

**Alta Vista Charter School,
a component unit of Lamar School District RE-2
Auditor's Report and Financial Statements
June 30, 2019**

**Alta Vista Charter School
Table of Contents
June 30, 2019**

Report of Independent Certified Public Accountants	i
Management's Discussion and Analysis	ii

Basic Financial Statements:

Government-Wide Financial Statements:	
Statement of Net Position	3
Statement of Activities	4
Governmental Fund Financial Statements:	
Balance Sheet	5
Reconciliation of Total Governmental Fund Balances to the Statement of Net Position	6
Statement of Revenues, Expenditures, and Changes in Fund Balances	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	8
Notes to the Financial Statements	9

Required Supplementary Information:

Schedules of Revenues, Expenditures and Changes in Fund Balance and Retained Earnings- Budget & Actual	
Major Funds:	
General Fund	37
Schedule of AVCS's Proportionate Share of the Net Pension Liability	38
Schedule of AVCS's Proportionate Share of the Net OPEB Liability	39
Schedule of Contributions and Ratios	40
Schedule of Contributions and Ratios OPEB	41

Supplementary Information:

Auditor's Integrity Report Check Figures	42
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Independent Auditor's Report

Board of Directors
Alta Vista Charter School

We have audited the accompanying financial statements of the governmental activities and each major fund of Alta Vista Charter School (AVCS), a component unit of Lamar School District RE-2, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise AVCS's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of AVCS's as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Schedule of AVCS's Proportionate Share of the Net Pension Liability, Schedule of Contributions and Ratios, Schedule of AVCS's Proportionate Share of the Net OPEB Liability, and the Schedule of Contributions and Ratios OPEB on pages ii through iii and 37 through 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise AVCS's basic financial statements. The Auditor's Integrity Report is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

rfarmer, llc

November 18, 2019

MANAGEMENT'S DISCUSSION & ANALYSIS

This section of Alta Vista Charter School's, a component unit of Lamar School District Re-2, annual financial report presents management's discussion and analysis of the school's financial performance during the fiscal year ended on June 30, 2019.

Fund Financial Statements

Financial statements are Governmental type activities. These activities are financed through taxes, intergovernmental revenues, and other non-trade revenues. Each fund is accounted for in the financial statements with a separate set of self-balancing accounts which reflect assets, liabilities, fund equity, revenues, and expenditures. GASB Statement #34 requires two financial statements (Statement of Net Position-page 3, and Statement of Activities-page 4) combining a broad range of school activities into single financial statements. While these give a look at the big picture of the school's financial status, they are difficult to digest for operational details of the School.

As reflected in the June 30, 2019 Statement of Net Position, total net position increased from \$3,435,725 in 2018 to \$4,249,055 in the current year. This increase is due to a decrease in the overall pension liability, that the GASB 68 requires schools to report. The school's current net pension liability is \$1,403,356 compared to \$3,637,324 in 2018. Capital assets, net of related debt, decreased from \$5,766,079 in 2018 to \$5,629,496 in 2019 due to the increase of accumulated depreciation. Restricted assets, which are composed of the required TABOR reserve and BEST Capital Renewal Reserve, increased from \$91,830 to \$105,491 due to the requirement of BEST Capital Renewal. The unrestricted, or undesignated, fund balance decreased from \$(2,422,184) to \$(1,485,932) in 2019. Total liabilities decreased from \$3,751,213 in 2018 to \$1,521,895 in 2019. The changes in the fund balance and total liabilities are due to the GASB 68 reporting requirements for reporting pension liability.

In the revenue realm, total revenues in Governmental Funds from state and local sources decreased from \$996,488 to \$813,329 due to decreased PPOR revenues. In the area of expenditures, total expenses in governmental funds were \$1,769,731 in 2018 to \$1,171,662 due to GASB 68 less impact on total yearly expenditures.

In the current financial report (2018) expenses were less than revenues by \$123,480 due to conscientious monitoring of expenditures. The result was a change of an ending fund balance in Total Governmental Funds from \$460,086 in 2018 to \$583,567 in 2019.

Analysis of Original, Final, and Actual Budget Results for the General Fund

The school receives revenues of four separate types. The bulk of the operating funds are obtained through transfer from the District of the Per Pupil Funding generated by students enrolled in the school. Other types of revenue include investment earnings, miscellaneous revenues, and grant revenues. It is somewhat useful to compare budgeted versus actual revenue and expenditures. Revenue projections were \$1,096,045 and actual revenues were \$1,116,338, a difference of \$20,293.

On the expenditure side of the General Fund, actual expenditures \$992,858 was lower than budgeted (contingency excluded) expenditures \$1,353,162.00. Restraint in spending across the board accounts for this difference.

Summary Comments

As reviewed earlier, the financial standing of Alta Vista Charter School appears sound. Restraint in spending has allowed the school to build up some reserves

The school employs a somewhat aggressive enrollment process during the spring semester to arrive at a pretty good estimate of enrollment prior to development of the budget. However, continued difficulties with the state and national economy, declining enrollment, and reduction in state funding could dramatically affect the financial situation of the school. Therefore, fiscal prudence is advised in planning for future budgets.

If additional information is required please contact Alta Vista Charter School at (719)-336-2154 or 8785 County RD. LL, Lamar, CO 81052.

Alta Vista Charter School
Statement of Net Position
June 30, 2019

	Governmental Activities	Total
ASSETS		
Cash and Equivalents	\$ 702,106	\$ 702,106
Capital Assets		
Buildings	6,563,560	6,563,560
Equipment and Furniture	100,000	100,000
Less: Accumulated Depreciation	<u>(1,034,064)</u>	<u>(1,034,064)</u>
Total Capital Assets	<u>5,629,496</u>	<u>5,629,496</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension Plan	<u>577,346</u>	<u>577,346</u>
Total Assets	<u>6,908,948</u>	<u>6,908,948</u>
LIABILITIES		
Accounts payable and accrued expenses	118,539	118,539
Long-term liabilities		
Due in more than one year		
Net Pension Liability	<u>1,403,356</u>	<u>1,403,356</u>
Total liabilities	<u>1,521,895</u>	<u>1,521,895</u>
DEFERRED INFLOWS OF RESOURCES		
Pension Plan	<u>1,137,998</u>	<u>1,137,998</u>
NET POSITION		
Net investment in capital assets	5,629,496	5,629,496
Restricted for:		
BEST Capital Renewal Reserve	76,100	76,100
TABOR	29,391	29,391
Unrestricted	<u>(1,485,932)</u>	<u>(1,485,932)</u>
Total net position	<u>\$ 4,249,055</u>	<u>\$ 4,249,055</u>

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

**Alta Vista Charter School
Statement of Activities
For the Year Ended June 30, 2019**

<u>Functions/Programs</u>	<u>Program Revenue</u>				<u>Net (Expense) Revenue and Changes in Net Assets</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Total</u>
Primary government						
Governmental Activities						
Instructional:						
Charter School	\$ 1,192,549	\$ -	\$ 20,887	\$ -	\$ (1,171,662)	\$ (1,171,662)
Total Instructional	1,192,549	-	20,887	-	(1,171,662)	(1,171,662)
Total governmental activities	1,192,549	-	20,887	-	(1,171,662)	(1,171,662)
Total government	1,192,549	-	20,887	-	(1,171,662)	(1,171,662)
General revenues:						
Unrestricted investment earnings					594	594
Miscellaneous					24,115	24,115
PERA adjustments due to changes in assumptions					889,540	889,540
Per pupil revenue					1,070,742	1,070,742
Total general revenues, special items, and transfers					1,984,991	1,984,991
Change in net assets					813,329	813,329
Net position - beginning					3,435,726	3,435,726
Net position - ending					\$ 4,249,055	\$ 4,249,055

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

**Alta Vista Charter School
Balance Sheet
Governmental Fund
June 30, 2019**

	<u>General</u>	<u>Total Governmental Fund</u>
ASSETS		
Cash and cash equivalents	\$ 702,105	\$ 702,105
Total assets	<u>702,105</u>	<u>702,105</u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	2,040	2,040
Accrued Salaries	<u>116,498</u>	<u>116,498</u>
Total liabilities	<u>118,538</u>	<u>118,538</u>
 Fund balances:		
Restricted for :		
BEST capital renewal reserve	76,100	76,100
TABOR	29,391	29,391
Unassigned	<u>478,076</u>	<u>478,076</u>
Total fund balances	<u>583,567</u>	<u>583,567</u>
Total liabilities and fund balances	<u>\$ 702,105</u>	<u>\$ 702,105</u>

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

Alta Vista Charter School
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2019

Total fund balance, governmental funds	\$	583,567
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		5,629,496
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Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.		577,346
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Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Assets.		(2,541,354)
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Net Assets of Governmental Activities in the Statement of Net Position	\$	4,249,055
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The accompanying notes to financial statements
are an integral part of these statements.

Alta Vista Charter School
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Fund
For the Year Ended June 30, 2019

	<u>General</u>	<u>Total Governmental Fund</u>
REVENUES		
Per pupil revenue	\$ 1,070,742	\$ 1,070,742
Intergovernmental	20,887	20,887
Investment earnings	594	594
Miscellaneous	24,115	24,115
Total revenues	<u>1,116,338</u>	<u>1,116,338</u>
EXPENDITURES		
Instructional:		
Charter School	<u>992,858</u>	<u>992,858</u>
Total Instructional	<u>992,858</u>	<u>992,858</u>
Total Expenditures	<u>992,858</u>	<u>992,858</u>
Excess (deficiency) of revenues over expenditures	<u>123,480</u>	<u>123,480</u>
Net change in fund balance	123,480	123,480
Fund balance - beginning	460,087	460,087
Fund balance - ending	<u>\$ 583,567</u>	<u>\$ 583,567</u>

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

Alta Vista Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2019

Net change in fund balances - total governmental funds:	\$ 123,480
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlay of \$0 was less than depreciation of \$136,583 in the current period.	
	(136,583)
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:	
Net difference between PERA pension and actual expense contributions	826,432
Change in net assets of governmental activities	<u>\$ 813,329</u>

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

**Alta Vista Charter School
Notes to Financial Statements
June 30, 2019**

Note 1 Reporting Entity

The Alta Vista Charter School (AVCS) is organized as a charter school as recognized under the Colorado Revised Statutes and operates as a component unit of Lamar School District RE-2. The school operates grades K through 6. The reporting entity for the school consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature of significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. This report does not contain any component units; however, AVCS is a component unit of Lamar School District RE-2 and is also reported as part of their financial statements.

Note 2 Summary of Significant Accounting Policies

The accounting policies of the AVCS conform to generally accepted accounting principles as applicable to governmental units.

Financial Statement Presentation

The financial statements are presented in conformity with standards as prescribed by the Governmental Accounting Standards Board.

School-Wide Financial Statements

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, inter-governmental revenues and other non-exchange revenues.

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 or segment. The School does not allocate indirect expenses to functions in the Statement of Activities. Program revenues included (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues, and expenditures.

Funds are organized as major funds or non-major funds within the governmental statements. An emphasis is placed on major fund within the governmental category. A fund is considered major if it is the primary operating fund of the School or meets the following criteria:

- a. Total assets, liabilities, revenues or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.
- c. In addition, any other governmental fund that the School believes is particularly important to financial statement users may be reported as a major fund.

Governmental Activities

Governmental funds are identified as general, special revenue, debt service or capital projects funds based up on the following guidelines.

General Fund

The General Fund is the general operating fund of the School and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Major Funds

The School reports the following major governmental fund:

General Fund

Basis of Accounting

The school-wide Statement of Net Assets and Statement of Activities are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

State general and categorical aids and other entitlements are recognized as revenue in the period the School is entitled to the resources and the amounts are available. Expenditure-driven programs currently reimbursable are recognized as revenue when the qualifying expenditures have been incurred and the amounts are available. Amounts owed to the School which are not available are recorded as receivables and deferred revenue. Amounts received prior to the entitlement period are also recorded as deferred revenue.

Revenues susceptible to accrual include miscellaneous taxes, expenditure-driven grant programs and investment income.

For governmental fund financial statements, deferred revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received before the School has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the School has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

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

Measurement Focus

On the school-wide Statement of Net Assets and Statement of Activities governmental activities are presented using the economic resources measurement focus. Under this concept, revenues and expenses are matched using the accrual basis of accounting.

The measurement focus of all governmental funds is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements, are reflected in operations. Resources are not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are included as liabilities in the school-wide financial statements but are excluded from the governmental fund financial statements. The related expenditures are recognized in the governmental fund financial statements when the liabilities are liquidated.

Capital Assets

School-Wide Statements

All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation.

Prior to July 2002, governmental funds' capital assets were accounted for in the general fixed asset account group and were not recorded directly as a part of any individual fund's financial statements. Upon implementing GASB 34 governmental units are required to account for all capital assets including infrastructure in the school-wide statements. The School does not have any infrastructure assets.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation for all fixed assets that cost \$5,000 or more. The range of estimated useful lives by type of asset is as follows:

Site Improvement	10-20 years
Buildings	50 years
Building Improvements	20 years
Furniture and Equipment	5-15 years
Computer and Related Technology	5 years
Library Books	7 years

Interest incurred or earned during the construction of capital assets is capitalized. There was not any capitalized interest during the year.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets are not capitalized, and related depreciation is not reported in the fund financial statements.

Budgets

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund.

Annual budgets are adopted as required by Colorado Statutes. Formal budgetary integration is employed as a management control device during the year.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons in this report are presented on the GAAP basis.

The Board of Education shall each year cause to be prepared a proposed budget for the ensuing fiscal year. A statement shall be submitted with the proposed budget describing the major objectives of the educational program to be undertaken by the School during

the ensuing fiscal year and the manner in which the budget proposes to fulfill such objectives. The proposed budget shall be submitted to the Board by May 31. The final adoption of the School budget and appropriation resolution must be made by the last day of June. Any changes to the budget and appropriation resolution must be made within the appropriate deadline.

Colorado law requires that all funds have legally adopted budgets and total expenditures for each fund cannot exceed the amount appropriated. All appropriations lapse at the end of each fiscal year. Appropriations for a fund may be increased provided unanticipated resources offset them. Supplemental appropriations were not adopted for the current year.

Appropriations are adopted by resolution for each fund in total. Over expenditures are not deemed to exist unless the fund as a total has expenditures in excess of appropriations.

The budget for the School is adopted and approved by the Lamar School District RE-2 board in addition to AVCS's own board.

Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the school-wide financial statements as expense when the related liabilities are incurred. There were no significant claims or judgments at year-end.

Equity Classifications

School-Wide Statements

Equity is classified as net assets and displayed in three components:

- a) Net investment in capital assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt.
- b) Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c) Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is classified as non-spendable, restricted, committed, assigned and unassigned.

Non-spendable – These are amounts that cannot be spent because they either are not spendable in form (i.e. inventories, prepaids, long-term receivables) or they are legally or contractually required to be maintained intact (i.e. principal of an endowment fund).

Restricted – These are amounts that can be spent only for purposes stipulated by the constitution or externally imposed by creditors (i.e. debt covenants), grantors, or enabling legislation (i.e. TABOR).

Committed – These are amounts that can be used only for purposes determined by a formal action (i.e. resolution or ordinance) of the government's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action. The formal action of the government's highest level of authority that commits the amounts to a specific purpose should occur prior to the end of the reporting period, but the dollar amount committed may be determined in the subsequent period. It is important to note that if the appropriate action was not taken prior to the end of the reporting year the amounts cannot be reported as committed.

Assigned – These amounts are set aside for planned or intended purposes but are neither restricted nor committed. The intended use may be expressed by the government's highest level of authority to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.

Unassigned – This represents the residual classification. Unassigned amounts will be reported only in the general fund, unless it is another governmental fund type that has a deficit fund balance.

When both restricted and unrestricted fund balances are available for use, it is the School's policy to use restricted amounts first. Unrestricted fund balance will be used in the following order: committed, assigned, and unassigned.

Note 3 Cash and Investments

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

At June 30, 2019, the School's cash deposits had a balance of \$702,104 and were covered by FDIC insurance or the Public Depository Protection Act.

The School's cash includes certificates of deposits and other short-term investments in local area banks.

Colorado statutes specify in which instruments the units of local government may invest which include:

Repurchase agreements,

Obligations of the United States or obligations unconditionally guaranteed by the United States,

Obligations of the State of Colorado and most general obligations of units of local governments,

Federally insured mortgages and student loans,

Participation with other local governments in pooled investment funds (trusts). These trusts are supervised by participating governments and must comply with the same restrictions on cash deposits and investments. (One such trust formed under the statute is "ColoTrust").

Note 4 Capital Assets

Assets that cost more than \$5,000 are capitalized.

Capital asset activity for the year ended June 30, 2019 was as follows:

	Balance 7/1/2018	Additions	Deletions	Balance 6/30/2019
Capital assets being depreciated				
Buildings	\$ 6,563,560	\$ -	\$ -	\$ 6,563,560
Equipment and Furniture	100,000			100,000
Total capital assets	6,663,560	-	-	6,663,560
Less:				
Accumulated Depreciation	(897,481)	(136,583)	-	(1,034,064)
Net Capital Assets	\$ 5,766,079	\$ (136,583)	\$ -	\$ 5,629,496

Lessee- Operating Leases

The School has no material operating leases with a remaining non-cancellable term exceeding one year.

Lessor- Operating Leases

The School does not receive material lease payments from property rented to others.

Summary of Significant Accounting Policies:

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

The Colorado General Assembly passed significant pension reform through Senate Bill (SB)18-200: *Concerning Modifications to the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June, 4, 2018. A brief description of some of the major changes to plan provisions required by SB 18-200 for the SCHDTF are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employer contribution rates for the SCHDTF by 0.25 percent on July 1, 2019.
- Increases employee contribution rates for the SCHDTF by a total of 2 percent (to be phased in over a period of 3 years starting on July 2, 2019).
- As specified in C.R.S. § 24-51-413, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SCHDTF is considered a nonemployer contribution for financial reporting.
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, increases the highest average salary for employees with less than five years of service credit on December 21, 2019 and raises the retirement age for new employees.
- Member contributions, employer contributions, the direct distribution, from the State, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020 and then each year thereafter, to help keep PERA on path to full funding in 30 years.

General Information About the Pension Plan:

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

Benefits provided as of December 31, 2018. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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

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

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

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

As of December 31, 2018, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments in certain years, referred to as annual increases in the C.R.S. Pursuant to SB 18-200, there are no annual increases (AI) for 2018 and 2019 for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure will receive an annual increase, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 1.5 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 will receive the lesser of an annual increase of 1.5 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF.

The automatic adjustment provision may raise or lower the aforementioned AI for a given year by up to one-quarter of 1 percent based on the parameters specified C.R.S. § 24-51-413.

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

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

Contributions provisions as of June 30, 2019: Eligible employees, AVCS, and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 8 percent of their PERA-includable salary during the period of July 1, 2018 through June 30, 2019. Employer contribution requirements are summarized in the table below:

	July 1, 2018 through June 30, 2019
Employer contribution rate	10.15%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount apportioned to the SCHDTF	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%
Total Employer contribution rate to the SCHDTF	19.13%
Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42)	

As specified in C.R.S. § 24-52-413, the State is required to contribute \$225 million each year to the PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Trust Fund, and Denver Public Schools Trust Fund. A portion of the direct distribution allocated to the SCHDTF is considered a nonemployer contribution for financial reporting purposes.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and AVCS is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from AVCS were \$96,800 for the year ended June 30, 2019.

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

The net pension liability for the SCHDTF was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total pension liability to December 31, 2018. AVCS's proportion of the net pension liability was based on AVCS's contributions to the SCHDTF for the calendar

year 2017 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2019, AVCS reported a liability of \$1,617,784 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by AVCS as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total proportion of the net pension liability that was associated with AVCS were as follows:

AVCS's proportionate share of the net pension liability	\$ 1,339,784
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with AVCS	278,000
Total	<u>1,617,784</u>

At December 31, 2018, AVCS's proportion was 0.0091363805%, which was a decrease of 0.018922947576 from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, AVCS recognized pension expense of \$13,138 and revenue of \$13,138 for support from the State as a nonemployer contributing entity. At June 30, 2019, AVS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 54,827	\$ -
Changes of assumptions or other inputs	301,966	1,006,088
Net difference between projected and actual earnings on pension plan investments	219,122	130,943
Changes in proportion and difference between contributions recognized and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	N/A
Total	<u>\$ 575,915</u>	<u>\$ 1,137,031</u>

The following presents the Trust Fund's net amount of the collective deferred outflows of resources and collective deferred inflows of resources that will be recognized in the collective pension expense for each of the subsequent five years and in the aggregate thereafter:

For the Plan Year Ended December 31,	Amounts Reported as Collective Deferred Outflows and Collective Deferred Inflows of Resources Recognized in Collective Pension Expense as Follows:
2019	(63,433)
2020	(325,037)
2021	(220,830)
2022	48,236
2023	-
Thereafter	-

Actuarial Assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50 – 9.70%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	4.78%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	2.00% compounded annually
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

The revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2017 to December 31, 2018.

Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	0% through 2019 and 1.5% compounded annually, thereafter
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

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

Healthy, post-retirement mortality assumptions reflect the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

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

For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 29, 2016, Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

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

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non-U.S. Equity - Developed	18.55%	5.20%
Non-U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non-U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	<u>100.00%</u>	

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include the current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount determination does not use the municipal bond rate, and therefore, the discount rate is 7.25 percent.

As of the prior measurement date, the long-term expected rate of return on plan investments of 7.25 percent and the municipal bond index rate of 3.43 percent were used in the discount rate determination resulting in a discount rate of 4.78 percent, 2.47 percent lower compared to the current measurement date.

Sensitivity of AVCS's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8. percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% increase (8.25%)
Proportionate share of the net pension liability	\$2,056,735	\$1,617,784	\$1,249,429

Pension Plan Fiduciary Net Position. Detailed information about the SCHDTF's fiduciary net position is available in PERA's CAFR which can be obtained at www.copera.org/investments/pera-financial-reports.

This pro forma information was prepared using the FNP of the SCHDTF as of December 31, 2018. Future collective net pension liabilities reported could be materially different based on changes in investment markets, actuarial assumptions, plan experience and other factors.

Defined Benefit Other Post Employment Benefit (OPEB) Plan:

Summary of Significant Accounting Policies:

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

General Information About the OPEB Plan:

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

Benefits Provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For

members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it related to the total member contribution account balance from which the retirement benefit is paid.

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

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

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

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

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

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced

appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

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

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires participating employers in the Trust Fund to recognize their proportionate share of the collective net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense in their financial statements. The Schedule of Employer Allocations is prepared to provide employers with their calculated proportion. The proportions presented in this schedule are based on employer contributions as a percentage of total employer contributions during the measurement period or reporting months January 1, 2018 through December 31, 2018. This schedule reports contributions and allocations for each reporting agency affiliated with PERA in the Trust Fund. Employer contributions are recognized in the period in which the compensation becomes payable to the member and the employer is statutorily committed to pay the contributions to the Trust Fund. Contributions are reduced, if applicable, for refunds of contributions. Also, contributions have been annualized for reporting agencies who did not participate in the Trust Fund for the twelve-month period.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and AVCS is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from AVCS were \$5,115 for the year ended December 31, 2018.

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

At December 31, 2017, AVCS reported a liability of \$63,522 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2017. AVCS proportion of the net OPEB liability was based on AVCS's contributions to the HCTF for the calendar year 2017 relative to the total contributions of participating employers to the HCTF.

At December 31, 2018, AVCS's proportion was 0.005929468%.

For the year ended December 31, 2018, AVCS recognized OPEB expense of \$5,115.

Actuarial Assumptions. The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50% in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates:	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	5.00%
Medicare Part A premiums	3.00% for 2018, gradually rising to 5.00% in 2025
DPS benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012 through December 31, 2015, as well as, the October 28, 2016 actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016 Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA Board's actuary, as discussed below.

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed or 2018 for the PERA Benefit Structure:

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$736	\$367
Kaiser Permanente Medicare Advantage HMO	602	236
Rocky Mountain Health Plans Medicare HMO	611	251
UnitedHealthcare Medicare HMO	686	213

The 2018 Medicare Part A Premium is \$422 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age 65 or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, get adjusted to age 65 for the year following the valuation date.

Medicare Plan	Cost for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$289
Kaiser Permanente Medicare Advantage HMO	300
Rocky Mountain Health Plans Medicare HMO	270
UnitedHealthcare Medicare HMO	400

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2016, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.25%
2023	5.00%	4.50%
2024	5.00%	4.75%
2025+	5.00%	5.00%

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

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

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

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

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

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

For disabled retirees, the mortality assumption was based on 90 percent of the RE-2014 Disabled Retiree Mortality Table.

The following health care costs assumptions were updated and used in the measurement of the obligations for the Trust Fund:

- The initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2017 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

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

As of the November 18, 2016 adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non-U.S. Equity – Developed	18.55%	5.20%
Non-U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non-U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

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

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates.

	1% Decrease In Trend Rates	Current Trend Rates	1% Increase In Trend Rates
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB liability	\$78,445	\$80,673	\$83,235

The discount rate used to measure the total OPEB liability was 7.25%. The basis for the projection of liabilities and the FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2017 and the financial status of the Trust Fund as of the prior measurement date (December 31, 2017). In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2018 measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

- Employer contributions and the amount of total service costs for future plan members were based upon a process used to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were established and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

The following presents the Trust Fund's collective net OPEB liability calculated using the discount rate of 7.25 percent as of the measurement date, as well as if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) of 1-percentage-point higher (8.25 percent):

Discount Rate	Sensitivity of the Net OPEB Liability		
	6.25%	7.25%	8.25%
Net OPEB liability	\$90,266	\$63,552	\$72,472

The following presents the Trust Fund's collective deferral reconciliation showing the beginning deferrals, adding the current year collective deferrals and adjusting for the current year amortization of deferrals to arrive at the ending collective deferral amounts:

Reconciliation Of Deferrals	Deferred Outflows of Resources		
	Differences Between Expected and Actual Experience	Changes of Assumptions or Other Inputs	Difference Between Projected and Actual Investment Earnings
Beginning deferral amounts as of prior measurement date, December 31, 2017	\$ 364	\$ -	\$ -
Deferral amounts added as of measurement date, December 31, 2018	-	678	1,789
Total of amortization amounts recognized in OPEB expense during measurement period, 2018	(72)	(112)	(358)
Outstanding deferral amounts as of measurement date, December 31, 2018	\$ 292	\$ 566	\$ 1,431

Note: Negative amortization amounts increase the collective OPEB expense.

The following presents the Trust Fund's collective deferral amortization showing the deferrals added each plan year, the amortization period and the amount of the amortization for each plan year:

Deferred Outflows of Resources

Difference Between Expected and Actual Experience

For the Plan Year	Deferral Amounts Added	Amortization Period		
2017	\$ 436	6.09 years		
2018	-	-		
For the Plan Year	Amortization of the 2017 Deferral	Amortization of the 2018 Deferral	Total Amortization for the Plan Year	
2017	\$ 72	\$ -	\$ 72	
2018	72	-	72	
2019	72	-	72	
2020	72	-	72	
2021	72	-	72	
2022	72	-	72	
2023	4	-	4	
Total	\$ 436	\$ -	\$ 436	

Note: Positive amortization amounts increase the collective OPEB expense.

Deferred Outflows of Resources

Change in Assumptions or Other Inputs

For the Plan Year	Deferral Amounts Added	Amortization Period		
2017	\$ -	-		
2018	678	6.04 years		
For the Plan Year	Amortization of the 2017 Deferral	Amortization of the 2018 Deferral	Total Amortization for the Plan Year	
2017	\$ -	\$ -	\$ -	
2018	-	112	112	
2019	-	112	112	
2020	-	112	112	
2021	-	112	112	
2022	-	112	112	
2023	-	112	112	
2024	-	6	6	
Total	\$ -	\$ 678	\$ 678	

Note: Positive amortization amounts increase the collective OPEB expense.

Deferred Outflows of Resources

Difference Between Projected and Actual Investment Earnings

For the Plan Year	Deferral Amounts Added	Amortization Period		
2017	\$ -	-		
2018	1,789	5.00 years		
For the Plan Year	Amortization of the 2017 Deferral	Amortization of the 2018 Deferral	Total Amortization for the Plan Year	
2017	\$ -	\$ -	\$ -	
2018	-	358	358	
2019	-	358	358	
2020	-	358	358	
2021	-	358	358	
2022	-	357	357	
Total	\$ -	\$ 1,789	\$ 1,789	

Note: Positive amortization amounts increase the collective OPEB expense.

The following presents the Trust Fund's collective deferral reconciliation showing the beginning deferrals, adding the current year collective deferrals and adjusting for the current year amortization of deferrals to arrive at the ending collective deferral amounts:

Deferred Inflows of Resources

Reconciliation Of Deferrals	Differences Between Expected and Actual Experience	Changes of Assumptions or Other Inputs	Differences Between Projected and Actual Investment Earnings
Beginning deferral amounts as of prior measurement date, December 31, 2017	\$ -	\$ -	\$ 1,289
Deferral amounts added as of measurement date, December 31, 2018	147	-	-
Total of amortization amounts recognized in OPEB expense during measurement period, 2018	(24)	-	(322)
Outstanding deferral amounts as of measurement date, December 31, 2018	\$ 123	\$ -	\$ 967

Note: Negative amortization amounts decrease the collective OPEB expense.

The following presents the Trust Fund's collective deferral amortization showing the deferrals added each plan year, the amortization period and the amount of the amortization for each plan year.

Deferred Inflows of Resources

Difference Between Expected and Actual Experience

For the Plan Year	Deferral Amounts Added	Amortization Period	
2017	\$ -	-	
2018	147	6.04 years	
For the Plan Year	Amortization of the 2017 Deferral	Amortization of the 2018 Deferral	Total Amortization for the Plan Year
2017	\$ -	\$ -	\$ -
2018	-	24	24
2019	-	24	24
2020	-	24	24
2021	-	24	24
2022	-	24	24
2023	-	24	24
2024	-	3	3
Total	\$ -	\$ 147	\$ 147

Note: Positive amortization amounts decrease the collective OPEB expense.

Deferred Inflows of Resources

Changes in Assumptions or Other Inputs

For the Plan Year	Deferral Amounts Added	Amortization Period	
2017	\$ -	-	
2018	-	-	
For the Plan Year	Amortization of the 2017 Deferral	Amortization of the 2018 Deferral	Total Amortization for the Plan Year
2017	\$ -	\$ -	\$ -
2018	-	-	-
Total	\$ -	\$ -	\$ -

Note: Positive amortization amounts decrease the collective OPEB expense.

Deferred Inflows of Resources

Net Difference Between Projected and Actual Investment Earnings

For the Plan Year	Deferral Amounts Added	Amortization Period		
2017	\$ 1,612	5.00 years		
2018	-	-		
For the Plan Year	Amortization of the 2017 Deferral	Amortization of the 2018 Deferral	Total Amortization for the Plan Year	
2017	\$ 322	\$ -	\$ 322	
2018	322	-	322	
2019	322	-	322	
2020	322	-	322	
2021	324	-	324	
Total	\$ 1,612	\$ -	\$ 1,612	

Note: Positive amortization amounts increase the collective pension expense.

GASB Statement No. 75, paragraph 86b states collective deferred outflows of resources and deferred inflows of resources arising from differences between projected and actual OPEB plan investment earnings in different measurement periods should be aggregated and included as a net collective deferred outflow of resources related to OPEB or a net collective deferred inflow of resources related to OPEB.

Difference Between Projected and Actual Investment Earnings

Outstanding Deferred Outflows of Resources	
As of measurement date, December 31, 2018	\$ 1,431
Outstanding Deferred Inflows of Resources	
As of measurement date, December 31, 2018	967
Outstanding Net Deferred Inflows of Resources	
As of measurement date, December 31, 2018	<u>\$ 464</u>

The following presents the Trust Fund's net amount of the collective deferred outflows of resources and collective deferred inflows of resources that will be recognized in the collective OPEB expense for each of the subsequent five years and in the aggregate thereafter:

For the Plan Year Ended December 31,	Amounts Reported as Collective Deferred Outflows and Collective Deferred Inflows of Resources Recognized in Collective OPEB Expense as Follows:
2019	\$ 195
2020	195
2021	195
2022	517
2023	94
Thereafter	3

The following presents the Trust Fund's average of the expected remaining service lives of all members that are provided with benefits through the Trust Fund (active and inactive members) determined as of the beginning of the measurement period:

Determined at Beginning of Measurement Period	Average Expected Remaining Service Life
2018	6.04

Collective OPEB Expense For the year ended December 31, 2018	
Service cost at beginning of year	\$ 1,146
Interest on the total OPEB liability	6,691
Current-period benefit changes	-
Expensed portion of current-period differences between expected and actual experience in the total OPEB liability	(24)
Expensed portion of current-period changes of assumptions or other inputs	112
Active member contributions (includes purchase of service transfers)	(344)
Projected earnings on plan investments	(1,215)
Expensed portion of current-period differences between projected and actual earnings on plan investments	358
Plan administrative expense	148
Other	-
Recognition of beginning collective deferred outflows of resources as OPEB expense	72
Recognition of beginning collective deferred inflows of resources as OPEB expense	(322)
Collective OPEB expense	<u>\$ 6,622</u>

Note 6 Risk Management

AVCS is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded insurance coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year.

AVCS, in their opinion, has obtained adequate coverage as required by Colorado Revised Statutes to settle claims in the ordinary course of business. However, due to the unknown nature of potential liability, some claims may arise that fall outside the coverage limits for which the School would be financially responsible.

Note 7 Accrued Salaries

AVCS is recognizing the liability for all employees' salaries at year-end, which are due to nine- or ten-months services rendered, paid over twelve months. In effect, the entire wage has been earned, but only a portion paid. Total accrued salaries were \$116,498.

Note 8 Tax, Spending and Debt Limitation

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. AVCS believes it is in compliance with the requirements of the amendment. However, AVCS has made certain interpretations of the amendment's language in order to determine its compliance. In 1997 the taxpayers of the School voted to retain revenues and not be subject to the fiscal year spending limitation of Article X Section 20 of the Colorado State Constitution provided that no local tax rate or mill levy shall be increased without further voter approval.

Note 9 Lease and Sublease

During 2010-11 AVCS applied for and received a Building Excellent Schools Today (BEST) grant. The grant was for approximately \$5,515,967. The grant, through a sublease agreement, is administered by the State of Colorado Department of Education. Upon completion of the project, the Colorado Department of Education will release the property from the financing bank and the Colorado Department of Education will sublease the property to the school. AVCS is not obligated to pay any lease payments. At the end of 20 years, the building will revert to the Lamar School District, RE-2.

**Alta Vista Charter School
Budget and Actual
General
For the year ended June 30, 2019**

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Per pupil revenue	\$ 944,489	\$ 1,033,107	\$ 1,070,742
Intergovernmental	35,552	56,039	20,887
Investment earnings	900	900	594
Miscellaneous	6,000	6,000	24,115
Total revenues	<u>986,941</u>	<u>1,096,046</u>	<u>1,116,338</u>
EXPENDITURES			
Instructional:			
Charter School	<u>1,208,870</u>	<u>1,353,162</u>	<u>992,858</u>
Total Instructional	<u>1,208,870</u>	<u>1,353,162</u>	<u>992,858</u>
Total Expenditures	<u>1,208,870</u>	<u>1,353,162</u>	<u>992,858</u>
Excess (deficiency) of revenues over expenditures	<u>(221,929)</u>	<u>(257,116)</u>	<u>123,480</u>
Net change in fund balances	<u>(221,929)</u>	<u>(257,116)</u>	<u>123,480</u>
Fund balances - beginning	<u>403,191</u>	<u>460,087</u>	<u>460,087</u>
Fund balances - ending	<u>\$ 181,262</u>	<u>\$ 202,971</u>	<u>\$ 583,567</u>

Alta Vista Charter School
Schedule of the AVCS's Proportionate Share of the Net Pension Liability
Year Ended June 30, 2019

	for the years ended December 31,					
	2018	2017	2016	2015	2014	2013
School's proportion (percentage) of the collective net pension liability	0.00009136379	0.000112484	0.000111336	0.000111125	0.0001140520	0.0001140520
School's proportionate share of the collective pension liability	\$ 1,617,784	\$3,637,324	\$3,082,852	\$1,699,580	\$1,545,789	\$1,495,331
Covered payroll	\$ 501,495	\$572,575	\$537,751	\$523,916	\$463,798	\$472,612
School's proportionate share of the net pension liability as a percentage of its covered payroll	323%	635%	573%	324%	333%	316%
Plan fiduciary net pension as a percentage of the total pension liability	0.000112%	0.000112%	0.000414%	0.000414%	0.000440%	0.000448%

The amounts reported are measured as of December 31.

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, AVCS will present information for those years for which information is available.

**Alta Vista Charter School
Schedule of the AVCS's Proportionate Share of the Net OPEB Liability
For the Year Ended June 30, 2019**

	for the years ended December 31,	
	2018	2017
District's proportion (percentage) of the collective net pension liability	0.00009136380	0.00008748043
District's proportionate share of the collective pension liability	\$ 1,617,784	\$ 1,103,852
Payroll	\$ 501,495	\$ 518,874
District's proportionate share of the net pension liability as a percentage of its payroll	323%	213%
Plan fiduciary net pension as a percentage of the total pension liability	0.14944%	0.14944%

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Alta Vista Charter School
Schedule of Contributions and Related Ratios
Year Ended June 30, 2019

	for the years ended December 31,					
	2018	2017	2016	2015	2014	2013
Statutory required contributions	\$ 96,085	\$ 96,666	\$ 90,595	\$ 90,955	\$ 86,087	\$ 80,740
Contributions in relation to the statutorily required contribution	\$ 96,085	\$ 96,666	\$ 90,595	\$ 90,955	\$ 86,087	\$ 80,740
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 501,495	\$ 572,575	\$ 537,751	\$ 523,916	\$ 480,956	\$ 474,975
Contribution as a percentage of covered payroll	19.16%	16.88%	16.85%	17.36%	17.90%	17.00%

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, AVCS will present information for those years for which information is available.

Alta Vista Charter School
Schedule of Contributions and Related Ratios OPEB
Year Ended June 30, 2019

	for the years ended December 31,	
	2018	2017
Statutory required contributions	\$ 5,115	\$ 5,096
Contributions in relation to the statutorily required contribution	5,115	5,096
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Payroll	\$ 501,495	\$ 499,695
Contribution as a percentage of payroll	1.02%	1.02%

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.



Colorado Department of Education
Charter School Auditor's Integrity Report
Colorado School District/BOCES
District: 2660 - Lamar Re-2
Fiscal Year 2018-19

Revenues, Expenditures, & Fund Balance by Location and Fund

Location (900-969): 900

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001 - 0999 Total Expenditures & Other Uses	=	6700 - 6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental					
10 General Fund	1,091,628	-1,032,779	58,850		0
18 Risk Mgmt Sub-Fund of General Fund	0	0	0		0
19 Colorado Preschool Program Fund	0	0	0		0
Sub-Total	1,091,628	-1,032,779	58,850		0
11 Charter School Fund	460,087	1,116,337	992,858		583,566
20,26-29 Special Revenue Fund	0	0	0		0
06 Supplemental Cap Const, Tech, Main, Fund	0	0	0		0
21 Food Service Spec Revenue Fund	0	0	0		0
22 Govt Designated-Purpose Grants Fund	48,381	0	48,381		0
23 Pupil Activity Special Revenue Fund	0	0	0		0
24 Full Day Kindergarten Mill Levy Override	0	0	0		0
25 Transportation Fund	0	0	0		0
31 Bond Redemption Fund	0	0	0		0
41 Building Fund	0	0	0		0
42 Special Building Fund	0	0	0		0
43 Capital Reserve Capital Projects Fund	0	0	0		0
46 Supplemental Cap Const, Tech, Main Fund	0	0	0		0
39 Certificate of Participation (COP) Debt Service Fund	0	0	0		0
Totals	1,600,097	83,558	1,100,089		583,566
Proprietary					
50 Other Enterprise Funds	0	0	0		0
64 (63) Risk-Related Activity Fund	0	0	0		0
60,65-69 Other Internal Service Funds	0	0	0		0
Totals	0	0	0		0
Fiduciary					
70 Other Trust and Agency Funds	0	0	0		0
72 Private Purpose Trust Fund	0	0	0		0
73 Agency Fund	0	0	0		0
74 Pupil Activity Agency Fund	0	0	0		0
79 GASB 34/Permanent Fund	0	0	0		0
85 Foundations	0	0	0		0
Totals	0	0	0		0

*If you have a prior period adjustment in any fund (Balance Sheet 6880), the amount of your prior period adjustment is added into both your ending and beginning fund balances on this report.