

**RAMPART REGIONAL LIBRARY  
DISTRICT**

FINANCIAL STATEMENTS  
With Independent Auditors' Report

For the Year Ended December 31, 2021

**RAMPART REGIONAL LIBRARY DISTRICT  
TABLE OF CONTENTS  
DECEMBER 31, 2021**

	Page
Independent Auditors' Report	<i>ii</i>
Management's Discussion and Analysis	<i>v</i>
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements	
Balance Sheet—Governmental Funds	3
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund Balances— Governmental Funds	5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6
Notes to Financial Statements	7
Required Supplementary Information	
Schedule of District's Share of the Net Pension Liability	35
Schedule of District's Payroll Contributions - Pension	36
Schedule of District's Share of the Net OPEB Liability	37
Schedule of District's Payroll Contributions - OPEB	38
Statement of Revenues, Expenditures, and Changes in Fund Balance— Budget and Actual—General Fund	39
Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance— Budget and Actual—Debt Service Fund	40



## **INDEPENDENT AUDITORS' REPORT**

To Management and the Board of Trustees  
Rampart Regional Library District

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of the Rampart Regional Library District, as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the Rampart Regional Library District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Rampart Regional Library District, as of December 31, 2021 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a

guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rampart Regional Library District's basic financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial

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

*Hoelting & Company, Inc.*

Colorado Springs, Colorado  
April 29, 2022

**RAMPART REGIONAL LIBRARY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED DECEMBER 31, 2021**

As management of Rampart Regional Library District (the Library) we offer readers of the Library's annual financial report this narrative overview and analysis of the financial activities of the Library for the fiscal year ended December 31, 2021. Readers are encouraged to consider the information presented here in conjunction with the annual financial report.

**FINANCIAL HIGHLIGHTS**

- The following audited financial statements include information for the Rampart Regional Library District which consists of library branches located in Woodland Park and Florissant, Colorado.
- The Library's total assets and deferred outflows of \$8,452,189 exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$6,085,237.
- The Library's total net position increased during the year by \$173,233.
- As of the close of the current fiscal year, the Library's general fund reported an ending fund balance of \$2,495,135 an increase of \$535,265 from the prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis serves as an introduction to the Library's basic financial statements. The Library's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

**Government-wide Financial Statements**

The *government-wide financial statements* are designed to provide readers with a broad overview of the Library's finances as a whole, in a manner similar to a private-sector business and include two statements:

The *statement of net position* presents information on all of the Library's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating.

The *statement of activities* presents information reporting how the Library's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. Accrued interest expense is an example of this type of item.

Both government-wide financial statements distinguish functions of the Library 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 costs through user fees and charges (business-type

activities). The governmental activities of the Library include general government and library operations. Currently, the Library has no business-type activities.

### **Fund Financial Statements**

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The fund financial statements provide more detailed information about the Library's operations, focusing on its most significant funds, not the Library as a whole.

**Governmental Funds:** The activities of the of the Library are reported in two governmental funds, the General fund and the Debt Service fund, which focus on (1) how money flows into and out of the funds and (2) the balances left at year-end that are available for spending or reserves. Consequently, the governmental fund statements provide a detailed short-term view that helps determine the status of financial resources that can be spent in the near future to finance the Library's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Thus, readers may better understand the long-term impact of the Library's near-term financing decisions. To facilitate this comparison between governmental funds and governmental activities, reconciliations are provided for both the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balance.

### **Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### **Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Library. The Library adopts an annual appropriated budget for the general fund. A budgetary comparison schedule has been provided to demonstrate compliance with the budget.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of the Library's financial position. For the year ended December 31, 2021, the Library's assets and deferred outflows exceeded liabilities and deferred inflows by \$6,085,237 resulting in a positive net position. The following reflects key financial information in a condensed format:

**Condensed Statement of Net Position**

	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 3,876,317	\$ 3,748,352
Capital assets	<u>4,234,515</u>	<u>4,342,150</u>
Total assets	<u>8,110,832</u>	<u>8,090,502</u>
Deferred outflows	<u>341,357</u>	<u>238,482</u>
Long-term liabilities	471,762	780,509
Other liabilities	<u>27,757</u>	<u>73,697</u>
Total liabilities	<u>499,519</u>	<u>854,206</u>
Deferred inflows	<u>1,867,433</u>	<u>1,562,774</u>
Net position:		
Net investment in capital assets	4,234,515	4,075,359
Restricted	43,000	537,112
Unrestricted	<u>1,807,722</u>	<u>1,299,533</u>
Total net position	<u>\$ 6,085,237</u>	<u>\$ 5,912,004</u>

**Condensed Statement of Activities**

	<u>2021</u>	<u>2020</u>
Revenues:		
Program revenues:		
Charges for services	\$ 18,462	\$ 11,496
Operating grants and contributions	21,307	14,305
General revenues:		
Property and other taxes	1,237,608	1,205,780
Interest income	424	9,857
Other income	<u>140,894</u>	<u>132,817</u>
Total revenues	<u>1,418,695</u>	<u>1,374,255</u>
Expenses:		
Library operations	1,025,092	808,573
General administration	218,818	172,295
Interest on long-term debt	<u>1,552</u>	<u>7,325</u>
Total expenses	<u>1,245,462</u>	<u>988,193</u>
Change in net position	<u>173,233</u>	<u>386,062</u>
Net position, beginning	<u>5,912,004</u>	<u>5,525,942</u>
Net position, ending	<u>\$ 6,085,237</u>	<u>\$ 5,912,004</u>

## **ANALYSIS OF THE LIBRARY'S FUNDS**

As noted earlier, the Library uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The general fund is the operating fund of the Library. The fund balance for the general fund was a surplus of \$2,495,135 at the end of the current fiscal year.

The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds. As of December 31, 2021, the Library has paid off its long-term general obligation bonds payable. As a result, the fund balance for the debt service fund was \$0 at the end of the current fiscal year.

## **BUDGETARY HIGHLIGHTS**

The Library's budget is prepared in accordance with state law. An analysis of budget results in the following observations:

- Actual General fund revenues exceeded the budgeted revenues by \$42,950. This was primarily due to actual specific ownership taxes exceeding budgeted by \$60,894.
- Actual General fund expenditures were less than the final budget by \$264,138. Of that amount, personnel expenditures were \$195,560 less than budget and building expenses were \$40,345 less than budget.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

The Library's investment in capital assets for its governmental activities as of December 31, 2021 amounted to \$4,234,515. This investment in capital assets includes buildings, office furniture and equipment, library furniture and equipment and the library collection.

### **Long-Term Debt**

As of December 31, 2021, the Library has paid off its long-term general obligation bonds payable. Bonded debt was used for the construction of and outfitting of the two libraries.

## **ECONOMIC FACTORS**

The lion's share of Rampart Library District's revenues is derived from property taxes. The continued COVID-19 pandemic caused concern for a potential decrease in demand for housing, which, in turn, would have decreased property assessment values. It is now clear that exponentially increasing demand for housing in the nation, Colorado, and especially the Teller County region has improved home values and assessments. Therefore, district's property tax revenues increased in 2021, and are expected to increase in 2022 as well.

Specific Ownership Tax (SOT) constitutes roughly five to ten percent of District revenues each year. For the most part, SOT revenue comes from service area vehicle registrations. These revenues fluctuate due to an array of variables, including purchases of new and used vehicles. In 2021, and continuing into 2022, both a shortage of vehicles and heightened demand for vehicles seem to bode well for an increase in SOT for the short term.

Rampart Library District continued its legacy of fiscal responsibility and good stewardship of taxpayer funds by paying off bond obligations early, during December of 2021. Voted on by taxpayers in the early 2000s, these bonds funded the construction of the existing Woodland Park and Florissant Libraries. Paying off these bonds early means that the district may allot these funds toward improving existing services, as well as providing new value to constituents.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide the Library's taxpayers and creditors with a general overview of the Library's finances and to demonstrate the Library's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Tim Miller, Rampart Regional Library District, P.O. Box 336, Woodland Park, CO 80866-0336.

## **BASIC FINANCIAL STATEMENTS**

**RAMPART REGIONAL LIBRARY DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2021**

**ASSETS**

Cash and cash equivalents	\$ 2,489,553
Cash with county treasurer	9,111
Property taxes receivable	1,377,653
Capital assets, net of depreciation	<u>4,234,515</u>
Total assets	<u>8,110,832</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred pension outflows	307,831
Deferred OPEB outflows	<u>33,526</u>
Total deferred outflows of resources	<u>341,357</u>

**LIABILITIES**

Accounts payable	3,529
Compensated absences	24,228
Long-term liabilities:	
Due in more than one year	
Net pension liability	414,095
Net OPEB liability	<u>57,667</u>
Total liabilities	<u>499,519</u>

**DEFERRED INFLOWS OF RESOURCES**

Unavailable property tax revenue	1,377,653
Deferred pension inflows	447,821
Deferred OPEB inflows	<u>41,959</u>
Total deferred inflows of resources	<u>1,867,433</u>

**NET POSITION**

Net investment in capital assets	4,234,515
Restricted for:	
TABOR	43,000
Unrestricted	<u>1,807,722</u>
Total net position	<u>\$ 6,085,237</u>

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

**RAMPART REGIONAL LIBRARY DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities:</b>					
Library operations	\$ 1,025,092	\$ 18,462	\$ 13,327	\$ -	\$ (993,303)
General administration	218,818	-	7,980	-	(210,838)
Interest	1,552	-	-	-	(1,552)
Total governmental activities	<u>\$ 1,245,462</u>	<u>\$ 18,462</u>	<u>\$ 21,307</u>	<u>\$ -</u>	<u>(1,205,693)</u>
General revenues:					
Property taxes					1,237,608
Specific ownership taxes					140,894
Investment income					<u>424</u>
Total general revenues					<u>1,378,926</u>
Change in net position					173,233
Net position - beginning					<u>5,912,004</u>
Net position - ending					<u>\$ 6,085,237</u>

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

**RAMPART REGIONAL LIBRARY DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,489,250	\$ 303	\$ 2,489,553
Cash with county treasurer	9,111	-	9,111
Property taxes receivable	1,377,653	-	1,377,653
Due from other funds	303	-	303
	<u>303</u>	<u>-</u>	<u>303</u>
Total assets	<u>\$ 3,876,317</u>	<u>\$ 303</u>	<u>\$ 3,876,620</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 3,529	\$ -	\$ 3,529
Due to other funds	-	303	303
	<u>-</u>	<u>303</u>	<u>303</u>
Total liabilities	<u>3,529</u>	<u>303</u>	<u>3,832</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable property tax revenue	1,377,653	-	1,377,653
	<u>1,377,653</u>	<u>-</u>	<u>1,377,653</u>
<b>FUND BALANCES</b>			
Restricted for:			
TABOR	43,000	-	43,000
Assigned	300,000	-	300,000
Unassigned	2,152,135	-	2,152,135
	<u>2,152,135</u>	<u>-</u>	<u>2,152,135</u>
Total fund balances	<u>2,495,135</u>	<u>-</u>	<u>2,495,135</u>
Total liabilities and fund balances	<u>\$ 3,876,317</u>	<u>\$ 303</u>	<u>\$ 3,876,620</u>

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

**RAMPART REGIONAL LIBRARY DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2021**

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

Total Fund Balance of Governmental Funds		\$ 2,495,135
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets, net of depreciation		4,234,515
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:		
Net pension liabilities	\$ (414,095)	
Pension outflows	307,831	
Pension inflows	(447,821)	
Net OPEB liabilities	(57,667)	
OPEB outflows	33,526	
OPEB inflows	(41,959)	
Compensated absences	(24,228)	
	(644,413)	(644,413)
Net position of governmental activities in the statement of net position		\$ 6,085,237

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

**RAMPART REGIONAL LIBRARY DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Total</b>
<b>REVENUES</b>			
Property taxes	\$ 1,237,608	\$ -	\$ 1,237,608
Specific ownership taxes	140,894	-	140,894
Fines and fees	18,462	-	18,462
Grant income	12,827	-	12,827
Donations	500	-	500
E-Rate refunds	7,980	-	7,980
Interest income	367	57	424
	<u>1,418,638</u>	<u>57</u>	<u>1,418,695</u>
Total revenues			
<b>EXPENDITURES</b>			
Library operations	896,590	-	896,590
General administration	208,610	4,242	212,852
Debt service:			
Principal	-	260,000	260,000
Interest	-	9,100	9,100
	<u>1,105,200</u>	<u>273,342</u>	<u>1,378,542</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	313,438	(273,285)	40,153
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	<u>221,827</u>	<u>(221,827)</u>	<u>-</u>
Net change in fund balances	535,265	(495,112)	40,153
Fund balance - beginning	<u>1,959,870</u>	<u>495,112</u>	<u>2,454,982</u>
Fund balance - ending	<u><u>\$ 2,495,135</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,495,135</u></u>

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

**RAMPART REGIONAL LIBRARY DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

Net Change in Fund Balances - Total Governmental Funds	\$	40,153
<p>Governmental funds report capital outlay as expenditures, but in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:</p>		
Capital outlay	\$ 54,487	
Depreciation expense	<u>(162,122)</u>	(107,635)
<p>Accrued interest reported in the statement of activities does not require the use of current financial resources and is not reported as expenditures in governmental funds.</p>		
		758
<p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt.</p>		
Repayment of principal	\$ 260,000	
Accretion of bond premium	<u>6,791</u>	266,791
<p>Governmental funds measure compensated absences by the amount of financial resources used, whereas these expenses are reported in the statement of activities based on the amounts incurred during the year.</p>		
		7,805
<p>Certain pension and OPEB 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.</p>		
Pension expenses	\$ (41,020)	
OPEB expenses	<u>6,381</u>	<u>(34,639)</u>
Change in net position of governmental activities		<u><u>\$ 173,233</u></u>

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

## **NOTES TO FINANCIAL STATEMENTS**

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Rampart Regional Library District (the District) was authorized by the State of Colorado in 1976 and began to operate as a library district in 1977. Prior to state authorization the District operated in association with the City of Woodland Park from 1967 to 1976. The District is governed by a Board of Trustees. The main facility is located in Woodland Park, Colorado, with a branch facility in Florissant, Colorado.

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

*A. REPORTING ENTITY*

The District is a special district governed by an elected seven-member board. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The District has no component units for which either discrete or blended presentation is required.

*B. BASIS OF PRESENTATION—GOVERNMENT-WIDE FINANCIAL STATEMENTS*

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the government. Governmental activities are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

*C. BASIS OF PRESENTATION—FUND FINANCIAL STATEMENTS*

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The District reports the following major governmental funds:

- The *General Fund* is the general operating fund of the District, used for all financial resources except those required to be accounted for in another fund.
- The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*C. BASIS OF PRESENTATION—FUND FINANCIAL STATEMENTS (CONTINUED)*

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

*D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING*

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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 the related cash flow. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue in the fiscal year in which all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, specific ownership taxes, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants recognize revenue when the qualifying expenditures have been incurred and all other grant requirements have been met, and the amount is received during the period or within the availability period of this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

*E. ASSETS, LIABILITIES, AND NET POSITION/FUND BALANCE*

*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.

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*E. ASSETS, LIABILITIES, AND NET POSITION/FUND BALANCE (CONTINUED)*

*Capital Assets*

Capital assets, which include property, equipment, and the library collection, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value. It is the District's practice to include as capital assets and to capitalize specific property which possess three attributes: 1) tangible nature; 2) a useful life of at least three years; and 3) a value of at least \$5,000 (all publications are capitalized).

The costs of normal maintenance and repairs that do not add to the value or materially extend the lives of the assets are expensed as incurred and not capitalized.

All capital assets are depreciated, using the straight line method, except for land and construction in progress. Depreciation is calculated using the following estimated useful lives:

Buildings	50 years
Furniture and Equipment	5 – 10 years
Library Collection	10 years

*Pensions*

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

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions. Most of these changes were in effect as of *December 31, 2021*.

*Health Care Trust Fund*

Rampart Regional Library 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 (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*E. ASSETS, LIABILITIES, AND NET POSITION/FUND BALANCE (CONTINUED)*

*Deferred outflows/inflows of resources*

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

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

*Long-term Liabilities*

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

*Net position flow assumption*

The District may fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted—net position and unrestricted—net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted—net position to have been depleted before unrestricted—net position is applied.

*Fund Balance Classification*

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications available to be used in the governmental fund financial statements are as follows:

**Nonspendable** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

**Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*E. ASSETS, LIABILITIES, AND NET POSITION/FUND BALANCE (CONTINUED)*

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees. These amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action that was used when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board of Trustees delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for any governmental funds except for the General Fund.

Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

*F. REVENUES AND EXPENDITURES/EXPENSES*

*Program revenues*

Amounts reported as *program revenues* include 1) fees and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues that are not classified as program revenues, including all taxes, are reported as general revenues.

*Property taxes*

Property taxes attach as an enforceable lien on real property and are levied as of January 1. The tax levy is payable in two installments due February 28 and June 15, or in one installment due April 30. The Teller County Treasurer bills and collects the District’s property tax. District property tax revenues are recognized when levied to the extent they result in current receivables. The tax rate for the year ended December 31, 2021 was 4.119 mills for general operating expenditures and .082 mills for refunds/abatements. The District’s assessed valuation for 2021 was \$298,113,858.

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*F. REVENUES AND EXPENDITURES/EXPENSES (CONTINUED)*

*Compensated Absences*

The District's personnel policy states that exempt, salaried employees may earn a total of three to five weeks of paid vacation per year depending on length of employment. Non-exempt employees earn vacation based on number of hours worked. Employees may only accumulate 80 hours of vacation over their annual vacation allotment. Once employees reach their maximum amount of vacation time, they will no longer accrue vacation until the vacation time has been drawn down.

The District has accrued a liability for vacation pay that has been earned, but not used by District employees.

*G. ESTIMATES*

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

*BUDGET INFORMATION*

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. All annual appropriations lapse at fiscal year-end. The operating budget includes proposed expenditures and the means of financing them for the upcoming year, along with estimates for the current year and actual data for the preceding year.

Budgets are required by Colorado State Statutes for all funds. During October, management submits to the Board of Trustees a proposed budget for all funds for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. Prior to December 31, the budget is adopted by formal resolution.

Formal budgetary integration is employed as a management control device during the year for the Governmental funds. The appropriated budget is prepared by fund. The legal level of control is the fund level.

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 Trustees.

Appropriations are based on total funds expected to be available in each budget year, including beginning fund balances and reserves as established by the Board of Trustees. Variances between budget and actual are the result of the non-expenditure of reserves, nonoccurrence of anticipated events, and normal operating variances.

The Board of Trustees may authorize supplemental appropriations during the year. For budgetary management purposes, funds are appropriated for capital outlays.

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 3 – DEPOSITS AND INVESTMENTS**

*Cash deposits with financial institutions*

*Custodial credit risk—deposits.* The Colorado Public Deposit Protection Act (PDPA) requires that all local government entities deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution 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 uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

At December 31, 2021 the carrying amount of the District’s deposits was \$432,994, and the bank balances were \$446,008. Of the total bank balances, \$250,000 was covered by FDIC insurance and the remaining balance of \$196,088 falls under the provisions of the Colorado Public Deposit Protection Acts which are collateralized in single institution pools.

*Investments*

The District is required to comply with State statutes that specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest, which include the following.

- ◆ Obligations of the United States and certain U.S. government agencies’ securities;
- ◆ Certain international agencies’ securities;
- ◆ General obligation and revenue bonds of U.S. local government entities;
- ◆ Bankers’ acceptances of certain banks;
- ◆ Certain commercial paper;
- ◆ Local government investment pools;
- ◆ Written repurchase agreements collateralized by certain authorized securities;
- ◆ Certain money market fund;
- ◆ Guaranteed investment contracts.

At December 31, 2021 the District’s investment balances were as follows:

<u>Investments</u>	<u>Maturities</u>	<u>Fair Value</u>
Money Market	Less than 60 days	\$ -
ColoTrust	Less than 60 days	<u>2,056,559</u>
		<u>\$ 2,056,559</u>

*Credit Risk:* State law and the District’s investment policies limit investments as described above. As of December 31, 2021, the District’s investments were rated AAAM by Standard & Poor’s.

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)**

*Investments Continued*

Colorado Surplus Asset Fund Trust (COLOTRUST) is an investment vehicle established for local government entities in Colorado to pool surplus funds for investment purposes by state statutes. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. Designated custodial banks provide safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. All securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian’s internal records identify the investments owned by COLOTRUST. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury notes.

State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years. State statutes do not address custodial risk. At December 31, 2021, the District does not have a formal investment policy other than following Colorado Revised Statutes (CRS).

Money market funds are collateralized by the respective financial institution.

*Reconciliation of Deposits and Investments to the Statement of Net Position*

Cash and cash equivalents:

Deposits	\$ 432,994
Investment	<u>2,056,559</u>
	<u>\$ 2,489,553</u>

**NOTE 4 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2021 was as follows:

	<u>Balance</u> <u>12/31/20</u>	<u>Additions</u>	<u>Sales and</u> <u>Retirements</u>	<u>Balance</u> <u>12/31/21</u>
Buildings	\$ 6,196,000	\$ -	\$ -	\$ 6,196,000
Library Collection	1,210,550	40,404	(58,321)	1,192,633
Furniture and Equipment	<u>62,106</u>	<u>14,083</u>	<u>-</u>	<u>76,189</u>
Total Capital Assets	7,468,656	54,587	(58,321)	7,464,822
Less Accumulated Depreciation	<u>(2,126,506)</u>	<u>(162,122)</u>	<u>58,321</u>	<u>(3,230,307)</u>
Capital Assets, Net	<u>\$ 4,342,150</u>	<u>\$ (107,535)</u>	<u>\$ -</u>	<u>\$ 4,234,515</u>

Depreciation expense was charged to functions/programs as follows:

Library services	<u>\$ 162,122</u>
------------------	-------------------

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 - LONG-TERM DEBT**

*GENERAL OBLIGATION BONDS*

General Obligation Refunding Bonds, Series 2011 were issued on September 13, 2011 to refund Series 2002 General Obligation Bonds. Principal is due annually on December 1 beginning in 2012 through 2021. Interest is due semi-annually on December 1 and June 1 and accrues at an annual interest rate between 2.0% and 3.5%. These bonds were paid off in 2021.

The following is a summary of long-term debt transactions of the District for the year ended December 31, 2021:

	<u>Balance</u> <u>12/31/20</u>	<u>Debt Issued</u> <u>And Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/21</u>	<u>Due Within</u> <u>One year</u>
General obligation bonds	\$ 260,000	\$ -	\$ 260,000	\$ -	\$ -
Bond premium	<u>6,791</u>	<u>-</u>	<u>6,791</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 266,791</u>	<u>\$ -</u>	<u>\$ 266,791</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTE 6 – DEFINED BENEFIT PENSION PLAN**

*General Information about the Pension Plan*

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

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

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

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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

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

As of December 31, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007 will receive the lesser 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 LGDTF. 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 December 31, 2021:* Eligible employees and Rampart Regional Library District are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of January 1, 2020 through December 31, 2021 summarized in the table below:

	January 1, 2020 Through June 30, 2020	July 1, 2020 Through December 31, 2020	January 1, 2021 Through June 30, 2021	July 1, 2021 Through December 31, 2021
Employee contribution (all employees other than State Troopers)	8.00%	8.50%	8.50%	8.50%
State Troopers	10.75%	12.00%	12.00%	12.50%

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)**

The employer contribution requirements for all employees other than State Troopers are summarized in the table below:

	January 1, 2020 Through June 30, 2020	July 1, 2020 Through December 31, 2020	January 1, 2021 Through June 30, 2021	July 1, 2021 Through December 31, 2021
Employer contribution rate	10.00%	10.50%	10.50%	10.50%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%	(1.02)%	(1.02)%	(1.02)%
Amount apportioned to the LGDTF	8.98%	9.48%	9.48%	9.48%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	N/A	N/A	0.02%	0.02%
<b>Total employer contribution rate to the LGDTF</b>	<b>12.68%</b>	<b>13.18%</b>	<b>13.20%</b>	<b>13.20%</b>

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

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Rampart Regional Library District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from Rampart Regional Library District were \$74,701 for the year ended December 31, 2021.

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

At December 31, 2021, the Rampart Regional Library District reported a liability of \$414,095 for its proportionate share of the net pension liability. The net pension liability for the LGDTF was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total pension liability to December 31, 2020. The Rampart Regional Library District proportion of the net pension liability was based on Rampart Regional Library District contributions to the LGDTF for the calendar year 2020 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2020, the Rampart Regional Library District proportion was 0.0794615203 percent, which was an increase of 0.0161993984% from its proportion measured as of December 31, 2019.

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)**

For the year ended December 31, 2021, the Rampart Regional Library District recognized pension expense of \$41,020. At December 31, 2021, the Rampart Regional Library District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$20,021	\$-
Changes of assumptions or other inputs	100,071	-
Net difference between projected and actual earnings on pension plan investments	-	447,821
Changes in proportion and differences between contributions recognized and proportionate share of contributions	113,038	-
Contributions subsequent to the measurement date	74,701	N/A
Total	\$307,831	\$447,821

\$74,701 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 December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31, 2021:	
2022	\$ 41,293
2023	\$ (33,505)
2024	\$ (151,802)
2025	\$ (70,677)
2026	\$ -
Thereafter	\$ -

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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

Actuarial cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50% – 10.45%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07; and DPS benefit structure (automatic) <sup>1</sup>	1.25%
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic) <sup>1</sup>	Financed by the AIR

<sup>1</sup> Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

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

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

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

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

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	
Members other than State Troopers	3.20%-11.30%
State Troopers <sup>1</sup>	3.20%-12.40%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.25%
PERA benefit structure hired after 12/31/06 <sup>2</sup>	Financed by the AIR

<sup>1</sup> C.R.S. § 24-51-101 (46), as amended, expanded the definition of “State Troopers” to include certain employees within the LGDTF, effective January 1, 2020. See Note 4 of the Notes to the Financial Statements in PERA’s 2020 Annual Report for more information.

<sup>2</sup> Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

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

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

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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

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

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

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

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

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

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

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

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives <sup>1</sup>	6.00%	4.70%
<b>Total</b>	<b>100.00%</b>	

<sup>1</sup> The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increase in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- 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.

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)**

- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

*Sensitivity of the Rampart Regional Library District 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	\$953,911	\$414,095	\$(36,580)

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

**NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**

*Health Care Trust Fund*

*Plan description.* Eligible employees of the Rampart Regional Library 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. PERA issues a publicly available comprehensive annual financial report (Annual Report) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN  
(CONTINUED)**

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

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

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

*PERA Benefit Structure*

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

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

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN  
(CONTINUED)**

*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 Rampart Regional Library District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Rampart Regional Library District were \$5,772 for the year ended December 31, 2021.

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

At December 31, 2021, the Rampart Regional Library District reported a liability of \$57,667 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The Rampart Regional Library District proportion of the net OPEB liability was based on Rampart Regional Library District contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

At December 31, 2020, the Rampart Regional Library District proportion was 0.0060687673 percent, which was an increase of 0.0015291838% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Rampart Regional Library District recognized OPEB expense of \$(6,381). At December 31, 2021, the Rampart Regional Library District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 153	\$ 12,678
Changes of assumptions or other inputs	431	3,536
Net difference between projected and actual earnings on OPEB plan investments	-	2,356
Changes in proportion and differences between contributions recognized and proportionate share of contributions	27,170	23,389
Contributions subsequent to the measurement date	5,772	N/A
Total	\$ 33,526	\$ 41,959

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN  
(CONTINUED)**

\$5,772 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 December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	
2022	\$ (6,183)
2023	(5,853)
2024	(5,828)
2025	1,576
2026	1,947
Thereafter	136

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

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN  
(CONTINUED)**

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

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

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

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

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

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN  
(CONTINUED)**

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

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

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

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

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

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

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

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN  
(CONTINUED)**

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

	<b>Trust Fund</b>			
	<b>State Division</b>	<b>School Division</b>	<b>Local Government Division</b>	<b>Judicial Division</b>
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Price inflation	2.30%	2.30%	2.30%	2.30%
Real wage growth	0.70%	0.70%	0.70%	0.70%
Wage inflation	3.00%	3.00%	3.00%	3.00%
Salary increases, including wage inflation:				
Members other than State Troopers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
State Troopers	3.20%-12.40%	N/A	3.20%-12.40% <sup>1</sup>	N/A

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

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

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

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

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

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

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

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

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN  
(CONTINUED)**

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

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

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

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

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

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

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

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

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

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

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

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN  
(CONTINUED)**

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

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

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

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

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30 Year Expected Geometric Real Rate of Return</b>
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives <sup>1</sup>	6.00%	4.70%
<b>Total</b>	<b>100.00%</b>	

<sup>1</sup> The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN  
(CONTINUED)**

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$56,176	\$57,667	\$59,402

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2020, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN  
(CONTINUED)**

*Sensitivity of the Rampart Regional Library District 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	\$ 66,059	\$ 57,667	\$ 50,497

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

**NOTE 8 – 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 trustees and subcontractors; and natural disasters. The District purchases commercial liability insurance for some risks of loss. The remaining risks of loss are retained by the District. There have been no significant claims that exceeded coverage in any of the past three years.

**NOTE 9 – AMENDMENT TO COLORADO CONSTITUTION**

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.

Fiscal year spending and revenue limits are determined based on the prior years’ spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

The Amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

On November 2, 1999 the voters of the District authorized the District to collect, retain and spend all revenues and other funds collected from the ad valorem property taxes and all other District revenue from sources not excluded from fiscal year spending in the fiscal year 1999 and continuing thereafter as an exception to the limits which would otherwise apply, including without limitation Article X, Section 20 of the Colorado Constitution.

On November 6, 2001 the voters of the District authorized the District to increase the District’s total mill levy for all purposes to 4.119 mills and to exceed the 5.5% property tax revenue growth limitation of Colorado state statutes.

**RAMPART REGIONAL LIBRARY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 9 – AMENDMENT TO COLORADO CONSTITUTION (CONTINUED)**

On November 6, 2001 the voters of the District allowed the District to increase debt by \$5,000,000 with a repayment cost of \$10,250,000 for construction of two new libraries within the District. The voters also allowed taxes to be increased up to \$453,000 annually to pay off the above debt.

The amendment requires emergency reserves be established. These reserves must be at least 3% of fiscal year spending. The District is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary and benefit increases.

The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment. However, the District has made certain interpretations of the amendment's language in order to determine its compliance.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**RAMPART REGIONAL LIBRARY DISTRICT  
SCHEDULE OF DISTRICT'S SHARE OF THE NET PENSION LIABILITY  
DECEMBER 31, 2021**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the net pension liability (asset)	0.0794615203%	0.0632621219%	0.0450765922%	0.0909421133%	0.0951166947%	0.1060950057%	0.1104950575%	0.1130535688%
District's proportionate share of the net pension liability (asset)	\$ 414,095	\$ 462,693	\$ 566,709	\$ 1,012,577	\$ 1,284,400	\$ 1,168,722	\$ 990,377	\$ 930,342
District's covered payroll	\$ 561,207	\$ 556,706	\$ 550,404	\$ 573,701	\$ 576,526	\$ 602,537	\$ 605,464	\$ 603,151
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	73.79%	83.11%	102.96%	176.50%	222.78%	193.97%	163.57%	154.25%
Plan fiduciary net position as a percentage of the total pension liability	90.9%	86.3%	76.0%	79.4%	73.6%	76.9%	80.7%	81.0%

\* The pension plan has a December 31 year-end. The amounts presented above and contractually required contribution percentages were determined as of December 31.

\* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

**RAMPART REGIONAL LIBRARY DISTRICT  
SCHEDULE OF DISTRICT'S PAYROLL CONTRIBUTIONS - PENSION  
DECEMBER 31, 2021**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 74,701	\$ 71,960	\$ 70,590	\$ 69,791	\$ 72,745	\$ 73,104	\$ 76,402	\$ 76,773	\$ 76,480
Contributions in relation to the contractually required contribution	<u>(74,701)</u>	<u>(71,960)</u>	<u>(70,590)</u>	<u>(69,791)</u>	<u>(72,745)</u>	<u>(73,104)</u>	<u>(76,402)</u>	<u>(76,773)</u>	<u>(76,480)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 565,912	\$ 556,848	\$ 556,706	\$ 550,404	\$ 573,701	\$ 576,526	\$ 602,537	\$ 605,464	\$ 603,151
Contributions as a percentage of covered payroll	13.20%	12.92%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%

The pension plan has a December 31 year-end. The amounts presented above and contractually required contribution percentages were determined as of December 31.

Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

**RAMPART REGIONAL LIBRARY DISTRICT  
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE  
OF THE NET OPEB LIABILITY  
DECEMBER 31, 2021**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's proportion of the net OPEB liability (asset)	0.0060687673%	0.0045395835%	0.0034956749%	0.0070666174%	0.0073015034%
District's proportionate share of the net OPEB liability (asset)	\$ 57,667	\$ 51,025	\$ 47,560	\$ 91,838	\$ 94,666
District's covered payroll	\$ 561,207	\$ 556,706	\$ 550,404	\$ 573,701	\$ 576,526
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	10.28%	9.17%	8.64%	16.01%	16.42%
Plan fiduciary net position as a percentage of the total OPEB liability	32.8%	24.5%	17.0%	17.5%	16.7%

\* The amounts presented for each year were determined as of 12/31.

\* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

**RAMPART REGIONAL LIBRARY DISTRICT  
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS - OPEB  
DECEMBER 31, 2021**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 5,772	\$ 5,680	\$ 4,444	\$ 3,016	\$ 5,852	\$ 5,881
Contributions in relation to the contractually required contribution	<u>(5,772)</u>	<u>(5,680)</u>	<u>(4,444)</u>	<u>(3,016)</u>	<u>(5,852)</u>	<u>(5,881)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 565,912	\$ 556,848	\$ 556,706	\$ 550,404	\$ 573,701	\$ 576,526
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

\* The amounts presented for each fiscal year were determined as of 12/31.

\* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

**RAMPART REGIONAL LIBRARY DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Property taxes	\$ 1,252,348	\$ 1,252,348	\$ 1,237,608	\$ (14,740)
Specific ownership taxes	80,000	80,000	140,894	60,894
Fines and fees	15,000	15,000	18,462	3,462
Grant income	6,500	6,500	12,827	6,327
Donations	5,000	5,000	500	(4,500)
E-Rate	6,840	6,840	7,980	1,140
Interest income	10,000	10,000	367	(9,633)
Total revenues	<u>1,375,688</u>	<u>1,375,688</u>	<u>1,418,638</u>	<u>42,950</u>
<b>EXPENDITURES</b>				
Library operations				
Personnel	784,650	784,650	589,090	195,560
Supplies	42,000	42,000	27,140	14,860
Services	119,500	119,500	97,925	21,575
Building expenses	178,700	178,700	138,355	40,345
Programs/Miscellaneous	6,200	6,200	3,676	2,524
Capital outlay	46,500	46,500	40,404	6,096
General administration				
Personnel	96,600	96,600	125,055	(28,455)
Staff development	20,200	20,200	9,009	11,191
Supplies	5,350	5,350	4,288	1,062
Services	21,200	21,200	19,985	1,215
Insurance	41,000	41,000	35,614	5,386
Programs/Miscellaneous	7,438	7,438	14,659	(7,221)
Total expenditures	<u>1,369,338</u>	<u>1,369,338</u>	<u>1,105,200</u>	<u>264,138</u>
Excess (deficiency) of revenues over expenditures	6,350	6,350	313,438	307,088
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)	-	-	221,827	221,827
Net change in fund balance	6,350	6,350	535,265	528,915
Fund balance - beginning	<u>1,671,673</u>	<u>1,671,673</u>	<u>1,959,870</u>	<u>288,197</u>
Fund balance - ending	<u>\$ 1,678,023</u>	<u>\$ 1,678,023</u>	<u>\$ 2,495,135</u>	<u>\$ 817,112</u>

See the accompanying Independent Auditors' Report.

## **SUPPLEMENTARY INFORMATION**

**RAMPART REGIONAL LIBRARY DISTRICT  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Interest income	\$ -	\$ 57	\$ 57
Total revenues	<u>-</u>	<u>57</u>	<u>57</u>
<b>EXPENDITURES</b>			
General administration			
Bank fees	900	4,242	(3,342)
Debt service			
Principal	269,100	260,000	9,100
Interest	<u>9,100</u>	<u>9,100</u>	<u>-</u>
Total expenditures	<u>279,100</u>	<u>273,342</u>	<u>5,758</u>
Excess (deficiency) of revenues over expenditures	<u>(279,100)</u>	<u>(273,285)</u>	<u>5,815</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	<u>-</u>	<u>(221,827)</u>	<u>(221,827)</u>
Net change in fund balance	(279,100)	(495,112)	(216,012)
Fund balance - beginning	<u>495,112</u>	<u>495,112</u>	<u>-</u>
Fund balance - ending	<u><u>\$ 216,012</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (216,012)</u></u>

See the accompanying Independent Auditors' Report.