

**ARCHULETA SCHOOL DISTRICT 50 JT
PAGOSA SPRINGS, COLORADO**

FINANCIAL STATEMENTS

June 30, 2020



**Wall,
Smith,
Bateman** Inc.
Certified Public Accountants

ARCHULETA SCHOOL DISTRICT 50 JT
TABLE OF CONTENTS
June 30, 2020

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	M1-M8
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	6
Governmental Funds Financial Statements:	
Balance Sheet	7
Reconciliation of Total Governmental Fund Balances to the Statement of Net Position	8
Statement of Revenues, Expenditures, and Changes in Fund Balances	9
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	10
Fiduciary Fund Financial Statements:	
Statement of Assets and Liabilities	11
Statement of Changes in Fiduciary Net Position	12
Notes to the Basic Financial Statements	13
Required Supplementary Information:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances- Budget and Actual:	
General Fund	41
Designated Grants Fund	42
Schedule of the District's Proportionate Share of the Net Pension Liability - PERA SCHDTF Pension Plan	43
Schedule of District Contributions – PERA SCHDTF Pension Plan	44
Schedule of the District's Proportionate Share of the Net OPEB Liability – PERA Healthcare Trust Fund	45
Schedule of District Contributions –PERA Healthcare Trust Fund	46
Notes to the Required Supplementary Information	47
Supplementary Information:	
Combining Schedule of Nonmajor Governmental Funds:	
Combining Schedule- Balance Sheet	49
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	50
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual:	
Student Activity Fund	51
Food Service Fund	52
Capital Reserve Project Fund	53
Bond Redemption Fund	54
Schedule of Changes in Fiduciary Net Position – Budget to Actual:	
A.S.E.- Mooney-Hughes P.A.C Agency Fund	55

ARCHULETA SCHOOL DISTRICT 50 JT

TABLE OF CONTENTS

June 30, 2020

Single Audit Section:

Schedule of Expenditures of Federal Awards	56
Notes to the Schedule of Expenditures of Federal Awards	57
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	58
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	60
Schedule of Findings and Questioned Costs	62

CDE Compliance Section:

Colorado School Districts Auditor's Integrity Report	
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INDEPENDENT AUDITORS' REPORT



Wall,
Smith,
Bateman Inc.

To the Board of Education
Archuleta School District 50 JT
Pagosa Springs, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Archuleta School District 50 JT (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditors' 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.

Certified Public Accountants

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 – Summary of Significant Accounting Policies, in fiscal year 2020 the District adopted the provisions of *GASB Statement No. 84, Fiduciary Activities*, thereby reporting the Pupil Activity Agency Fund in the Student Activity Special Revenue Fund and funds from the A.S.E – Mooney – Hughes P.A.C Agency fund in the General Fund. The District previously reported this activity in a fiduciary fund. Our opinion is not modified with respect to this matter.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial schedules and the Colorado School Districts Auditor's Integrity Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial schedules, the Colorado School Districts Auditor's Integrity Report, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial schedules, the Colorado School Districts Auditor's Integrity Report, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 1, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

March 1, 2021

ARCHULETA SCHOOL DISTRICT 50 JT.

MANAGEMENT'S DISCUSSION & ANALYSIS

This section of Archuleta School District 50 JT's annual financial report presents the school district management team's discussion and analysis of the District's financial performance during the fiscal year, which ended June 30, 2020. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The General Fund experienced a \$539,134 operating surplus in FY2020 caused largely by reduced spending in the fourth quarter of the fiscal year related to the COVID pandemic. This was the third consecutive surplus for the District after five years of deficits.
- The General Fund recorded a \$9,948,012 Fund Balance as of June 30, 2020. This amount is equal to 58.8% of the District's total General Fund expenditures and transfers for Fiscal Year 2020, a 2.2% increase compared to the previous year.
- The District had long-term debt at June 30, 2020 of \$1,622,765 including General Obligation Bonds, Capital Leases, Unamortized Bond Premiums, and Accrued Compensated Absences. This is \$934,780 less than the District's long-term debt at June 30, 2019. The District's General Obligation Bond was paid off in December 2020.
- Despite Amendment 23, the State of Colorado continues to implement the Budget Stabilization Factor (previously known as the Negative Factor) to balance the State's budget. With \$1,115,621 withheld in FY2020, the total withheld to-date equals \$14,693,921.
- The District's total combined net position as of June 30, 2020 was (\$7,926,767) an improvement of \$2,671,060. This negative net position is a result of the District's implementation of the Governmental Accounting Standards Board (GASB) Statements 68 and 75 which requires all entities contributing to the Public Employees Retirement Association (PERA) to record their share of the state's net pension liability and the state's Health Care Trust Fund liability on the District's Statement of Net Position. Without the District's \$23,951,667 share of Colorado's pension liability and the \$1,177,732 share of the OPEB liability, the District's total combined net position as of June 30, 2020 would be \$17,202,632
- In November 2018 the voters of the school district passed a \$1.7 million per year Mill Levy Override (MLO) to attract and retain high quality staff, to fund Full-Day Kindergarten, and to fund School Resource Officers in each of the three schools. Because the State started funding Full-Day Kindergarten for the 2019-20 school year, the School Board decided not to collect the \$243,000 MLO funding for that purpose beginning in FY2020.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts — *management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the District:

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

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

ARCHULETA SCHOOL DISTRICT 50 JT.

MANAGEMENT'S DISCUSSION & ANALYSIS

- *Governmental funds* statements tell how general government services were financed in the short term as well as what remains for future spending. Governmental funds include the General, Food Service, Grant, Student Activity, Capital Reserve, and Bond Redemption Funds.
- *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong. Fiduciary funds include the Mooney and the Archuleta Scholarships in Escrow Private Purpose Trusts. Both of these accounts spend only the interest generated each year.

The financial statements also include *notes* that explain some of the information in the report and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements.

District-wide Statements

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

The two district-wide statements report the District's *net position* and how they have changed. Net Position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The Statement of Activities presents information reporting how the District's net position changed during the most recent year.

Both of these district-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities).

The district-wide financial statements of the District include the *Governmental activities*. Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum, staff development, health services, technology, maintenance, transportation and general administration. Property taxes and grants finance most of these activities. The bond fund is also included in the Governmental category.

To assess the overall health of the District, consideration needs to be given to additional non-financial factors such as changes in the District's tax base, changes in student enrollment, and the condition of school buildings.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds — not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law and by bond covenants. The Board of Trustees establishes other funds to control and manage money for particular

ARCHULETA SCHOOL DISTRICT 50 JT.
MANAGEMENT’S DISCUSSION & ANALYSIS

purposes or to show that it is properly using certain taxes and grants. The District has the following kinds of funds:

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

Fiduciary funds – The District is the trustee, or *fiduciary*, for certain funds. It is responsible for other assets, which because of a trust arrangement, can only be used for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District’s fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. Because the District cannot use these assets to finance its operations these activities are excluded from the District-wide financial statements

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

As shown on Tables 1 and 2, the Total Net Investment in Capital Assets (not including the charter school) increased \$2,546,568. This increase follows an increase of over \$5.4 million last year.

Table 1, Changes in Net Assets

	2019	2020
Current Assets	\$ 13,549,319	\$ 13,943,850
Noncurrent Assets	17,090,115	17,298,939
Total Assets	30,639,434	31,242,789
Deferred Outflows of Financial Resources	10,785,016	6,750,160
Current Liabilities	2,405,518	3,264,714
Noncurrent Liabilities	28,623,004	26,287,276
Total Liabilities	31,028,522	29,551,990
Deferred Inflows of Financial Resources	20,993,755	16,367,726
Net Position		
Net Investment in Capital Assets	14,853,634	16,105,900
Restricted Net Position	2,392,922	1,585,750
Unrestricted Net Position	(27,844,383)	(25,618,417)
Total Net Position	(\$ 10,597,827)	(\$ 7,926,767)

Table 2, Condensed Statement of Activities

	2019	2020
Program Revenues:		
Charges for Services	\$ 500,655	\$ 207,795
Operating Grants	3,323,691	3,311,675
Capital Grants	29,243	275,310
Total Program Revenues	3,853,589	3,616,780

ARCHULETA SCHOOL DISTRICT 50 JT.
MANAGEMENT'S DISCUSSION & ANALYSIS

General Revenues:		
Taxes	9,268,843	9,103,159
State Equalization	6,113,004	6,564,712
Investment Income	218,592	161,770
Miscellaneous & Transfers	223,746	83,181
Total General Revenues	15,824,185	15,912,822
Total Revenues	19,677,774	19,529,602
Expenses		
Instruction	8,013,839	9,944,720
Supporting Services	6,261,062	7,269,287
Interest on Long-Term Debt	(72,134)	33,437
Total Expenses	14,202,767	17,247,444
Change in Net Position	5,475,007	2,282,158
Net Position – Beginning	(16,072,834)	(10,597,827)
Prior Period Restatement	-	388,902
Net Position – Beginning (Restated)	(16,072,834)	(10,208,925)
Net Position - Ending	(\$ 10,597,827)	(\$ 7,926,767)

Governmental Activities

The District's total revenues were \$19,638,970, a decrease of \$761,588. A significant portion of the District's revenues come from local sources (49.9%) of which the majority comes from local property taxes. The next largest share of the district's revenue (36.8%) comes from state equalization. The remaining 13.3% of revenue comes from Operating Grants (Federal, State, and Private), and Intermediate Sources.

The District's expenses are predominantly related to instructing, caring for, feeding, and transporting students. The total cost of all programs and services was \$20,390,430. Expenditures for instruction across all governmental activities were 53.0%, debt service was 5.4% and all other services were 41.6%.

**STATEMENT OF REVENUES, EXPENDITURES, CHANGE IN FUND BALANCE
– All Governmental Funds (does not include Fiduciary Funds)**

	2019	2020	Increase/(Decrease)
Revenues			
Local Sources	\$ 10,314,435	\$ 9,792,701	
Intermediate Sources	30,712	26,796	
State Sources (The 2020 revenue reflects PPOS Allocation reduction of \$877,390.)	8,538,057	8,279,418	
Federal Sources	1,517,354	1,540,055	
TOTAL REVENUE/ALLOCATION	\$ 20,400,558	\$ 19,638,970	(\$761,588)
Expenses			
Instruction	\$ 9,708,665	\$ 10,817,698	
Supporting Services, Other & Transfers	7,790,566	8,476,596	
Debt Service	1,104,087	1,096,136	
TOTAL EXPENSE/TRANSFER	\$ 19,325,667	\$ 20,390,430	\$ 1,064,763
Change in Fund Balance	1,074,891	(781,460)	
Fund Balance – Beginning (as previously stated)	10,068,910	11,143,801	
Change in Accounting Principle	-	388,902	
Fund Balance – Beginning (Restated)	10,068,910	11,532,703	
Fund Balance – Ending	\$ 11,143,801	\$ 10,781,243	\$ (362,558)

ARCHULETA SCHOOL DISTRICT 50 JT.
MANAGEMENT'S DISCUSSION & ANALYSIS

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

In the paragraphs below, each of the District's Funds will be examined.

General Fund - The General Fund is the major operating fund of the District, providing most of the resources for the educational and support programs in the schools. Revenues of \$17,449,173 were comprised of approximately 53.9% local property and specific ownership taxes, 41.0% state equalization money, 2.7% state grants, 2.2% federal sources, and 0.2% other sources. Actual revenues received exceeded budgeted revenue amounts by \$66,122.

Expenditures and transfers to other funds totaled \$16,494,086. Spending was distributed with roughly 74.5% being spent on salaries and benefits, 12.7% on services and utilities, 10.3% on supplies, equipment, and other expenses, and 2.5% for transfers. Actual expenditures were below budget amounts (excluding contingency reserves) by \$1,529,664. The fund experienced a surplus in the amount of \$539,134. This is the third year in a row that the district has had a surplus in the General Fund after five straight years of deficits. Reserves in the amount of \$9,948,012 (58.8% of expenditures plus transfers) are more than adequate to meet unforeseen district needs, but the district needs to be cautious in spending down reserves in the future without an adequate long-range plan and with the eventual sunset of the MLO.

Food Service Fund - With total revenues \$668,122 and expenses of \$680,103, the Food Service Fund operated with a deficit of \$11,984 in the 2019-2020 Fiscal Year. Despite the deficit, the Food Service Department has been able to maintain a fund balance of \$106,247 as of June 30, 2020.

Grant Fund – The grant fund continued its success in FY2020 with Revenues and Expenses of \$1,258,725. This represents a \$131,923 decrease compared to FY2019 but much of that decrease is attributed to COVID-19. Unspent funds in the amount of \$1,024,436 was deferred to FY2021. The district's grants are overwhelmingly used for instructional purposes (63.3% of grant expenditures) and for Pupil Support (32.1% of grant expenditures.) The district has been very successful in receiving new and continuation grants to support our students.

Bond Redemption Fund – The Bond Redemption Fund had revenues of \$16,910 and expenses of \$957,650 in FY2020. The Fund Balance at June 30, 2020 was \$438,003. The fund previously had a large fund balance because most of the fund's expenses are incurred each year prior to the receipt of the majority of the fund's revenues. It should be noted that with this large fund balance the district was able to reduce the property tax levied for collection in 2019 and allowed the Board to eliminate the Bond Redemption property tax to be levied in 2020. The fund had sufficient money for the final payment of the Bond that was made in December of 2020.

Capital Reserve Project Fund - In the past, revenue for this fund was based on pupil count. The district now funds the Capital Reserve Project Fund investment interest income and with a transfer from the General Fund based on the need for repairs and the need to purchase vehicles and equipment/technology. In FY2020 the fund had investment earnings of \$563, the State BEST grant of \$148,525, and a transfer from the General Fund of \$680,363. Expenditures for in the fund for the fiscal year totaled \$893,025. At June 30, 2020 the Fund Balance was \$174,375 which was budgeted to fund FY2021 expenses for projects that had not been completed in FY2020.

Student Activity Fund - The District's Student Activity Fund holds money for all self-supporting club and class activities. Until this year, this fund was classified as a Fiduciary Fund, but it has been reclassified by GAAP. Revenues in this fund for FY2020 were \$96,952 while expenses were \$106,838. Both the revenues (46.3% of FY19) and expenses (54.5% of FY19) were significantly less than prior years because of the

ARCHULETA SCHOOL DISTRICT 50 JT.
MANAGEMENT’S DISCUSSION & ANALYSIS

cessation of in-person instruction in March 2020 due to COVID-19. At June 30, 2020 the Student Activity Fund had a Fund Balance of \$114,606.

Fiduciary Funds - Fiduciary funds are funds that are held in trust by the district. These funds were established by private donations and have specific guidelines on how the money generated from the principal is to be spent.

- Trust-Donation Fund - The district has two trusts in this fund.
 - o The interest on \$250,000 of the Whit Newton Fund is set-aside for the Archuleta Scholarships in Escrow program.
 - o Interest on \$50,000 of the Mooney donation is designated to help fund either remedial or accelerated summer school programs.

For the two trust funds, Revenue in FY2020 was \$9,169. Expenditures were \$4,138. The ending Net Position for the fund at June 30, 2020 was \$303,065. The Hughes Foundation funds that were previously part of this fund have been reclassified and are now part of the General Fund.

Proprietary Funds, Insurance Fund - The Insurance Fund was a proprietary fund (a fund that operated as a business) that has been closed because the self-funded insurance plan was not financially viable. The District converted to a premium based plan to provide health and dental coverage to staff. The district currently has no proprietary funds.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of FY2020, the District had invested \$17,298,939 in a broad range of capital assets, including land, equipment, buildings, and vehicles. This amount represents a net increase of \$208,824 or 1.22%. This increase was due to the difference of depreciation, and the value of equipment and vehicles purchased and the completion of construction in progress projects.

	Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020
Governmental Activities				
Assets not being depreciated	\$ 1,145,513	\$ 215,045	\$ 103,590	\$ 1,256,968
Assets being depreciated	23,602,980	634,151	-	24,237,131
Less: Accumulated Depreciation	(7,658,378)	(536,782)	-	(8,195,160)
Total Capital Assets, net	\$ 17,090,115	\$ 312,414	\$ 103,590	\$ 17,298,939

Long Term Debt

At year-end, the District had long term debt obligation of \$1,662,765 which is a \$934,780 decrease from June 30, 2019. In FY2014, the district refunded the outstanding bonds to receive a lower interest rate. The long-term debt includes a General Obligation Bond (which was fully paid-off in December 2020), a multi-year performance contract, copier leases, accrued compensated absences, and an unamortized bond premium.

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020	Interest Expense
2014 G.O. Refunding Bonds	\$ 1,315,000	\$ -	\$ 940,000	\$ 375,000	\$ 16,900
Capital Leases	921,481	-	117,022	804,459	21,465
Accrued Compensated Absences	333,574	136,152	-	469,726	-
Unamortized Bond Premium	27,490	-	13,910	13,580	-
TOTAL	\$ 2,597,545	\$ 136,152	\$ 1,070,932	\$ 1,662,765	\$ 38,365

ARCHULETA SCHOOL DISTRICT 50 JT.

MANAGEMENT'S DISCUSSION & ANALYSIS

ECONOMIC FACTORS AND FUTURE BUDGETS

The District's October 2020 funded pupil count decreased because of the COVID pandemic after four straight years of increases. Information from the State Demographer's Office suggests that the District may see student increases for the foreseeable future, although the impact of COVID and the Charter School may change those projections.

Because of the pandemic, the State reduced funding to the District on a revenue per pupil basis. This reduction compounded the loss of revenue that the district experienced in FY21 due to the enrollment decline. Fortunately, the reserves the District has accumulated along with funds that were unspent at the end of FY20 because of COVID, allowed the District to adapt to the unique needs of the 2020-21 school year.

In November 2018 voters passed a \$1.7 million per year Mill Levy Override to provide additional revenues for the school district for the following purposes:

- To attract and retain high quality staff.
- To fully fund Full-Day Kindergarten. This has been eliminated because the State now provides the funding.
- To fund three School Resource Officers (one at each school.)
- To provide MLO funds to the Pagosa Peak Open School.

Because the MLO has a sunset provision after seven (7) years, expenditures will need to be examined carefully and the district will need to resist the temptation to fund additional employees and other costs from reserves.

The local economy is showing growth despite the pandemic, but because of TABOR, meaningful increases in revenues for the school district other than the MLO are not expected in the foreseeable future.

All districts statewide still have their funding reduced by the "negative factor" which was deemed to be constitutional by the State Supreme Court.

The impact of continuing increases in Colorado PERA's contribution rates for all school districts and our employees and increases in the cost of health insurance premiums will need to be studied. PERA rates are scheduled to continue to increase until they reach rates in July 2021 of 20.90% for the school district and 10.50% for employees. In addition to these PERA rates, there is an automatic increase that could be triggered based on PERA's actuarial projections. Increases in PERA and Health Care will limit the amount of funds available for salaries and other operations.

COMPONENT UNITS

The District has an approved charter with the Pagosa Peak Open School, (the "School") as authorized under Section 22.30.5-102(2) of the Colorado Revised Statutes to provide education to students in grades K-8 who reside within the jurisdictional boundaries of the District and qualified students from outside the District's jurisdictional boundaries. A charter school is part of a local school district that is a political subdivision of the State of Colorado. The School does not provide services entirely or almost entirely to the District. The School's financial information is discretely presented in the District's financial statements. Additional information can be obtained by writing to Pagosa Peak Open School, Business Manager, 7 Parelli Way, Pagosa Springs CO 81147.

ARCHULETA SCHOOL DISTRICT 50 JT.
MANAGEMENT'S DISCUSSION & ANALYSIS

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Finance Director at 970-264-2228 x 5403.

ARCHULETA SCHOOL DISTRICT 50 JT
BASIC FINANCIAL STATEMENTS

ARCHULETA SCHOOL DISTRICT 50 JT

STATEMENT OF NET POSITION

June 30, 2020

	Primary Government Governmental Activities	Component Unit Pagosa Peaks Open School
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 12,688,848	\$ 609,681
Accounts Receivable	23,991	-
Property Tax Receivable	884,695	-
Due from Other Governments	305,028	9,855
Prepaid Expenses	1,441	2,073
Inventories	39,847	-
Total Current Assets	13,943,850	621,609
Noncurrent Assets		
Capital Assets		
Land	1,080,048	715,000
Construction in Progress	176,920	21,539
Buildings & Improvements	20,784,182	3,628,063
Equipment	901,219	27,289
Vehicles	2,551,730	-
Less Accumulated Depreciation	(8,195,160)	(17,261)
Total Noncurrent Assets	17,298,939	4,374,630
TOTAL ASSETS	31,242,789	4,996,239
DEFERRED OUTFLOWS OF RESOURCES		
Pension	6,510,575	858,714
OPEB	239,585	55,115
TOTAL DEFERRED OUTFLOWS OF RESOURCES	6,750,160	913,829
LIABILITIES		
Current Liabilities		
Accounts Payable	40,207	25,914
Accrued Salaries and Benefits	1,637,744	-
Unearned Grant Revenue	1,065,929	143,878
Unearned Revenue	15,946	-
Accrued Interest Expense	-	5,733
Premium on Issuance of Bonds	13,580	-
Lease Purchase Agreement	115,108	-
General Obligation Bonds	375,000	-
Note Payable	-	44,066
Compensated Absences	1,200	-
Total Current Liabilities	3,264,714	219,591
Noncurrent Liabilities		
Lease Purchase Agreement	689,351	-
Note Payable	-	2,852,309
Compensated Absences	468,526	-
Pension Liability	23,951,667	1,411,165
OPEB Liability	1,177,732	69,365

The accompanying notes are an integral part of this financial statement.

ARCHULETA SCHOOL DISTRICT 50 JT

STATEMENT OF NET POSITION

June 30, 2020

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Pagosa Peaks Open School</u>
Total Noncurrent Liabilities	<u>26,287,276</u>	<u>4,332,839</u>
TOTAL LIABILITIES	<u>29,551,990</u>	<u>4,552,430</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	15,747,385	826,415
OPEB	217,560	12,814
Deferred Revenue - Property Tax	<u>402,781</u>	<u>-</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>16,367,726</u>	<u>839,229</u>
NET POSITION		
Net Investment in Capital Assets	16,105,900	1,478,255
Restricted for		
Debt Service	438,003	-
TABOR	519,000	33,000
Mill Levy Override	628,747	-
Unrestricted	<u>(25,618,417)</u>	<u>(992,846)</u>
TOTAL NET POSITION	<u>\$ (7,926,767)</u>	<u>\$ 518,409</u>

The accompanying notes are an integral part of this financial statement.

ARCHULETA SCHOOL DISTRICT 50 JT
STATEMENT OF ACTIVITIES
Fiscal Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position	
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Governmental Activities	Component Unit Pagosa Peaks Open School
Primary Government						
Governmental Activities						
Instructional Program	\$ 9,944,720	\$ 47,181	\$ 1,243,158	\$ 148,525	\$ (8,505,856)	
Student Supporting Services	1,061,622	25,150	1,113,134	-	76,662	
Instructional Staff Supporting Services	229,010	-	4,368	-	(224,642)	
General Administration Supporting Services	617,101	-	9,930	-	(607,171)	
School Administration Supporting Services	823,179	-	14,582	-	(808,597)	
Business Supporting Services	362,968	-	4,198	-	(358,770)	
Operations and Maintenance of Plant Services	1,745,290	-	14,131	126,785	(1,604,374)	
Student Transportation Services	1,034,727	-	190,694	-	(844,033)	
Central Supporting Services	689,165	-	2,173	-	(686,992)	
Other Support Services	1,575	-	-	-	(1,575)	
Community Services	3,000	-	-	-	(3,000)	
Other Uses	26,966	-	-	-	(26,966)	
Food Services	674,684	135,464	537,307	-	(1,913)	
Interest on Long-term Debt	33,437	-	-	-	(33,437)	
Total Primary Government	\$ 17,247,444	\$ 207,795	\$ 3,133,675	\$ 275,310	(13,630,664)	
Component Unit - Pagosa Peaks Open School	\$ 1,552,490	\$ -	\$ 458,418	\$ 1,628,443		\$ 534,371
General Revenues						
Taxes						
					8,091,724	91,617
					1,009,059	-
					2,376	-
					6,564,712	877,390
					161,770	-
					83,181	2,709
					<u>15,912,822</u>	<u>971,716</u>
					<u>2,282,158</u>	<u>1,506,087</u>
					(10,597,827)	(987,678)
					<u>388,902</u>	<u>-</u>
					<u>(10,208,925)</u>	<u>(987,678)</u>
					<u>\$ (7,926,767)</u>	<u>\$ 518,409</u>

The accompanying notes are an integral part of this financial statement.

ARCHULETA SCHOOL DISTRICT 50 JT

GOVERNMENTAL FUNDS

BALANCE SHEET

June 30, 2020

	GENERAL FUND	DESIGNATED GRANTS FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 11,013,984	\$ 1,008,395	\$ 666,469	\$ 12,688,848
Accounts Receivable	13,991	10,000	-	23,991
Property Tax Receivable	884,695	-	-	884,695
Due from Other Governments	6,195	105,993	192,840	305,028
Due from Other Funds	12,238	-	-	12,238
Prepaid Expenditures	1,441	-	-	1,441
Inventory	-	-	39,847	39,847
TOTAL ASSETS	\$ 11,932,544	\$ 1,124,388	\$ 899,156	\$ 13,956,088
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 22,205	\$ 5,884	\$ 12,118	\$ 40,207
Due to Other Funds	-	12,238	-	12,238
Unearned Grant Revenue	41,493	1,024,436	-	1,065,929
Unearned Revenue	-	-	15,946	15,946
Accrued Salaries and Benefits	1,518,053	81,830	37,861	1,637,744
TOTAL LIABILITIES	1,581,751	1,124,388	65,925	2,772,064
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Property Tax	402,781	-	-	402,781
FUND BALANCE				
Nonspendable				
Prepaid	1,441	-	-	1,441
Inventory	-	-	39,847	39,847
Restricted				
TABOR 3% Reserve	519,000	-	-	519,000
Mill Levy Override	628,747	-	-	628,747
Debt Service	-	-	438,003	438,003
Committed				
Pupil Activities	-	-	114,606	114,606
Food Service	-	-	66,400	66,400
Capital Projects	215,092	-	174,375	389,467
Assigned				
Designated for Subsequent Years	706,088	-	-	706,088
Unassigned	7,877,644	-	-	7,877,644
TOTAL FUND BALANCE	9,948,012	-	833,231	10,781,243
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 11,932,544	\$ 1,124,388	\$ 899,156	\$ 13,956,088

The accompanying notes are an integral part of this financial statement.

ARCHULETA SCHOOL DISTRICT 50 JT
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
June 30, 2020

Total governmental fund balances		\$ 10,781,243
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		17,298,939
Deferred results and contributions to pension and OPEB plans made after the measurement date are recorded as expenditures in the governmental funds but must be deferred in the statement of net position.		6,750,160
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds	\$ (375,000)	
Lease Purchase Agreements	(804,459)	
Compensated Absences	<u>(469,726)</u>	
		(1,649,185)
Certain transactions relating to the activity of bonds are expensed in the governmental funds, but are required to be capitalized and amortized in the government-wide financial statements.		
Premium on Issuance of Bonds		(13,580)
Net pension and OPEB liabilities are not due and payable in the current period and are not reported in the funds.		(25,129,399)
Certain amounts related to the net pension and OPEB liabilities are deferred and amortized over time. These are not reported in the funds.		<u>(15,964,945)</u>
Net position of governmental activities		<u><u>\$ (7,926,767)</u></u>

ARCHULETA SCHOOL DISTRICT 50 JT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES
For the Year Ended June 30, 2020

	GENERAL FUND	DESIGNATED GRANTS FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Local Sources	\$ 9,426,011	\$ 108,150	\$ 258,540	\$ 9,792,701
Intermediate Sources	2,119	24,677	-	26,796
State Sources	7,633,636	484,310	161,472	8,279,418
Federal Sources	387,407	641,588	511,060	1,540,055
TOTAL REVENUES	17,449,173	1,258,725	931,072	19,638,970
EXPENDITURES				
Instructional Program	9,802,156	796,754	218,788	10,817,698
Student Supporting Services	570,485	404,061	-	974,546
Instructional Staff Supporting Services	217,738	46,132	-	263,870
General Administration Supporting Services	696,348	-	-	696,348
School Administration Supporting Services	938,474	1,078	-	939,552
Business Supporting Services	396,474	-	-	396,474
Operations and Maintenance of Plant Services	1,655,684	33	781,075	2,436,792
Student Transportation Services	1,134,271	6,092	-	1,140,363
Central Supporting Services	706,509	-	-	706,509
Other Support Services	-	1,575	-	1,575
Community Services	-	3,000	-	3,000
Other Uses	26,966	-	-	26,966
Food Services	43,814	-	680,106	723,920
Facilities Acquisition and Construction Services	166,681	-	-	166,681
Debt Service	138,486	-	957,650	1,096,136
TOTAL EXPENDITURES	16,494,086	1,258,725	2,637,619	20,390,430
Excess (Deficiency) of Revenues Over Expenditures	955,087	-	(1,706,547)	(751,460)
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	-	-	680,363	680,363
Transfers to Other Funds	(680,363)	-	-	(680,363)
TOTAL OTHER FINANCING SOURCES (USES)	(680,363)	-	680,363	-
Net Change in Fund Balance	274,724	-	(1,026,184)	(751,460)
Fund Balance, Beginning of Year, As Previously Stated	9,408,878	-	1,734,923	11,143,801
Changes in Accounting Principle	264,410	-	124,492	388,902
Fund Balance, Beginning of Year, Restated	9,673,288	-	1,859,415	11,532,703
Fund Balance, End of Year	\$ 9,948,012	\$ -	\$ 833,231	\$ 10,781,243

The accompanying notes are an integral part of this financial statement.

ARCHULETA SCHOOL DISTRICT 50 JT
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, 2020

Net change in fund balances - total governmental funds \$ (487,050)

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the difference between capital outlay and depreciation in the current period.

Fixed asset additions	\$ 745,606	
Depreciation expense	<u>(536,782)</u>	
		208,824

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. The bond premium provides a current financial resource to governmental funds, but must be capitalized and amortized over the life of the bonds in the government-wide financial statements.

Principal payment on general obligation bonds	940,000	
Principal payment on lease purchase agreement	122,699	
Bond premium amortization	13,910	
Deferred charge on refunding	<u>48,024</u>	
		1,124,633

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Compensated Absences		(136,152)
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Certain items reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. These items consists of the change in pension and OPEB expense.

		<u>1,836,313</u>
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Change in net position of governmental activities \$ 2,546,568

ARCHULETA SCHOOL DISTRICT 50 JT
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2020

	A.S.E - MOONEY PRIVATE-PURPOSE TRUST FUND
ASSETS	
Cash	\$ 303,065
Accounts Receivable	339
TOTAL ASSETS	\$ 303,404
 LIABILITIES	
Accounts Payable	\$ 339
Deposits Held for Others	303,065
TOTAL LIABILITIES	\$ 303,404

The accompanying notes are an integral part of this financial statement.

ARCHULETA SCHOOL DISTRICT 50 JT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2020

	A.S.E - MOONEY		TOTAL
	PRIVATE-PURPOSE TRUST FUND	PUPIL ACTIVITY AGENCY FUND	
ADDITIONS			
Interest Income	\$ 9,169	\$ -	\$ 9,169
TOTAL ADDITIONS	<u>9,169</u>	<u>-</u>	<u>9,169</u>
DEDUCTIONS			
Scholarships	<u>4,138</u>	<u>-</u>	<u>4,138</u>
TOTAL DEDUCTIONS	<u>4,138</u>	<u>-</u>	<u>4,138</u>
Excess of Additions over Deductions	5,031	-	5,031
NONOPERATING ADDITIONS (DEDUCTIONS)			
Transfers to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>5,031</u>	<u>-</u>	<u>5,031</u>
Net Position, Beginning of Year, As Previously Stated	562,444	124,492	686,936
Changes in Accounting Principle	<u>(264,410)</u>	<u>(124,492)</u>	<u>(388,902)</u>
Fund Balance, Beginning of Year, Restated	<u>298,034</u>	<u>-</u>	<u>298,034</u>
Net Position, End of Year	<u>\$ 303,065</u>	<u>\$ -</u>	<u>\$ 303,065</u>

The accompanying notes are an integral part of this financial statement.

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the District reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*. The District's significant accounting policies are described below.

REPORTING ENTITY

Primary Government

Archuleta School District 50 JT is a public school as established by Colorado State Statute. The District is declared to be a corporate body with perpetual existence and in its name may hold property, sue and be sued, and be a party to contracts for any purpose authorized by law. Members of the school board are voted on at large by the registered, qualified electors of the District to represent one of the five districts and must reside in the district for which he or she is elected. Taxes are levied upon all taxable property within the District's boundaries by the County Commissioners. The County Treasurer collects the taxes and remits them to the school district. The District also receives State and Federal funds. The school board has the authority to issue bonds up to 20% of the latest assessed valuation of the taxable property in the District. The board also has authority to select the depository of school funds and acquire short-term loans.

Component Units

The District has an approved charter with the Pagosa Peak Open School, (the "School") as authorized under Section 22.30.5-102(2) of the Colorado Revised Statutes to provide education to students in grades K-8 who reside within the jurisdictional boundaries of the District and qualified students from outside the District's jurisdictional boundaries. The members of the School's governing board are elected by the School's board. The School is fiscally dependent upon the District because the School does not have the authority to determine its budget without the District's approval. The School does not provide services entirely or almost entirely to the District. The School's financial information is discretely presented in the District's financial statements. Additional information can be obtained by writing to Pagosa Peak Open School, Business Manager, 7 Parelli Way, Pagosa Springs CO 81147.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the governmental activities and discretely presented component unit of the District, except for District fiduciary activity. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

The statement of activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from services, or privileges provided by a given function or segment and
- Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. The emphasis of fund

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

financial statements is on major governmental funds, each reported as a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements, imposed by the provider, are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The District reports the following major governmental funds:

General Fund

This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue (Designated Grants) Fund

This fund is used to record financial transactions for grants received for designated programs funded by federal, state, or local governments.

The District reports one fiduciary fund:

Fiduciary fund financial statements consist of a Private-Purpose Trust Fund. The Private-Purpose Trust Fund was established to record private donations that have specific guidelines on how the funds generated from the principal balance is to be sent.

A.S.E. - Mooney Fund

This fund is used to account for assets held by the District in a trustee capacity for individuals, private and student groups. This fund generally accounts for significant donations that are set aside for student benefit.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated.

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds. All annual appropriations lapse at fiscal year-end.

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

- Budgets are required by state law for all funds. By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted or amended by the Board of Education.
- Encumbrance accounting is not utilized.

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position/Fund Balances

Cash and Investments – The District pools cash resources of its various funds in order to facilitate the management of cash. Cash is pooled in interest bearing accounts which are comprised of certificates of deposit, savings accounts, and money market accounts which are legally authorized. Investments are stated at fair value.

Cash and Cash Equivalents – The government’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Receivables – All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Inventories – Inventory is valued at the lower of cost (first-in, first-out) or market. The federal government donates surplus commodities to supplement the Nation School Lunch and Breakfast Programs. Such commodities are recorded as revenues when expended.

Capital Assets – Capital assets used in governmental activities operations are shown on the government-wide financial statements. These assets are not shown in the governmental funds and are therefore listed as a reconciling item between the two presentations. Property and equipment acquired or constructed for governmental fund operations are recorded as expenditures in the fund making the expenditure and capitalized at cost in the government-wide presentation. No depreciation has been provided on capital assets in the governmental funds.

Property and equipment is stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

The District capitalizes assets with an original value of at least \$5,000 and a useful life in excess of one year.

Depreciation has been provided over the estimated useful lives of the asset in the government-wide presentation. Depreciation is calculated using the straight-line method over the following useful lives:

Buildings and Site Improvements	40-75 years
Vehicles	7-15 years
Other Equipment	7 years

Unearned Revenues – Unearned revenues are amounts that have been collected but have not met the requirements needed for revenue recognition.

Accrued Compensated Absences - Accumulated unpaid sick and vacation and other pay are serviced from other revenues in the General Fund. These liabilities are only recorded on the government-wide financial statements as

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

they are not expected to be financed from current resources. At June 30, 2020, the District has recorded accrued leave as disclosed in Note 7.

Long-Term Debt – The District’s general obligation bonds are accounted for in the Bond Redemption Fund. Principal repayments are shown as expenditures in the fund level financial statements. The District’s capital leases are paid through the General Fund and are shown as expenditures in that fund. For the government- wide presentation, principal payments are reclassified as reductions in the outstanding obligation balances.

Deferred outflows/inflows of resources - In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports deferred outflows related to pension and OPEB liabilities as further described in Notes 10 and 11.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government reports several items, one of which arises both under the full accrual and modified accrual basis of accounting that qualifies for reporting in this category. The deferred gain on the bond refunding is being amortized over the life of the bonds using the effective interest rate method as principal is repaid. In addition, the District reports deferred inflows related to pension and OPEB liabilities as further described in Notes 10 and 11.

Net Position/Fund Balance

In the government-wide financial statements, net position are either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as “nonspendable” include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balance is reported as “restricted” when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Education, and at their highest level are reported as “committed” fund balance. Those 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 (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as “assigned” fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

All other remaining governmental balances are reported as unassigned.

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

Net Position/Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Revenues and Expenditures/Expenses

Revenues and Expenditures/Expenses – Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees, and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred. Revenues that are directly attributable to a program are shown as program revenues for the statement of activities.

These revenues consist of, but are not limited to grants, fees and other charges for services. Expenditures, where eligible, are first charged to restricted net position prior to being charged against unrestricted net position.

Property Tax Revenues – Property taxes are levied on December 15 based on the assessed value of property as certified by the county assessor on October 1. Assessed values are an approximation of market value. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent and penalties and interest may be assessed by the County Treasurer on the post mark day following these dates. The tax sale date is the first Thursday of November.

Under Colorado Law, all property taxes become due and payable on January 1, in the year following that in which they are levied. Property taxes are recognized as revenue when payable to the County Treasurer. Due to the nature of Colorado school district funding, uncollected property taxes levied in the current fiscal year for collection in the subsequent fiscal year are identified as property taxes receivable at June 30, and are presented net of an estimated allowance for uncollectible taxes.

Pensions

The District 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. SB 18-200 makes changes to certain benefit provisions. Some, but not all, of these changes were in effect as of June 30, 2020.

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

Other Postemployment Benefits

The District 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.

Encumbrances

The District does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are rebudgeted in the succeeding year. End of the year fund balance intended to be used in the succeeding year is reported as designated fund balance.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Reclassification

Certain amounts in fiscal year 2019 have been reclassified to conform to the fiscal year 2020 financial statement presentation.

Change in Accounting Principle

During fiscal year 2020, the District adopted the provisions of Governmental Accounting Standards Board Statements No. 84, *Fiduciary Activities*, which revises and establishes new criteria for identification of fiduciary activities. The District previously reported the pupil activity in an agency fund. Beginning in fiscal year 2019-2020, the activity has been more appropriately presented in a Student Activity Special Revenue Fund. Accordingly, the Pupil Activity Agency Fund was moved to a Student Activity Special Revenue Fund which reports a restated beginning balance of 124,492. The District previously reported funds in the A.S.E.-Mooney- Hughes P.A.C. Agency Fund. Beginning in fiscal year 2019-2020, some of the activity has been more appropriately presented in the General Fund. Accordingly, the A.S.E – Mooney – Hughes P.A.C. Agency fund reclassified funds to the General Fund which reports a restated beginning balance of 264,410.

NOTE 2: CASH AND INVESTMENTS

A summary of deposits and investments at June 30, 2020, follows:

Cash & Equivalents	\$ 1,256,203
Investments	11,735,710
Less Fiduciary Funds	(303,605)
Total Cash & Investments	\$ 12,991,913

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government’s deposits may not be returned to it. The District’s deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. 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. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At June 30, 2020, all of the District's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

	Bank Balance	Carrying Balance
FDIC Insured	\$ 500,000	\$ 500,000
PDPA Collateralized	994,497	686,904
Total Cash Balances	\$ 1,494,497	\$ 1,186,904

Investments

The District's investments are allocated as follows:

	Total
UMB Money Market	\$ 1,174,662
ColoTrust	9,967,916
C-Safe	593,132
Total Investment	\$ 11,735,710

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

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of the U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The District's investment policy limits its investments to those allowed by Colorado Revised Statute 24-75-601.1 as described above.

Fair Value

Fair value investments classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs.

During the year ended June 30, 2020, the District invested funds in Colotrust and CSAFE. As investment pools, they operate under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. The pools invest in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pools operate similarly to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. These pools are rated AAAM by the Standard and Poor's Corporation.

Concentration of Credit Risk

The District places no limit on the amount that may be invested in any one issuer.

Interest Rate Risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase unless authorized by the local board. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in state statutes.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2020, the District did not have any investments requiring safekeeping.

NOTE 3 INVENTORIES

Food Service Fund inventory as of June 30, 2020 of \$39,847, consisted of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.

NOTE 4 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Receivables/Payables

The District reports interfund balances between many of its funds. The balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date.

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

Interfund receivable and payable balances at June 30, 2020, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Designated Grants Fund	\$ 12,238
		\$ 12,238

Interfund Transfers

Interfund transfers for the year ended June 30, 2020, were as follows:

Transfer In	Transfer Out	Amount
Capital Reserve Project Fund	General Fund	\$ 680,363
		\$ 680,363

Transfers from the General Fund were made to supplement the Capital Reserve Project Fund.

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 5: CAPITAL ASSETS

Activity for governmental activity capital assets which are capitalized by the District is summarized below:

	Balance 06/30/2019	Additions	Retirements	Balance 06/30/2020
Governmental Activities				
Assets not being depreciated				
Land	\$ 1,080,048	\$ -	\$ -	\$ 1,080,048
Construction in Progress	65,465	215,045	103,590	176,920
Total assets not being depreciated	<u>1,145,513</u>	<u>215,045</u>	<u>103,590</u>	<u>1,256,968</u>
Assets being depreciated				
Buildings & Improvements	20,418,809	365,373	-	20,784,182
Equipment	840,196	61,023	-	901,219
Vehicles	2,343,975	207,755	-	2,551,730
Total assets being depreciated	<u>23,602,980</u>	<u>634,151</u>	<u>-</u>	<u>24,237,131</u>
Less: Accumulated depreciation				
Buildings & Improvements	5,811,935	333,857	-	6,145,792
Equipment	424,062	94,932	-	518,994
Vehicles	1,422,381	107,993	-	1,530,374
Total accumulated depreciation	<u>7,658,378</u>	<u>536,782</u>	<u>-</u>	<u>8,195,160</u>
Total Capital Assets, Net	<u>\$ 17,090,115</u>	<u>\$ 312,414</u>	<u>\$ 103,590</u>	<u>\$ 17,298,939</u>

Depreciation expense was charged to the following functions:

Instruction	\$ 333,857
Supporting Services	<u>202,925</u>
Total Depreciation	<u><u>536,782</u></u>

NOTE 6: ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2020, are as follows:

General Fund	\$ 1,518,053
Food Service Fund	37,861
Grants Fund	81,830
Total Accrued Salaries & Benefits	<u><u>\$ 1,637,744</u></u>

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 7: LONG-TERM DEBT

Changes in the District's long-term debt for the year ended June 30, 2020, were as follows:

	Balance 6/30/2019	Additions	Deletions	Balance 6/30/2020	Due Within One Year
<i>Governmental Activities</i>					
2014 General Obligation Refunding Bonds	\$ 1,315,000	\$ -	\$ 940,000	\$ 375,000	\$ 375,000
Capital Lease Payable - Improvements	898,062	-	103,111	794,951	105,600
Capital Lease Payable - Copiers	23,419	-	13,911	9,508	9,508
Accrued Compensated Absences	333,574	136,152	-	469,726	1,200
Unamortized Bond Premium	27,490	-	13,910	13,580	13,580
<i>Total Governmental Activities</i>	<u>\$ 2,597,545</u>	<u>\$ 136,152</u>	<u>\$ 1,070,932</u>	<u>\$ 1,662,765</u>	<u>\$ 504,888</u>

Capital Leases

In 2016, the District entered into a capital lease agreement for the purchase of office copiers. The lease requires 60 monthly payments beginning on March 24, 2016 of \$1,203, including interest at 3.115%. Equipment with a remaining value of \$58,084 has been capitalized under this lease. In the event of default, the lessor will require the District to pay amounts due under the lease agreement. The District may be required to promptly return the equipment with possible interest charges at a rate of 1.5% as well as liquidation damages. If equipment is not returned, the District is required to pay a fair market value discounted at the Discount Rate to the date of default. The District is liable to pay all reasonable costs.

In 2013, the District entered into a capital lease agreement for energy efficiency improvements to the District. The lease requires 30 semiannual payments beginning October 2012 and ending April 2027. Payments start in the amount of \$49,111 and increases each year until it reaches a maximum payment of \$62,025, including interest at 2.4%. Building improvements with a remaining value of \$1,368,148 have been capitalized under this lease. In the event of default, the lessor will require the District to pay amounts due under the lease agreement. Lessor may terminate the agreement and repossess the equipment. In the event of any such repossession, the District may be required to restore title to and possession of the equipment to the Lessor, free and clear of all liens and security interests to which the equipment may have become subject. The District may become liable to repair and restore the equipment to the same condition in which it was received (reasonable wear and tear excepted) or pay reasonable cost of such repairs and restoration. If equipment is not returned, the District is liable for rental payments with the lessor entitled to bring such action at law or in equity to recover damages.

Future minimum capital lease payments at June 30, 2020, are as follows:

Fiscal Year	Principal	Interest	Total
2021	\$ 115,108	\$ 18,449	\$ 133,557
2022	108,150	15,899	124,049
2023	110,761	13,288	124,049
2024	113,435	10,614	124,049
2025	116,174	7,875	124,049
2026-2027	240,831	7,268	248,099
Total	<u>\$ 804,459</u>	<u>\$ 73,393</u>	<u>\$ 877,852</u>

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

2014 General Obligation Refunding Bonds

On March 26, 2014, the District issued \$5,700,000 of general obligation bonds to refund the remaining outstanding 2004 General Obligation Bonds. The bonds require semiannual interest payments at a rate of 2%. The bonds also require annual principal payments each year through December 2020. Payments are made through the District’s Bond Redemption Fund. All bond reserves are held by the District’s trustee, Archuleta County.

A schedule of required future bond payments is as follows:

Fiscal Year	Principle	Interest	Total
2021	\$ 375,000	\$ 3,750	\$ 378,750
Total	\$ 375,000	\$ 3,750	\$ 378,750

2014 Bond Premiums

Upon the issuance of the 2014 general obligation bonds, the District recognized bond premiums of \$190,126. This premium will be amortized over the life of the bonds through December 2020.

Bond Refunding

As part of the 2014 bond refunding, the District recognized a gain based on the difference of the carrying value of the old and new bonds in the amount of \$332,142 that will be amortized over the life of the 2014 bonds.

Accrued Compensated Absences

The District allows eligible employees to carryover used vacation of up to 20 days. Sick leave and personal leave will be paid out annually, subsequent to the end of the year, for accruals in excess of 60 days at either the current substitute teacher rate or a percentage thereof, depending upon the employee type. Any remaining sick and vacation leave accruals will be paid upon termination at the above listed rates. The District has accrued all potential payments as noncurrent liabilities in the governmental activities. In addition, the District has included the current portion of the accrued compensated absences as part of the accrued salaries and benefits reported in the funds. Payments for unused leave are typically funded through the General Fund.

NOTE 8: JOINTLY GOVERNED ORGANIZATION

The District participates in the following entities. These joint ventures and related parties do not meet the criteria for inclusion within the reporting entity because the following entities:

- are financially independent and responsible for its own financing deficits and entitled to its own surpluses,
- have a separate governing board from that of the District,
- have a separate management which is responsible for day-to-day operations and is accountable to the separate governing board,
- have governing boards and management with the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome for disposition of matters affecting the recipients of services provided, and

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

- have absolute authority over all funds and fiscal responsibility including budgetary responsibility and reporting to state agencies and controls fiscal management.

The District is a participant among five Districts in a jointly governed organization to operate the San Juan Board of Cooperative Educational Services (BOCES). The BOCES was formed for the purpose of administrative functions among member districts for special education and federal grants. During the year ended June 30, 2020, the District paid \$163,972 in assessments to the BOCES. The BOCES is governed by a board of directors consisting of a member of the board of education and the superintendent from each of the participating members. The District does not have an ongoing financial interest in or ongoing financial responsibility for the BOCES. Financial statements for the BOCES can be obtained from the BOCES administrative offices at: 162 Stewart Street, Suite A, Durango, CO 81303.

NOTE 9: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by Colorado School District's Self Insurance Pool. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the current year or the three prior years.

Colorado School Districts Self Insurance Pool

For liability and property claims, the District is involved with the Colorado School Districts Self Insurance Pool, a separate and independent governmental and legal entity formed by intergovernmental agreement by member districts.

The purposes of the Pool are to provide members defined liability, property, and workers compensation coverage and to assist members to prevent and reduce losses and injuries to property and to persons or property which might result in claims being made against members of the Pool, their employees and officers.

It is the intent of the members of the Pool to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of the Pool against stated liability of loss, to the limit of the financial resources of the Pool. It is also the intent of the members to have the Pool provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its members.

The Pool is a separate legal entity and the District does not approve budgets nor does it have ability to significantly affect the operations of the Pool. Complete separate financial statements may be obtained from the Colorado School Districts' Self-Insurance Pool.

Health and Dental Insurance

The District partially self-insured its health insurance claims until December of 2012 when its switched to a commercial carrier.

Other Insurance

The District carries commercial insurance for other risks of loss, including workers sompensation.

NOTE 10: DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

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

Benefits provided as of December 31, 2019. 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.

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, 2019, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S, once certain criteria are met. Pursuant to SB 18-200, the annual increase in 2019 is 0.00 percent for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all of the DPS benefit structure employment will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. §24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment on or after January 1, 2007, will receive the lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in C.R.S §24-51-413.

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

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

Contributions provisions as of June 30, 2020. Eligible employees of, the District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 8.75 percent of their PERA-includable salary during the period of July 1, 2019 through June 30, 2020. Employer contribution requirements are summarized in the table below:

	July 1, 2019 Through June 30, 2020
Employer contribution rate	10.40%
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	9.38%
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	19.38%

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

As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million 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 purposes.

Subsequent to the SCHDTF’s December 31, 2019, measurement date, HB 20-1379 *Suspend Direct Distribution To PERA Public Employees Retirement Association for 2020-21 Fiscal Year*, was passed into law during the 2020 legislative session and signed by Governor Polis on June 29, 2020. This bill suspends the July 1, 2020, \$225 million direct distribution allocated to the State, School, Judicial, and DPS Divisions, as required under Senate Bill 18-200.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$1,847,945 for the year ended June 30, 2020.

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, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll forward the total pension liability to December 31, 2019. The District’s proportion of the net pension liability was based on the District contributions to the SCHDTF for the calendar year 2019 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2020, the District reported a liability of \$23,951,667 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 the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

Archuleta School District's proportionate share of the net pension liability	\$ 23,951,667
The State's proportionate share of the net pension liability as a nonemployer contribution entity association with the Archuleta School District	<u>3,037,964</u>
Total	<u><u>\$ 26,989,631</u></u>

At December 31, 2019, District's proportion was 0.16032 percent, which was an increase of 0.0206 from its proportion measured as of December 31, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$(1,848,676) and revenue of \$230,097 for support from the State as a nonemployer contributing entity. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,305,382	\$ -
Net difference between projected and actual earnings on pension plan investments	-	(2,837,313)
Changes of assumptions or other inputs	683,784	(10,864,249)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	3,587,246	(2,045,823)
Contributions subsequent to the measurement date	934,164	-
Total	<u>\$ 6,510,576</u>	<u>\$ (15,747,385)</u>

\$934,164 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2021	\$ (6,097,819)
2022	(3,838,366)
2023	730,381
2024	(965,170)
2025	-
Thereafter	-

Actuarial assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 9.70 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07	1.25 percent compounded annually
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic) ¹	Financed by the Annual Increase Reserve

¹ For 2019, the annual increase was 0.00 percent.

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.

Post-retirement non-disabled mortality assumptions 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 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 based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2018, 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 November 18, 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 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 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:

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30 Year Expected Geometric Real Rate of Return</u>
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 percent.
- Employee contributions were assumed to be made at the current member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and the additional 0.50 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. 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 and the additional 0.50 percent, resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. Employer contributions also include the current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State will provide an annual direct distribution of \$225 million, which commenced July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

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.
- The projected benefit payments reflect the lowered annual increase cap, from 1.50 percent to 1.25 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020.
- 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 rate determination does not use the municipal bond rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District’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 (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 31,765,038	\$ 23,951,667	\$ 17,391,660

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.

NOTE 11 OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan description. Eligible employees of the District 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.

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

PERA issues a publicly available comprehensive annual financial report (CAFR) 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.

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 are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

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 on behalf of benefit recipients not covered by Medicare Part A.

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.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$97,260 for the year ended June 30, 2020.

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

At June 30, 2020, the District reported a liability of \$1,777,732 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2019. The District's proportion of the

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2019 relative to the total contributions of participating employers to the HCTF.

At December 31, 2019, the District's proportion was 0.10478 percent, which was an increase of 0.013977 from its proportion measured as of December 31, 2018.

For the year ended June 30, 2020 the District recognized OPEB expense of \$12,361. At June 30, 2020, District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,908	\$ (197,902)
Net difference between projected and actual earnings on OPEB plan investments	-	(19,658)
Changes of assumptions or other inputs	9,771	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	176,731	-
Contributions subsequent to the measurement date	49,166	-
Total	\$ 239,576	\$ (217,560)

\$49,166 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2021	\$ (4,841)
2022	(4,838)
2023	853
2024	(10,449)
2025	(7,424)
Thereafter	(451)

Actuarial assumptions. The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

PERACare Medicare plans	5.60 percent in 2019, gradually Decreasing to 4.50 percent in 2029
Medicare Part A premiums	3.50 percent for 2019, gradually increasing to 4.50 percent in 2029

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

The actuarial assumptions used in December 31, 2018, 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 were adopted by the PERA 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’s actuary, as discussed below.

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2019 for the PERA Benefit Structure:

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Medicare Advantage/Self-Insured Prescription	\$601	\$240
Kaiser Permanente Medicare Advantage HMO	605	237

The 2019 Medicare Part A premium is \$437 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five 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, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost for Members Without Medicare Part A
Medicare Advantage/Self-Insured Prescription	\$562
Kaiser Permanente Medicare Advantage HMO	571

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2018, the health care cost trend rates for Medicare Part A

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

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
2019	5.60%	3.50%
2020	8.60%	3.50%
2021	7.30%	3.50%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	3.75%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions 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.

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

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

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

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

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2019 plan year.

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

- The morbidity assumptions were updated to reflect the assumed standard aging factors.
- 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 HCTF, 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	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 percent.

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

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	4.60%	5.60%	6.60%
Ultimate PERACare Medicare Part A trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 1,149,756	\$ 1,177,732	\$ 1,210,061

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2019, 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 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- 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 HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 1,331,664	\$ 1,177,732	\$ 1,046,089

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

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

Voluntary Investment Program

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

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions, and investment earnings. For the year ended June 30, 2020, program members contributed \$96,708 for the Voluntary Investment Program.

NOTE 12: COMMITMENTS AND CONTINGENCIES

Claims and Judgments – The District participates in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2020, significant amounts of grant expenditures have not been audited but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

COVID-19

In March of 2020, the COVID-19 virus was declared a global pandemic. Business continuity could be severely impacted for months or more, as significant and unprecedented measures to mitigate the consequences of the pandemic are undertaken. The Coronavirus Aid, Relief, and Economic Security (CARES) Act was enacted on March 27, 2020 to provide, among other things, funding for education. In May 2020, the School received \$990,429 of COVID Relief Funds (CRF) under the CARES Act, \$922,323 has been deferred for use in fiscal year 2021. These funding sources are to address the impact COVID-19 has had and continues to have on elementary and secondary schools. There are specific allowable uses for the funds. The funds cannot be used to supplement reductions to per pupil funding that has resulted from the downturn in the economy due to COVID-19. No adjustments have been made to these financial statements as the potential impact is unknown at this time.

NOTE 13: TABOR EMERGENCY RESERVE

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. The District believes it is in compliance with the requirements of the amendment.

Fiscal year spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue. In November 1997, voters approved a ballot measure authorizing the District to collect, retain and expand all revenues in 1998 and subsequent years, notwithstanding the limitations of Article X, Section 20 of the Colorado constitution.

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

The amendment also requires that Emergency Reserves be established. These reserves must be at least three percent of fiscal year spending. This Emergency Reserve has been presented as restricted fund balance in the General Fund balance sheet and a restricted net position in the government-wide statement of net position. The entity is not allowed to use the Emergency Reserve to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

NOTE 14: DEFICIT NET POSITION

The Governmental Activities has an overall net position deficit of \$7,926,767 and an unrestricted net position deficit of \$25,618,417 primarily due to adding the PERA net pension liability of \$23,951,667 and OPEB liability of \$1,177,732, and related deferrals, as further described in Notes 10 and 11. As the District has no control over pension or OPEB benefits or contribution rates, the District expects this deficit net position to continue for the foreseeable future.

ARCHULETA SCHOOL DISTRICT 50 JT

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and each of the District's major special revenue funds. In addition, pension and OPEB plan contributions and the District's proportionate share of the net pension and OPEB liability are required to supplement the basic financial statements.

ARCHULETA SCHOOL DISTRICT 50 JT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2020

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
REVENUES				
Local Sources	\$ 9,490,828	\$ 9,530,375	\$ 9,426,011	\$ (104,364)
Intermediate Sources	2,119	2,119	2,119	-
State Sources	7,280,182	7,490,557	7,633,636	143,079
Federal Sources	360,000	360,000	387,407	27,407
TOTAL REVENUES	<u>17,133,129</u>	<u>17,383,051</u>	<u>17,449,173</u>	<u>66,122</u>
EXPENDITURES				
Instructional Program	9,257,049	10,355,457	9,802,156	553,301
Student Supporting Services	587,900	587,900	570,485	17,415
Instructional Staff Supporting Services	244,545	244,545	217,738	26,807
General Administration Supporting Services	1,010,144	1,010,144	696,348	313,796
School Administration Supporting Services	954,047	954,047	938,474	15,573
Business Supporting Services	426,568	426,568	396,474	30,094
Operations and Maintenance of Plant Services	1,875,573	2,140,761	1,655,684	485,077
Student Transportation Services	1,161,157	1,161,157	1,134,271	26,886
Central Support Services	959,743	959,743	706,509	253,234
Other Uses	24,000	24,000	26,966	(2,966)
Food Services	-	-	43,814	(43,814)
Facilities Acquisition and Construction Services	-	-	166,681	(166,681)
Debt Service	159,428	159,428	138,486	20,942
TOTAL EXPENDITURES	<u>16,660,154</u>	<u>18,023,750</u>	<u>16,494,086</u>	<u>1,529,664</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>472,975</u>	<u>(640,699)</u>	<u>955,087</u>	<u>1,595,786</u>
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	-	258,948	-	(258,948)
Transfers to Other Funds	(757,768)	(680,363)	(680,363)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(757,768)</u>	<u>(421,415)</u>	<u>(680,363)</u>	<u>(258,948)</u>
Net Change in Fund Balance	<u>(284,793)</u>	<u>(1,062,114)</u>	<u>274,724</u>	<u>1,336,838</u>
Fund Balance, Beginning of Year, As Previously Stated	8,317,783	9,408,878	9,408,878	-
Changes in Accounting Principle	-	-	264,410	264,410
Fund Balance, Beginning of Year, Restated	<u>8,317,783</u>	<u>9,408,878</u>	<u>9,673,288</u>	<u>264,410</u>
Fund Balance, End of Year	<u>\$ 8,032,990</u>	<u>\$ 8,346,764</u>	<u>\$ 9,948,012</u>	<u>\$ 1,601,248</u>

Notes To Required Supplementary Information

The basis of budgeting is the same as GAAP.

This schedule is presented on the GAAP basis.

ARCHULETA SCHOOL DISTRICT 50 JT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DESIGNATED GRANTS FUND
For the Year Ended June 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Local Sources	\$ 219,686	\$ 219,686	\$ 108,150	\$ (111,536)
Intermediate Sources	30,000	30,000	24,677	(5,323)
State Sources	514,059	514,059	484,310	(29,749)
Federal Sources	400,521	626,903	641,588	14,685
TOTAL REVENUES	1,164,266	1,390,648	1,258,725	(131,923)
EXPENDITURES				
Instructional Program	795,184	795,184	796,754	(1,570)
Student Supporting Services	296,980	523,362	404,061	119,301
Instructional Staff Supporting Services	68,649	68,649	46,132	22,517
School Administration Supporting Services	1,078	1,078	1,078	-
Operations and Maintenance of Plant Services	-	-	33	(33)
Student Transportation Services	-	-	6,092	(6,092)
Other Support Services	1,575	1,575	1,575	-
Community Services	800	800	3,000	(2,200)
TOTAL EXPENDITURES	1,164,266	1,390,648	1,258,725	131,923
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

Notes To Required Supplementary Information

The basis of budgeting is the same as GAAP.

This schedule is presented on the GAAP basis.

ARCHULETA SCHOOL DISTRICT 50 JT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
PERA SCHDTF PENSION PLAN
For the Years Ended June 30,

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.160321380%	0.139697600%	0.158260000%	0.154723904%	0.151641562%	0.159582671%	0.163093000%
District's proportionate share of the net pension liability (asset)	\$ 23,951,667	\$ 24,736,330	\$ 51,175,581	\$ 46,067,289	\$ 23,192,506	\$ 21,628,812	\$ 20,802,468
State's proportionate share of the net pension liability (asset) associated with the District	<u>3,037,964</u>	<u>2,591,791</u>	-	-	-	-	-
Total	<u>\$ 26,989,631</u>	<u>\$ 27,328,121</u>	<u>\$ 51,175,581</u>	<u>\$ 46,067,289</u>	<u>\$ 23,192,506</u>	<u>\$ 21,628,812</u>	<u>\$ 20,802,468</u>
District's covered payroll	\$ 9,134,347	\$ 7,679,927	\$ 7,300,336	\$ 6,944,286	\$ 6,608,505	\$ 6,685,369	\$ 6,574,795
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	322%	322%	701%	663%	351%	324%	316%
Plan fiduciary net position as a percentage of the total pension liability	64.5%	57.0%	44.0%	43.1%	59.2%	62.8%	64.1%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the District presents information for those years for which information is available.

ARCHULETA SCHOOL DISTRICT 50 JT
SCHEDULE OF DISTRICT CONTRIBUTIONS
PERA SCHDTF PENSION PLAN
For the Years Ended June 30,

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,847,945	\$ 1,625,856	\$ 1,360,053	\$ 1,258,999	\$ 1,145,254	\$ 1,098,406	\$ 1,021,066
Contributions in relation to the contractually required contribution	<u>(1,847,945)</u>	<u>(1,625,856)</u>	<u>(1,360,053)</u>	<u>(1,258,999)</u>	<u>(1,145,254)</u>	<u>(1,098,406)</u>	<u>(1,021,066)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	9,535,317	8,498,983	7,300,336	6,944,286	6,608,505	6,685,369	6,574,795
Contributions as a percentage of covered payroll	19.38%	19.13%	18.63%	18.13%	17.33%	16.43%	15.53%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the District presents information for those years for which information is available.

ARCHULETA SCHOOL DISTRICT 50 JT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
COLORADO PERA HEALTHCARE TRUST FUND
For the Years Ended June 30,

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	0.1047806460%	0.0908040000%	0.8992300000%	0.0879470000%
District's proportionate share of the net OPEB liability (asset)	\$ 1,177,732	\$ 1,235,429	\$ 1,168,634	\$ 1,140,261
District's covered payroll	\$ 9,134,347	\$ 7,679,927	\$ 7,300,336	\$ 6,944,286
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	13%	16%	16%	16%
Plan fiduciary net position as a percentage of the total OPEB liability	24.49%	17.03%	17.53%	20.00%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the District presents information for those years for which information is available.

ARCHULETA SCHOOL DISTRICT 50 JT
SCHEDULE OF DISTRICT CONTRIBUTIONS
COLORADO PERA HEALTHCARE TRUST FUND
For the Years Ended June 30,

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 97,260	\$ 86,690	\$ 74,463	\$ 70,832
Contributions in relation to the contractually required contribution	<u>(97,260)</u>	<u>(86,690)</u>	<u>(74,463)</u>	<u>(70,832)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 9,535,317	\$ 8,498,983	\$ 7,300,294	\$ 6,944,286
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the District presents information for those years for which information is available.

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
CHANGES IN BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS
For the Year Ended June 30, 2020

NOTE 1 NET PENSION LIABILITY

Changes in assumptions or other inputs effective for the December 31st measurement period for the following years ended:

2019 The post-retirement benefit increases to the PERA benefit structure for those hired prior to 1/1/07 was changed from 0% through 2019 and 1.5% compounded annually thereafter, to 1.25%.

2018 The assumed investment rate of return of 7.25% was used as the discount rate, rather than using the blended rate of 4.78%

2017 The discount rate was lowered from 5.26% to 4.78%.

2016

- The price inflation assumption was lowered from 2.80% to 2.40%.
- The long-term expected rate of return assumption was lowered from 7.50% to 7.25% per year.
- The wage inflation assumption was lowered from 3.90% to 3.50%.
- The mortality tables were changed from RP-2000 Combined Mortality Table for Males and Females, as appropriate, with adjustments for mortality improvements based on a projection scale of Scale AA to 2020 to RP-2014 White Collar Employee Mortality for actively working people, RP-2014 Healthy Annuitant Mortality Table projected to 2020 using the MP-2015 projection scale for retirees, or RP-2014 Disabled Retiree Mortality Table for disabled retirees.
- The discount rate was lowered from 7.50% to 5.26%.

2015 There were no changes in assumptions or other inputs this measurement period compared to the prior year.

NOTE 2 OTHER POSTEMPLOYMENT BENEFITS LIABILITY

Changes in assumptions or other inputs effective for the December 31st measurement period for the following years ended:

2019

- The PERA benefit structure for PERACare Medicare plans was revised from 5.00 percent to 5.60 percent in 2019, gradually decreasing to 4.5 percent in 2029.
- The PERA benefit structure for Medicare Part A premiums was revised from 3.25 percent for 2018, gradually rising to 5.00 percent in 2025 to 3.5 percent in 2019, gradually increasing to 4.5 percent in 2029.
- The monthly cost/premium assumed for the PERA benefit structure were revised from the following in 2018:

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
United Healthcare Medicare HMO	686	213

ARCHULETA SCHOOL DISTRICT 50 JT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
CHANGES IN BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS
For the Year Ended June 30, 2020

to the following in 2019:		
Medicare Plan	Cost for Members without Medicare Part A	Premiums for Members without Medicare part A
Medicare Advantage/Self-Insured Prescription	\$ 601	\$ 240
Kaiser Permanente Medicare Advantage HMO	605	237

- The Medicare Part A premium was increased from \$422 to \$437 per month.
- The initial expected value of Medicare Part A benefits were revised from the following in 2018:

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

to the following in 2019:	
Medicare Plan	Cost for Members without Medicare Part A
Medicare Advantage/Self-Insured Prescription	\$ 562
Kaiser Permanente Medicare Advantage HMO	571

2018 There were no changes in assumptions or other inputs effective this measurement period compared to the prior year

2017 The Medicare Part A premiums were raised from 3.00% to 3.25%, as well as the gradual percentage rose from 4.25% in 2023 to 5.00% in 2025.

ARCHULETA SCHOOL DISTRICT 50 JT

SUPPLEMENTARY INFORMATION

The combining financial schedules represent the second level of financial reporting for the District. These schedules present more detailed information for the individual funds in a format that segregates information by fund type.

ARCHULETA SCHOOL DISTRICT 50 JT
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of special revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Student Activity Fund – Used to record financial transactions related to school-sponsored pupil intrascholastic and interscholastic athletic and other related activities. These activities are supported in whole or in part by revenues from pupils, gate receipts, and other fundraising activities.

Food Service Fund - Used to account for the District's food service program. Revenues are derived from District contributions and student and adult charges.

CAPITAL PROJECTS FUND

Capital Reserve Project Fund - Capital Reserve Project Fund - Used to account for the purposes and limitations specified by Section 22-45-103(1)(c), C.R.S., including the acquisition of sites, buildings, equipment, and vehicles.

DEBT SERVICE FUND

Bond Redemption Fund - Used to account for the accumulation of resources for and the payment of principal, interest, and related expenses on the long-term general obligation debt.

ARCHULETA SCHOOL DISTRICT 50 JT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE - BALANCE SHEET
June 30, 2020

	<u>SPECIAL REVENUE FUNDS</u>		<u>CAPITAL RESERVE PROJECT FUND</u>	<u>BOND REDEMPTION FUND</u>	<u>TOTAL NONMAJOR FUNDS</u>
	<u>STUDENT ACTIVITY FUND</u>	<u>FOOD SERVICE FUND</u>			
ASSETS					
Cash and Cash Equivalents	\$ 114,606	\$ 86,634	\$ 27,226	\$ 438,003	\$ 666,469
Due From Other Governments	-	44,315	148,525	-	192,840
Inventory	-	39,847	-	-	39,847
TOTAL ASSETS	<u>\$ 114,606</u>	<u>\$ 170,796</u>	<u>\$ 175,751</u>	<u>\$ 438,003</u>	<u>\$ 899,156</u>
LIABILITIES AND FUND BALANCE					
Accounts Payable	\$ -	\$ 10,742	\$ 1,376	\$ -	\$ 12,118
Accrued Salaries and Benefits	-	37,861	-	-	37,861
Unearned Revenue	-	15,946	-	-	15,946
TOTAL LIABILITIES	<u>-</u>	<u>64,549</u>	<u>1,376</u>	<u>-</u>	<u>65,925</u>
FUND BALANCE					
Nonspendable					
Inventory	-	39,847	-	-	39,847
Restricted					
Debt Service	-	-	-	438,003	438,003
Committed					
Pupil Activities	114,606	-	-	-	114,606
Food Service	-	66,400	-	-	66,400
Capital Projects	-	-	174,375	-	174,375
TOTAL FUND BALANCE	<u>114,606</u>	<u>106,247</u>	<u>174,375</u>	<u>438,003</u>	<u>833,231</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 114,606</u>	<u>\$ 170,796</u>	<u>\$ 175,751</u>	<u>\$ 438,003</u>	<u>\$ 899,156</u>

ARCHULETA SCHOOL DISTRICT 50 JT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2020

	<u>SPECIAL REVENUE FUNDS</u>		<u>CAPITAL RESERVE PROJECT FUND</u>	<u>BOND REDEMPTION FUND</u>	<u>TOTAL NONMAJOR FUNDS</u>
	<u>STUDENT ACTIVITY FUND</u>	<u>FOOD SERVICE FUND</u>			
REVENUES					
Local Sources	\$ 96,952	\$ 144,115	\$ 563	\$ 16,910	\$ 258,540
State Sources	-	12,947	148,525	-	161,472
Federal Sources	-	511,060	-	-	511,060
TOTAL REVENUES	<u>96,952</u>	<u>668,122</u>	<u>149,088</u>	<u>16,910</u>	<u>931,072</u>
EXPENDITURES					
Instructional Program	106,838	-	111,950	-	218,788
Operations and Maintenance of Plant Services	-	-	781,075	-	781,075
Food Services	-	680,106	-	-	680,106
Debt Service	-	-	-	957,650	957,650
TOTAL EXPENDITURES	<u>106,838</u>	<u>680,106</u>	<u>893,025</u>	<u>957,650</u>	<u>2,637,619</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(9,886)</u>	<u>(11,984)</u>	<u>(743,937)</u>	<u>(940,740)</u>	<u>(1,706,547)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from Other Funds	-	-	680,363	-	680,363
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>680,363</u>	<u>-</u>	<u>680,363</u>
Net Change in Fund Balance	<u>(9,886)</u>	<u>(11,984)</u>	<u>(63,574)</u>	<u>(940,740)</u>	<u>(1,026,184)</u>
Fund Balance, Beginning of Year, As Previously Stated	-	118,231	237,949	1,378,743	1,734,923
Changes in Accounting Principle	<u>124,492</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>124,492</u>
Fund Balance, Beginning of Year, Restated	<u>124,492</u>	<u>118,231</u>	<u>237,949</u>	<u>1,378,743</u>	<u>1,859,415</u>
Fund Balance, End of Year	<u>\$ 114,606</u>	<u>\$ 106,247</u>	<u>\$ 174,375</u>	<u>\$ 438,003</u>	<u>\$ 833,231</u>

ARCHULETA SCHOOL DISTRICT 50 JT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
STUDENT ACTIVITY FUND
For the Year Ended June 30, 2020

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
REVENUES				
Local Sources	\$ 180,000	\$ 200,000	\$ 96,952	\$ (103,048)
TOTAL REVENUES	<u>180,000</u>	<u>200,000</u>	<u>96,952</u>	<u>(103,048)</u>
EXPENDITURES				
Instructional Program	180,000	200,000	106,838	93,162
TOTAL EXPENDITURES	<u>180,000</u>	<u>200,000</u>	<u>106,838</u>	<u>93,162</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(9,886)</u>	<u>(9,886)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	110,862	124,492	-	(124,492)
TOTAL OTHER FINANCING SOURCES (USES)	<u>110,862</u>	<u>124,492</u>	<u>-</u>	<u>(124,492)</u>
Net Change in Fund Balance	<u>110,862</u>	<u>124,492</u>	<u>(9,886)</u>	<u>(134,378)</u>
Fund Balance, Beginning of Year, As Previously Stated	-	-	-	-
Changes in Accounting Principle	<u>-</u>	<u>-</u>	<u>124,492</u>	<u>124,492</u>
Fund Balance, Beginning of Year, Restated	<u>-</u>	<u>-</u>	<u>124,492</u>	<u>124,492</u>
Fund Balance, End of Year	<u>\$ 110,862</u>	<u>\$ 124,492</u>	<u>\$ 114,606</u>	<u>\$ (9,886)</u>

ARCHULETA SCHOOL DISTRICT 50 JT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOOD SERVICE FUND
For the Year Ended June 30, 2020

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
REVENUES				
Local Sources	\$ 160,750	\$ 160,750	\$ 144,115	\$ (16,635)
State Sources	13,357	13,357	12,947	(410)
Federal Sources	424,274	426,262	511,060	84,798
TOTAL REVENUES	<u>598,381</u>	<u>600,369</u>	<u>668,122</u>	<u>67,753</u>
EXPENDITURES				
Supporting Services				
Food Services				
Salaries	172,575	172,575	239,706	(67,131)
Fringe Benefits	72,000	72,000	76,760	(4,760)
Purchased Professional Services	4,500	4,500	3,454	1,046
Purchased Property Services	100	100	63	37
Other Purchased Services	4,050	4,050	(12)	4,062
Equipment	18,600	18,600	19,529	(929)
Food and Commodities	360,605	360,605	290,636	69,969
Other Supplies	50,575	50,575	49,970	605
TOTAL EXPENDITURES	<u>683,005</u>	<u>683,005</u>	<u>680,106</u>	<u>2,899</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(84,624)</u>	<u>(82,636)</u>	<u>(11,984)</u>	<u>70,652</u>
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(84,624)	(82,636)	(11,984)	70,652
Fund Balance, Beginning of Year	<u>139,050</u>	<u>118,231</u>	<u>118,231</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 54,426</u>	<u>\$ 35,595</u>	<u>\$ 106,247</u>	<u>\$ 70,652</u>

ARCHULETA SCHOOL DISTRICT 50 JT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CAPITAL RESERVE PROJECT FUND
For the Year Ended June 30, 2020

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>(NEGATIVE)</u>
REVENUES				
Local Sources	\$ 840	\$ 700	\$ 563	\$ (137)
State Sources	-	136,958	148,525	11,567
TOTAL REVENUES	<u>840</u>	<u>137,658</u>	<u>149,088</u>	<u>11,430</u>
EXPENDITURES				
Instructional Program	91,000	91,000	111,950	(20,950)
Operations and Maintenance of Plant Services	768,970	964,970	781,075	183,895
TOTAL EXPENDITURES	<u>859,970</u>	<u>1,055,970</u>	<u>893,025</u>	<u>162,945</u>
Excess (Deficiency) of Revenues Over Expenditures	(859,130)	(918,312)	(743,937)	174,375
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	688,384	680,363	680,363	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>688,384</u>	<u>680,363</u>	<u>680,363</u>	<u>-</u>
Net Change in Fund Balance	(170,746)	(237,949)	(63,574)	174,375
Fund Balance, Beginning of Year	<u>170,746</u>	<u>237,949</u>	<u>237,949</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,375</u>	<u>\$ 174,375</u>

ARCHULETA SCHOOL DISTRICT 50 JT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
BOND REDEMPTION FUND
For the Year Ended June 30, 2020

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Local Sources	\$ 73,307	\$ 73,402	\$ 16,910	\$ (56,492)
TOTAL REVENUES	<u>73,307</u>	<u>73,402</u>	<u>16,910</u>	<u>(56,492)</u>
EXPENDITURES				
Debt Service	957,650	957,650	957,650	-
TOTAL EXPENDITURES	<u>957,650</u>	<u>957,650</u>	<u>957,650</u>	<u>-</u>
Net Change in Fund Balance	(884,343)	(884,248)	(940,740)	(56,492)
Fund Balance, Beginning of Year	<u>1,381,642</u>	<u>1,378,743</u>	<u>1,378,743</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 497,299</u>	<u>\$ 494,495</u>	<u>\$ 438,003</u>	<u>\$ (56,492)</u>

ARCHULETA SCHOOL DISTRICT 50 JT
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
BUDGET AND ACTUAL
A.S.E. - MOONEY PRIVATE-PURPOSE TRUST FUND
For the Year Ended June 30, 2020

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
ADDITIONS				
Interest Income	\$ 11,334	\$ 5,544	\$ 9,169	\$ 3,625
TOTAL ADDITIONS	<u>11,334</u>	<u>5,544</u>	<u>9,169</u>	<u>3,625</u>
DEDUCTIONS				
Scholarships	269,699	4,200	4,138	62
TOTAL DEDUCTIONS	<u>269,699</u>	<u>4,200</u>	<u>4,138</u>	<u>62</u>
Excess of Additions over Deductions	(258,365)	1,344	5,031	3,687
NONOPERATING ADDITIONS (DEDUCTIONS)				
Transfers to Other Funds	-	(258,948)	-	(258,948)
Change in Net Position	<u>(258,365)</u>	<u>(257,604)</u>	<u>5,031</u>	<u>3,687</u>
Fund Balance, Beginning of Year,				
As Previously Stated	563,205	562,444	562,444	-
Changes in Accounting Principle	<u>-</u>	<u>-</u>	<u>(264,410)</u>	<u>(264,410)</u>
Fund Balance, Beginning of Year, Restated	<u>563,205</u>	<u>562,444</u>	<u>298,034</u>	<u>(264,410)</u>
Net Position, End of Year	<u>\$ 304,840</u>	<u>\$ 304,840</u>	<u>\$ 303,065</u>	<u>\$ (1,775)</u>

ARCHULETA SCHOOL DISTRICT 50JT

SINGLE AUDIT SECTION

ARCHULETA SCHOOL DISTRICT 50JT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2020

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures(\$)</i>
<i>Child Nutrition Cluster</i>			
United States Department of Agriculture			
School Breakfast Program	10.553	Colorado Department of Education, 4553	\$ 57,012
National School Lunch Program	10.555	Colorado Department of Human Services, 4555	48,288
COVID-19 - National School Lunch Program	10.555	Colorado Department of Education, 4555	207,519
National School Lunch Program	10.555	Colorado Department of Education, 4555	198,241
<i>Total Child Nutrition Cluster</i>			<u>511,060</u>
<i>Forest Service Schools and Roads Cluster</i>			
United States Department of Agriculture			
Schools and Roads - Grants to States	10.665	Colorado Department of Treasury and Archuleta and Hinsdale County Treasurers, 7665	269,665
<i>Total All Clusters</i>			<u>780,725</u>
<i>Other Programs</i>			
United States Department of Education			
Title I Grants to Local Educational Agencies	84.010	Colorado Department of Education, 4010	321,108
Rural Education	84.358	Colorado Department of Education, 6358	33,702
English Language Acquisition State Grants	84.365	Colorado Department of Education, 4365	19,995
Supporting Effective Instruction State Grants	84.367	Colorado Department of Education, 4367	66,872
Student Support and Academic Enrichment Program	84.424	Colorado Department of Education, 4424	31,805
<i>Total United States Department of Education</i>			<u>473,482</u>
United States Department of Health and Human Services			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	Colorado Department of Human Services, 7959	100,000
<i>Total United States Department of Health and Human Services</i>			<u>100,000</u>
United States Department of Treasury			
Coronavirus Relief Fund	21.019	Colorado Department of Education, 4012	68,106
<i>Total United States Department of Treasury</i>			<u>68,106</u>
<i>Total Other Programs</i>			<u>641,588</u>
<i>Total Expenditures of Federal Awards</i>			<u>\$ 1,422,313</u>

ARCHULETA SCHOOL DISTRICT 50JT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available. The District did not elect to use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance for the year ended June 30, 2020. In addition, the District did not pass-through federal funds to subrecipients.

NOTE 2 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE 3 FOOD SERVICE INVENTORY VALUATION

Food Service inventory consisted of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.



Wall,
Smith,
Bateman Inc.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

To the Board of Education
Archuleta School District No. 50 JT
Pagosa Springs, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Archuleta School District No. 50 JT (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 1, 2021.

Internal Control Over Financial Reporting

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

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

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

Certified Public Accountants

3001 Adcock Circle PO Box 809 Alamosa, CO 81101 | 719-589-3619 | f 719-589-5492 | www.wsbcpa.com

Compliance and Other Matters

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

Purpose of this Report

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

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

March 1, 2021

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED
BY THE UNIFORM GUIDANCE**



Wall,
Smith,
Bateman Inc.

To the Board of Education
Archuleta School District No. 50 JT
Pagosa Springs, Colorado

Report on Compliance for Each Major Federal Program

We have audited Archuleta School District No. 50 JT's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, Archuleta School District No. 50 JT complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Certified Public Accountants

3001 Adcock Circle PO Box 809 Alamosa, CO 81101 | 719-589-3619 | f 719-589-5492 | www.wsbcpa.com

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

March 1, 2021

ARCHULETA SCHOOL DISTRICT 50JT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____yes X no
- Significant deficiency(ies) identified that are **not** considered to be material weakness(es)? _____yes X none reported
- Noncompliance material to financial statements noted? _____yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____yes X no
- Significant deficiency(ies) identified that are **not** considered to be material weakness(es)? _____yes X none reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? _____yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553 and 10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as a low-risk auditee? _____X yes _____no

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Section IIII – Prior Year Audit Findings

None

ARCHULETA SCHOOL DISTRICT 50 JT

CDE COMPLIANCE SECTION



Colorado Department of Education
Auditors Integrity Report
 District: 0220 - Archuleta County 50 Jt
 Fiscal Year 2019-20
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	9,673,288	16,768,810	16,494,087	9,948,011
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
Sub- Total	9,673,288	16,768,810	16,494,087	9,948,011
11 Charter School Fund	136,881	1,214,122	1,043,484	307,519
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	118,231	668,123	680,107	106,247
22 Govt Designated-Purpose Grants Fund	0	1,474,354	1,474,354	0
23 Pupil Activity Special Revenue Fund	124,492	125,777	123,296	126,973
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	1,378,743	16,910	957,650	438,003
39 Certificate of Participation (COP) Debt Service 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	237,949	829,451	893,024	174,376
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	11,669,583	21,097,546	21,666,002	11,101,128
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	1,626,000	29,544	1,596,456
Totals	0	1,626,000	29,544	1,596,456
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	298,034	9,168	4,138	303,064
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	298,034	9,168	4,138	303,064

FINAL