

cPa DIXON, WALLER & CO., INC.

ALAMOSA SCHOOL

DISTRICT RE-11J

ALAMOSA, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2021

DIXON, WALLER & CO., INC.

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ALAMOSA SCHOOL DISTRICT RE-11J

FINANCIAL STATEMENTS

JUNE 30, 2021

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ALAMOSA SCHOOL DISTRICT RE-11J
ROSTER OF SCHOOL OFFICIALS
June 30, 2021

BOARD OF EDUCATION

Michael Mumper	President
April Gonzales	Vice President
Vacant	Secretary
Amy Raya	Assistant Secretary
Gloria Solis	Treasurer
Star Quintana	Assistant Treasurer

SCHOOL OFFICIALS

Dr. Diana Jones	Superintendent
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FINANCIAL SECTION

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TRINIDAD, COLORADO 81082
(719) 846-9241 FAX (719) 846-3352

INDEPENDENT AUDITOR'S REPORT

Board of Education
Alamosa School District RE-11J
Alamosa, Colorado 81101

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Alamosa School District RE-11J, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Alamosa School District RE-11J, as of June 30, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and post employment benefits trend data on pages i through xi and 48 through 56 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Alamosa School District RE-11J's basic financial statements. The combining and individual fund financial statements, other schedules and state required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2022, on our consideration of Alamosa School District RE-11J's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Alamosa School District RE-11J's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alamosa School District RE-11J's internal control over financial reporting and compliance.



January 31, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

ALAMOSA SCHOOL DISTRICT RE11J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2021

Management's Discussion and Analysis

Alamosa School District RE11J encompasses approximately 315 square miles in Alamosa and Conejos Counties, located in the south central region of Colorado. The District serves the municipality of Alamosa as well as the entire Southern half of the Alamosa County and a small portion of Northern Conejos County. The District serves an enrollment of 2,173 K-12 students.

The discussion and analysis of the Alamosa School District RE11J's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the District's financial performance as a whole; it should be read in conjunction with the basic financial statements and note to enhance the reader's understanding of the District's overall financial performance.

Financial Highlights

Key financial highlights for the fiscal year ended June 30, 2021 are as follows:

The District's overall net position at the end of fiscal year 20-21 was \$(3,679,970). The change in net position of \$12,165,883 represents the total net change over June 30, 2020 net position of \$(8,485,913). Net pension liabilities of \$33,141,348, along with associated deferred flow, are not recorded at the fund level.

Total District revenue was \$30,559,335. General Revenues of \$21,400,655 include taxes, grants, equalization, general interest and other revenues not restricted to specific programs. Program specific revenues in the form of charges for services and sales and program specific grants and contributions total \$9,169,605.

Total District expenditures were \$27,563,057 for the year ended June 30, 2021.

The District's net capital assets were \$40,002,092.

ALAMOSA SCHOOL DISTRICT RE11J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2021

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Alamosa School District RE11J as a financial whole, or as an entire operating activity. The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds with all other non-major funds presented in total in a single column. For the Alamosa School District RE11J, the General Fund is the most significant fund. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the reporting entity.

This is the thirteenth year the School District has prepared financial statements following GASB Statement 34. In this year's financial statements, comparisons to the fiscal year 2020 information are presented alongside the fiscal year 2021 information to enable the reader to draw further conclusions about the District's financial status. The following schedules present condensed financial information for 2021 compared to 2020.

Fund financial reports provide detailed information about the District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, the fund statements focus on the School District's most significant funds. The District's major governmental funds include the General Fund, the Capital Reserve Funds, the Designated Purpose Grant Fund, and the Bond Redemption Fund. Other governmental funds that are aggregated on the governmental fund financial statements include the Food Service Fund and Student Athletics Fund. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance related legal requirements established by external parties or governmental statutes or regulations.

The District's fund financial statements are divided into three broad categories; namely (1) governmental funds; (2) proprietary funds; and (3) fiduciary funds.

Governmental Funds - The District's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal yearend for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial position that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs. The relationship, or

ALAMOSA SCHOOL DISTRICT RE11J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2021

differences, between governmental activities reported in the statement of net position and the statement of activities and the governmental funds is reconciled in the financial statements.

Proprietary Funds – The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. The Alamosa School District does not have any proprietary funds.

Fiduciary Funds - The Pupil Activity Fund is used to account for position held for the various clubs and organizations sponsored by the District.

The statement of net position and activities include all assets, liabilities and deferred flows using the accrual basis of accounting similar to the accounting system used by most private sector companies. This basis of accounting takes into account the current year's revenues and expenses regardless of when cash was received or paid.

The two statements report the District's net position and changes in that position. This change in net position is important because it identifies whether the financial position of the District has improved or diminished for the District as a whole. The cause of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws, enrollment levels, statutorily required reserves, facility conditions, required educational programs and other factors.

ALAMOSA SCHOOL DISTRICT RE11J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2021

STATEMENT OF NET POSITION

The perspective of the statement of net position is of the District as a whole. Following is a summary of the District's net position for the fiscal year 2021.

<i>(In Thousands)</i>	Governmental Activities 2021	2020
ASSETS:		
Current and Other Assets	\$ 17,257	\$ 14,657
Capital Assets, Net	<u>\$ 40,002</u>	<u>\$ 42,033</u>
	<u>\$ 57,259</u>	<u>\$ 56,690</u>
DEFERRED OUTFLOWS:	<u>\$ 9,678</u>	<u>\$ 6,963</u>
LIABILITIES:		
Current & other Liabilities	\$ 4,511	\$ 5,421
Long-term Liabilities	\$ 7,630	\$ 9,076
Short-term Liabilities	\$ 1,373	\$ 1,395
Net Pension Liability	\$ 33,141	\$ 29,645
Net Other Post Emp Liability	\$ 1,205	\$ 1,458
Unamortized Bond Premium	<u>\$ 87</u>	<u>\$ 147</u>
	<u>\$ 47,947</u>	<u>\$ 47,142</u>
DEFERRED INFLOWS:	<u>\$ 15,310</u>	<u>\$ 24,997</u>
NET POSITION:		
Net Investment in Capital Assets		
Net of Related Debt	\$ 30,922	\$ 31,748
Restricted	\$ 4,852	\$ 3,828
Unrestricted	<u>\$ (32,094)</u>	<u>\$ (44,062)</u>
Total Net Position	<u>\$ 3,680</u>	<u>\$ (8,486)</u>

ALAMOSA SCHOOL DISTRICT RE11J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2021

STATEMENT OF ACTIVITIES

The Statement of activities reflects the cost of program services and the changes for services and sales, grants, and contributions offsetting those services. The following detail reflects the total cost of services supported by program revenues and general property taxes, unrestricted state entitlements, and other general revenue, resulting in the overall change in net position for the fiscal year 2021.

<i>(In Thousands)</i>	Governmental	
	Activities	
	2021	2020
REVENUES:		
Property Taxes	\$ 5,697	\$ 5,466
Specific Ownership Taxes	\$ 786	\$ 742
Charges for Services	\$ 38	\$ 82
Earnings on Investments	\$ 30	\$ 57
Other Local Services	\$ 261	\$ 647
State Aid	\$ 16,658	\$ 18,023
Federal Aid	\$ 7,100	\$ 2,572
Total Revenues	<u>\$ 30,570</u>	<u>\$ 27,589</u>
 EXPENDITURES:		
Instructional Services	\$ 14,798	\$ 15,250
Supporting Services:		
Students	\$ 4,972	\$ 2,080
Instructional Staff	\$ 434	\$ 411
District Administration	\$ 441	\$ 496
School Administration	\$ 964	\$ 1,223
Business	\$ 348	\$ 300
Facilities	\$ 2,024	\$ 1,901
Transportation	\$ 674	\$ 699
Food Service	\$ 1,174	\$ 1,357
Central	\$ 1,364	\$ 1,247
Interest	\$ 347	\$ 384
Pension & OPEB Cost	\$ (9,159)	\$ (5,522)
Capital Outlay	\$ 23	\$ 15
Total Expenditures	<u>\$ 18,404</u>	<u>\$ 19,841</u>
 CHANGE IN NET POSITION	 <u>\$ 12,166</u>	 <u>\$ 7,748</u>

ALAMOSA SCHOOL DISTRICT RE11J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2021

GOVERNMENTAL FUNDS STATEMENT

	<u>General</u>	<u>Capital Reserve</u>	<u>Grants</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Govt Funds</u>
Revenue:						
Property Taxes	3,962,155	-	-	1,741,651	-	5,703,806
Specific Taxes	785,678	-	-	-	-	785,678
Invest. Earnings	19,523	14	-	2,072	1,211	22,820
Other Sources	224,631	-	173,128	9,098	261,365	668,222
State Aid	14,866,021	126,817	1,255,827	-	25,468	16,274,133
Federal Aid	-	-	5,104,361	-	2,018,278	7,122,639
Total Revenues	<u>19,858,008</u>	<u>126,831</u>	<u>6,533,316</u>	<u>1,752,821</u>	<u>2,306,322</u>	<u>30,577,298</u>
Expenditures:						
Instructional	10,638,527	-	1,675,024	-	397,169	12,710,720
Students	812,695	-	3,976,698	-	182,314	4,971,707
Instruct Staff	333,595	-	100,102	-	-	433,697
District Admin	436,171	-	5,066	-	-	441,237
School Admin	963,686	-	-	-	-	963,686
Business	348,006	-	-	-	-	348,006
Facilities	1,557,838	-	461,561	-	-	2,019,399
Transportation	570,230	-	-	-	-	570,230
Food Service	-	-	-	-	1,148,420	1,148,420
Central	1,048,616	-	314,865	-	-	1,363,481
Debt Service	-	-	-	-	-	-
Principal	91,117	-	-	1,300,000	-	1,391,117
Interest	7,715	-	-	406,289	-	414,004
Capital Outlay	-	262,566	-	-	-	262,566
Total Expenditures	<u>16,808,196</u>	<u>262,566</u>	<u>6,533,316</u>	<u>1,706,289</u>	<u>1,727,903</u>	<u>27,038,270</u>
Variance	<u>3,049,812</u>	<u>(135,735)</u>	<u>-</u>	<u>46,532</u>	<u>578,419</u>	<u>3,539,028</u>

ALAMOSA SCHOOL DISTRICT RE11J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2021

	General	Capital Reserve	Grants	Debt Service	Food Service	Student Athletics	Total Govt Funds
Beginning Fund							
Balance	7,062,154	30,855	-	1,609,739	457,039	323,788	9,483,575
Revenues	19,858,008	249,667	6,533,316	1,752,821	2,079,277	733,440	31,206,529
Expenditures	(17,437,427)	(262,566)	(6,533,316)	(1,706,289)	(1,148,420)	(579,483)	(27,667,501)
Ending Balance	9,482,735	17,956	-	1,656,271	1,387,896	153,957	13,022,603
Net Change in							
Fund Balance	2,420,581	(12,899)	-	46,532	930,857	477,745	3,539,028

The focus of these government-wide statements is on the overall financial position and activities of the District. These financial statements are constructed around the concept of a primary government, the District, and its component units, except for fiduciary funds.

The financial statements of the District's fiduciary funds are not included in the government-wide financial statements, because resources of these funds cannot be used to finance the District's activities. However, the financial statements of fiduciary funds are included in the District's financial statements because the District is financially accountable for those resources, even though they belong to other parties.

GENERAL FUND BUDGETING HIGHLIGHTS

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

During the course of fiscal 2021, the District amended its General Fund budget as needed. The District uses a line-item based budget. The budgeting systems are designed to tightly control line-item expenditures, but provide flexibility for overall budgetary management.

For the General Fund, actual revenues of \$19,858,008 were higher than the final budgeted revenues of \$18,512,411.

ALAMOSA SCHOOL DISTRICT RE11J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2021

SCHEDULE OF FUNCTIONAL EXPENDITURES

Governmental Activities by Major Function – Cost of Services

	Year ended June 30, 2021		Year ended June 30, 2020	
	<u>Total Cost of Service</u>	<u>Net Cost of Service</u>	<u>Total Cost of Service</u>	<u>Net Cost of Service</u>
Instructional Services	14,798	13,041	15,249,802	13,379,508
Supporting Services:				
Students	4,972	791	2,080,341	823,291
Instructional Staff	434	334	410,837	350,621
District Administration	441	436	496,022	441,357
School Administration	964	964	1,222,763	1,221,351
Business	348	348	299,876	299,876
Operations/Maintenance	2,024	1,548	1,900,553	1,874,465
Transportation	674	540	699,820	568,741
Community Service	-	-	-	
Central	1,364	1,049	1,246,891	1,162,205
Food Service	1,174	(901)	1,356,592	(209,615)
Capital Outlay	23	(104)	15,528	(501,325)
Interest	347	347	384,423	384,423
Pension Cost	(9,159)	(9,159)	(5,522,234)	(5,522,234)
Total	18,404	9,234	19,841,214	14,272,664

ALAMOSA SCHOOL DISTRICT RE11J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2021

STATEMENT OF CAPITAL ASSETS

At the end of 2021, the District had a total of \$40,002,092 invested in capital assets. The following reflects the balances of fiscal year 2021 compared to fiscal year 2020.

	2020	2021
Non-Depreciable Assets:		
Land	\$ 1,159,044	\$ 1,159,044
Construction in Progress	<u>\$ 1,515,481</u>	<u>\$ -</u>
Total Non-Depreciable Assets	<u>\$ 2,674,525</u>	<u>\$ 1,159,044</u>
Depreciable Assets:		
Building & Site Improvements	\$ 63,943,671	\$ 65,660,327
Vehicles	\$ 2,547,444	\$ 2,547,444
Equipment	\$ 1,203,205	\$ 1,222,405
Food Service	<u>\$ 1,107,564</u>	<u>\$ 1,121,426</u>
Total Depreciable Assets	<u>\$ 68,801,884</u>	<u>\$ 70,551,602</u>
Less Accumulated Depreciation:		
Buildings & Site Improvements	\$ 25,571,378	\$ 27,670,219
Vehicles	\$ 1,808,998	\$ 1,909,986
Equipment	\$ 982,758	\$ 1,022,157
Food Service	<u>\$ 1,080,390</u>	<u>\$ 1,106,192</u>
Total Accumulated Depreciation	<u>\$ 29,443,524</u>	<u>\$ 31,708,554</u>
Total Capital Assets, Net	<u>\$ 42,032,885</u>	<u>\$ 40,002,092</u>

ALAMOSA SCHOOL DISTRICT RE11J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2021

STATEMENT OF LONG TERM DEBT

The District's long term debt as of June 30, 2021 was \$9,079,945. This total includes outstanding general obligations bonds for the capital construction projects as well as long term liabilities for compensated absences and early retirement incentives.

Outstanding General Obligation Bonds:

\$7.310 million of the outstanding bond obligation is the Series 2009 and 2009B for the two elementary schools BEST capital construction project. The final payment is expected in fiscal year 2029. As part of the requirements for the BEST Capital Construction, the District will reserve \$120,000 per year for 10 years to fully fund the maintenance requirement.

\$2.975 million of the outstanding bond obligation is the Series 2013A and 2013B for the high school sports complex and AgEd building. The final payment is expected in fiscal year 2024.

The outstanding bond balance is \$8,985,000 at June 30, 2021.

The District has a long-term liability for a lease purchase for 3 buses. The balance as of June 30, 2021 is \$94,945.

The District has a long-term liability for the following:

Compensated Absences	\$148,775
Early Retirement Incentive	\$290,071

CURRENT ISSUES, ECONOMIC CONDITION AND OUTLOOK

This year Alamosa School District had a decrease in enrollment due to the COVID-19 pandemic. The State of Colorado had an average decrease of enrollment of 3.3%. In addition, the "Negative Factor", continues to be applied to the total program funding reducing our funding by approximately \$1.7 million. In addition, our health insurance premiums continue to rise and the cost of medical care continues to be a concern. The impact of the COVID pandemic on future fiscal year is yet to be determined and could greatly impact subsequent budgets.

ALAMOSA SCHOOL DISTRICT RE11J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2021

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, customers, taxpayers, investors, and creditors with a general overview of the District's accountability for the money it receives. If you have any questions regarding this report or need additional information, please contact the:

Alamosa School District RE11J
209 Victoria Street
Alamosa, CO 81101
Tel: 719-587-1600
Fax: 719-587-1712
Website www.alamosa.k12.co.us

BASIC FINANCIAL STATEMENTS

ALAMOSA SCHOOL DISTRICT RE 11J
STATEMENT OF NET POSITION
June 30, 2021

	<u>Governmental Activities</u>	<u>Total</u>
<u>ASSETS</u>		
Cash and Equivalents	11,770,347	11,770,347
Investments	2,547,422	2,547,422
Accounts Receivable	357,426	357,426
Accrued Revenue	1,989,958	1,989,958
Property Taxes Receivable	547,000	547,000
Inventories	45,254	45,254
Capital Assets	71,710,646	71,710,646
Accumulated Depreciation	<u>(31,708,554)</u>	<u>(31,708,554)</u>
<u>Total Assets</u>	<u>57,259,499</u>	<u>57,259,499</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>		
Pension	9,595,590	9,595,590
Other Post Employment Benefits	<u>82,384</u>	<u>82,384</u>
<u>Total Deferred Outflows of Resources</u>	<u>9,677,974</u>	<u>9,677,974</u>
<u>LIABILITIES</u>		
Accounts Payable	233,672	233,672
Accrued Salaries and Benefits	2,327,754	2,327,754
Grant Amounts Received in Advance	1,360,856	1,360,856
Accrued Interest Payable	33,943	33,943
Other Liabilities	20,052	20,052
NonCurrent Liabilities:		
Compensated Absences	148,775	148,775
Retirement Incentive Payable Due Within One Year	18,827	18,827
Retirement Incentive Payable Due in More Than One Year	290,071	290,071
Bond Payments Due Within One Year	1,355,000	1,355,000
Bond Payments Due in More Than One Year	7,630,000	7,630,000
Lease Payable Due Within One Year	94,945	94,945
Lease Payable Due in More Than One Year	-	-
Net Pension Liability	33,141,348	33,141,348
Net Other Post Employment Benefits Liability	1,204,970	1,204,970
Unamortized Bond Premium	<u>87,328</u>	<u>87,328</u>
<u>Total Liabilities</u>	<u>47,947,541</u>	<u>47,947,541</u>
<u>DEFERRED INFLOW OF RESOURCES</u>		
Pension	14,852,386	14,852,386
Other Post Employment Benefits	<u>457,577</u>	<u>457,577</u>
<u>Total Deferred Inflows</u>	<u>15,309,963</u>	<u>15,309,963</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	30,922,147	30,922,147
Restricted for:		
TABOR Reserve	652,000	652,000
Maintenance Reserve – BEST Grant	1,200,000	1,200,000
Preschool	1,750	1,750
Food Service	1,342,642	1,342,642
Debt Service	1,656,271	1,656,271
Unrestricted	<u>(32,094,841)</u>	<u>(32,094,841)</u>
<u>TOTAL NET POSITION</u>	<u>3,679,969</u>	<u>3,679,969</u>

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

ALAMOSA SCHOOL DISTRICT RE-11J
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021

	<u>General</u>	<u>Capital Reserve Capital Projects</u>	<u>Designated Purpose Grants</u>
<u>ASSETS</u>			
Cash and Equivalents	7,360,743	-	2,298,635
Investments	730,110	-	-
Accounts Receivable	70,850	2,403	-
Accrued Revenue	-	-	1,989,958
Due from Other Funds	3,319,100	290,672	87,793
Property Taxes Receivable	350,000	-	-
Inventories	-	-	-
<u>Total Assets</u>	<u>11,830,803</u>	<u>293,075</u>	<u>4,376,386</u>
<u>LIABILITIES:</u>			
Accounts Payable	165,140	-	40,706
Accrued Salaries and Benefits	1,721,525	-	480,231
Due to Other Funds	262,500	270,821	2,494,593
Cash Overdraft	-	4,298	-
Other Liabilities	38,879	-	-
Grant Amounts Received in Advance	-	-	1,360,856
<u>Total Liabilities</u>	<u>2,188,044</u>	<u>275,119</u>	<u>4,376,386</u>
<u>DEFERRED INFLOW OF RESOURCES</u>			
Property Tax	<u>160,024</u>	-	-
<u>FUND BALANCES:</u>			
Nonspendable:			
Inventories	-	-	-
Restricted:			
Emergencies	652,000	-	-
Debt Service	-	-	-
Preschool	1,750	-	-
Maintenance Reserve – BEST Grant	1,200,000	-	-
Food Service	-	-	-
Committed:			
Insurance	-	-	-
Capital Outlay	-	17,956	-
Assigned:			
Student Activities	-	-	-
Unassigned:			
<u>Total Fund Balances</u>	<u>7,628,985</u>	<u>-</u>	<u>-</u>
	<u>9,482,735</u>	<u>17,956</u>	<u>-</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>			
	<u>11,830,803</u>	<u>293,075</u>	<u>4,376,386</u>

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

<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
6,751	2,108,516	11,774,645
1,817,312	-	2,547,422
-	284,173	357,426
-	-	1,989,958
-	-	3,697,565
197,000	-	547,000
-	45,254	45,254
<u>2,021,063</u>	<u>2,437,943</u>	<u>20,959,270</u>
-	27,826	233,672
-	125,998	2,327,754
251,173	418,478	3,697,565
-	-	4,298
-	-	38,879
-	-	1,360,856
<u>251,173</u>	<u>572,302</u>	<u>7,663,024</u>
<u>113,619</u>	<u>-</u>	<u>273,643</u>
-	45,254	45,254
-	-	652,000
1,656,271	-	1,656,271
-	-	1,750
-	-	1,200,000
-	1,342,642	1,342,642
-	-	-
-	-	17,956
-	477,745	477,745
-	-	7,628,985
<u>1,656,271</u>	<u>1,865,641</u>	<u>13,022,603</u>
<u>2,021,063</u>	<u>2,437,943</u>	<u>20,959,270</u>

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

ALAMOSA SCHOOL DISTRICT RE-11J
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2021

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

<u>Total Fund Balance – Governmental Funds</u>	13,022,603
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$71,710,646 and the accumulated depreciation is \$31,708,554.	40,002,092
Property tax revenue is recognized when earned (claim to resources established) rather than when “available” in the entity wide financial statements.	273,643
Interest is recognized when paid in the funds. This is accrued interest payable to year end.	(33,943)
Premiums received on bonds issued are recorded as revenues in the governmental funds. They are capitalized and amortized in the entity wide financial statements. This is an unamortized premium.	(87,328)
Long-term liabilities, including certificates of participation, general obligation bonds and capital leases are not due and payable in the current period and therefore are not reported in the funds.	(9,079,945)
The long-term portion of retirement incentive is not recorded in the funds	(290,071)
Compensated absences are not reported as a liability in the funds.	(148,775)
Net pension and other post employment benefits liabilities, along with associated deferred flows, are not recorded at the fund level:	
Net Pension Liability	(33,141,348)
Net Other Post Employment Benefits Liability	(1,204,970)
Deferred Outflows	9,677,974
Deferred Inflows	(15,309,963)
<u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>	<u>3,679,969</u>

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

ALAMOSA SCHOOL DISTRICT RE-11J
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	<u>General</u>	<u>Capital Reserve Capital Projects</u>	<u>Designated Purpose Grants</u>
<u>REVENUES</u>			
Property Taxes	3,962,155	-	-
Specific Ownership Taxes	785,678	-	-
Earnings on Investments	19,523	14	-
Other Local Sources	224,631	-	173,128
State Aid	14,866,021	126,817	1,255,827
Federal Aid	-	-	<u>5,104,361</u>
<u>Total Revenues</u>	<u>19,858,008</u>	<u>126,831</u>	<u>6,533,316</u>
<u>EXPENDITURES</u>			
Current:			
Instructional Services	10,638,527	-	1,675,024
Supporting Services:			
Students	812,695	-	3,976,698
Instructional Staff	333,595	-	100,102
District Administration	436,171	-	5,066
School Administration	963,686	-	-
Business	348,006	-	-
Operation & Maintenance of Facilities	1,557,838	-	461,561
Transportation	570,230	-	-
Food Service	-	-	-
Central	1,048,616	-	314,865
Debt Service:			
Principal	91,117	-	-
Interest	7,715	-	-
Capital Outlay	-	262,566	-
<u>Total Expenditures</u>	<u>16,808,196</u>	<u>262,566</u>	<u>6,533,316</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>3,049,812</u>	<u>(135,735)</u>	<u>-</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	(629,231)	122,836	-
<u>Total Other Financing Sources (Uses)</u>	<u>(629,231)</u>	<u>122,836</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	2,420,581	(12,899)	-
<u>FUND BALANCES – BEGINNING</u>	<u>7,062,154</u>	<u>30,855</u>	<u>-</u>
<u>FUND BALANCES – ENDING</u>	<u>9,482,735</u>	<u>17,956</u>	<u>-</u>

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

<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
1,741,651	-	5,703,806
-	-	785,678
2,072	1,211	22,820
9,098	261,365	668,222
-	25,468	16,274,133
-	<u>2,018,278</u>	<u>7,122,639</u>
<u>1,752,821</u>	<u>2,306,322</u>	<u>30,577,298</u>
-	397,169	12,710,720
-	182,314	4,971,707
-	-	433,697
-	-	441,237
-	-	963,686
-	-	348,006
-	-	2,019,399
-	-	570,230
-	1,148,420	1,148,420
-	-	1,363,481
1,300,000	-	1,391,117
406,289	-	414,004
-	-	<u>262,566</u>
<u>1,706,289</u>	<u>1,727,903</u>	<u>27,038,270</u>
<u>46,532</u>	<u>578,419</u>	<u>3,539,028</u>
-	<u>506,395</u>	-
-	<u>506,395</u>	-
46,532	1,084,814	3,539,028
<u>1,609,739</u>	<u>780,827</u>	<u>9,483,575</u>
<u>1,656,271</u>	<u>1,865,641</u>	<u>13,022,603</u>

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

ALAMOSA SCHOOL DISTRICT RE-11J
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

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

Net Change in Fund Balances – Total Governmental Funds 3,539,028

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital Outlays more than \$5,000	241,637	
Depreciation Expense	(2,270,139)	
Loss on Disposition of Assets	<u>(2,291)</u>	(2,030,793)

Property tax revenues are not recognized for amounts levied and due but not “available” at year end and are reported as deferred inflows in the governmental funds. They are, however, recorded as revenues in the statement of activities. (7,038)

The proceeds of capital leases are recognized as revenue in the fund financial statements. Also, principal payments made to reduce the lease payable are expensed. These transactions are recorded in the liabilities of the entity wide financial statements.

Lease Proceeds	-	
Lease Payments	<u>91,117</u>	91,117

The governmental funds report debt proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. The effect of deferred refundings and premiums are recognized when the debt is issued in governmental funds, whereas these amounts are deferred and amortized in the statement of activities. Interest expense is recognized as it accrues in the statement of activities regardless of when it is due. The net effect of these differences follows:

Repayment of Debt Principal	1,300,000	
Interest Expense	6,713	
Amortization - Premium	<u>59,591</u>	1,366,304

In the statement of activities compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amount paid). During the year, compensated absences changed by this amount. 26,735

Early retirement incentives are accrued in their entirety in the entity wide financial statements. The current amount is accrued in the fund financial statements. This represents the difference in two amounts. 21,850

The increase in net pension and other post employment benefits liabilities, along with the changes and amortizations of deferred flows associated with those liabilities are not recorded at the fund level:

Pension Cost	9,050,756	
Other Post Employment Benefits Cost	<u>107,924</u>	<u>9,158,680</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES 12,165,883

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

NOTES TO BASIC FINANCIAL STATEMENTS

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Alamosa School District RE-11J (the District) conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

The District operates under an elected Board of Education with seven members.

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Alamosa School District RE-11J. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The Board of Education members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

A. Reporting Entity

Governmental Accounting Standards board (GASB) Statement No. 14 (as amended by Statements No. 34, No. 39 and No. 61), "*The Financial Reporting Entity*" (GASB No. 14) describes the financial reporting entity as it relates to governmental accounting. According to this Statement, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

This District is not included in any other governmental "reporting entity" as defined in GASB No. 14 and does not include any other component unit as part of its "reporting entity". As required by accounting principles generally accepted in the USA, these basic financial statements present the District (the primary government) and its component units.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the District's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balance as a measure of available spendable resources. This means that only current liabilities are generally included on their balance sheets.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Amounts reported as program revenues included 1) charges to customers or applicants for goods, services or privileges provided 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

All governmental fund types use the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end.

Property and automotive ownership taxes are reported as receivables and deferred inflows when levied and as revenues when due for collection in the following year and determined to be available.

Grants and entitlement revenues are recognized when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue receipts.

Expenditures are recorded when the related fund liability is incurred with the exception of general obligation and capital lease debt service which is recognized when due and certain accrued sick and personal pay which are accounted for as expenditures when expected to be liquidated with expendable available financial resources.

Proprietary fund types are accounted for on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. The measurement focus in these funds is on the flow of economic resources and emphasizes the determination of net income. All assets and all liabilities associated with their activity are included on their statements of financial position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources, as they are needed.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred flows, fund equity, revenues and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The major funds presented in the accompanying basic financial statements are as follows:

- Major Governmental Funds
 1. General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
 2. Bond Redemption Debt Service Fund – used to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.
 3. Capital Reserve Capital Projects Fund – used to account for General Fund transfers and other revenue sources assigned for capital expenditures.
 4. Designated Purpose Grants – Special Revenue Fund – used to account for restricted state and federal grants including, but not limited to, Every Student Succeeds Act programs which must be expended as designated by the grantor agency.

E. Cash and Investments

Cash represents amounts on deposit with financial institutions or held by the District. The District is allowed to invest in the following types of investments: short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, government pools, and U.S. Treasury Obligations. The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments are recorded at fair value in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Receivables

Property taxes levied in 2020 but uncollected in 2021 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2021 are recorded as deferred inflows, and are presented net of an allowance for uncollectible taxes. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

G. Inventories

Materials and supplies inventories are stated at cost. Inventories recorded in the Food Services Fund consist of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the Federal Government, are recorded at their estimated fair value at the date of receipt.

The cost of all inventories is recorded as an asset when the individual inventory items are purchased, and as an expenditure or expense when consumed.

H. Capital Assets

Capital assets, which include property, vehicles and equipment, are utilized for general District operations and are capitalized at actual or estimated cost. Donations of such assets are recorded at estimated fair value at the time of donation. Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Maintenance, repairs, and minor renovations are recorded as expenditures when incurred. Major additions and improvements are capitalized. When assets used in the operation of the governmental fund types are sold, the proceeds of the sale are recorded as revenues in the appropriate fund. The District does not capitalize interest on the construction of capital assets in governmental funds. However, the District does capitalize interest on the construction of capital assets in business-type activities.

The monetary threshold for capitalization of assets is \$5,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (5-40 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition.

I. 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.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Deferred Outflows / Inflows of Resources (continued)

In addition to liabilities, the statement of financial position sometimes reports 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.

J. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position. The District records long-term debt of governmental funds at the face value. The District's general obligation bonds are serviced from property taxes and other revenues of the Debt Service Fund. Capital leases are serviced from property taxes and other revenues of the General Fund. The long-term accumulated unpaid accrued sick leave is serviced from property taxes and other revenues by the respective fund type from future appropriations.

K. Constitutional Amendment

In November 1992, Colorado voters approved Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations, which apply to the State of Colorado and local governments. It requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to any entity.

In November of 1998 the registered voters approved a ballot resolution authorizing Alamosa School District RE-11J to collect, retain and expend all revenues from any source provided that no property tax mill levy be increased without the consent of the voters.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending (excluding bonded debt service). As of June 30, 2021 the District reserved \$652,000 for this purpose.

Spending and revenue limits are determined based on the prior fiscal year's spending adjusted for inflation in the prior calendar year plus annual increases in funded student enrollment. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2020 property tax calendar for Alamosa and Conejos Counties was as follows:

Levy Date	December 22, 2020
Lien Date	January 1, 2021
Tax Bills Mailed	January 1, 2021
First Installment Due	February 28, 2021
Second Installment Due	June 15, 2021
If Paid in Full, Due	April 30, 2021
Tax Sale – 2019 Delinquent Property Taxes	October 25, 2020

M. Accumulated Staff Leave

District policy allows for the accumulation of staff leave. Staff eligible for retirement under the Public Employees Retirement Association (PERA) statutes are paid an amount of money equal to their number of unused leave days times the substitute rate of pay per day when there is a separation from service. Maximum reimbursable days may not exceed 72.

Compensated absences are reported as non-current liabilities in the government-wide financial statements. As of June 30, 2021, the District has recorded an estimated liability of \$148,775 relating to accrued sick leave payable.

A summary of changes in compensated absences is as follows:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2021</u>
Accumulated Sick Leave	<u>175,510</u>	<u> -</u>	<u>26,735</u>	<u>148,775</u>

N. Use of Estimates

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

O. Interest Expense

All interest expense has been reported as unallocated in the Government-wide financial statements.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. GASB Statement No. 54

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District Board of Directors (the District's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

The District's Committed Fund Balance is fund balance reporting required by the School Board, either because of a School Board Policy in the School Board Policy Manual, or because of motions that passed at School Board meetings.

Assigned Fund Balance Policy:

The District's Assigned Fund Balance is fund balance reporting occurring by School Board Administration authority, under the direction of the Chief Business Officer.

Order of Fund Balance Spending Policy

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

First, non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then unrestricted fund balances are determined following the order of committed, assigned, and unassigned.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. GASB Statement No. 54 (Continued)

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Capital Reserve Capital Projects Fund</u>	<u>Bond Redemption Fund</u>	<u>Student Activity Fund</u>	<u>Food Service Fund</u>	<u>Total Governmental Funds</u>
<u>Nonspendable:</u>						
Inventories	-	-	-	-	45,254	45,254
<u>Restricted:</u>						
Emergencies	652,000	-	-	-	-	652,000
Debt Service	-	-	1,656,271	-	-	1,656,271
Preschool	1,750	-	-	-	-	1,750
Maintenance Reserve – BEST Grant	1,200,000	-	-	-	-	1,200,000
Food Service	-	-	-	-	1,342,642	1,342,642
<u>Committed:</u>						
Insurance	-	-	-	-	-	-
Capital Outlay	-	17,956	-	-	-	17,956
<u>Assigned:</u>						
Student Activities	-	-	-	477,745	-	477,745
<u>Unassigned</u>	<u>7,628,985</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,628,985</u>
<u>Total Fund Balances</u>	<u>9,482,735</u>	<u>17,956</u>	<u>1,656,271</u>	<u>477,745</u>	<u>1,387,896</u>	<u>13,022,603</u>

Q. Accrued Salaries and Benefits

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, and June 30, 2021, are estimated to be \$2,327,754. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes a reconciliation between *fund balances – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total government funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis were eliminated from the government fund statements during the consolidation of governmental activities.

	Items Eliminated	
	Due From Other Funds	Due To Other Funds
General Fund	3,319,100	262,500
Designated Purpose Grant Fund	87,793	2,494,593
Student Activity Fund	-	-
Food Service	-	418,478
Capital Reserve-Capital Project	290,672	270,821
Debt Service	-	251,173
	3,697,565	3,697,565
	Transfers In	Transfers Out
General Fund	-	629,231
School Activity Fund	506,395	-
Capital Reserve Capital Project Fund	122,836	-
	629,231	629,231

NOTE 3 BUDGETARY INFORMATION

Revenues and expenditures are controlled by budgetary accounting systems in accordance with various legal requirements. The budgeted revenues and expenditures represent the original adopted budget as subsequently adjusted by the Board of Education in accordance with Colorado School Laws. Budgets are generally prepared on the same basis as that used for accounting purposes.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 3 BUDGETARY INFORMATION (Continued)

The District has set procedures to be followed in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the Business Manager submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public notices are released to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.
4. The Business Manager is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration should be employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds.
6. Budgets for the General, Special Revenue, Debt Service and Capital Project Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

All appropriations lapse at the end of each fiscal year. Authorization to transfer budgeted amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent of Schools and may be delegated to an appropriate level of management. Revisions and/or supplemental appropriations that alter the total expenditures of any fund must be approved by the Board of Education.

Budgetary amounts reported in the accompanying basic financial statements are as originally adopted and amended by the Superintendent and/or the Board of Education throughout the year.

NOTE 4 CASH AND INVESTMENTS

Deposits

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

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 4 CASH AND INVESTMENTS (Continued)

At June 30, 2021, the District's bank balance and corresponding carrying balance were as follows:

	Carrying Balance	Bank Balance
Insured (FDIC)	500,000	500,000
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	11,187,615	12,742,742
Cash with County Treasurer	82,732	-
<u>Total Cash and Deposits</u>	<u>11,770,347</u>	<u>13,242,742</u>

As presented above, deposits with a bank balance of \$12,742,742 and a carrying balance of \$11,187,615 as of June 30, 2021 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

Investments

At June 30, 2021, the District had the following investments:

	<u>Investment</u>	<u>Maturity</u>	<u>Value</u>
COLOTRUST	State Pool	Under 60 Day Average	2,547,422

Interest Rate Risk – The District does not have a formal investment policy that limits investment maturities for managing possible fair value losses due to increasing interest rates.

Credit Risk – State Law limits the type of investments allowable. The investment of COLOTRUST is rated AAAM by Standard and Poor's.

Concentration of Credit Risk – the District has no policy restricting the amount that can be invested in any issuer.

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

The District has no fair value measurements as of June 30, 2021:

- COLOTRUST – Investments in this external investment pool are reported at \$1 net asset value per share and are not subject to fair value measurement. The investment is reported at cost.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

<u>Governmental Activities</u>	<u>Balance</u> <u>July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustment</u>	<u>Balance</u> <u>June 30, 2021</u>
<u>Non-Depreciable Assets:</u>					
Land	1,159,044	-	-	-	1,159,044
Construction in Progress	<u>1,515,481</u>	-	-	<u>(1,515,481)</u>	-
<u>Total Non-Depreciable Assets</u>	<u>2,674,525</u>	-	-	<u>(1,515,481)</u>	<u>1,159,044</u>
<u>Depreciable Assets:</u>					
Buildings & Site Improvements	63,943,671	1,716,656	-	-	65,660,327
Vehicles	2,547,444	-	-	-	2,547,444
Equipment	1,203,205	26,600	7,400	-	1,222,405
Food Service	<u>1,107,564</u>	<u>13,862</u>	-	-	<u>1,121,426</u>
<u>Total Depreciable Assets</u>	<u>68,801,884</u>	<u>1,757,118</u>	<u>7,400</u>	-	<u>70,551,602</u>
<u>Less Accumulated</u> <u>Depreciation for:</u>					
Building & Site Improvements	25,571,378	2,098,841	-	-	27,670,219
Vehicles	1,808,998	100,988	-	-	1,909,986
Equipment	982,758	44,508	5,109	-	1,022,157
Food Service	<u>1,080,390</u>	<u>25,802</u>	-	-	<u>1,106,192</u>
<u>Total Accumulated</u> <u>Depreciation</u>	<u>29,443,524</u>	<u>2,270,139</u>	<u>5,109</u>	-	<u>31,708,554</u>
<u>Total Capital Assets Being</u> <u>Depreciated, Net</u>	<u>39,358,360</u>	<u>(513,021)</u>	<u>2,291</u>	-	<u>38,843,048</u>
<u>Governmental Activities</u> <u>Capital Assets, Net</u>	<u>42,032,885</u>	<u>(513,021)</u>	<u>2,291</u>	<u>(1,515,481)</u>	<u>40,002,092</u>

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

<u>Governmental Activities:</u>	
Instruction	2,136,362
Operations and Maintenance	3,940
Transportation	104,035
Food Service	<u>25,802</u>
<u>Total Depreciation Expense –Governmental Activities</u>	<u>2,270,139</u>

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 6 INTERFUND ACTIVITY

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General	3,319,100	262,500
Designated Purpose Grant Fund	87,793	2,494,593
Student Activity Fund	-	-
Food Service	-	418,478
Capital Reserve-Capital Project	290,672	270,821
Debt Service	-	251,173
	<u>3,697,565</u>	<u>3,697,565</u>
	<u>Transfers From Other Funds</u>	<u>Transfers To Other Funds</u>
General	-	629,231
Student Activity	506,395	-
Capital Reserve – Capital Project	122,836	-
	<u>629,231</u>	<u>629,231</u>

Due to and from funds are created by cash flow requirements. All are expected to be repaid within one year. Transfers were made to fund operations.

NOTE 7 LONG-TERM DEBT – CAPITAL LEASES AND GENERAL OBLIGATIONS

The following is a summary of the transactions in the District's long-term debt:

	<u>Balance at 7-1-2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at 6-30-2021</u>	<u>Current Portion</u>
G.O. Bond Series 2009 B	940,000	-	75,000	865,000	80,000
G.O. Matching Bonds 2009	6,370,000	-	530,000	5,840,000	550,000
G.O. Bonds 2013 A	2,975,000	-	695,000	2,280,000	725,000
Bus Lease	186,062	-	91,117	94,945	94,945
<u>Total</u>	<u>10,471,062</u>	<u>-</u>	<u>1,391,117</u>	<u>9,079,945</u>	

Long-Term Debt as of June 30, 2021, is comprised of the following:

Series 2009 Matching Money Bonds, Series 2009 B General Obligation Bonds

These general obligation debts were issued August 12, 2009 and November 17, 2009, respectively, for the purpose of constructing District Facilities. The Series 2009 Matching Money Bonds of \$10,484,032 were used to match \$24,948,623 in State of Colorado – BEST Program funds as required under the State of Colorado Building Excellent Schools Today Qualified School Construction Program. In addition to the series 2009 Matching Money Bonds and the BEST program funds, the District will use \$1,515,000 of Series 2009 B General Obligation Bonds to do the building project. The Series 2009 Matching Money Bonds were issued at an interest rate 4.135204%. The interest rates on the Series 2009 B General Obligation Bonds range from 4.5% to 5.4%. Series 2009 B G.O. Bonds have an optional call date of December 1, 2019 at 100%.

At the completion of construction, the District will fund \$120,000 per year for 10 years to fully fund the maintenance reserve requirement of the BEST Grant agreement.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 7 LONG-TERM DEBT – CAPITAL LEASES AND GENERAL OBLIGATIONS (Continued)

	Series 2009		Series 2009 B	
	<u>Matching Money Bonds</u>		<u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	550,000	230,124	80,000	44,550
2023	570,000	206,967	80,000	40,230
2024	595,000	182,879	85,000	35,775
2025	620,000	157,758	90,000	31,050
2026	645,000	131,603	95,000	26,055
2027	670,000	104,414	100,000	20,790
2028	700,000	76,088	105,000	15,255
2029	730,000	46,521	110,000	9,450
2030	<u>760,000</u>	<u>15,714</u>	<u>120,000</u>	<u>3,240</u>
Total	<u>5,840,000</u>	<u>1,152,068</u>	<u>865,000</u>	<u>226,395</u>

General Obligation Series 2013
 General Obligation Refunding Series 2013
Capital Appreciation Bonds 2013

On March 20, 2013, the District issued \$4,990,000 in General Obligation Bonds bearing interest rates ranging from 2.0% to 4.0% (at a premium of \$823,063), \$1,555,000 in General Obligation Refunding Bonds to advance refund \$1,680,000 of 2003 General Obligation Refunding Bonds with an average interest rate of 3.33%, and \$212,285 of Capital Appreciation Bonds.

Refunding proceeds of \$1,767,285 were deposited with an escrow agent to provide debt service payments of \$1,680,000 in principal and \$137,514 in interest on the 2003 Series Bonds. As a result, \$855,000 of 2003 Bonds are outstanding but considered to be defeased at June 30, 2018.

The District completed the advance refunding to reduce the total debt service payments over the next 3 years by \$23,539 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of approximately \$22,000.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 7 LONG-TERM DEBT – CAPITAL LEASES AND GENERAL OBLIGATIONS (Continued)

As a result of the difference between the reacquisition price and the carrying amount of the old debt (including unamortized premium), a deferred refunding was recorded in the amount of \$88,119. It was amortized against interest costs of the 2013 Refunding Series.

Below is a schedule of the remaining debt service requirements to maturity:

2013 G.O. Issue

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2022	725,000	76,700
2023	765,000	46,900
2024	790,000	15,800
	<u>2,280,000</u>	<u>139,400</u>

Early Retirement Bonuses Payable

A bonus is paid by the District to retirees meeting the requirements outlined in policy regarding age (50) and years of service (15). The bonus is paid in equal annual installments over five years beginning no later than the July or January immediately following retirement. The bonus is calculated as a percentage of salary as listed in the salary schedule. Percentages range from 40% to 75%. Amounts due within 60 days of year end are included in the General Fund as a liability.

The changes in the bonuses payable follow:

<u>Balance at 7-1-2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at 6-30-2021</u>
<u>330,748</u>	<u>-</u>	<u>21,851</u>	<u>308,897</u>

Bus Lease

During the year ended June 30, 2020 the District acquired three buses with a lease purchase arrangement. The lease requires three annual payments of \$98,932 starting on the agreement date of November 12, 2019. The payments include interest at a rate of 4.2 percent. The following indicates the future minimum payments required:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	<u>94,945</u>	<u>3,987</u>	<u>98,932</u>
Less: Amounts Representing Interest			<u>(3,987)</u>
Net Present Value of Future Minimum Payments			<u>94,945</u>

NOTE 8 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Alamosa School District RE-11J participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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 June 30, 2021.

General Information about the Pension Plan

Plan description. Eligible employees of the Alamosa School District RE-11J are provided with pensions through the SCHDTF - a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (Annual Report) that can be obtained at 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.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 8 PENSION PLAN (Continued)

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

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

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

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

As of December 31, 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 lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in C.R.S. § 24-51-413.

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

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

Contributions provisions as of June 30, 2021: Eligible employees of, Alamosa School District RE-11J and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 10.00 percent of their PERA-includable salary during the period of July 1, 2020 through June 30, 2021. Employer contribution requirements are summarized in the table below.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 8 PENSION PLAN (Continued)

	July 1, 2020 Through June 30, 2021
Employer contribution rate	10.90%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount apportioned to the SCHDTF	9.88%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%
Total employer contribution rate to the SCHDTF	19.88%

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

As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million (actual dollars) each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. House Bill (HB) 20-1379 suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Alamosa School District RE-11J is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Alamosa School District RE-11J were \$2,404,095 for the year ended June 30, 2021.

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

The net pension liability for the SCHDTF was measured as of December 31, 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 Alamosa School District RE-11J proportion of the net pension liability was based on Alamosa School District RE-11J contributions to the SCHDTF for the calendar year 2020 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

Due to the aforementioned suspension of the July 1, 2020, direct distribution payment, the nonemployer contributing entity's proportion is zero percent. Pursuant to C.R.S. § 24-51-414, the direct distribution payment from the State of Colorado is to recommence annually starting on July 1, 2021. For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 8 PENSION PLAN (Continued)

At June 30, 2021, the Alamosa School District RE-11J reported a liability of \$33,141,348 for its proportionate share of the net pension liability. The amount recognized by the Alamosa School District RE-11J as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with Alamosa School District RE-11J were as follows:

Alamosa School District RE-11J proportionate share of the net pension liability	\$ 33,141,348
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Alamosa School District RE-11J	-
Total	\$ 33,141,348

At December 31, 2020, the Alamosa School District RE-11J proportion was 0.22 percent, which was an increase of 0.02 percent from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the Alamosa School District RE-11J recognized pension income of \$9,050,756. At June 30, 2021, the Alamosa School District RE-11J reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	1,820,952	-
Changes of assumptions or other inputs	3,188,095	(5,570,780)
Net difference between projected and actual earnings on pension plan investments	-	(7,295,165)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	3,328,822	(1,986,441)
Contributions subsequent to the measurement date	1,257,721	N/A
Total	9,595,590	(14,852,386)

\$1,257,721 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30, 2021	
2022	(6,119,413)
2023	1,572,398
2024	(816,649)
2025	(1,150,853)
2026	-
Thereafter	-

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 8 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% – 9.70 %
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*	Financed by the AIR

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

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 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

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

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 periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 8 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	3.40 % – 11.00 %
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 %
Discount rate	7.25 %
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.25 %
PERA benefit structure hired after 12/31/06*	Financed by the AIR

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

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.

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

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

- **Males:** 112 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 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.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 8 PENSION PLAN (Continued)

Disabled mortality assumptions 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 percentage 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:

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

*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.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 8 PENSION PLAN (Continued)

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 increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded: HB 20-1379 suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020, for the State's 2020-21 fiscal year.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 8 **PENSION PLAN (Continued)**

Based on the above assumptions and methods, the SCHDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 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 Alamosa School District RE-11J 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	45,207,512	33,141,348	23,086,256

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

Defined Contribution Pension Plan

Voluntary Investment Program

Plan Description – Employees of the Alamosa School District RE-11J that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available Annual Report which includes additional information on the Voluntary Investment Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2021, program members contributed \$63,770.

NOTE 9 OTHER POST EMPLOYMENT BENEFITS

Defined Benefit Other Post Employment Benefit (OPEB) Plan

Summary of Significant Accounting Policies

OPEB. Alamosa School District RE-11J participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

Plan description. Eligible employees of the Alamosa School District RE-11J 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.

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.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

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.

DPS Benefit Structure

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

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

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

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Alamosa School District RE-11J is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Alamosa School District RE-11J were \$123,300 for the year ended June 30, 2021.

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

At June 30, 2021, the Alamosa School District RE-11J reported a liability of \$1,204,970 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 Alamosa School District RE-11J proportion of the net OPEB liability was based on Alamosa School District RE-11J 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 Alamosa School District RE-11J proportion was 0.127 percent, which was a decrease of 0.003 percent from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the Alamosa School District RE-11J recognized OPEB income of \$107,924. At June 30, 2021, the Alamosa School District RE-11J reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	3,198	(264,910)
Changes of assumptions or other inputs	9,003	(73,888)
Net difference between projected and actual earnings on OPEB plan investments	-	(49,236)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	5,680	(69,543)
Contributions subsequent to the measurement date	64,503	N/A
Total	82,384	(457,577)

\$64,503 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 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 June 30, 2021	
2022	(100,702)
2023	(93,813)
2024	(105,025)
2025	(99,167)
2026	(38,524)
Thereafter	(2,465)

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 9 **OTHER POST EMPLOYMENT BENEFITS (Continued)**

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

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:

	Initial Costs for Members Without Medicare Part A		
	Monthly Cost	Monthly Premium	Monthly Cost Adjusted to Age 65
Medicare Plan			
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.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 9 **OTHER POST EMPLOYMENT BENEFITS (Continued)**

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.

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
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.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

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

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

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.

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.

	Trust Fund			
	State Division	School Division	Local Government Division	Judicial Division
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% *	N/A

* 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.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

- **Males:** 94 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.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

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.

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.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 9 **OTHER POST EMPLOYMENT BENEFITS (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*	6.00%	4.70%
Total	100.00%	

*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.

Sensitivity of the Alamosa School District RE-11J 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	1,173,826	1,204,970	1,241,226

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.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (Continued)

- 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.

Sensitivity of the Alamosa School District RE-11J proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	1,380,315	1,204,970	1,055,151

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.

ALAMOSA SCHOOL DISTRICT RE-11J
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 10 JOINT VENTURE

Not reflected in the accompanying financial statements is the District's participation in the San Luis Valley Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational services at a shared lower cost per district.

The District has one member on the Board. This Board has final authority for all budgeting and financing of the joint venture. The District's share of the joint venture is not determinable at June 30, 2021. The joint venture summary audited financial information as of June 30, 2020, is as follows:

Assets and Deferred Outflows	4,572,191
Liabilities and Deferred Inflows	<u>14,187,306</u>
Net Position	<u>(9,615,115)</u>
Revenues	4,974,881
Expenses	<u>3,072,660</u>
Change in Net Position	<u>1,902,221</u>

The BOCES is not included as a component unit of the District as the financial responsibility is minimal, there is no financial interdependency, the District does not have the ability to significantly influence the operations of the BOCES and the District is not accountable for fiscal matters of the BOCES. The BOCES is audited annually, and a financial statement is filed with the Colorado State Auditor's Office.

NOTE 11 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL (CSDSIP)

The District belongs to the Colorado School District's Self-Insurance Pool. The Pool was established by the Colorado Association of School Boards (CASB) to provide insurance coverage to participants in the areas of General Liability, Errors and Omissions, Automobile Liability, Auto Physical Damage, Auto Personal Injury Protection, Real and Personal Property, Crime, and other coverage. The Board of Directors is composed of nine persons; all of whom are appointed by the Board of Directors of CSDSIP. The Pool is managed by an executive director chosen by the Board of Directors. Each member's initial contribution and subsequent contributions are determined by the Pool based on factors including, but not limited to, the Aggregate Pool claims, the cost of Administrative and other operating expenses, the number of participants, the adequacy of both Operating and Reserve Funds and other factors touching on the status of the Pool or an individual participant, and as approved by the Colorado Insurance Commissioner.

ALAMOSA SCHOOL DISTRICT RE-11J
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 11 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL (continued)

As the District did not exercise oversight responsibility nor have sufficient control over Pool activities, the Pool is not a component unit of the District and only the District's share of contributions to the Pool is recorded as Expenditures in the Insurance Reserve Fund.

The District's share in the Pool is not determinable from current information, but is estimated to be less than 1%. The District's share, if calculated, would not be material to the Pool's financial information at June 30, 2021.

An audited summary of the Colorado School District's Pool financial information for the year ended June 30, 2020 (latest information available) follows:

Total Assets	<u>50,982,972</u>
Total Liabilities	<u>23,141,059</u>
Total Equity	<u>27,841,913</u>
Revenue	31,306,454
Underwriting Expenses	<u>26,904,016</u>
Underwriting Gain (Loss)	4,402,438
Net Investment Income	1,580,789
Other Income	-
Net Income (Loss) Before Dividend	<u>5,983,227</u>
Dividend	-
Net Income	<u>5,983,227</u>
Transfer of Capital Contributions	-
Change in Non Admitted Assets	<u>48,913</u>
Capital Contributions from Members	-
Unassigned Surplus	<u>27,841,913</u>

NOTE 12 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 13 SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES

Claims and Judgments - The District participates in a number of federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2021, significant amounts of grant expenditures have not been audited by the grantor but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the District.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISONS

PENSION TREND DATA

OPEB TREND DATA

MAJOR FUNDS

General Fund

The General Fund accounts for all transactions of the District not accounted for in other funds. This fund represents an accounting for the District's ordinary operations financed from property taxes and other general revenues. It is the most significant fund in relation to the District's overall operations.

Designated Purpose Grant Funds

The Designated Purpose Grant Fund is provided to maintain a separate accounting for federal and state grant programs normally having a different fiscal period than that of the District.

ALAMOSA SCHOOL DISTRICT RE-11J
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2021

<u>REVENUES</u>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Local Sources</u>				
Property Taxes	3,937,298	3,937,298	3,962,155	24,857
Specific Ownership Taxes	499,814	499,814	785,678	285,864
Earnings on Investments	4,000	4,000	19,523	15,523
Delinquent Taxes & Interest	-	-	19,578	19,578
Other	400	400	205,053	204,653
<u>State Sources</u>				
Equalization	14,030,649	14,030,649	14,679,345	648,696
Transportation	-	-	134,202	134,202
Vocational Education	40,250	40,250	50,036	9,786
Other	-	-	2,438	2,438
<u>Federal Sources</u>				
Designated Purpose Grants	-	-	-	-
Other	-	-	-	-
<u>TOTAL REVENUES</u>	<u>18,512,411</u>	<u>18,512,411</u>	<u>19,858,008</u>	<u>1,345,597</u>
 <u>EXPENDITURES</u>				
<u>INSTRUCTION</u>				
Salaries	6,944,929	6,944,929	6,778,512	166,417
Employee Benefits	2,769,203	2,769,203	2,204,849	564,354
Purchased Services - Professional	1,437,300	1,437,300	962,833	474,467
Purchased Services – Property	320	320	-	320
Purchased Services – Other	355,390	355,390	222,084	133,306
Supplies and Materials	223,450	223,450	321,098	(97,648)
Property	140,940	140,940	32,969	107,971
Other Objects	163,680	163,680	116,182	47,498
<u>Total Instruction</u>	<u>12,035,212</u>	<u>12,035,212</u>	<u>10,638,527</u>	<u>1,396,685</u>
<u>SUPPORTING SERVICES</u>				
<u>Student Supporting Services</u>				
Salaries	642,000	642,000	591,541	50,459
Employee Benefits	279,978	279,978	213,179	66,799
Purchased Services – Professional	6,900	6,900	260	6,640
Purchased Services – Property	-	-	-	-
Purchased Services – Other	1,960	1,960	210	1,750
Supplies and Materials	4,820	4,820	7,505	(2,685)
Property	-	-	-	-
Other Objects	-	-	-	-
<u>Total Student Supporting Services</u>	<u>935,658</u>	<u>935,658</u>	<u>812,695</u>	<u>122,963</u>

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

ALAMOSA SCHOOL DISTRICT RE-11J
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance - Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>SUPPORTING SERVICES (Continued)</u>				
<u>Instructional Staff</u>				
Salaries	175,690	175,690	161,711	13,979
Benefits	71,700	71,700	61,402	10,298
Purchased Services – Professional	32,800	32,800	26,179	6,621
Purchased Services – Property	232	232	55	177
Purchased Services – Other	7,500	7,500	75,373	(67,873)
Supplies and Materials	27,500	27,500	8,362	19,138
Property	<u>2,700</u>	<u>2,700</u>	<u>513</u>	<u>2,187</u>
<u>Total Instructional Staff</u>	<u>318,122</u>	<u>318,122</u>	<u>333,595</u>	<u>(15,473)</u>
<u>General Administration</u>				
Salaries	346,027	346,027	219,025	127,002
Employee Benefits	108,672	108,672	56,033	52,639
Purchased Services – Professional	152,760	152,760	129,087	23,673
Purchased Services – Other	23,800	23,800	23,221	579
Supplies and Materials	14,400	14,400	3,771	10,629
Property	1,200	1,200	1,130	70
Other Objects	<u>548,800</u>	<u>548,800</u>	<u>3,904</u>	<u>544,896</u>
<u>Total General Administration</u>	<u>1,195,659</u>	<u>1,195,659</u>	<u>436,171</u>	<u>759,488</u>
<u>School Administration</u>				
<u>Office of the Principal</u>				
Salaries	968,831	968,831	548,574	420,257
Employee Benefits	378,270	378,270	318,816	59,454
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	-	-	-	-
Purchased Services – Other	58,700	58,700	64,339	(5,639)
Supplies and Materials	14,660	14,660	25,629	(10,969)
Property	<u>2,328</u>	<u>2,328</u>	<u>6,328</u>	<u>(4,000)</u>
<u>Total School Administration</u>	<u>1,422,789</u>	<u>1,422,789</u>	<u>963,686</u>	<u>459,103</u>
<u>Business Services</u>				
Salaries	182,900	182,900	196,246	(13,346)
Employee Benefits	63,744	63,744	63,932	(188)
Purchased Services – Professional	3,360	3,360	1,144	2,216
Purchased Services – Property	10,240	10,240	10,728	(488)
Purchased Services – Other	60,630	60,630	61,597	(967)
Supplies and Materials	9,462	9,462	11,687	(2,225)
Property	-	-	1,333	(1,333)
Other Objects	<u>20,960</u>	<u>20,960</u>	<u>1,339</u>	<u>19,621</u>
<u>Total Business Services</u>	<u>351,296</u>	<u>351,296</u>	<u>348,006</u>	<u>3,290</u>

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

ALAMOSA SCHOOL DISTRICT RE-11J
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance -
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>SUPPORTING SERVICES (Continued)</u>				
<u>Operations and Maintenance</u>				
Salaries	973,247	973,247	531,559	441,688
Employee Benefits	393,814	393,814	186,205	207,609
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	267,305	267,305	225,292	42,013
Purchased Services – Other	99,760	99,760	85,064	14,696
Supplies and Materials	477,560	477,560	504,545	(26,985)
Property	6,895	6,895	25,173	(18,278)
Other Objects	-	-	-	-
<u>Total Operations and Maintenance</u>	<u>2,218,581</u>	<u>2,218,581</u>	<u>1,557,838</u>	<u>660,743</u>
<u>Student Transportation</u>				
Salaries	464,868	464,868	360,979	103,889
Employee Benefits	163,379	163,379	107,309	56,070
Purchased Services – Property	-	-	18,610	(18,610)
Purchased Services – Other	15,680	15,680	4,520	11,160
Supplies and Materials	10,870	10,870	2,296	8,574
Property	133,860	133,860	75,585	58,275
Other Objects	109,800	109,800	931	108,869
<u>Total Student Transportation</u>	<u>898,457</u>	<u>898,457</u>	<u>570,230</u>	<u>328,227</u>
<u>Central Support</u>				
Salaries	206,800	206,800	169,807	36,993
Employee Benefits	82,527	82,527	78,905	3,622
Purchased Services – Professional	403,218	403,218	376,108	27,110
Purchased Services – Property	245,000	245,000	233,016	11,984
Purchased Services – Other	419,473	419,473	135,923	283,550
Supplies and Materials	1,600	1,600	8,313	(6,713)
Property	38,400	38,400	46,544	(8,144)
Other Objects	-	-	-	-
<u>Total Central Support</u>	<u>1,397,018</u>	<u>1,397,018</u>	<u>1,048,616</u>	<u>348,402</u>
<u>Facilities Acquisition and Construction</u>				
Purchased Services – Property	-	-	-	-
Property	-	-	-	-
<u>Total Facilities Acquisition and Construction</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>8,737,580</u>	<u>8,737,580</u>	<u>6,070,837</u>	<u>2,666,743</u>

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

ALAMOSA SCHOOL DISTRICT RE-11J
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Debt Service</u>				
Principal	320	320	91,117	(90,797)
Interest	<u>-</u>	<u>-</u>	<u>7,715</u>	<u>(7,715)</u>
<u>Total Debt Service</u>	<u>320</u>	<u>320</u>	<u>98,832</u>	<u>(98,512)</u>
 <u>APPROPRIATED RESERVES</u>	 <u>640,000</u>	 <u>640,000</u>	 <u>-</u>	 <u>640,000</u>
 <u>TOTAL EXPENDITURES</u>	 <u>21,413,112</u>	 <u>21,413,112</u>	 <u>16,808,196</u>	 <u>4,604,916</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	 <u>(2,900,701)</u>	 <u>(2,900,701)</u>	 <u>3,049,812</u>	
 <u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	(2,332,855)	(2,332,855)	(629,231)	1,703,624
<u>Total Other Financing Sources (Uses)</u>	<u>(2,332,855)</u>	<u>(2,332,855)</u>	<u>(629,231)</u>	<u>1,703,624</u>
 <u>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	 <u>(5,233,556)</u>	 <u>(5,233,556)</u>	 <u>2,420,581</u>	
 <u>FUND BALANCE, July 1</u>	 <u>5,243,056</u>	 <u>5,243,056</u>	 <u>7,062,154</u>	
 <u>FUND BALANCE, June 30</u>	 <u>9,500</u>	 <u>9,500</u>	 <u>9,482,735</u>	

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

ALAMOSA SCHOOL DISTRICT RE-11J
DESIGNATED PURPOSE GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
For the Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance -
	<u>Original</u>	<u>Budget</u>		Favorable (Unfavorable)
<u>Revenues</u>				
Local Sources	-	-	173,128	173,128
State Sources	-	-	1,255,827	1,255,827
Federal Sources	<u>8,921,013</u>	<u>8,921,013</u>	<u>5,104,361</u>	<u>(3,816,652)</u>
<u>Total Revenues</u>	<u>8,921,013</u>	<u>8,921,013</u>	<u>6,533,316</u>	<u>(2,387,697)</u>
<u>Expenditures</u>				
<u>Instruction:</u>				
Salaries	1,217,335	1,217,335	928,781	288,554
Employee Benefits	381,158	381,158	291,972	89,186
Purchased Services – Professional	277,570	277,570	83,275	194,295
Purchased Services – Property	-	-	-	-
Purchased Services – Other	16,268	16,268	6,705	9,563
Supplies and Material	163,314	163,314	171,207	(7,893)
Property	259,630	259,630	191,134	68,496
Other Objects	3,742	3,742	1,950	1,792
Pupil Support	5,339,209	5,339,209	3,976,698	1,362,511
Staff Support	216,472	216,472	100,102	116,370
General Administration	14,165	14,165	5,066	9,099
School Administration	-	-	-	-
Operations and Maintenance	497,506	497,506	461,561	35,945
Central Support	396,035	396,035	314,865	81,170
Appropriated Reserves	<u>138,609</u>	<u>138,609</u>	-	<u>138,609</u>
<u>Total Expenditures</u>	<u>8,921,013</u>	<u>8,921,013</u>	<u>6,533,316</u>	<u>2,387,697</u>
<u>Revenues Over (Under) Expenditures</u>	-	-	-	
<u>FUND BALANCE, July 1</u>	-	-	-	
<u>FUND BALANCE, June 30</u>	-	-	-	

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

ALAMOSA SCHOOL DISTRICT RE-11J
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<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>	<u>2012</u>
District's proportion of the net pension liability (asset)	0.2192%	0.1984%	0.2060%	0.2355%	0.2334%	0.2277%	0.2198%	0.2220%	-	-
District's proportionate share of the net pension liability (asset)	\$33,141,348	\$29,645,208	\$36,477,112	\$76,143,766	\$69,498,143	\$34,828,766	\$29,789,453	\$28,316,956	-	-
State's proportionate share of the net pension liability associated with the District**	-	\$3,760,112	\$4,987,739	-	-	-	-	-	-	-
District's covered payroll	\$12,088,273	\$11,857,706	\$11,470,474	\$11,027,725	\$10,702,862	\$10,146,019	\$9,652,086	\$8,928,288	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	274%	250%	318%	690%	649%	343%	309%	317%	-	-
Plan fiduciary net position as a percentage of the total pension liability	66.99%	64.52%	57.01%	43.96%	43.13%	59.16%	62.80%	64.06%	-	-

** A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018 based on Senate Bill 18-200.

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

ALAMOSA SCHOOL DISTRICT RE-11J
 SCHEDULE OF DISTRICT CONTRIBUTIONS - PENSION
 For The Last 10 Fiscal Years (As Available)

	<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>	<u>2012</u>
Contractually required contributions	\$ 2,404,095	\$ 2,298,026	\$ 2,194,304	\$ 2,082,562	\$ 1,967,677	\$ 1,800,087	\$ 1,630,886	\$ 1,427,296	\$ 1,358,382	-
Contributions in relation to the contractually required contributions	<u>\$(2,404,095)</u>	<u>\$(2,298,026)</u>	<u>\$(2,194,304)</u>	<u>\$(2,082,562)</u>	<u>\$(1,967,677)</u>	<u>\$(1,800,087)</u>	<u>\$(1,630,886)</u>	<u>\$(1,427,296)</u>	<u>\$(1,358,382)</u>	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$12,088,273	\$11,857,706	\$11,470,474	\$11,027,725	\$10,702,862	\$10,146,019	\$9,652,086	\$8,928,288	\$9,007,251	-
Contributions as a percentage of covered payroll	19.88%	19.38%	19.13%	18.88%	18.38%	17.74%	16.90%	15.99%	15.08%	-

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

ALAMOSA SCHOOL DISTRICT RE-11J
 SCHEDULE OF PROPORTIONATE SHARE OF NET OTHER POST EMPLOYMENT BENEFIT LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<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>	<u>2012</u>
District's proportion of the net OPEB liability (asset)	0.1268%	0.1297%	0.1339%	0.1338%	0.1327%	-	-	-	-	-
District's proportionate share of the net OPEB liability (asset)	\$1,204,970	\$1,457,593	\$1,821,809	\$1,738,820	\$1,720,223	-	-	-	-	-
District's covered payroll	\$12,088,273	\$11,857,706	\$11,470,474	\$11,027,725	\$10,702,862	-	-	-	-	-
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	9.96%	12.29%	15.88%	15.77%	16.07%	-	-	-	-	-
Plan fiduciary net position as a percentage of the total OPEB liability	32.78%	24.49%	17.03%	17.53%	16.72%	-	-	-	-	-

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

ALAMOSA SCHOOL DISTRICT RE-11J
 SCHEDULE OF DISTRICT CONTRIBUTIONS - OPEB
 For The Last 10 Fiscal Years (As Available)

	<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>	<u>2012</u>
Contractually required contributions	\$ 123,300	\$ 120,948	\$ 116,998	\$ 112,483	\$ 109,169	-	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$(123,300)</u>	<u>\$(120,948)</u>	<u>\$(116,998)</u>	<u>\$(112,483)</u>	<u>\$(109,169)</u>	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-
District's covered payroll	\$12,088,273	\$11,857,706	\$11,470,474	\$11,027,725	\$10,702,862	-	-	-	-	-
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	-	-	-	-	-

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES

Bond Redemption Debt Service Fund

Bond Redemption Debt Service Fund – used to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.

Capital Reserve – Capital Projects Fund

Capital Projects Fund – used to account for the acquisition of sites, buildings, equipment and vehicles.

NON MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds account for revenues that are legally restricted to expenditures for specified purposes.

Food Service Fund – This fund accounts for all financial activities associated with the District's school breakfast and lunch programs.

Student Activity Fund – This fund is used to account for the costs associated with school athletics programs, other co-curricular instruction and student support activities for clubs and organizations.

ALAMOSA SCHOOL DISTRICT RE-11J
 BOND REDEMPTION - DEBT SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
 For the Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Property Tax	1,710,877	1,741,651	30,774
Earnings on Investments	4,500	2,072	(2,428)
Other Local	-	9,098	9,098
<u>Total Revenues</u>	<u>1,715,377</u>	<u>1,752,821</u>	<u>37,444</u>
<u>EXPENDITURES</u>			
Debt Service:			
Principal	1,300,000	1,300,000	-
Interest	406,289	406,289	-
Other	-	-	-
Appropriated Reserves	<u>1,524,021</u>	-	<u>1,524,021</u>
<u>Total Expenditures</u>	<u>3,230,310</u>	<u>1,706,289</u>	<u>1,524,021</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(1,514,933)	46,532	
<u>FUND BALANCES, July 1</u>	<u>1,514,933</u>	<u>1,609,739</u>	
<u>FUND BALANCES, June 30</u>	<u>-</u>	<u>1,656,271</u>	

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

ALAMOSA SCHOOL DISTRICT RE-11J
 CAPITAL RESERVE CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
 For the Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>REVENUES:</u>			
Earnings on Investments	1,000	14	(986)
State Grants	<u>260,496</u>	<u>126,817</u>	<u>(133,679)</u>
<u>Total Revenues</u>	<u>261,496</u>	<u>126,831</u>	<u>(134,665)</u>
 <u>EXPENDITURES:</u>			
Land and Sites	-	-	-
Building and Improvements	1,444,371	262,566	1,181,805
Equipment:			
Transportation Equipment	107,529	-	107,529
Other Equipment	-	-	-
Other	-	-	-
Appropriated Reserves	<u>528,382</u>	<u>-</u>	<u>528,382</u>
<u>Total Expenditures</u>	<u>2,080,282</u>	<u>262,566</u>	<u>1,817,716</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	 (1,818,786)	 (135,735)	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>1,787,930</u>	<u>122,836</u>	<u>(1,665,094)</u>
 <u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	 (30,856)	 (12,899)	
 <u>FUND BALANCES, July 1</u>	 <u>30,856</u>	 <u>30,855</u>	
 <u>FUND BALANCES, June 30</u>	 <u>-</u>	 <u>17,956</u>	

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

ALAMOSA SCHOOL DISTRICT RE-11J
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2021

	<u>Special Revenue Funds</u>		Total Non-Major Governmental Funds
	<u>Food Service</u>	<u>Student Activity</u>	
<u>ASSETS</u>			
Cash and Equivalents	1,581,517	526,999	2,108,516
Investments	-	-	-
Accounts Receivable	284,173	-	284,173
Accrued Revenue	-	-	-
Due from Other Funds	-	-	-
Inventories	45,254	-	45,254
Receivables – Other	-	-	-
<u>Total Assets</u>	<u>1,910,944</u>	<u>526,999</u>	<u>2,437,943</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>Liabilities:</u>			
Accounts Payable	20,520	7,306	27,826
Accrued Salaries	84,050	41,948	125,998
Due to Other Funds	418,478	-	418,478
Deposits Held	-	-	-
<u>Total Liabilities</u>	<u>523,048</u>	<u>49,254</u>	<u>572,302</u>
 <u>Fund Balances:</u>			
Nonspendable:			
Inventories	45,254	-	45,254
Restricted:			
Food Service	1,342,642	-	1,342,642
Assigned:			
Student Activities	-	477,745	477,745
Unassigned	-	-	-
<u>Total Fund Balances</u>	<u>1,387,896</u>	<u>477,745</u>	<u>1,865,641</u>
 <u>TOTAL LIABILITIES & FUND BALANCES</u>			
	<u>1,910,944</u>	<u>526,999</u>	<u>2,437,943</u>

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

ALAMOSA SCHOOL DISTRICT RE-11J
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2021

	Special Revenue Funds		Total Non-Major Governmental Funds
	Food Service	Student Activity	
REVENUES:			
Local Sources:			
Earnings on Investments	1,083	128	1,211
Fees and Charges	5,199	23,166	28,365
Other	29,249	203,751	233,000
State Aid	25,468	-	25,468
Federal Aid	2,018,278	-	2,018,278
<u>Total Revenues</u>	<u>2,079,277</u>	<u>227,045</u>	<u>2,306,322</u>
EXPENDITURES:			
Current:			
Instructional Services	-	397,169	397,169
Supporting Services:			
Students	-	182,314	182,314
Instructional Staff	-	-	-
District Administration	-	-	-
School Administration	-	-	-
Business	-	-	-
Operation & Maintenance of Facilities	-	-	-
Transportation	-	-	-
Food Service	1,148,420	-	1,148,420
Debt Service	-	-	-
Capital Outlay	-	-	-
<u>Total Expenditures</u>	<u>1,148,420</u>	<u>579,483</u>	<u>1,727,903</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	930,857	(352,438)	578,419
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	-	506,395	506,395
<u>NET CHANGE IN FUND BALANCES</u>	930,857	153,957	1,084,814
<u>FUND BALANCES, Beginning</u>	<u>457,039</u>	<u>323,788</u>	<u>780,827</u>
<u>FUND BALANCES, Ending</u>	<u>1,387,896</u>	<u>477,745</u>	<u>1,865,641</u>

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

ALAMOSA SCHOOL DISTRICT RE-11J
 FOOD SERVICES – SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
<u>Local Sources</u>			
Food Sales	5,800	5,199	(601)
Earnings on Investments	200	1,083	883
Other	-	29,249	29,249
<u>State Sources</u>			
School Lunches and Breakfast	-	25,468	25,468
<u>Federal Sources</u>			
School Lunches and Breakfast	1,292,883	1,951,184	658,301
Commodities	50,800	67,094	16,294
<u>Total Revenues</u>	<u>1,349,683</u>	<u>2,079,277</u>	<u>729,594</u>
 <u>EXPENDITURES</u>			
Salaries	546,671	380,130	166,541
Employee Benefits	260,814	175,321	85,493
Purchased Services – Professional	-	-	-
Purchased Services – Property	19,000	33,353	(14,353)
Purchased Services - Other	4,000	502	3,498
Food Purchases	665,362	432,314	233,048
Capital Outlay	15,500	6,550	8,950
Commodities	-	67,094	(67,094)
Non-Food Supplies	-	53,156	(53,156)
Other	-	-	-
Appropriated Reserves	295,375	-	295,375
<u>Total Expenditures</u>	<u>1,806,722</u>	<u>1,148,420</u>	<u>658,302</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(457,039)</u>	<u>930,857</u>	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	-	-	-
<u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	<u>(457,039)</u>	<u>930,857</u>	
<u>FUND BALANCE, July 1</u>	<u>457,039</u>	<u>457,039</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>1,387,896</u>	

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

ALAMOSA SCHOOL DISTRICT RE-11J
 STUDENT ACTIVITY - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
 For the Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>REVENUES</u>			
Earnings on Investments	-	128	128
Other Local	<u>448,537</u>	<u>226,917</u>	<u>(221,620)</u>
<u>Total Revenues</u>	<u>448,537</u>	<u>227,045</u>	<u>(221,492)</u>
 <u>EXPENDITURES:</u>			
Instruction	541,256	397,169	144,087
Student Support	<u>390,157</u>	<u>182,314</u>	<u>207,843</u>
<u>Total Expenditures</u>	<u>931,413</u>	<u>579,483</u>	<u>351,930</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	(482,876)	(352,438)	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>544,925</u>	<u>506,395</u>	<u>(38,530)</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)</u>	62,049	153,957	
 <u>FUND BALANCE, July 1</u>	282,391	<u>323,788</u>	
 <u>FUND BALANCE, June 30</u>	<u>344,440</u>	<u>477,745</u>	

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

STATE REQUIRED SCHEDULES

Auditor's Integrity Report (Revenues, Expenditures, and Fund Balance by Fund)

Bolded Balance Sheet



Colorado Department of Education
Auditors Integrity Report
 District: 0100 - Alamosa RE-11J
 Fiscal Year 2020-21
 Colorado School District/BOCES

Fund Type & Number	Revenues, Expenditures, & Fund Balance by Fund		1000 - 5999 Total Revenues & 0001-0999 Total Expenditures & 6700-6799 & Prior Per Adj		6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
	Beg Fund Balance & Prior Per Adj (6880*)	+	Other Sources	Other Uses	
Governmental					
10 General Fund	7,033,982		18,117,152	15,685,149	9,486,985
18 Risk Mgmt Sub-Fund of General Fund	0		302,004	302,004	0
19 Colorado Preschool Program Fund	28,172		814,621	814,621	1,750
Sub- Total	7,062,155		192,266,777	1,608,196	9,488,735
11 Charter School Fund	0		0	0	0
20,26-29 Special Revenue Fund	0		0	0	0
06 Supplemental Cap Const, Tech, Main Fund	0		0	0	0
07 Total Program Reserve Fund	0		0	0	0
21 Food Service Spec Revenue Fund	457,039		2,079,277	1,146,420	1,387,896
22 Govt Designated-Purpose Grants Fund	0		6,533,316	6,533,316	0
23 Pupil Activity Special Revenue Fund	323,786		733,440	579,463	477,745
24 Full Day Kindergarten Mill Levy Override	0		0	0	0
25 Transportation Fund	0		0	0	0
31 Bond Redemption Fund	1,609,739		1,752,821	1,706,289	1,556,271
39 Certificate of Participation (COP) Debt Service Fund	0		0	0	0
41 Building Fund	0		0	0	0
42 Special Building Fund	0		0	0	0
43 Capital Reserve Capital Projects Fund	30,856		249,667	262,566	17,956
46 Supplemental Cap Const, Tech, Main Fund	0		0	0	0
Total	9,433,575		30,577,999	27,038,770	19,022,604
Proprietary					
50 Other Enterprise Funds	0		0	0	0
64 (63) Risk-Related Activity Fund	0		0	0	0
66,65-69 Other Internal Service Funds	0		0	0	0
Total	0		0	0	0
Fiduciary					
70 Other Trust and Agency funds	0		0	0	0
72 Private Purpose Trust Fund	0		0	0	0
73 Agency Fund	0		0	0	0
74 Public Activity Agency Fund	0		0	0	0
79 GASB 34 Permanent Fund	0		0	0	0
85 Foundation	0		0	0	0
Total	0		0	0	0
FINAL					



Colorado Department of Education
Bolded Balance Sheet Report
 District 0100 - Alamosa RE-1J
 Fiscal Year 2020-21
 Colorado School District/BOCES

	Governmental						Proprietary						Fiduciary		
	General Funds 10-12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20-22-29	Total Program Revenue Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Gap Const Fund 46	Other Enterprise Funds 50-52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
ASSETS															
Cash and Investments (8100-8104,8111)	7,932,546	0	82,326	2,825,634	0	1,581,517	1,617,312	-4,298	0	0	0	0	0	0	14,235,037
Cash with Fiscal Agent (8105)	75,981	0	0	0	0	0	6,751	0	0	0	0	0	0	0	82,732
Taxes Receivable (8121,8122)	350,000	0	0	0	0	0	197,000	0	0	0	0	0	0	0	547,000
Interfund Loans Receivable (8131,8132)	3,347,272	0	0	87,793	0	0	0	290,672	0	0	0	0	0	0	3,725,738
Intergovernmental Accounts Rec (8141)	70,850	0	0	0	0	0	0	0	0	0	0	0	0	0	70,850
Grants Accounts Receivable (8142)	0	0	0	1,989,958	0	284,173	0	2,403	0	0	0	0	0	0	2,276,534
Inventories (8171,8172,8173)	0	0	0	0	0	45,254	0	0	0	0	0	0	0	0	45,254
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	11,776,649	0	82,326	4,903,385	0	1,910,944	2,021,063	286,777	0	0	0	0	0	0	20,983,144

LIABILITIES & FUND EQUITY

	General Funds	Charter School Fund	Preschool Fund	Special Revenue Funds	Supplemental Cap Const Fund	Total Program Reserve Fund	Food Service Revenue Fund	Debt Service Fund	Capital Projects Fund	Supplemental Cap Const Fund	Other Enterprise Funds	Risk-Related Activity Funds	Other Internal Service Funds	Trust & Agency Funds	Totals	
	10,1,2-18	11	19	20, 22-29	06	07	21	30-39	40-45, 47-49	46	50, 52-59	63-64	60	70-79	85	
Interfund Payables (7401,7402)	290,672	0	0	2,494,593	0	0	418,478	251,173	270,821	0	0	0	0	0	0	3,725,738
Other Payables (7421-7423)	84,565	0	80,576	48,012	0	0	20,520	0	0	0	0	0	0	0	0	233,671
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses (7461)	1,721,525	0	0	522,180	0	0	84,050	0	0	0	0	0	0	0	0	2,327,754
Payroll Ded and Withholdings (7471-7473)	20,052	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,052
Unearned Revenue (7481)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Deferred Revenue (7482)	0	0	0	1,360,856	0	0	0	0	0	0	0	0	0	0	0	1,360,856
Other Current Liabilities (7491,7492,7499)	18,827	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18,827
Deferred Inflow (7800)	160,024	0	0	0	0	0	0	113,619	0	0	0	0	0	0	0	273,643
Total Liabilities	2,295,664	0	80,576	4,475,640	0	0	529,048	364,792	270,821	0	0	0	0	0	0	7,950,541

SINGLE AUDIT SECTION

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TRINIDAD, COLORADO 81082
(719) 846-9241 FAX (719) 846-3352

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

**To the Board of Education
Alamosa School District RE-11J
Alamosa, Colorado 81101**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Alamosa School District RE-11J as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Alamosa School District RE-11J's basic financial statements, and have issued our report thereon dated January 31, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Alamosa School District RE-11J's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Alamosa School District RE-11J's internal control. Accordingly, we do not express an opinion on the effectiveness of the Alamosa School District RE-11J's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Alamosa School District RE-11J's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Dixon, Waller & Co., Inc.

January 31, 2022

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

To the Board of Education
Alamosa School District RE-11J
Alamosa, Colorado 81101

Report on Compliance for Each Major Federal Program

We have audited Alamosa School District RE-11J's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Alamosa School District RE-11J's major federal programs for the year ended June 30, 2021. Alamosa School District RE-11J's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Alamosa School District RE-11J's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Alamosa School District RE-11J's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Alamosa School District RE-11J's compliance.

Opinion on Each Major Federal Program

In our opinion, Alamosa School District RE-11J complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Alamosa School District RE-11J is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Alamosa School District RE-11J's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Alamosa School District RE-11J's internal control over compliance.

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

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

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

Deaton, Waller & Co., INC.

January 31, 2022

ALAMOSA SCHOOL DISTRICT RE-11J
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

SECTION I - SUMMARY OF AUDITOR'S RESULTS:

FINANCIAL STATEMENTS

Auditor's Report

An unmodified report has been issued on the financial statements of Alamosa School District RE-11J.

Internal Control Over Financial Reporting

No significant deficiencies or material weaknesses were identified.

Noncompliance Material to Financial Statements

No instances of noncompliance in amounts material to the financial statements of Alamosa School District RE-11J were disclosed by the audit.

FEDERAL AWARDS

Internal Control Over Major Programs

No significant deficiencies or material weaknesses were identified.

Auditor's Report on Compliance for Major Programs

An unmodified report has been issued on Alamosa School District RE-11J's compliance for major programs.

Audit Findings

No audit findings requiring disclosure in accordance with 2 CFR Section 200.516(a) were disclosed by the audit.

Major Programs

Coronavirus Relief Fund	21.019
Education Stabilization Fund	84.425

Dollar Threshold to Distinguish Type A and Type B Programs

\$750,000.

Qualification as Low-Risk Auditee

The Alamosa School District RE-11J qualified as a low-risk auditee for fiscal year ended June 30, 2021.

ALAMOSA SCHOOL DISTRICT RE-11J
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

(continued)

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

ALAMOSA SCHOOL DISTRICT RE-11J
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2021

None

ALAMOSA SCHOOL DISTRICT RE-11J
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended June 30, 2021

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>State Code</u>	<u>Expenditures</u>
<u>U.S. Department of Education</u>			
(Passed through Colorado Community College and Occupational Education)			
Vocational Education:			
Carl Perkins	84.048	5048	36,611
(Passed through Colorado Department of Education)			
Title II-A Supporting Effective Instruction	84.367	4367	126,491
Title III	84.365	4365	35,284
Title I - Part A	84.010	4010	972,462
Title V-B Rural and Low Income Schools	84.358	6358	50,445
Student Support and Academic Enrichment	84.424	4424	59,383
Education Stabilization Fund	84.425D	4425	669,889
Education Stabilization Fund	84.425D	4420	633,395
Education Stabilization Fund	84.425U	4414	<u>767,877</u>
<u>Total Department of Education</u>			<u>3,351,837</u>
<u>U.S. Department of Agriculture</u>			
Child Nutrition Cluster			
(Passed through Colorado Department of Education)			
National School Lunch Program	10.555	4555	19,950
Summer Program for Children	10.559	4559	1,931,234
Child Nutrition Discretionary Grants	10.579	5579	6,630
(Passed through Colorado Department of Human Services)			
Food Distribution	10.559	4559	<u>67,094</u>
<u>Total Child Nutrition Cluster</u>			<u>2,024,908</u>
<u>Total Department of Agriculture</u>			<u>2,024,908</u>
<u>U.S. Department of the Treasury</u>			
(Passed through Colorado Department of Education)			
Coronavirus Relief Fund	21.019	4012	1,570,501
Coronavirus Relief Fund	21.019	5012	58,341
Coronavirus Relief Fund	21.019	6012	<u>117,052</u>
<u>Total Department of the Treasury</u>			<u>1,745,894</u>
<u>TOTAL EXPENDITURES</u>			<u>7,122,639</u>

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

ALAMOSA SCHOOL DISTRICT RE-11J
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

NOTE 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Alamosa School District Number RE-11J and is presented on the modified accrual basis of accounting. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general purpose financial statements.

NOTE 2 Indirect Cost Rates

All grants being charged indirect cost have been received through the Colorado Department of Education. The Department calculates an allowable indirect cost rate for individual sub-recipients and mandates that the rate be used as the maximum for the recovery of indirect cost. The District has recovered indirect cost from grant funds at an amount no greater than that allowed by the Colorado Department of Education and has not elected to use the 10% de minimis indirect cost rate allowed by Uniform Guidance.

NOTE 3 Food Distribution

Non-monetary assistance is reported in the schedule at the fair market value of commodities received.

NOTE 4 Subrecipients

No payments were made to subrecipients in the fiscal year ended June 30, 2021.