy contained in the budget certified to the County Board of Supervisors in April 2021.

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

Capital Assets, net - Capital assets, which include property, machinery and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide Statement of Net Position. Capital assets are reported at historical cost. Donated capital assets are reported at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class		Amount
Land	$	500
Buildings		5,000
Land improvements		5,000
Furniture and equipment:		
School Nutrition Fund equipment		500
Other machinery and equipment		5,000

Capital Assets are depreciated using the straight line method of depreciation over the following estimated useful lives:

Asset Class	Amount
Buildings	50 years
Land improvements	20 years
Furniture and equipment	5-15 years

Deferred Outflows of Resources - Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the employer after the measurement date, but before the end of the employer's reporting period, and gains on advance refunding of debt.

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

Compensated Absences - District employees accumulate a limited amount of earned but unused vacation for subsequent use or for payment upon termination, death or retirement. A liability is recognized when incurred in the government-wide financial statements. A liability for these amounts is recognized in governmental funds only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2022. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund.

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

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred inflows of resources in the government wide presentation consist of unspent grant proceeds as well as succeeding year property tax receivable, other receivables not collected within sixty days after year end, the unamortized portion of the unrecognized items not yet charged to pension and other post employment benefit expense.

Unavailable revenue on the Statement of Net Position consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied.

Fund Balances - In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts not in spendable form, such as inventories and prepaids.

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

Committed - Consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal actions of the government's highest level of decision making authority. These amounts cannot be used for any other purpose unless the government removes or changes the specific use by taking the same type of action it used to commit those amounts. The Board of Education is the District's highest level of authority. All actions concerning approving, eliminating, or modifying of minimal fund balances will be accomplished through resolution. At June 30, 2022, the District had no committed fund balance.

Assigned - Consists of amounts that are constrained by the government intended to be used for specific purposes, but are neither restricted nor committed. The authority for making an assignment is not required to be the District's highest decision making authority. Furthermore, the nature of the actions necessary to remove or modify an assignment is not as prescriptive as it is with regards to committed fund balances. The District management staff will have the overall responsibilities for monitoring these balances. At June 30, 2022, the District had no assigned fund balance.

Unassigned - All amounts not included in the preceding classifications.

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

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information. The District did not exceed its General Fund unspent authorized budget.

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

G. Pensions

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

H. Total Other Post Employment Benefits (OPEB)

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

I. Leases

The District is a lessee for leases related to office space and transportation vehicles. The District recognizes a lease liability and an intangible right-of-use lease asset (lease asset) in the government-wide financial statements.

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

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

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

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

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

J. Recent Accounting Pronouncements

In May 2022, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. The statement provides guidance on the accounting and financial reporting for SBITA for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The standard will be effective for reporting periods beginning after June 15, 2022. The District is currently evaluating the effect the new standard will have on the financial statements

K. Change in Accounting Principle

In June 2017, the GASB issued Statement No. 87, *Leases*. The standard implements a single approach to accounting for leases. Lessees will be required to recognize a lease liability, measured at the present value of expected payments net of incentives, and an intangible right-to-use asset for all leases with terms of greater than 12 months. As payments are made, lessees will reduce the liability and recognize interest expense. Lease terms will include options to extend or terminate leases if it is reasonably certain that those options will be exercised. The District recognized a lease asset and liability in the statement of net position as a result of the accounting principle adoption. The effect of the implementation of this standard on beginning net position is disclosed in Note 14 and the additional disclosures required by this standard are included in Note 5.

(2) Cash, Cash Equivalents and Pooled Investments

The District's bank deposits at June 30, 2022 were entirely covered by federal depository insurance, or by the State Sinking Fund, in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

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

Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The U.S. Government and Treasury obligations are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates and market assumptions (Level 2 inputs).

At June 30, 2022, the District had investments in the Iowa Schools Joint Investment Trust Direct (ISJIT) Government Obligations Portfolio which are valued at an amortized cost of $1,984,990. There were no limitations or restrictions on withdrawals of the ISJIT investments. The investments in ISJIT were rated AAA by Standard & Poor's Financial Services.

The District had the following fair value measurements at June 30, 2022:

	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other Observable Inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash and money market funds	$ 2,357,160	2,357,160	--	--
U.S. Government and Treasury obligations	5,845,642	--	5,845,642	--
	$ 8,202,802	2,357,160	5,845,642	--

The District has not adopted formal policies for interest rate risk, credit risk, concentration of credit risk, or custodial credit risk.

(3) Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2022 is as follows:

Transfer to	Transfer from	Amount
Capital Projects Fund	Debt Service Fund	$ 167,043
Capital Projects Fund	General Fund	3,413,619
Capital Projects Fund	Capital Projects Fund	869,582
Debt Service Fund	Capital Projects Fund	8,231,210
General Fund	Other Governmental Fund	617
Nutrition Fund	General Fund	47,246
Regular Education Preschool Fund	General Fund	1,071
		$ 12,730,388

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

(4) Capital Assets

Capital asset activity for the year ended June 30, 2022 is as follows:

	Balance, Beginning as Adjusted	Increases	Decreases	Balance, End of Year
Governmental activities				
Capital assets not being depreciated:				
Land	$ 4,352,694	--	376,669	3,976,025
Construction in progress	17,238,680	6,944,281	18,496,716	5,686,245
Total capital assets not being depreciated	21,591,374	6,944,281	18,873,385	9,662,270
Capital assets being depreciated:				
Buildings and land improvements	238,602,825	18,038,899	6,009,245	250,632,479
Furniture and equipment	8,928,246	3,639,188	192,144	12,375,290
Total capital assets being depreciated	247,531,071	21,678,087	6,201,389	263,007,769
Less accumulated depreciation for:				
Buildings and land improvements	113,633,340	10,006,252	612,006	123,027,586
Furniture and equipment	5,801,791	1,899,609	192,144	7,509,256
Total accumulated depreciation	119,435,131	11,905,861	804,150	130,536,842
Total capital assets being depreciated, net	128,095,940	9,772,226	5,397,239	132,470,927
Governmental activities capital assets, net	$ 149,687,314	16,716,507	24,270,624	142,133,197
Business-type activities				
Furniture and equipment	$ 1,005,886	179,538	--	1,185,424
Less accumulated depreciation	714,782	72,776	--	787,558
Business-type activities capital assets, net	$ 291,104	106,762	--	397,866

Depreciation expense was charged by the District as follows:

Governmental activities:		
Instruction:		
Other	$	34,059
Support services:		
Instructional		98,233
Administration		16,437
Transportation		26,113
		174,842
Unallocated		11,731,019
Total depreciation expense - governmental activities	$	11,905,861
Business-type activities:		
Nutrition services	$	72,776

The District has entered into various construction contracts totaling approximately $46,200,000 for renovations and improvements at District facilities. At June 30, 2022, project costs of approximately $21,800,000 has been incurred related to these projects. The remaining balance of approximately $24,400,000 will be paid as work on the projects progresses.

(5) Leases

The District has entered into a lease agreement for the use of building space with a term ending July 2034. The District is required to make monthly payments, including principal and interest, ranging from $21,224 to $24,868 over the term of the lease. The interest rate implicit in the lease is 1.029%, which is equivalent to the District's incremental borrowing rate.

The District has also entered into a lease agreement for certain transportation equipment with a term ending June 30, 2027. The District is required to make monthly payments, including principal and interest of $91,667 over the term of the lease. The interest rate implicit in the lease is 1.029%, which is equivalent to the District's incremental borrowing rate.

Lease liability activity of the District as of and for the year ended June 30, 2022 consisted of the following:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Lease liabilities - buildings	$ 3,351,364	--	223,630	3,127,734
Lease liabilities - transportation equipment	950,000	5,363,265	950,000	5,363,265
Total	$ 4,301,364	5,363,265	1,173,630	8,490,999

The remaining obligations associated with these leases are as follows:

Year ending June 30,	Principal	Interest	Total
2023	$ 1,282,648	76,716	1,359,364
2024	1,296,478	68,073	1,364,551
2025	1,315,191	54,644	1,369,835
2026	1,329,234	41,043	1,370,277
2027	1,342,976	27,300	1,370,276
thereafter	1,924,472	73,286	1,997,758
Total	$ 8,490,999	341,062	8,832,061

The District's right to use assets related to the leases as of and for the year ended June 30, 2022 are as follows:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Right to use lease assets being amortized:				
Right to use leased buildings	$ 3,351,364	--	--	3,351,364
Right to use leased transportation equipment	950,000	5,363,265	950,000	5,363,265
Total right to use leased assets being amortized	4,301,364	5,363,265	950,000	8,714,629
Less accumulated amortization:				
Right to use leased buildings	--	256,155	--	256,155
Right to use leased transportation equipment	--	950,000	950,000	--
Total accumulated amortization	--	1,206,155	950,000	256,155
Net right to use leased assets	$ 4,301,364	4,157,110	--	8,458,474

The statement of revenue expenses and changes in net position for the year ended June 30, 2022 include amortization of right to use assets of $1,206,155.

(6) Long-Term Liabilities

Changes in long-term liabilities for the year ended June 30, 2022 are summarized as follows:

		Balance, Beginning as Adjusted	Additions	Reductions	Balance, End of Year	Due Within One Year
Governmental activities						
General obligation bonds	$	36,745,000	--	1,400,000	35,345,000	1,500,000
Premium on general obligation bonds		859,009	--	48,168	810,841	--
Revenue bonds		42,781,000	9,400,000	14,472,000	37,709,000	5,348,000
Quality zone academy bonds		1,500,000	--	--	1,500,000	--
Qualified school construction bonds		5,650,000	--	--	5,650,000	--
Compensated absences		305,657	--	29,973	275,684	275,684
OPEB liability		5,151,297	--	1,387,396	3,763,901	--
Net pension liability		61,728,390	--	60,519,464	1,208,926	--
Total	$	154,720,353	9,400,000	77,857,001	86,263,352	7,123,684

		Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Business-type activities						
Compensated liabilities	$	7,981	--	2,172	5,809	5,809
OPEB liability		413,980	--	81,795	332,185	--
Net pension liability		1,120,629	--	1,095,957	24,672	--
Total	$	1,542,590	--	1,179,924	362,666	5,809

Details of the District's June 30, 2022 general obligation (GO) bond indebtedness are as follows:

Year Ending June 30,	Bond Issue of May 1, 2019 Interest Rates	Principal	Interest	Total
2023	2.190%	--	898,350	898,350
2024	2.190%	--	898,350	898,350
2025	2.190%	--	898,350	898,350
2026	2.190%	--	898,350	898,350
2027	2.190%	--	898,350	898,350
Thereafter	2.190%	27,245,000	6,600,050	33,845,050
		$ 27,245,000	11,091,800	38,336,800

Year Ending June 30,	Bond Issue of May 1, 2020 Interest Rates	Principal	Interest	Total
2023	1.370%	1,500,000	110,970	1,610,970
2024	1.370%	1,550,000	90,420	1,640,420
2025	1.370%	1,600,000	69,185	1,669,185
2026	1.370%	1,700,000	47,265	1,747,265
2027	1.370%	1,750,000	23,975	1,773,975
		$ 8,100,000	341,815	8,441,815

Year Ending June 30,	Total GO Bonds		
	Principal	Interest	Total
2022	$ 1,500,000	1,009,320	2,509,320
2023	1,550,000	988,770	2,538,770
2024	1,600,000	967,535	2,567,535
2025	1,700,000	945,615	2,645,615
2026	1,750,000	922,325	2,672,325
Thereafter	27,245,000	6,600,050	33,845,050
	$ 35,345,000	11,433,615	46,778,615

On May 1, 2020, the District issued $27,245,000 of general obligation, Series 2021, bonds for construction improvements and renovations of the District's two middle schools, Kirn and Wilson. The bonds bear interest at 2.190% per annum. During the year ended June 30, 2022, principal and interest paid were $-0- and $898,350, respectively.

On May 1, 2021, the District issued $9,500,000 of general obligation, Series 2021, bonds to fund continued improvements and renovations of the District's two middle schools, Kirn and Wilson. The bonds bear interest at 2.190% per annum. During the year ended June 30, 2022, principal and interest paid were $1,400,000 and $130,150, respectively.

On August 4, 2021, the District issued $9,400,000 of Sales Tax Revenue refunding bonds, bearing interest at 1.029%, which mature on January 1, 2029. The proceeds from the bonds were used to call all outstanding principal amounts of the District's 2017 Series A Sales Tax Revenue bonds and the District's 2020 Sales Tax Revenue bonds. During the year ended June 30, 2022, principal and interest paid were $932,000 and $39,496, respectively.

Details of the District's June 30, 2022 statewide sales, services and use tax revenue bonded indebtedness are as follows:

Year Ending June 30,	Bond Issue of March 1, 2016 Series A			
	Interest Rates	Principal	Interest	Total
2023	2.800%	221,000	49,504	270,504
2024	2.800%	228,000	43,274	271,274
2025	2.800%	234,000	36,848	270,848
2026	2.800%	240,000	30,254	270,254
2027	2.800%	248,000	23,478	271,478
Thereafter	2.800%	652,000	27,720	679,720
		$ 1,823,000	211,078	2,034,078

Year Ending June 30,	Bond Issue of March 1, 2016 Series B			
	Interest Rates	Principal	Interest	Total
2023	2.800%	2,684,000	634,830	3,318,830
2024	2.800%	2,847,000	559,160	3,406,160
2025	2.800%	3,015,000	477,666	3,492,666
2026	2.800%	3,100,000	392,658	3,492,658
2027	2.800%	3,188,000	305,242	3,493,242
Thereafter	2.800%	8,505,000	364,280	8,869,280
		$ 23,339,000	2,733,836	26,072,836

Year Ending June 30,	Bond Issue of December 12, 2017 Series B			
	Interest Rates	Principal	Interest	Total
2023	2.190%	629,000	86,166	715,166
2024	2.190%	681,000	71,821	752,821
2025	2.190%	678,000	56,809	734,809
2026	2.190%	642,000	42,158	684,158
2027	2.190%	630,000	28,339	658,339
Thereafter	2.190%	819,000	17,290	836,290
		$ 4,079,000	302,583	4,381,583

Year Ending June 30,	Bond Issue of August 4, 2021 Series 2021			
	Interest Rates	Principal	Interest	Total
2023	1.029%	1,814,000	82,341	1,896,341
2024	1.029%	1,708,000	63,906	1,771,906
2025	1.029%	1,292,000	46,665	1,338,665
2026	1.029%	950,000	35,182	985,182
2027	1.029%	977,000	25,355	1,002,355
Thereafter	1.029%	1,727,000	19,921	1,746,921
		$ 8,468,000	273,370	8,741,370

Year Ending June 30,	Total Revenue Bonds		
	Principal	Interest	Total
2023	$ 5,348,000	852,841	6,200,841
2024	5,464,000	738,161	6,202,161
2025	5,219,000	617,988	5,836,988
2026	4,932,000	500,252	5,432,252
2027	5,043,000	382,414	5,425,414
Thereafter	11,703,000	429,211	12,132,211
	$ 37,709,000	3,520,867	41,229,867

The District has pledged future statewide sales, services and use tax revenues to repay the bonds issued March 1, 2016, October 24, 2017, December 12, 2017, August 4, 2021. The bonds were issued for the purpose of defraying a portion of the costs of renovating buildings within the District. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2030. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional limitation of the District. Annual principal and interest payments on the bonds are expected to require nearly 60% of statewide sales, services and use tax revenues. For the current year, principal and interest paid on the bonds was $6,161,194 and total statewide sales, services and use tax revenues were $10,732,790.

The resolutions providing for the issuance of the statewide sales, services and use tax revenues include the following provisions:

a) Certain proceeds from the issuance of the revenue bonds shall be deposited to a reserve account to be used solely for the purpose of paying principal and interest on the bonds if insufficient money is available in the sinking account. The accrued interest on the revenue bond proceeds shall be placed into a sinking account. The balance of the proceeds shall be deposited to the project account.

b) The District will make transfers from the statewide sales, services and use tax account and those proceeds shall be placed in a revenue account.

c) Monies in the revenue account shall be disbursed to make deposits into a sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year.

d) Any monies remaining in the revenue account after the required transfer to the sinking account may be transferred to the project account to be used for any lawful purpose.

Advance Refundings

In previous years, the District has completed advance refundings on various bond issues, taking advantage of improvements in interest rates available to the District. In an advance refunding, the difference between the reacquisition price and the net carrying amount of the old debt is reported in the statement of net position as a deferred outflow of resources, and amortized on the statement of activities using the straight-line method. As of June 30, 2022, $2,210,727 of unamortized gain on advance refunding was reported as deferred outflows of resources in the statement of net position.

Quality Zone Academy Bonds

On November 24, 2009, the District issued Quality Zone Academy Bonds (QZAB) which are held by UMB. Annual transfers from the Capital Projects Fund to a debt sinking fund will be made to pay the indebtedness due July 1, 2024 of $1,500,000. Details of the District's June 30, 2022 QZAB bond indebtedness are as follows:

Year Ending June 30,	Bond Issue of November 24, 2009			
	Interest Rates	Principal	Interest	Total
2023	2.600%	--	33,750	33,750
2024	2.600%	--	33,750	33,750
2025	2.600%	1,500,000	16,875	1,516,875
		$ 1,500,000	84,375	1,584,375

Qualified School Construction Bonds

On November 24, 2009, the District issued Qualified School Construction Bonds (QSCB). Annual transfers from the Capital Projects Fund to a debt sinking fund will be made to pay the indebtedness due July 1, 2025, of $5,650,000. Details of the District's June 30, 2022 QSCB bond indebtedness are as follows:

Year Ending June 30,	Bond Issue of November 24, 2009			
	Interest Rates	Principal	Interest	Total
2023	2.600%	--	146,900	146,900
2024	2.600%	--	146,900	146,900
2025	2.600%	--	146,900	146,900
2026	2.600%	5,650,000	73,450	5,723,450
		$ 5,650,000	514,150	6,164,150

(7) Pension and Retirement Benefits

Plan Description

The District contributes to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS membership is mandatory for employees of the District, except for those covered by another retirement system. IPERS issues a stand-alone financial report which is available to the public by mail at P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

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

Pension Benefits

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

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

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

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

Disability and Death Benefits

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

Contributions

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

In fiscal year 2022, pursuant to the required rate, regular members contributed 6.29 percent of covered payroll and the District contributed 9.44 percent of covered payroll for a total rate of 15.73 percent.

The District's contributions to IPERS for the year ended June 30, 2022 were $6,741,824.

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

At June 30, 2022, the District reported a liability of $1,233,610 for its proportionate share of the net pension liability. The District's net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2021, the District's proportion was 0.879939 percent, which was a decrease of 0.021025 from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the District recognized pension income of $4,442,335. At June 30, 2022, the District 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
Differences between expected and actual experience	$	938,596	942,405
Changes of assumptions		806,879	--
Net difference between projected and actual earnings on pension plan investments		--	44,695,237
Changes in proportion and differences between District contributions and proportionate share of contributions		264,010	2,074,672
District contributions subsequent to the measurement date		6,741,824	--
Total	$	8,751,309	47,712,314

Deferred outflows of resources related to pensions included $6,741,824 resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2023	$ (11,180,793)
2024	(11,382,026)
2025	(10,631,853)
2026	(12,492,628)
2027	(15,529)
	$ (45,702,829)

There were no non-employer contributing entities at IPERS.

Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of Inflation (effective June 30, 2017)	2.60% per annum
Salary increases (effective June 30, 2017)	3.25% to 16.25%, average, including inflation. Rates vary by membership group
Long-term Investment rate of return (effective June 30, 2017)	7.0% per annum, compounded annually, net of pension plan investment expense, including inflation
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study dated March 24, 2017, and a demographic assumption study dated June 28, 2018.

Mortality rates used in the 2021 valuation were based on RP-2014 Employee and Healthy Annuitant Tables with MP-2017 generational adjustments.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Core plus fixed income	26.0%	0.29%
Domestic equity	22.0	4.43
International equity	17.5	6.01
Private equity	13.0	9.51
Private real assets	7.5	4.63
Global smart beta equity	6.0	5.10
Public credit	4.0	2.08
Private credit	3.0	2.87
Cash	1.0	(0.25)
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate.

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	$ 43,661,050	1,233,598	(34,323,304)

Pension Plan Fiduciary Net Position

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

(8) Other Postemployment Benefits (OPEB)

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

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

Retired participants must be age 55 or older at retirement. At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or retirees currently participating in the OPEB plan	15
Active employees	1,284
Total	1,299

Total OPEB Liability - The District's total OPEB liability of $4,053,467 was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2021.

Actuarial Assumptions - The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and the entry age normal level percent of pay cost method, applied to all periods included in the measurement.

Rate of Inflation (effective June 30, 2021)	2.25 percent per annum
Salary increases (effective June 30, 2021)	3.25 percent, average, including inflation. Rates vary by membership group
Discount rate (effective June 30, 2021)	1.92 percent per annum
Healthcare cost trend rate (effective June 30, 2021)	6.70 percent for the year ending June 30, 2022, gradually decreasing to an ultimate rate of 3.7 percent for years ending June 30, 2075 and later years.

Discount Rate – The discount rate used to measure the total OPEB liability was 1.92% which reflects the Fidelity 20-year Municipal GO AA Index as of the measurement date.

Mortality rates were based on the RP-2014 Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale MP-2017 and other adjustments.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study with dates corresponding to those listed above.

Changes in the Total OPEB Liability

Total OPEB liability, beginning of year	$ 5,412,445
Changes during the year:	
Service cost	505,195
Interest	143,269
Differences in experience/actual	(633,843)
Changes in assumptions	(1,233,776)
Benefit payments	(139,823)
Net changes	(1,358,978)
Total OPEB liability, end of year	$ 4,053,467

Changes in assumptions reflect the following changes:

- Discount rate was changed from 2.45% to 1.92% based on updated 20-year municipal bond rates.
- Mortality table changed from the RP-2000 to the RP-2014 table based on the June 2018 Iowa Public Employees' Retirement System (IPERS) Demographic Assumptions Study.
- Healthcare trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience.
- The percent of future retirees assumed to elect coverage at retirement changed from 40% to 30% to reflect recent plan experience.
- The inflation assumption was changed from 2.50% to 2.25% based on an updated historical analysis of inflation rates and forward-looking market expectations.

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (0.92%) or 1% higher (2.92%) than the current discount rate.

	1% Decrease (0.92%)	Discount Rate (1.92%)	1% Increase (2.92%)
Total OPEB liability	$ 4,380,920	4,053,467	3,742,848

Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.7%) or 1% higher (7.7%) than the current healthcare cost trend rates.

	1% Decrease (5.7%)	Discount Rate (6.7%)	1% Increase (7.7%)
Total OPEB liability	$ 3,537,174	4,053,467	4,675,925

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2022, the District recognized OPEB expense of $244,615. At June 30, 2022, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ --	1,166,618
Changes in assumptions	248,219	2,429,992
Total deferred inflows of resources related to OPEB	$ 248,219	3,596,610

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

Year Ended June 30,	
2023	$ (403,849)
2024	(403,849)
2025	(403,849)
2026	(403,849)
2027	(403,849)
Thereafter	(1,329,146)
	$ (3,348,391)

Additionally, the District offered an incentive to certain employees to elect to take early retirement from the District during the 2019, 2017 and 2016 fiscal years. If the employees elected to take early retirement, funds were set aside for the benefit of the employee to pay health insurance premiums. The funds are available to the employees for the next seven years, or until the amount of the funds set aside for each employee have been spent. As of June 30, 2022, the District was liable for future payments to plan participants of $42,619.

(9) Self Insurance Program

The District has established a self insurance medical program which is accounted for in the Employee Health Fund (an internal service fund). This program provides employees health benefit coverage up to a maximum of $200,000 per employee per year. The District purchases commercial insurance for claims in excess of this coverage. Settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

The District makes payments to the Employee Health Fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The incurred and unpaid claims liability is based on liabilities incurred at the date of the financial statements and the amount of loss that can be reasonably estimated. Change in the Fund's claims liability amount is shown below.

Incurred and unpaid claims, beginning of year	$ 710,770
Incurred claims	12,964,142
Payments	(12,613,238)
Incurred and unpaid claims, end of year	$ 1,061,674

(10) Categorical Funding

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

The District's ending fund balances for categorical funding by project as of and for the year ended June 30, 2022 are as follows:

Project		Amount
1119 - Dropout prevention	$	207,799
3116 - TLC state aid		259,088
3117 - Voluntary preschool		808,072
3204 - Teacher salary supplement		7,612
3225 - Reading recovery		1,642
3234/3238 - Innovative at risk K-3		176
3315 - Empowerment professional development		7,490
3342 - Early readers		222,616
3376 - Educator quality		233,148
9022 - Restricted funds		302,618
	$	2,050,261

(11) Risk Management

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

(12) Area Education Agency

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the area education agency. The District's actual amount expended for this purpose totaled $4,587,437 for the year ended June 30, 2022.

(13) Tax Abatements

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

Tax Abatements of Other Entities

Property tax revenues of the District were reduced by the following amounts for the year ended June 30, 2022 under agreements entered into by the following entities:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Council Bluffs	Tax Increment Financing	$ 600,324

The State of Iowa reimburses the District an amount equivalent to the increment of valuation on which property tax is divided times $5.40 per $1,000 of taxable valuation. For the year ended June 30, 2022, this reimbursement amounted to $246,060.

(14) Adoption of New Standard

As of July 1, 2021, the District adopted GASB Statement No. 87, Leases. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard also requires lessors to recognize a lease receivable and deferred inflow of resources. The results of these changes had no effect on beginning net position.

(15) COVID-19 Funding

The District has been awarded approximately $28,300,000 in funding through the Elementary and Secondary School Emergency Relief (ESSER) Fund, as authorized under the CARES Act and the American Rescue Plan Act. The District has spent approximately $20,500,000 of this award through June 30, 2022.

There is considerable flexibility in determining how best to use the ESSER award, that includes funding the cost of personal protective equipment, cleaning and sanitizing materials, and activities that will support remote learning for all students. The District has approximately $5,400,000 in ESSER funding that has been awarded, and remains unobligated as of June 30, 2022, and is not included in the financial statements. The District's timeframe for obligating funds awarded under ESSER extends through September 30, 2024.

(16) Subsequent Event

In November 2022, the District entered into a 63 month lease for copiers and printers, with monthly base payments of $9,697. The District will recognize a lease liability and right of use asset related to this lease of approximately $595,000 during the fiscal year ending June 30, 2023.

Council Bluffs Community School District

Required Supplementary Information
Budgetary Comparison Schedule of Revenues, Expenditures and Changes in Balances – Budget and Actual –
All Governmental Funds and Proprietary Fund
For the Year Ended June 30, 2022

	Governmental Fund Types Actual	Proprietary Fund Type Actual	Total Actual	Budgeted Amounts Original	Budgeted Amounts Final	Final to Actual Variance
REVENUES						
Local sources	$ 60,296,115	210,729	60,506,844	47,400,735	47,400,735	13,106,109
State sources	77,650,277	46,974	77,697,251	85,627,835	85,627,835	(7,930,584)
Federal sources	21,248,419	7,477,759	28,726,178	14,371,583	14,371,583	14,354,595
Total revenues	159,194,811	7,735,462	166,930,273	147,400,153	147,400,153	19,530,120
EXPENDITURES/EXPENSES						
Instruction	87,449,306	--	87,449,306	82,508,500	82,508,500	(4,940,806)
Support services	46,224,443	--	46,224,443	45,916,718	45,916,718	(307,725)
Non-instructional programs	--	6,150,264	6,150,264	5,600,000	5,600,000	(550,264)
Other expenditures	29,724,870	--	29,724,870	14,423,286	14,423,286	(15,301,584)
Total expenditures/expenses	163,398,619	6,150,264	169,548,883	148,448,504	148,448,504	(21,100,379)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES/EXPENSES	(4,203,808)	1,585,198	(2,618,610)	(1,048,351)	(1,048,351)	1,570,259
OTHER FINANCING SOURCES (USES)						
Proceeds from bond issue	9,400,000	--	9,400,000	--	--	(9,400,000)
Transfers in (out)	(48,317)	48,317	--	--	--	--
Total other financing sources (uses)	9,351,683	48,317	9,400,000	--	--	(9,400,000)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES/EXPENSES AND OTHER FINANCING SOURCES (USES)	5,147,875	1,633,515	6,781,390	(1,048,351)	(1,048,351)	(7,829,741)
BALANCES, Beginning of year	40,263,927	1,188,781	41,452,708	41,452,708	41,452,708	--
BALANCES, End of year	$ 45,411,802	2,822,296	48,234,098	40,404,357	40,404,357	(7,829,741)

See accompanying independent auditor's report

Notes to Required Supplementary Information – Budgetary Reporting
For the Year Ended June 30, 2022

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

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

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functional areas, not by fund. These four functional areas are instruction, support services, non-instructional programs and other expenditures. Although the budget document presents functional expenditures or expenses by fund, the legal level of control is at the aggregated function level, not by fund. The Code of Iowa also provides that District expenditures in the General Fund may not exceed the amount authorized by the school finance formula.

The District did not exceed its General Fund unspent authorized budget.

Council Bluffs Community School District

Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
June 30, 2022

Iowa Public Employee's Retirement System
Last Eight Fiscal Years*
(In Thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of net pension liability	0.8799390%	0.9009640%	0.9264410%	0.9255480%	0.9084950%	0.9045870%	0.8860090%	0.8331430%
District's proportionate share of the net pension liability	$ 1,234	62,849	54,007	58,553	59,976	56,412	44,047	33,718
District's covered-employee payroll	$ 70,996	70,975	74,377	68,935	66,214	61,892	54,804	54,804
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	1.74%	88.55%	72.61%	84.94%	90.58%	91.15%	80.37%	61.52%
Plan fiduciary net position as a percentage of the total pension liability	100.81%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

* The amounts presented for each fiscal year were determined as of June 30

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full ten year trend is compiled, the District will present information for those years for which information is available.

See accompanying independent auditor's report

Council Bluffs Community School District

Required Supplementary Information
Schedule of District Contributions
June 30, 2022

Iowa Public Employee's Reitrement System
Last Ten Fiscal Years
(In Thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Statutorily required contribution	$ 6,742	6,702	6,700	6,210	6,642	6,156	5,913	5,527	4,894	4,638
Contributions in relation to the statutorily required contribution	(6,742)	(6,702)	(6,700)	(6,210)	(6,642)	(6,642)	(6,156)	(5,527)	(4,894)	(4,638)
Contribution deficiency (excess)	$ --	--	--	--	--	--	--	--	--	--
District's covered employee payroll	$ 71,420	70,996	70,975	65,784	74,377	68,935	66,214	61,892	54,804	53,433
Contributions as a percentage of covered employee payroll	9.44%	9.44%	9.44%	9.44%	8.93%	8.93%	8.93%	8.93%	8.93%	8.68%

See accompanying independent auditor's report

Notes to Required Supplementary Information – Pension Liability

Changes of benefit terms

There are no significant changes in benefit terms.

Changes of assumptions

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

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

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

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

The 2014 valuation implemented the following refinements as a result of a quadrennial experience study:

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Reduced retirement rates for sheriffs and deputies between the ages of 55 and 64.
- Moved from an open 30 year amortization period to a closed 30 year amortization period for the UAL beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20 year period.

Council Bluffs Community School District

Required Supplementary Information
Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes
June 30, 2022

Council Bluffs Community School District
For the Last Five Years

	2022	2021	2020	2019	2018
Service cost	$ 505,195	425,565	574,698	544,271	566,420
Interest cost	143,269	156,660	250,094	228,103	182,551
Differences between expected and actual experience	(633,843)	--	(821,486)	--	--
Changes in assumptions	(1,233,776)	304,956	(1,562,726)	(32,531)	(325,764)
Benefit payments	(139,823)	(108,569)	(281,428)	(256,574)	(234,235)
Net change in total OPEB liability	(1,358,978)	778,612	(1,840,848)	483,269	188,972
Total OPEB liability, beginning of year	5,412,445	4,633,833	6,474,681	5,991,412	5,802,440
Total OPEB liability, end of year	$ 4,053,467	5,412,445	4,633,833	6,474,681	5,991,412
Covered employee payroll	$ 70,209,895	68,501,684	62,161,786	68,000,000	57,195,598
Total OPEB liability as a percentage of covered employee payroll	5.77%	7.90%	7.45%	9.52%	10.48%

Notes to the Schedule of Changes in the District's Total OPEB Liability and Related Ratios

Changes in assumptions reflect the following changes:

- Discount rate was changed from 2.45% to 1.92% based on updated 20-year municipal bond rates.
- Mortality table changed from the RP-2000 to the RP-2014 table based on the June 2018 Iowa Public Employees' Retirement System (IPERS) Demographic Assumptions Study.
- Healthcare trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience.
- The percent of future retirees assumed to elect coverage at retirement changed from 40% to 30% to reflect recent plan experience.
- The inflation assumption was changed from 2.50% to 2.25% based on an updated historical analysis of inflation rates and forward-looking market expectations.

Council Bluffs Community School District

Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue		
	Student Activity Funds	Management Levy Fund	Total
ASSETS			
Cash, cash equivalents and pooled investments	$ 445,905	2,412,249	2,858,154
Receivables:			
Property tax:			
Succeeding year	--	1,599,295	1,599,295
Accounts	19,688	6,294	25,982
Total assets	$ 465,593	4,037,737	4,503,330
LIABILITIES			
Accounts payable	$ 65,488	1,883	67,371
DEFERRED INFLOWS OF RESOURCES			
Succeeding year property tax	--	1,599,295	1,599,295
FUND BALANCES			
Restricted for:			
Management levy purposes	--	2,436,559	2,436,559
Student activities	400,105	--	400,105
Total fund balances	400,105	2,436,559	2,836,664
Total liabilities, deferred inflows of resources and fund balances	$ 465,593	4,037,737	4,503,330

See accompanying independent auditor's report

Council Bluffs Community School District

Supplementary Information
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue		
	Student Activity Funds	Management Levy Fund	Total
REVENUES			
Local sources:			
Local tax	$ --	1,599,190	1,599,190
Other	747,365	--	747,365
State sources	--	50,756	50,756
Total revenues	747,365	1,649,946	2,397,311
EXPENDITURES			
Current			
Instruction:			
Regular instruction	--	17,250	17,250
Other instruction	789,455	--	789,455
	789,455	17,250	806,705
Support services:			
Instructional staff services	3,797	--	3,797
Administration services	--	12,085	12,085
Operation and maintenance of plant services	--	1,366,155	1,366,155
Transportation services	98	--	98
	3,895	1,378,240	1,382,135
Total expenditures	793,350	1,395,490	2,188,840
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(45,985)	254,456	208,471
OTHER FINANCING SOURCES			
Transfers out	--	(617)	(617)
CHANGE IN FUND BALANCES	(45,985)	253,839	207,854
FUND BALANCES, BEGINNING OF YEAR	446,090	2,182,720	2,628,810
FUND BALANCES, END OF YEAR	$ 400,105	2,436,559	2,836,664

See accompanying independent auditor's report

Council Bluffs Community School District

Supplementary Information
Combining Balance Sheet
Capital Projects Fund
June 30, 2022

	Capital Projects			
	Statewide Sales, Services and Use Tax Fund	Physical Plant and Equipment Levy Fund	Early Learning Center Construction Fund	Total
ASSETS				
Cash, cash equivalents and pooled investments	$ 7,038,704	4,780,817	--	11,819,521
Receivables				
Property tax:				
Delinquent	--	50,346	--	50,346
Succeeding year	--	4,361,323	--	4,361,323
Accounts	751,111	--	--	751,111
Due from other funds	547,623	330,767	890,393	1,768,783
Investments	--	1,984,990	--	1,984,990
Prepaid expenses	--	--	3,418	3,418
Total assets	$ 8,337,438	11,508,243	893,811	20,739,492
LIABILITIES				
Accounts payable	$ 208,789	628,341	814,238	1,651,368
Retainage payable	8,935	8,298	43,644	60,877
Total liabilities	217,724	636,639	857,882	1,712,245
DEFERRED INFLOWS OF RESOURCES				
Succeeding year property tax	--	4,361,323	--	4,361,323
FUND BALANCES				
Nonspendable:				
Prepaid items	--	--	3,418	3,418
Restricted for:				
School infrastructure	8,119,714	--	32,511	8,152,225
Physical plant and equipment	--	6,510,281	--	6,510,281
Total fund balances	8,119,714	6,510,281	35,929	14,665,924
Total liabilities, deferred inflows of resources and fund balances	$ 8,337,438	11,508,243	893,811	20,739,492

See accompanying independent auditor's report

Council Bluffs Community School District

Supplementary Information
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Capital Projects Fund
For the Year Ended June 30, 2022

	Capital Projects				
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Middle School Remodel Fund	Early Learning Center Construction Fund	Total
REVENUES					
Local sources:					
Local tax	$ 10,732,790	4,186,797	--	--	14,919,587
Other	6,627	2,950,232	1,304	170,000	3,128,163
State sources	--	128,317	--	--	128,317
Total revenues	10,739,417	7,265,346	1,304	170,000	18,176,067
EXPENDITURES					
Current					
Instruction:					
Regular instruction	--	34,296	--	--	34,296
Support services:					
Student services	--	23,259	3,607	--	26,866
Instructional staff services	--	30,143	--	--	30,143
Administration services	11,160	1,062,761	190,622	78,337	1,342,880
Operation and maintenance of plant services	--	764,608	280,174	1,207	1,045,989
Transportation services	--	1,154,880	--	--	1,154,880
	11,160	3,035,651	474,403	79,544	3,600,758
Other expenditures:					
Facilities acquisition	2,529,790	1,444,997	463,665	2,302,339	6,740,791
Total expenditures	2,540,950	4,514,944	938,068	2,381,883	10,375,845
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,198,467	2,750,402	(936,764)	(2,211,883)	7,800,222
OTHER FINANCING SOURCES (USES)					
Transfers in (out), net	(8,158,336)	390,394	869,582	2,247,812	(4,650,548)
CHANGE IN FUND BALANCES	40,131	3,140,796	(67,182)	35,929	3,149,674
FUND BALANCES, BEGINNING OF YEAR	8,079,583	3,369,485	67,182	--	11,516,250
FUND BALANCES, END OF YEAR	$ 8,119,714	6,510,281	--	35,929	14,665,924

See accompanying independent auditor's report

Council Bluffs Community School District

Supplementary Information
Schedule of Changes in Special Revenue Fund – Student Activity Funds
For the Year Ended June 30, 2022

	Balance Beginning of Year	Revenues	Expenditures	Transfer-Out	Balance End of Year
Bloomer	$ 2,125	--	416	--	1,709
Carter Lake	5,699	4,986	5,585	--	5,100
College View	4,891	--	282	--	4,609
Crescent	5,173	--	--	--	5,173
Edison	2,779	--	--	--	2,779
Franklin	3,385	--	--	--	3,385
Hoover	4,379	3,872	4,161	--	4,090
Lewis & Clark	6,658	--	172	--	6,486
Longfellow	327	--	97	--	230
Roosevelt	2,370	2,037	2,390	--	2,017
Rue	1,138	--	1,743	--	(605)
Kirn JHS	21,334	95,260	69,492	--	47,102
Woodrow Wilson JHS	76,078	58,330	63,599	--	70,809
Tucker Center	15,012	8,025	1,136	--	21,901
Thomas Jefferson SHS	56,634	211,981	222,675	--	45,940
Abraham Lincoln SHS	238,001	362,874	421,495	--	179,380
Kanesville AHS	107	--	107	--	--
	$ 446,090	747,365	793,350	--	400,105

See accompanying independent auditor's report

Council Bluffs Community School District

Supplementary Information
Schedule of Revenues by Source and Expenditures by Function
All Governmental Funds
For the Ten Years Ended June 30

	Modified Accrual Basis									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
REVENUES:										
Local sources:										
Local tax	$ 51,895,643	49,898,883	47,116,434	46,774,297	44,323,678	43,801,727	43,238,410	44,181,757	42,564,152	42,421,544
Tuition	2,910,203	3,346,516	2,925,467	3,032,774	2,821,210	2,072,728	3,111,592	2,980,020	2,712,434	2,335,207
Other	5,490,269	2,832,145	6,265,853	5,139,171	6,222,710	8,272,191	11,536,471	4,606,014	5,651,958	5,236,703
State sources	77,650,277	77,803,682	75,344,025	73,899,808	73,715,542	71,137,987	68,460,009	64,465,411	59,383,774	57,386,553
Federal sources	21,248,419	13,142,045	6,371,821	7,193,561	6,937,113	6,334,306	5,345,763	5,209,908	5,954,736	5,772,683
Total revenues	159,194,811	147,023,271	138,023,600	136,039,611	134,020,253	131,618,939	131,692,245	121,443,110	116,267,054	113,152,690
EXPENDITURES:										
Instruction:										
Regular instruction	86,266,058	82,964,641	77,762,484	78,762,757	79,624,932	76,829,228	38,316,380	37,638,119	35,487,624	36,537,506
Special instruction	--	--	--	--	--	210,132	35,036,446	34,556,075	31,250,302	28,628,797
Other Instruction	1,183,248	799,155	1,064,250	1,062,140	1,032,203	984,951	3,424,823	3,854,800	3,503,366	3,842,876
Support services:										
Student services	6,769,095	5,996,944	5,354,198	5,273,415	4,772,703	4,567,443	4,525,022	2,590,784	3,104,599	2,881,955
Instructional staff services	5,265,265	5,061,488	5,081,385	4,990,387	5,001,210	4,758,274	4,766,189	5,643,280	2,379,699	2,393,281
Administration services	15,631,572	13,935,939	14,666,146	16,394,940	13,904,795	12,918,487	12,774,696	12,396,728	12,372,695	11,867,856
Operation and maintenance of plant	12,087,645	10,271,731	10,927,154	10,506,491	9,698,273	9,662,729	9,653,140	7,946,294	9,176,788	7,412,240
Transportation services	6,470,866	5,896,287	5,335,801	5,726,678	4,916,161	4,351,358	3,901,109	3,670,708	3,488,486	3,350,459
Other expenditures:										
Facilities acquisition	6,740,791	19,747,253	18,282,084	8,638,085	3,440,995	6,222,821	14,441,067	10,029,827	3,583,145	8,227,957
Long-term debt:										
Principal	15,872,000	4,955,000	4,707,000	3,975,000	5,547,353	6,206,361	4,768,213	4,803,071	3,635,000	3,495,000
Interest and fiscal charges	2,364,154	2,478,905	2,599,150	1,854,780	1,827,941	1,890,080	2,793,246	2,926,614	2,919,818	2,976,221
AEA flowthrough	4,587,437	4,592,835	4,437,170	4,340,347	4,323,348	4,114,100	4,040,318	3,894,362	3,695,117	3,554,916
ESSER retention pay	160,488	-	-	-	-	-	-	-	-	-
Total expenditures	$ 163,398,619	156,700,178	150,216,822	141,525,020	134,089,914	132,715,964	138,440,649	129,950,662	114,596,639	115,169,064

See accompanying independent auditor's report

Council Bluffs Community School District

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
Passed through the State of Iowa Department of Education:			
Title I	84.010	S010A200015	$ 2,488,097
Title I - carryover	84.010	S010A200015	122,547
Total Title I			2,610,644
COVID-19 - Governor's Emergency Education Relief Fund	84.425C	S425C200036	2,247,812
COVID-19 - Elementary and Secondary School Emergency Relief Fund (ESSER)	84.425D	CRRSA ESSER II	5,180,605
COVID-19 - American Rescue Plan–Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	ARP ESSER III	6,341,830
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief – Homeless Children and Youth	84.425W	ARP-HCY-I	1,983
Total Education Stabilization Fund			13,772,230
Vocational Education - Basic Grants to States	84.048	V048A200015	126,272
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	Unknown	205,627
Education for Homeless Children and Youth	84.196	S196A190016	39,023
Twenty-First Century Community Learning Centers	84.287	S287C190015	841,311
Title III - English Language Acquisition State Grants	84.365	S365A190015	62,275
Title IIA - Federal Teacher Quality Program	84.367	S367A200014	312,938
Title IV - Student Support and Academic Enrichment Program	84.424	S424A190016	121,829
Total passed through the State of Iowa Department of Education			18,092,149
Passed through Green Hills Area Education Agency:			
Special Education Cluster			
IDEA, Part B	84.027	H027A200097	584,266
Total U.S. DEPARTMENT OF EDUCATION			18,676,415
U.S. DEPARTMENT OF AGRICULTURE			
Passed through the State of Iowa Department of Education:			
Child Nutrition Cluster			
COVID-19 National School Lunch Program	10.555	202120N119942	381,194
National School Lunch Program	10.555	202120N119942	4,568,466
Food Distribution - Child Nutrition Act (non-cash)	10.555	202120N119942	506,633
Summer Food Service Program for Children	10.559	202120N119942	283,469
School Breakfast Program	10.553	202120N119942	1,447,762
Total Child Nutrition Cluster			7,187,524
SNAP Cluster			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Unknown	58,874
Fresh Fruit and Vegetable Program	10.582	202120N119942	231,361
Total U.S. DEPARTMENT OF AGRICULTURE			7,477,759
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 26,154,174

The accompanying notes are an integral part of this schedule.

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements for Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Note 3. Indirect Cost Rate

The District has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

Note 4. Food Donation

Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed. At June 30, 2022, the District had food commodities totaling $26,955 in inventory.

EideBailly

CPAs & BUSINESS ADVISORS

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

To the Board of Education of
Council Bluffs Community School District:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Council Bluffs Community School District (the District) as of and for the year ended June 30, 2022, and the related notes to financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 7, 2023.

Report Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2022 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

District's Response to Findings

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

Purpose of this Report

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

Eide Bailly LLP

Omaha, Nebraska,
February 7, 2023.

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Compliance For Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance

To the Board of Education
Council Bluffs Community School District:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Council Bluffs Community School District's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Ede Bailly LLP

Omaha, Nebraska,
February 7, 2023.

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	____ Yes	x No
• Significant deficiency(ies) identified?	____ Yes	x None Reported

Noncompliance material to financial statements noted? ____ Yes x No

Federal Awards

Internal control over major federal programs:

• Material weakness(es) identified?	____ Yes	x No
• Significant deficiency(ies) identified?	____ Yes	x None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ____ Yes x No

Identification of major federal programs:

CFDA Number(s)	Name of Federal Program or Cluster
Child Nutrition Cluster	
10.553	School Breakfast Program
10.555	National School Lunch Program
10.555	Food Distribution - Child Nutrition Act (non-cash)
10.559	Summer Food Service Program for Children
Special Education Cluster (IDEA)	
84.027	Special Education-Grants to State (IDEA Part B)
84.287	21st Century Community Learning Centers
84.425C	COVID-19 - Governor's Emergency Education Relief Fund
84.425D	COVID-19 - Elementary and Secondary School Emergency Relief Fund
84.425U	COVID-19 - American Rescue Plan–Elementary and Secondary School Emergency Relief
84.425W	COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief – Homeless Children and Youth

Dollar threshold used to distinguish between type A and type B programs $784,625

Auditee qualified as low-risk auditee? x Yes ____ No

II. FINANCIAL STATEMENT FINDINGS

None noted.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None noted.

Part IV: Other Findings Related to Statutory Reporting:

IV-A-22 Certified Budget – Expenditures for the year ended June 30, 2022 exceeded the amended certified budget amounts in the instruction, support services, and non-instructional and other expenditures functions.

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

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

Conclusion – Response Accepted.

IV-B-22 Questionable Expenditures

No expenditures that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

IV-C-22 Travel Expense

No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.

IV-D-22 Business Transactions

No business transactions between the District and District officials were noted.

IV-E-22 Restricted Donor Activity

No transactions were noted between the District, District officials or District employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

IV-F-22 Bond Coverage

Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure that the coverage is adequate for current operations.

IV-G-22 Board Minutes

No transactions were found that we believe should have been approved by the Board Minutes.

IV-H-22 Certified Enrollment

No variances in the basic enrollment data certified to the Iowa Department of Education.

IV-I-22 Supplemental Weighting

No variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.

IV-J-22 Deposits and Investments

No instances of noncompliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the District's investment policy were noted.

IV-K-22 Certified Annual Report

The Certified Annual Report was certified timely to the Iowa Department of Education.

IV-L-22 Categorical Funding

No instances were noted of categorical funding used to supplant rather than supplement other funds.

IV-M-22 Statewide Sales, Services and Use Tax

No instances of noncompliance with the use of the statewide sales, services and use tax revenue provisions of Chapter 423F of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales, services and use tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2022, the following information includes the amounts the District reported for the statewide sales, services and use tax revenue in the District's CAR including adjustments identified during the fiscal year 2022 audit.

Beginning balance		$ 8,079,583
Revenues/transfers in:		
Sales tax revenues	$ 10,732,790	
Other local revenues	6,627	10,739,417
		18,819,000
Expenditures/transfers out:		
School infrastructure construction	2,468,076	
Transfer to the Debt Service Fund	8,231,210	10,699,286
Ending balance		$ 8,119,714

For the year ended June 30, 2022, the District reduced the following levy as a result of the monies received under Chapter 423E or 423F of the Code of Iowa:

	Rate of Levy Reduction Per $1,000 of Taxable Valuation	Property Tax Dollars Reduced
Ending balance	$ 3.54	8,231,210

IV-N-22 Deficit Balances – The District had one student activity account that had a deficit balance at June 30, 2022.

Recommendation – The District should continue to investigate alternatives to eliminate this deficit in order to return these accounts to a sound financial condition.

Response – The District is continuing to investigate alternatives to eliminate any deficits in the student activity accounts at the end of the fiscal year.

Conclusion – Response accepted.

IV-P-22 Student Activity Fund

No instances were noted of student activity funding used for expenditures other than to support only the extracurricular and co-curricular activities offered as part of the District's educational program.

Council Bluffs Community School District

Audit Staff
For the Year Ended June 30, 2022

This audit was performed by:

Justin M. Hope, FHFMA, CPA, Partner

Jason Rasmussen, Staff Auditor

Vanesa L. Salcido, CPA, Staff Auditor

Trey Taubenheim, Staff Auditor

Cole Alfrey, Staff Auditor