

**EL PASO COUNTY SCHOOL DISTRICT #22
ELLICOTT, COLORADO**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORTS**

**FOR THE YEAR ENDED
JUNE 30, 2021**

EL PASO COUNTY SCHOOL DISTRICT #22
ROSTER OF SCHOOL OFFICIALS

Year Ended June 30, 2021

BOARD OF EDUCATION

President - Jackie Chambers

Vice President – Bob McWilliams

Treasurer - Matt Amendt

Secretary – Becky Netelli

Director – Mike Ferguson

ADMINISTRATIVE STAFF

Chris Smith - Superintendent of Schools

Christina Vetromile – Business Manager

EL PASO COUNTY SCHOOL DISTRICT #22

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EL PASO COUNTY SCHOOL DISTRICT #22

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FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information - Unaudited)

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Required Supplementary Information (RSI) June 30, 2021.

The management of El Paso County School District # 22 (the "District") offers you, the readers of this Annual Financial Report, this narrative and analysis of the financial activities of the District 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. Readers should also review the financial statements, financial statement footnotes, budgetary comparison schedules and additional supplementary information to broaden their understanding of the District's financial performance.

Financial Highlights

- While the District's net position is \$12,119,416, it is important to point out that the District general fund ending balance of \$5,921,349 in the general fund puts us right at the 5 months in the operating reserve. The District's goal is to maintain a total 4.5 months in reserves for the total operating budget.
- The district had a committed fund balance for capital projects in the Capital Reserve Fund of \$439,843. The district completed the BEST and SAFER school grants projects. Improving the high school's infrastructure and improving safety and security measures at the high school and elementary school.
- The District's Governmental Funds fund balance increased by \$481,396 to an ending fund balance of \$5,356,580. This increase is primarily attributable to the increase in state shares and student count, valuation of property, a decrease in the PERA liability and the finishing of Capitol Construction Projects.
- The Governmental Funds reported combined unassigned fund balance of \$5,354,734 representing 15% of total governmental expenditures.

Using the Basic Financial Statements

This discussion and analysis serves as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components:

- 1) government-wide financial statements,
- 2) fund financial statements, and
- 3) notes to the financial statements.

This report also contains required and other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. They consist of two statements:

The **statement of net position** presents information on all the District's assets, liabilities and deferred inflows/outflows of resources with the difference reported as net position. Over time, increases or decreases

in net position may serve as a useful indicator of changes in the financial position of the District. Current and previous year information is presented for comparison.

The **statement of activities** presents information reporting how the District's net position changed during fiscal year 2020. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. Earned but unused vacation leave and uncollected taxes are examples of these types of items.

The governmental activities of the District include instruction, pupil activities, instructional support, general and school administration, business and central services, food service and transportation.

Governmental Activities – The majority of the District's programs and services are reported here including instruction, support services, operations and maintenance of plant, pupil transportation, food service and extracurricular activities.

A condensed summary of the District's net position is as follows:

	2021	2020
Assets:		
Current Assets	\$ 7,216,899	\$ 7,429,431
Capital Assets – Net	26,997,802	26,503,609
Deferred Outflows of Resources	6,240,391	3,643,036
Capital Assets & Deferred Outflows of Financial Resources	40,455,092	37,576,076
Liabilities:		
Current Liabilities	1,869,558	2,563,143
Non-current Liabilities	18,385,092	16,587,559
Deferred Inflows of Resources	8,082,872	12,588,656
Total Liabilities & Deferred Inflows of Financial Resources	28,337,522	31,739,358
Net Position:		
Net Invested in Capital Assets	12,257,445	11,274,619
Restricted Net Position	1,263,893	1,257,847
Unrestricted Net Position	(1,403,768)	(6,695,746)
Total Net Position(Deficit)	12,117,570	5,836,720
Total Liabilities, Deferred Outflows and Net Position	\$ 40,455,092	\$ 37,576,078

A condensed summary of the District's net activities is as follows:

	2021	2020
Program Revenues:		
Charges for Services	\$ 177,291	\$ 285,012
Operating Grants	2,009,372	1,754,857
Capital Grants and Contribution	1,611,185	856,576
Total Program Revenues	3,797,848	2,896,445
General Revenues:		
Taxes	1,348,126	1,312,290
State Equalization	7,719,790	8,579,059
Investment Earnings	11,564	79,806
Gain (Loss) on Capital Asset Disposals	-	(95,687)
Miscellaneous Revenues	78,373	6,645
Total General Revenues	9,157,853	9,882,113
Total Revenues	12,955,701	12,778,558
Expenses:		
Instruction	2,860,538	4,178,848
Supporting Services	3,814,314	3,998,960
Total Expenses	6,674,852	8,177,808
Change in Net Position	6,280,849	4,600,750
Net Position - Beginning	5,836,721	1,235,970
Net Position Ending	\$ 12,117,570	\$ 5,836,720

Fund Financial Statements

A *fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All District funds can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund

statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintained five individual governmental funds for fiscal year 2020. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for:

- 1) the General Fund (including preschool operation),
- 2) the Designated Purpose Grants Fund.
- 3) the Food Services Fund and
- 4) the Capital Projects Fund and
- 5) the Bond Redemption Debt Service Fund.

All 5 are considered *major funds*.

As of June 30, 2020, the District's governmental funds reported a combined fund balance of \$4,875,183 compared to June 30, 2021 of \$5,356,580, which is an increase of \$481,397. The following is additional information by fund which contributed to the change.

General Fund: Overall inflows exceeded outflows in the General Fund by \$774,456. The school district has been focused on budgeting conservatively. The District is trying to build reserves back up to a healthy level, the goal is 4-5 months reserve. A challenge for the district was the amount of turnover in the position of ESD22 Business Manager. An example of a financial consequence was not completing the Military Impact Aid Application for the year, which had been built into the budget. Also the District took steps backwards in the management of programs like Title. Although the District made huge strides in accounting for cash differences, which continues to be helpful with issues with our bank recs and software have been identified and fixed. The next obstacle will be moving from AptaFund as the accounting program to Infinite Visions, which will allow the District's Student Management System of Infinite Campus to be more aligned and compatible with the efforts of the District Office in relations to Human Resources and Accounting. The District will continue to work with CDE to ensure timely reporting in any matters related to audits and compliance. The district's goal is to get to a 4.5 month reserve in General Funds.

Capital Projects: Overall outflows decreased inflows in the Capital Project Fund by \$318,867, decreasing the Fund Balance to \$439,843, the decrease is a benefit to the district as it is an indicator that their major projects are complete. Moving forward, the district will build a contingency reserve in capital projects to avoid budget violations and to help finance new schools as the housing developments over the next 2-10 years, in the Ellicott School District boundaries is up to 5, with an estimated population growth between 300- 5,000 students.

Bond Redemption Fund: During the year, Bond Redemption Fund inflows exceeded outflows by \$12,946, leaving an ending Fund Balance of \$766,193 up from \$753,247 in 2020. Due to a steady increase in assessed valuation the district will keep looking to decrease the impact by lowering the mill levy each December. The District will continually evaluate methods to spend down the bond redemption fund while lowering mill levies until the payment levels out and the 2011 bond is paid in full.

Food Service Fund: For the year ended June 30,2021, Food Service Fund had a deficiency of \$778. The difference and challenges is due to the impact of the ESSER funds provided to the district to feed students

during the COVID 19 pandemic. The District will continue to monitor and budget for transfers from the general fund to cover the deficit if cost savings are not sufficient. Moving forward, the district has inputted a contingency reserve in food service to avoid budget violations and to help absorb any unforeseen costs.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available for the support of the District’s own programs. The Pupil Activity Fund is an example of this type of fund.

Debt Administration

As of June 30, 2021, the District had total outstanding long-term debt as follows:

	Balance July 1 2020			Balance June 30 2021		
	Advances	Payments	Due Within One Year	Interest Expense		
Series 2011 General Obligation Bonds	\$ 1,643,852	\$ -	\$ 108,660	\$ 1,535,192	\$ 108,660	\$ 65,084
Copier Capital Lease	7,025	-	2,368	4,657	2,488	297
Bus Capital Lease	208,063	-	67,331	140,732	69,568	-
Accrued Compensated Absences	62,357	19,373	-	81,730	-	-
Totals	\$ 1,921,297	\$ 19,373	\$ 178,359	\$ 1,762,311	\$ 180,716	\$ 65,381

During the year, the District made all of its scheduled debt payments. Additional information related to the District’s debt can be found in Note 6 to the financial statements. Additional information about the District’s pension plan can be found in Note 9.

Capital Assets

As of June 30, 2021, the District’s Governmental Activity had capital assets of \$13,753,312 invested in a broad range of assets, including buildings remodels, furniture and equipment. This amount represents a net increase (including additions, deletions, and depreciation) of \$800,112 from last year. This is a result of normal depreciation of existing assets in the amount of \$489,838 from last year offset by current acquisitions. The District does not maintain separate infrastructure assets as the entire infrastructure has been included with the related capital asset.

	Balance July 1 2020	Additions	Deletions	Balance June 30 2021
<u>Governmental Activities:</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 392,261	\$ -	\$ -	\$ 392,261
Construction in Progress	<u>1,737,017</u>	<u>1,264,895</u>	<u>-</u>	<u>3,001,912</u>
Total Capital Assets Not Being Depreciated	<u>2,129,278</u>	<u>1,264,895</u>	<u>-</u>	<u>3,394,173</u>
Capital Assets Being Depreciated:				
Land Improvements	1,660,882	9,362	-	1,670,244
Buildings and Improvements	13,802,519	-	-	13,802,519
Transportation Equipment	1,789,377	-	-	1,789,377
Food Service Equipment	70,391	-	-	70,391
Other Equipment	<u>339,758</u>	<u>17,693</u>	<u>-</u>	<u>357,451</u>
Total Capital Assets Being Depreciated	<u>17,662,927</u>	<u>27,055</u>	<u>-</u>	<u>17,689,982</u>
Less: Accumulated Depreciation				
Land and Improvements	(768,474)	(62,059)	-	(830,533)
Buildings and Improvements	(5,320,318)	(312,947)	-	(5,633,265)
Transportation Equipment	(479,822)	(90,208)	-	(570,030)
Food Service Equipment	(25,443)	(5,006)	-	(30,449)
Other Equipment	<u>(242,948)</u>	<u>(19,618)</u>	<u>-</u>	<u>(262,566)</u>
Total Accumulated Depreciation	<u>(6,837,005)</u>	<u>(489,838)</u>	<u>-</u>	<u>(7,326,843)</u>
Net Governmental Capital Assets	<u>\$ 12,955,200</u>	<u>\$ 802,112</u>	<u>\$ -</u>	<u>\$ 13,757,312</u>

General Fund Budget

The Board of Education adopts the District's budget in June of each year. If needed, changes are then made in January based on the final October student enrollment. The adoption of supplemental budgets is allowed throughout the year when unanticipated additional inflows are received. Program funding is based upon student enrollment on October 1st of each year. This per pupil funding is a combination of Property Tax, State Equalization, and Specific Ownership Tax. Because these factors are not known in June when the budget is adopted, the portion of inflow from each source is not known until the following January.

The District's actual revenues were \$1,470,428 over the revised budget amount. This is primarily due to the conservative approach of predicting student enrollment and state share per pupil funding, with the end goal in mind of building a healthy reserve back up. General Fund expenditures were \$715,936 under the revised budget amount.

Economic Factors and Next Year's Budget

Going into the FY 2021-2022, the Ellicott School District again budgeted conservatively. The budget was built on the estimated 980 students at \$8700 per student = \$8,526,000. The actual state share, as of October 1, 2021 was 1,032 students, funded at \$9,234 = \$9,529,488. (information can be found on Colorado Education Website at www.cde.state.co.us)

The District is very thankful the State of Colorado and Federal Government have provided revenue streams for the District to access, which has helped to minimize the impact of the pandemic. The biggest challenges are now finding teachers and support staff and reporting the expenditures of the funds. We continue to have

faith that the legislation will do everything they can to rectify the issue of the budget stabilization factor and provide measures to protect public education in case of a predicted recession. The student population ranges from stable to increased growth, but that is over a 5 year average.

In anticipation of issues which will impact next year's budget, the following are high on that list.

- Student achievement- catching up students who have fallen behind in their growth academically due to the pandemic. Two proven strategies to increase scores are to reduce class sizes and decrease the turn-over rate in teaching staff. We will continue to struggle in increasing the teaching staff to educate the increasing at-risk student population that continues to grow. To exceed the state average in growth and achievement we have to build capacity to support our at-risk subgroups, because this is where we see the biggest achievement gaps. A constant high turnover rate has a huge impact on this. Attracting and retaining high quality educators is very competitive in the State of Colorado and our rural school district can't match the nearby bigger districts in salary and benefits.
- District growth- We continue to seek partnerships to secure grants and funding to provide resources to receive projected growth. These partnerships include but are not limited to the Ellicott Metro Athletic District, Pikes Peak BOCES, El Paso County Sheriff's Department, El Paso County and Schriever Air Force Base. Schriever Air Force Base remains a very important part of the District's growth model and proves to be a great asset to the District as a whole. The loss of Space Command to the Pikes Region will slow the growth, but by no means stop it. Also the District is facing a population boom. We have spoken directly to 5 housing development planners over the course of 2 years. They will be putting single and multi-family units in over the next 5 years. That could possibly increase our student population by 5 times the current amount. At the moment the District has 3 buildings serving 1,000 students PK-12. The challenge of building new schools to accommodate this growth is daunting.

The Colorado Legislators have to be able to find a way to address the underfunding to public education. The negative factor and unfunded PERA liability continue to have a tremendous impact on our district budget. The moving trend to charter and choice schools also implies that we must find a way to market ourselves to attract new families to us, while maintaining our relationships with our existing community and families and attracting and retaining educators. The expectation to provide a fine dining experience on government rations, is an enormous task.

Ellicott is one of the few rural districts in the state that has remained the same if not slightly increased in enrollment. The pandemic and its consequences are yet to be fully determined, the district leadership continues to anticipate the future with enthusiasm. We must continue to move forward toward improved student learning achievement.

Requests for Information

This financial report is designed to provide a general overview of the El Paso County School District # 22's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Chris Smith, ESD22 Superintendent or Christina Vetromile, ESD22 Business Manager, 322 South Ellicott Highway, Ellicott, Colorado 80808.

Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

Board of Education
El Paso County School District #22
Ellicott, Colorado

Independent Auditors' Report

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 the El Paso County School District #22, Colorado, as of and for the year ended June 30, 2021, and the related notes to the financial statements which collectively comprise the basic financial statements of the District, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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.

Opinion

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 the El Paso County School District #22, Colorado, as of June 30, 2021, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the El Paso County School District #22's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 10, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Emphasis of a Matter

As discussed in Note 14, the District has restated the beginning fund balance in the Pupil Activity Agency Fund and the Pupil Activity Special Revenue Fund and governmental activities due to the adoption of GASB Statement No. 84 – Fiduciary Activities. Our opinion is not modified with regards to this matter.

Other Matters

Required Supplementary Information – Management Discussion and Analysis and Pension Schedules (Unaudited)

Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages M1 – M8, pension and other post-employment benefit schedules on pages 45 - 48 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.

Required Supplementary Information – Budgetary Comparison Schedule and Other Supplementary Information

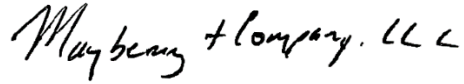
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules on pages 49 - 52 be presented to supplement the basic financial statements. Such 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. In addition, the schedules on pages 53 – 56 and listed as other supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Colorado Department of Education Auditors Integrity and Bolded Balance Sheet reports pages 57 - 60 are presented for state regulatory compliance and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 information is fairly stated in all material respects in relation to the 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 26, 2022 on our consideration of the El Paso County School District #22's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering El Paso County School District #22's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Mayberry + Company, LLC". The signature is written in a cursive, flowing style.

Englewood, CO
January 26, 2022

BASIC FINANCIAL STATEMENTS

The Basic Financial Statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all government-wide and fund level activity as of June 30, 2021.

EL PASO COUNTY SCHOOL DISTRICT #22
Statement of Net Position
June 30, 2021

	<u>Governmental Activities</u>
ASSETS AND DEFERRED OUTFLOWS OF FINANCIAL RESOURCES	
Assets	
Current Assets	
Cash and Investments	\$ 6,772,768
Cash with Fiscal Agent	14,440
Taxes Receivable	66,525
Grants Receivable	341,564
Other Accounts Receivable	5,464
Inventory	16,138
Capital and Other Assets	
BEST Grant Receivable	13,240,490
Capital Assets not Being Depreciated	3,394,173
Capital Assets Being Depreciated	17,689,982
Accumulated Depreciation	<u>(7,326,843)</u>
Total Assets	<u>34,214,701</u>
Deferred Outflows of Financial Resources	
Net Pension Deferred Outflows	5,959,232
Net OPEB Deferred Outflows	<u>281,159</u>
Total Deferred Outflows of Financial Resources	<u>6,240,391</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF FINANCIAL RESOURCES	<u>\$ 40,455,092</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION	
Liabilities	
Current Liabilities	
Accounts Payable	\$ 199,533
Accrued Interest	7,393
Accrued Salaries & Benefits	1,059,399
Payroll Taxes & Deductions Payable	186,812
Unearned Revenue	11,381
Unearned Revenue Grants	405,040
Noncurrent Liabilities	
Due Within One Year	180,716
Due In More Than One Year	<u>18,204,376</u>
Total Liabilities	<u>20,254,650</u>
Deferred Inflows of Financial Resources	
Net Pension Deferred Inflows	7,842,730
Net OPEB Deferred Inflows	<u>240,142</u>
Total Deferred Inflows of Financial Resources	<u>8,082,872</u>
Net Position	
Net Investment in Capital Assets	12,257,445
Restricted Net Position	1,263,893
Unrestricted Net Position	<u>(1,403,768)</u>
Total Net Position	<u>12,117,570</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS AND NET POSITION	<u>\$ 40,455,092</u>

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

EL PASO COUNTY SCHOOL DISTRICT #22

Statement of Activities

For the Year Ended June 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government					
Governmental Activities					
Instruction	\$ 2,860,538	\$ 92,869	\$ 399,897	\$ -	\$ (2,367,772)
Supporting Services	<u>3,814,314</u>	<u>84,422</u>	<u>1,609,475</u>	<u>1,611,185</u>	<u>(509,232)</u>
Total Primary Government	<u>\$ 6,674,852</u>	<u>\$ 177,291</u>	<u>\$ 2,009,372</u>	<u>\$ 1,611,185</u>	<u>(2,877,004)</u>
General Revenues					
Property Taxes					1,209,446
Specific Ownership Taxes					138,680
State Equalization					7,719,790
Investment Earnings					11,564
Other Revenues					<u>78,373</u>
Total General Revenues and Transfers					<u>9,157,853</u>
Change in Net Position					6,280,849
Beginning Net Position					<u>5,836,721</u>
Ending Net Position					<u>\$ 12,117,570</u>

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

EL PASO COUNTY SCHOOL DISTRICT #22
 Balance Sheet
 Governmental Funds
 June 30, 2021

	General Fund	Special Revenue		Debt Service
		Food Service Fund	Pupil Activity Fund	Bond Redemption Fund
ASSETS				
Cash and Investments	\$ 5,587,361	\$ (53,733)	\$ 161,141	\$ 838,271
Cash with Fiscal Agent	12,311	-	-	2,129
Taxes Receivable	56,722	-	-	9,803
Interfund Accounts Receivable	-	-	-	-
Grants Receivable	265,786	75,778	-	-
Other Accounts Receivable	(831)	6,972	-	(677)
Inventory	-	16,138	-	-
TOTAL ASSETS	<u>\$ 5,921,349</u>	<u>\$ 45,155</u>	<u>\$ 161,141</u>	<u>\$ 849,526</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE				
Liabilities				
Interfund Accounts Payable	\$ 165,694	\$ -	\$ -	\$ 83,333
Accounts Payable	147,169	3,452	-	-
Retainage Payable	-	-	-	-
Accrued Salaries & Benefits	1,028,299	31,100	-	-
Payroll Taxes & Deductions Payable	186,812	-	-	-
Unearned Revenue	-	11,381	-	-
Unearned Revenue Grants	405,040	-	-	-
Total Liabilities	<u>1,933,014</u>	<u>45,933</u>	<u>-</u>	<u>83,333</u>
Deferred Inflows of Financial Resources				
Fund Balance				
Nonspendable Fund Balance	-	16,138	-	-
Restricted Fund Balance				
Restricted for Debt Service	-	-	-	766,193
Restricted for TABOR Emergencies	328,000	-	-	-
Committed Fund Balance	-	(16,916)	161,141	-
Assigned Fund Balance	-	-	-	-
Unassigned Fund Balance	3,660,335	-	-	-
Total Fund Balance	<u>3,988,335</u>	<u>(778)</u>	<u>161,141</u>	<u>766,193</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 5,921,349</u>	<u>\$ 45,155</u>	<u>\$ 161,141</u>	<u>\$ 849,526</u>

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

Capital Projects		Totals	
Capital Reserve			
Project Fund	2021	2020	
\$ 239,728	\$ 6,772,768	\$ 6,708,398	
-	14,440	15,680	
-	66,525	148,978	
249,027	249,027	249,027	
-	341,564	540,661	
-	5,464	9,383	
-	16,138	6,331	
<u>\$ 488,755</u>	<u>\$ 7,465,926</u>	<u>\$ 7,678,458</u>	
\$ -	\$ 249,027	\$ 249,027	
48,912	199,533	758,883	
-	-	26,113	
-	1,059,399	941,802	
-	186,812	-	
-	11,381	11,381	
-	405,040	816,068	
<u>48,912</u>	<u>2,111,192</u>	<u>2,803,274</u>	
-	16,138	6,331	
169,700	935,893	896,847	
-	328,000	361,000	
270,143	414,368	534,131	
-	-	-	
-	3,660,335	3,076,875	
<u>439,843</u>	<u>5,354,734</u>	<u>4,875,184</u>	
<u>\$ 488,755</u>	<u>\$ 7,465,926</u>	<u>\$ 7,678,458</u>	

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EL PASO COUNTY SCHOOL DISTRICT #22
Reconciliation of Governmental Fund Balances
to Governmental Activities Net Position
June 30, 2021

Fund Balance - Governmental Funds		\$	5,354,734
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds			
Capital assets, not being depreciated	\$	3,394,173	
Capital assets, being depreciated		17,689,982	
Accumulated depreciation		<u>(7,326,843)</u>	13,757,312
Certain long-term assets are not available to pay for current year expenditures and are therefore not reported in the funds			
Long-Term BEST Grant Receivable			13,240,490
Certain long-term pension and OPEB related costs and adjustments are not available to pay or payable currently and are therefore not reported in the funds			
Pension Liability			
Net pension deferred outflows		5,959,232	
Net pension liability		(16,040,027)	
Net pension deferred inflows		<u>(7,842,730)</u>	(17,923,525)
OPEB Liability			
Net OPEB deferred outflows		281,159	
Net OPEB liability		(582,752)	
Net OPEB deferred inflows		<u>(240,142)</u>	(541,735)
Certain assets are not available to pay for current year expenditures and are therefore deferred in the funds			
Internal Service operations primarily benefit Governmental Activities			
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.			
Bonds payable		(1,535,192)	
Capital leases payable		(145,391)	
Accrued interest payable		(7,393)	
Accrued compensated absences		<u>(81,730)</u>	(1,769,706)
Total Net Position - Governmental Activities			<u>\$ 12,117,570</u>

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

EL PASO COUNTY SCHOOL DISTRICT #22
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	General Fund	Special Revenue		Debt Service
		Food Service Fund	Pupil Activity Fund	Bond Redemption Fund
REVENUES				
Local Sources	\$ 1,251,382	\$ 31,662	\$ 96,621	\$ 187,374
Intermediate Sources	18,373	-	-	-
State Sources	8,490,449	4,380	-	-
Federal Sources	1,667,307	484,262	-	-
TOTAL REVENUES	<u>11,427,511</u>	<u>520,304</u>	<u>96,621</u>	<u>187,374</u>
EXPENDITURES				
Current:				
Instruction	5,661,601	-	75,042	-
Pupil Support	219,619	-	-	-
Staff Support	315,831	-	-	-
General Administration	195,123	-	-	-
School Administration	964,678	-	-	-
Business Services	668,711	-	-	304
Operations and Maintenance	895,073	-	-	-
Transportation	583,605	-	-	-
Other Central Support	753,622	12,000	-	-
Risk Management	23,533	-	-	-
Other Supporting Services	296,635	-	-	-
Food Service	-	517,022	-	-
Facilities	-	-	-	-
Other Uses	-	-	-	-
Debt Service	76,870	-	-	174,124
TOTAL EXPENDITURES	<u>10,654,901</u>	<u>529,022</u>	<u>75,042</u>	<u>174,428</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	<u>772,610</u>	<u>(8,718)</u>	<u>21,579</u>	<u>12,946</u>
OTHER FINANCING SOURCES (USES)				
Debt Proceeds	-	-	-	-
Transfers	(222,150)	-	17,250	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(222,150)</u>	<u>-</u>	<u>17,250</u>	<u>-</u>
CHANGE IN FUND BALANCE	<u>550,460</u>	<u>(8,718)</u>	<u>38,829</u>	<u>12,946</u>
BEGINNING FUND BALANCE	<u>3,437,875</u>	<u>7,940</u>	<u>122,312</u>	<u>753,247</u>
ENDING FUND BALANCE	<u>\$ 3,988,335</u>	<u>\$ (778)</u>	<u>\$ 161,141</u>	<u>\$ 766,193</u>

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

<u>Capital Projects</u>		<u>Totals</u>	
Capital Reserve			
<u>Project Fund</u>	<u>2021</u>	<u>2020</u>	
\$ 63,164	\$ 1,630,203	\$ 1,684,259	
-	18,373	300	
968,645	9,463,474	10,519,367	
-	2,151,569	978,239	
<u>1,031,809</u>	<u>13,263,619</u>	<u>13,182,165</u>	
-	5,736,643	5,706,828	
-	219,619	223,772	
-	315,831	260,855	
-	195,123	194,807	
-	964,678	761,003	
-	669,015	631,296	
7,830	902,903	935,738	
-	583,605	1,385,146	
-	765,622	389,665	
-	23,533	2,545	
-	296,635	-	
-	517,022	635,937	
1,342,846	1,342,846	1,536,382	
-	-	14,778	
-	250,994	251,083	
<u>1,350,676</u>	<u>12,784,069</u>	<u>12,929,835</u>	
(318,867)	479,550	252,330	
-	-	278,225	
<u>204,900</u>	<u>-</u>	<u>-</u>	
<u>204,900</u>	<u>-</u>	<u>278,225</u>	
(113,967)	479,550	530,555	
553,810	4,875,184	4,344,629	
<u>\$ 439,843</u>	<u>\$ 5,354,734</u>	<u>\$ 4,875,184</u>	

EL PASO COUNTY SCHOOL DISTRICT #22
Reconciliation of Governmental Changes in Fund Balance
to Governmental Activities Change in Net Position
For the Year Ended June 30, 2021

Change in Fund Balance - Governmental Funds	\$	479,550	
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level			
Capitalized Asset Purchases	\$	1,291,949	
Depreciation Expense		<u>(489,838)</u>	802,111
The long-term BEST grant receivable is being amortized based on the depreciation of the underlying building that is the basis of the grant			
Amortization of BEST grant receivable			(307,918)
Pension and OPEB expense at the fund level represent cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.			
Pension Liability			
Current year change and amortization of deferred outflows - net		2,657,077	
Change in net pension liability		(2,061,117)	
Current year change and amortization of deferred inflows - net		<u>4,544,874</u>	5,140,834
OPEB Liability			
Current year change and amortization of deferred outflows - net		(59,722)	
Change in OPEB liability		104,599	
Current year change and amortization of deferred inflows - net		<u>(39,090)</u>	5,787
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level.			
Principal payments on bonds payable		108,660	
Principal payments on capital leases		69,698	
Change in accrued interest payable		1,500	
Change in accrued compensated absences		<u>(19,373)</u>	<u>160,485</u>
Total Net Position - Governmental Activities	\$		<u><u>6,280,849</u></u>

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

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of El Paso County School District #22 (the District) conform to generally accepted accounting principles as applicable to governmental units. A summary of the more significant policies is described below.

Reporting Entity

In evaluating how to define the government for financial reporting purposes, the District's management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board (GASB) Codification Section 2100 - *Defining the Financial Reporting Entity*.

Based upon the application of these criteria, no additional organizations are includable within the District's reporting entity.

JOINTLY GOVERNED ORGANIZATION

The District is a participant among four Districts in a jointly governed organization to operate the Pikes Peak Board of Cooperative Educational Services (BOCES). The BOCES was formed for the purpose of administrative functions among member districts for special education and federal grants. During the year ended June 30, 2021, the District paid \$51,560 in assessments to the BOCES. The BOCES is governed by a board of directors consisting of a member of the board of education and the superintendent from each of the participating members. The District does not have an ongoing financial interest in or ongoing financial responsibility for the BOCES. Financial statements for the BOCES can be obtained from the BOCES administrative offices at: 2883 South Circle Drive, Colorado Springs, CO 80906.

Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information of the District as a whole. The reporting information includes all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District did not have any business-type activities.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues are presented as general revenues. The effects of interfund activity have been eliminated from the government-wide financial statements.

Fund Financial Statements The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds would be aggregated and reported as non-major funds. The fiduciary funds are presented separately.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

The District reports the following major governmental funds.

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

Special Revenue (Food Service and Pupil Activity) Funds – These funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted to expenditures for specified purposes.

Bond Redemption (Debt Service) Fund: This fund is used to account for the repayment of the District's general obligation indebtedness.

Capital Reserve Projects (Capital Project) Fund: This fund is used to account for the completion of major capital projects. The capital reserve activity is funded through elective transfers from the General Fund.

Measurement Focus and Basis of Accounting

Government-Wide, Proprietary and Fiduciary Fund Financial Statements

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the same time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available as allowed by the per pupil operating revenue formula approved by the State legislature or within sixty days after year-end. These revenues could include federal, state, and county grants, and some charges for services. Grants are only recognized to the extent allowable expenditures have been incurred. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

Budgets and Budgetary Accounting

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

The District adheres to the procedures described below in establishing the budgetary data reflected in the financial statements.

- Budgets are required by state law for all funds. By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year-end.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting (Continued)

- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted by the Board of Education.
- Encumbrance accounting is not utilized.

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

Cash and Investments

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

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

Receivables

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

Inventories

Inventory is valued at the lower of cost (first-in, first-out) or market.

Capital Assets

Capital assets used in governmental activities operations are shown on the government-wide financial statements. These assets are not shown in the governmental funds and are therefore listed as a reconciling item between the two presentations. Property and equipment acquired or constructed for governmental fund operations are recorded as expenditures in the fund making the expenditure and capitalized at cost in the government-wide presentation. No depreciation has been provided on capital assets in the governmental funds. Property and equipment with a cost of \$5,000 or greater are considered capital assets.

Property and equipment acquired for the proprietary fund is capitalized in the fund.

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

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position/Fund Balance (Continued)

Capital Assets (Continued)

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

Buildings and Site Improvements	10 - 75 years
Vehicles and Other Equipment	10 - 30 years

Vacation, Sick Leave, and Other Compensated Absences

District employees are entitled to certain compensated absences based on their length of employment. Compensated absences do not vest or accumulate and are recorded as expenditures when they are paid. As all employees are contracted to work a set number of days during a year; no vacation accrual accumulates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has several items that qualify for reporting in this category, all related to outstanding pension and OPEB obligations and further described in Note 9 and 11.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows related to pension and OPEB liabilities as further described in Note 9 and 11.

Net Position/Fund Balance

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

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

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

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position/Fund Balance (Continued)

Net Position/Fund Balance (Continued)

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Education, and at their highest level of action are reported as "committed" fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

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

All other remaining governmental balances are reported as unassigned.

Net Position/Fund Balance Flow Assumption

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

Revenues and Expenditures/Expenses

Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees, and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred. Revenues that are directly attributable to a program are shown as program revenues for the statement of activities. These revenues consist of, but are not limited to, grants, fees and other charges for services.

Property Tax Revenues

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

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

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comparative Data

Comparative total data for the prior year have been presented in the accompanying basic financial statements in order to provide an understanding of changes in the District’s financial position and operations. However, comparative data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to understand.

NOTE 2: CASH AND INVESTMENTS

A summary of deposits and investments at June 30, 2021 is provided below.

Government-wide		
Unrestricted:		
Cash and Deposits		\$ 122,166
Investments:		
Colotrust		5,812,331
Total Unrestricted - Government-wide		5,934,497
Restricted:		
Investments:		
ColoTrust - Bond Redemption		838,271
Total Cash & Investments		\$ 6,772,768

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 regulations. At June 30, 2021, State regulatory commissioners indicated that all financial institutions holding deposits for the District are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102 percent of the uninsured deposits. Deposits are categorized by type of credit risk: (1) Insured or collateralized with securities held by the District or by its agent in the District's name; (2) Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name; or (3) Uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the District's name.

At June 30, 2021, the District’s deposits had bank and carrying balances as follows:

	Bank Balance	Carrying Balance
FDIC Insured	\$ 250,000	\$ 122,166
PDPA Collateralized (Not held in District's name)	50,583	-
Total Cash Deposits	\$ 300,583	\$ 122,166

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments

The following is a summary of the District’s investments as of June 30, 2021:

	<u>Total</u>	<u>Weighted Avg. Mat. In Yrs</u>
Local Government Investment Pools	\$ 6,650,602	-

Cash Invested

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

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

The District has invested in the Colorado Government Liquid Asset Trust (Colotrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. Investments of the Trusts consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to the Trusts in connection with the direct investment and withdrawal functions of the Trusts. Substantially all securities owned by the Trusts are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the Trusts. These investments, as well as the investments in mutual funds, are not categorized because the underlying securities cannot be determined.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District has no investments policy that would further limit its investment choices. At June 30, 2021 the District’s investment in the Colorado Government Liquid Assets Trust (COLOTRUST) was rated AAAM by Standard & Poor’s. The District’s funds held for repayment of the Series 2000 Certificates of Participation are held in trust and are invested in a Fidelity Treasury Portfolio I mutual fund who’s rating could not be determined.

Concentration of Credit Risk

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

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 3: INVENTORIES

Food Service Fund inventory as of June 30, 2021 of \$16,138 consisted of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt. Unused commodity inventory is reported as a deferred inflow at year end.

NOTE 4: CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2021 are shown below:

	Balance July 1 2020	Additions	Deletions	Balance June 30 2021
<u>Governmental Activities:</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 392,261	\$ -	\$ -	\$ 392,261
Construction in Progress	1,737,017	1,264,895	-	3,001,912
Total Capital Assets Not Being Depreciated	<u>2,129,278</u>	<u>1,264,895</u>	<u>-</u>	<u>3,394,173</u>
Capital Assets Being Depreciated:				
Land Improvements	1,660,882	9,362	-	1,670,244
Buildings and Improvements	13,802,519	-	-	13,802,519
Transportation Equipment	1,789,377	-	-	1,789,377
Food Service Equipment	70,391	-	-	70,391
Other Equipment	339,758	17,693	-	357,451
Total Capital Assets Being Depreciated	<u>17,662,927</u>	<u>27,055</u>	<u>-</u>	<u>17,689,982</u>
Less: Accumulated Depreciation				
Land and Improvements	(768,474)	(62,059)	-	(830,533)
Buildings and Improvements	(5,320,318)	(312,947)	-	(5,633,265)
Transportation Equipment	(479,822)	(90,208)	-	(570,030)
Food Service Equipment	(25,443)	(5,006)	-	(30,449)
Other Equipment	(242,948)	(19,618)	-	(262,566)
Total Accumulated Depreciation	<u>(6,837,005)</u>	<u>(489,838)</u>	<u>-</u>	<u>(7,326,843)</u>
Net Governmental Capital Assets	<u>\$ 12,955,200</u>	<u>\$ 802,112</u>	<u>\$ -</u>	<u>\$ 13,757,312</u>

Depreciation has been allocated to the District's operating functions as follows:

Instruction	\$ 221,896
Supporting Services	<u>267,942</u>
Depreciation Allocation	<u>\$ 489,838</u>

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 5: ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from September to August but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2021, are \$941,803. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the General, Food Service.

NOTE 6: LONG-TERM DEBT

Changes in long-term debt and the current portion of each obligation are as follows:

	Balance July 1 2020	Advances	Payments	Balance June 30 2021	Due Within One Year	Interest Expense
Series 2011 General Obligation Bonds	\$ 1,643,852	\$ -	\$ 108,660	\$ 1,535,192	\$ 108,660	\$ 65,084
Copier Capital Lease	7,025	-	2,368	4,657	2,488	297
Bus Capital Lease	208,063	-	67,331	140,732	69,568	-
Accrued Compensated Absences	62,357	19,373	-	81,730	-	-
Totals	\$ 1,921,297	\$ 19,373	\$ 178,359	\$ 1,762,311	\$ 180,716	\$ 65,381

General Obligation Bonds Payable

On December 11, 2011 the District issued \$2,373,694 of general obligation bonds used to help construct a middle school, pre-school, and administrative facility. The issuance bears an interest rate of 4.12 percent. Interest is payable semi-annually on June 1 and December 1 of each year. Principal is payable over a period of twenty years and is payable annually on December 1 of each year.

Principal and interest is payable on the outstanding obligations as follows:

Year Ending June 30:	Principal	Interest	Total
2022	\$ 113,136	\$ 60,897	\$ 174,033
2023	117,795	56,142	173,937
2024	122,646	51,190	173,836
2025	127,698	46,035	173,733
2026-2030	721,845	145,103	866,948
2031-2032	332,072	13,814	345,886
Totals	\$ 1,535,192	\$ 373,181	\$ 1,908,373

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 6: LONG-TERM DEBT (Continued)

Capital Leases

In May 2018, the District entered into a lease agreement for \$11,765 for two copiers. Monthly payments of \$222 are due through April 2023, at an estimated interest rate of 5.0%. The District has capitalized assets of \$10,589 related to this lease. In case of default, the lease will be assigned, cancelled, or terminated. The District may also be required to immediately pay the lessor a sum equal to the present value of all unpaid lease payments, past due, due, and to become due for the remainder of the lease, plus the present value of the residual interest, discounted at 4 percent per year, plus all other amounts due under the lease. Under this scenario the District may be required to deliver the equipment to the lessor, and the lessor may exercise any other right or remedy available at law or in equity.

The future minimum capital lease payments at June 30, 2021, are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2022	\$ 2,664
2023	<u>2,220</u>
Total minimum lease payments	4,884
Less amount representing interest at 5%	<u>(227)</u>
Present value of minimum lease payments	<u>\$ 4,657</u>

In July 2019, the District entered into a lease agreement for \$278,225 for the purchase of four school buses. Annual payments of \$74,205 are due through December 2022, at an interest rate of 3.25%. The District has capitalized assets of \$278,225 related to this lease. In case of default, the lessor may exercise any one or more of the following remedies: obtain possession of the equipment, exercise any other right, remedy, or privilege which may be available under applicable law, including the right to proceed by appropriate court action to enforce the terms of this lease, recover damages for the breach of the lease and rescind the lease as to any or all of the equipment.

The future minimum capital lease payments at June 30, 2021, are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2022	\$ 74,205
2023	<u>74,205</u>
Total minimum lease payments	148,410
Less amount representing interest at 5%	<u>(7,678)</u>
Present value of minimum lease payments	<u>\$ 140,732</u>

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 7: RISK MANAGEMENT

The District is exposed to various risks of loss related to: torts; theft of; damage to; destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Coverage

The District belongs to the Colorado School District Self Insurance Pool (“CSDSIP”) that was formed in 1981 to give individual school districts more buying power and financial stability. By partnering with districts across the state, members gain better access to essential coverage at a competitive price, and more control over the entire risk management function. The coverage provided by CSDSIP is property, crime, general liability, auto liability and physical damage, and errors and omissions. CSDSIP became self-administered in 1997. The board of directors is comprised of nine persons who are district school board members, superintendents, or district business officials.

Each member’s premium contribution is determined by CSDSIP based on factors including, but not limited to, the aggregate CSDSIP claims, the cost of administrative and other operating expenses, the number of participants, operating and reserve fund adequacy, investment income and reinsurance expense and profit sharing. Reporting to the Division of Insurance, as well as an audit and actuarial study is conducted annually. These reports may be obtained by contacting the CSDSIP administrative offices at 6857 South Spruce Street, Centennial, CO 80112. The District has not materially changed its coverage from previous years. The District has not recorded any liability for unpaid claims at June 30, 2021.

CSDSIP has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members.

The ultimate liability to the District resulting from claims not covered by the pool is not recently determinable. Management is of the opinion that the final outcome of such claims, of any, will not have a material adverse effect on the District’s financial statements.

Workers Compensation

The District carries commercial insurance for worker’s compensation coverage. Risk of loss transfers to the carrier.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Pensions. The District participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (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 made 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 District are provided with pensions through the SCHDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (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.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the 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 lesser of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the 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.

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.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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, District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are 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:

	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%

¹ Rates 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 District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from District were \$1,113,869 for the year ended June 30, 2021.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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 District proportion of the net pension liability was based on District 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.

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

At June 30, 2021, the District reported a liability of \$16,040,027 for its proportionate share of the net pension liability. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ (16,040,027)
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	\$ -
Total	\$ (16,040,027)

At December 31, 2020, the District proportion was 0.10619 percent, which was an increase of 0.01253 from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$3,973,063 and revenue of \$0 for support from the State as a nonemployer contributing entity. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)

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

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 831,692	\$ -
Changes of assumptions or other inputs	\$ 1,543,001	\$ (2,402,079)
Net difference between projected and actual earnings on pension plan investments	\$ 998,099	\$ (4,470,375)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ 2,006,675	\$ (970,276)
Contributions subsequent to the measurement date	\$ 579,765	\$ -
Total	\$ 5,959,232	\$ (7,842,730)

\$579,765 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:	Fiscal Year Totals
2022	\$ (2,679,212)
2023	1,005,024
2024	(232,077)
2025	(556,998)
Total	\$ (2,463,263)

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:

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)

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

Actuarial cost method	Entry Age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increase, 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 (automatic)	1.25%
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic) ¹	Financed by the Annual Increase Reserve (AIR)

¹ 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.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)

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

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.

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 increase, 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 (automatic)	1.25%
PERA benefit struture hired after 12/31/06 (ad hoc, substantively automatic) ¹	Financed by the Annual Increase Reserve (AIR)

¹ 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.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)

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

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.

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 percentages and then adding expected inflation.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (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 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 ¹	6.00%	4.70%
Total	100.00%	

¹ The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled 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.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)

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

- 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.

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

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 8: DEFINED BENEFIT PENSION PLAN (Continued)

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension asset (liability)	\$ (21,879,910)	\$ (16,040,027)	\$ (11,173,479)

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.

NOTE 9: DEFINED CONTRIBUTION PENSION PLAN

Voluntary Investment Program

Plan Description - Employees of the District that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S, as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Plan. 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. The District does not contribute to the plan. Employees are immediately vested in their own contributions, employer contributions, if any, and investment earnings. For the year ended June 30, 2021 program members contributed \$46,844.

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS

Summary of Significant Accounting Policies

OPEB. The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees’ Retirement Association of Colorado (“PERA”). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (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.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

General Information about the OPEB Plan

Plan description. Eligible employees of the District are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. 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.

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.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

General Information about the OPEB Plan (Continued)

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.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$57,847 for the year ended June 30, 2021.

At June 30, 2021, the District reported a liability of \$582,752 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 District proportion of the net OPEB liability was based on District contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

At December 31, 2020, the District proportion was 0.06133 percent, which was an Increase of 0.00018 from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the District recognized OPEB expense of \$53,721. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 1,658	\$ (127,855)
Net difference between projected and actual earnings on pension plan investments	\$ 7,413	\$ (31,415)
Changes of assumptions or other inputs	\$ 4,359	\$ (35,734)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ 237,961	\$ (45,138)
Contributions subsequent to the measurement date	\$ 29,768	\$ -
Total	\$ 281,159	\$ (240,142)

\$29,768 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:	Fiscal Year Totals
2022	\$ (1,392)
2023	2,180
2024	5,107
2025	17,781
2026	(11,473)
2027	(954)
Total	\$ 11,249

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (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 increase, including wage inflation	3.50% in the aggregate
Long-term investment rate of return, net of pension 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% for 2020, gradually decreasing to 4.50% in 2029
Medicare Part A premiums	3.50% for 2019, gradually rising 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:

Medicare Plan	Cost for Members Without Medicare Part A		
	Monthly Cost	Monthly Premium	Monthly Cost Adjusted to Age 65
Medicare Advantage/ Self-Insured Prescription	\$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.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

Actuarial cost method	Entry Age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increase, including wage inflation	3.20% - 11.30%
Long-term investment rate of return, net of pension 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% for 2020, gradually decreasing to 4.50% in 2029
Medicare Part A premiums	3.50% for 2019, gradually rising 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

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

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

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

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

- **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.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

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

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

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

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

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:

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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 ¹	6.00%	4.70%
Total	100.00%	

¹ 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.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates			
	1% Decrease	Current Trend Rate	1% Increase
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%
Proportionate share of the net OPEB asset (liability)	\$ (567,690)	\$ (582,752)	\$ (600,286)

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

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

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate			
	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	6.25%	7.25%	8.25%
Proportionate share of the net OPEB asset (liability)	\$ (667,553)	\$ (582,752)	\$ (510,296)

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.

NOTE 11: 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, but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

TABOR Amendment

In November 1992, Colorado voters passed Article X, Section 20, (the TABOR Amendment), to the State Constitution which limits state and local government tax powers and imposes spending limitations. The District is subject to the Amendment. On November 4, 1997, voters within the District authorized the District to collect, retain and expend all non-property tax revenues in the 1997-1998 fiscal year and in each fiscal year thereafter from all sources without regard to the limitations imposed by the Amendment. The Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment. The District has established an emergency reserve of \$341,000 as required by the Amendment.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 12: INTERFUND ACTIVITY

The General and Capital Reserve Project Funds transferred to the Designated Grants Fund to provide local matches for current grant programs. A summary of these transfers is as follows:

	Transfers In (Out)
<u>General Fund</u>	
Transfer to Capital Reserve Fund	\$ (17,250)
<u>Capital Reserve Fund</u>	
Transfer from General Fund	17,250
	<u>\$ -</u>

The District has amounts owed between funds as of the end of the fiscal year. These primarily consist of prior year amounts that were deposited in bank accounts that are reported in the fund other than where they underlying revenue was reported. A summary of the interfund balances is as follows:

	<u>Interfund</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ -	\$ 165,695
Bond Redemption	-	83,332
Capital Reserve	<u>249,027</u>	<u>-</u>
Balance	<u>\$ 249,027</u>	<u>\$ 249,027</u>

NOTE 13: BEST GRANT/FACILITY IMPROVEMENTS

The District received a BEST grant through the Colorado Department of Education for facility improvements that commenced during fiscal year 2013 with the District providing an upfront match payment held in escrow of \$2,373,694. The State funded their portion of this program, \$15,885,491, through Certificate of Participation issuances. The State will coordinate the payment to the contractors with no funding flowing through the District other than for reimbursable costs that the District incurred.

The District will not receive clear title to the improvements until the State has repaid the certificates. At that point, the District will record a capital asset and related accumulated depreciation for the cost of the BEST improvements, along with offsetting reduction of the outstanding long-term grant receivable.

The improvements completed by the BEST grant totaled \$17,696,456 with the building placed in service September 15, 2014. The building has a depreciated value of \$15,218,953 as of June 30, 2021. The amortized value of the State's contribution as of June 30, 2021 was \$13,240,490, represented as a noncurrent BEST grant receivable. As part of the BEST grant agreement, the District agreed to fund a capital replacement reserve in the amount of \$100 per funded pupil in the facilities impacted by the grant based on the annual October student count, beginning with the June 30, 2016 fiscal year. As of June 30, 2021, this reserve, for \$169,700, was restricted in the Capital Reserve Project Fund.

EL PASO COUNTY SCHOOL DISTRICT #22
NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2021

NOTE 14: DEFICIT NET POSITION

The Governmental Activities has an unrestricted net position deficit of \$1,431,194 primarily due to the PERA net pension liability of \$16,040,027 as further described in Note 8 and net OPEB liability of \$582,752 as further described in Note 10. As the District has no control over pension benefits or contribution rates, the District expects this deficit net position to continue for the foreseeable future. In addition, the District has a fund balance deficit in the Food Service Fund. This deficit is expected to be resolved through changes in operations or additional General Fund transfers if needed.

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PENSION and OPEB SCHEDULES
(Required Supplementary Information – Unaudited)

EL PASO COUNTY SCHOOL DISTRICT #22

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION ASSET (LIABILITY)
PERA Pension Plan
Last 10 Fiscal Years⁽¹⁾

<u>Fiscal Year</u>	<u>District's proportion of the net pension asset (liability)</u>	<u>District's proportionate share of the net pension asset (liability)</u>	<u>Non-employer contributing entity's total proportionate share of the net pension asset (liability)</u>	<u>Total proportionate share associated with District</u>	<u>District's covered payroll</u>	<u>District's proportionate share of the net pension asset (liability) as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
June 30, 2014	0.098820%	\$ (12,604,416)	\$ -	\$ (12,604,416)	\$ 3,983,736	316.40%	64.07%
June 30, 2015	0.105808%	\$ (14,340,495)	\$ -	\$ (14,340,495)	\$ 4,432,572	323.53%	62.84%
June 30, 2016	0.114639%	\$ (17,533,160)	\$ -	\$ (17,533,160)	\$ 4,995,911	350.95%	59.16%
June 30, 2017	0.121490%	\$ (36,172,220)	\$ -	\$ (36,172,220)	\$ 5,393,194	670.70%	43.13%
June 30, 2018	0.115645%	\$ (37,395,586)	\$ -	\$ (37,395,586)	\$ 5,334,587	701.00%	43.96%
June 30, 2019	0.094525%	\$ (16,737,634)	\$ (2,013,342)	\$ (18,750,976)	\$ 5,196,565	322.09%	57.01%
June 30, 2020	0.093568%	\$ (13,978,910)	\$ (1,573,472)	\$ (15,552,382)	\$ 5,463,199	255.87%	64.52%
June 30, 2021	0.106099%	\$ (16,040,027)	\$ -	\$ (16,040,027)	\$ 5,747,518	279.08%	66.99%

Note: All amounts are as of plan calculation dates which are for the calendar year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

EL PASO COUNTY SCHOOL DISTRICT #22

SCHEDULE OF DISTRICT'S CONTRIBUTIONS

PERA Pension Plan
Last 10 Fiscal Years⁽¹⁾

<u>Fiscal Year</u>	<u>Contractually required contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
June 30, 2014	\$ 618,674	\$ (618,674)	\$ -	\$ 3,983,736	15.53%
June 30, 2015	\$ 728,273	\$ (728,273)	\$ -	\$ 4,432,572	16.43%
June 30, 2016	\$ 865,793	\$ (865,793)	\$ -	\$ 4,995,911	17.33%
June 30, 2017	\$ 977,785	\$ (977,785)	\$ -	\$ 5,393,194	18.13%
June 30, 2018	\$ 993,833	\$ (993,833)	\$ -	\$ 5,334,587	18.63%
June 30, 2019	\$ 994,102	\$ (994,102)	\$ -	\$ 5,196,565	19.13%
June 30, 2020	\$ 1,058,768	\$ (1,058,768)	\$ -	\$ 5,463,199	19.38%
June 30, 2021	\$ 1,113,869	\$ (1,113,869)	\$ -	\$ 5,747,518	19.38%

Note: All amounts are as of plan calculation dates which are for the calendar year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

EL PASO COUNTY SCHOOL DISTRICT #22

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
 NET OPEB ASSET (LIABILITY)
 PERA Health Care Trust Fund
 Last 10 Fiscal Years⁽¹⁾

Fiscal Year Ended	District's proportion of the net OPEB asset (liability)	District's proportionate share of the net OPEB asset (liability)	District's covered payroll	District's proportionate share of the net OPEB asset (liability) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
June 30, 2017	0.069506%	\$ (901,163)	\$ 5,393,194	16.71%	16.70%
June 30, 2018	0.065709%	\$ (853,950)	\$ 5,334,587	16.01%	17.53%
June 30, 2019	0.061442%	\$ (835,943)	\$ 5,196,565	16.09%	17.03%
June 30, 2020	0.061152%	\$ (687,351)	\$ 5,463,199	12.58%	24.49%
June 30, 2021	0.061328%	\$ (582,752)	\$ 5,747,518	10.14%	32.78%

Note: All amounts are as of plan calculation dates which are for the calendar year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

EL PASO COUNTY SCHOOL DISTRICT #22

SCHEDULE OF DISTRICT'S CONTRIBUTIONS - OPEB

PERA Health Care Trust Fund

Last 10 Fiscal Years⁽¹⁾

<u>Fiscal Year</u>	<u>Contractually required contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
June 30, 2017	\$ 55,011	\$ (55,011)	\$ -	\$ 5,393,194	1.02%
June 30, 2018	\$ 54,413	\$ (54,413)	\$ -	\$ 5,334,587	1.02%
June 30, 2019	\$ 53,005	\$ (53,005)	\$ -	\$ 5,196,565	1.02%
June 30, 2020	\$ 55,725	\$ (55,725)	\$ -	\$ 5,463,199	1.02%
June 30, 2021	\$ 58,625	\$ (58,625)	\$ -	\$ 5,747,518	1.02%

Note: All amounts are as of plan calculation dates which are for the calendar year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

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Required Supplementary Information

EL PASO COUNTY SCHOOL DISTRICT #22
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 General Fund
 For the Year Ended June 30, 2021
 (With Comparative Totals for the Year Ended June 30, 2020)

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
REVENUES					
Local Sources					
Property Taxes	\$ 842,938	\$ 1,017,462	\$ 1,029,568	\$ 12,106	\$ 1,011,197
Specific Ownership Taxes	120,000	120,000	130,100	10,100	125,938
Delinquent Taxes	1,500	1,500	2,258	758	1,700
Investment Earnings	50,000	50,000	9,840	(40,160)	57,496
Rent Revenue	5,000	5,000	-	(5,000)	10,472
Donations	-	-	-	-	503
Instructional Materials Fees	7,000	7,000	11,242	4,242	18,541
Local BOCES Passthrough	-	-	-	-	111
Other Local	37,500	37,500	68,374	30,874	5,569
Total Local Sources	1,063,938	1,238,462	1,251,382	12,920	1,231,527
Intermediate Sources					
Mineral Leases	65	65	41	(24)	65
Payment in Lieu of Taxes	-	-	202	202	235
Total Intermediate Sources	65	65	18,373	18,308	300
State Sources					
State Share (Equalization)	7,446,799	7,752,245	7,719,790	(32,455)	8,579,059
State Transportation	157,000	157,000	117,941	(39,059)	172,184
State Grants from CDE					
State Equalization Mitigation Funding	-	-	262,144	262,144	-
State ELPA Prof Dev and Student Support	51,000	51,000	32,270	(18,730)	29,357
State ELPA	-	-	28,811	28,811	25,002
State Share - Colorado Preschool Program (CPP)	-	-	-	-	1,627
Counselor Grant	80,000	80,000	98,618	18,618	73,345
Early Literacy Grant	-	-	75,969	75,969	-
State Grants to Libraries	4,000	4,000	3,552	(448)	4,992
AP Incentive Grant	500	500	-	(500)	-
Small Rural Schools Additional Funding	-	-	-	-	55,311
Additional As- Risk Funding	7,700	7,700	-	(7,700)	16,827
Career Success Pilot Program Incentives	-	-	-	-	5,000
READ Act	23,000	23,000	24,997	1,997	24,929
AP Exam Fee Grant	-	-	-	-	1,855
Computer Science Education Grant	-	-	-	-	500
Retain Teachers Grant	102,117	102,117	-	(102,117)	107,726
State Grants from Other Agencies					
State Vocational Education	18,000	18,000	32,817	14,817	27,450
State PERA Contribution	157,500	157,500	-	(157,500)	134,291
State Grants Provided through BOCES	61,440	61,440	93,540	32,100	162,594
Total State Sources	8,109,056	8,414,502	8,490,449	75,947	9,422,049
Federal Sources					
Federal Grants from CDE					
NCLB Title I, Part A- Imp Basic Prgms Oper by Sch	169,000	169,000	174,702	5,702	178,424
Coronavirus Relief Fund	-	-	588,415	588,415	154,484
NCLB Title III, Part A- Eng Lang Acq	9,600	9,600	-	(9,600)	-
NCLB Title II, Part A- Teacher & Principal Trng	34,600	34,600	32,162	(2,438)	36,752
ESSA, Title IV-A: Stud Supp and Acad Enrich Grants	12,700	12,700	13,139	439	13,389
Ed Stab Fd - Elem Sec Emer Relief Formula	-	-	143,987	143,987	-
Coronaovirus Relief Fund At-Risk	-	-	32,200	32,200	-
Direct Federal Revenue					
Impact Aid Revenue	80,000	80,000	670,184	590,184	79,965
Federal Provided through BOCES	-	-	12,518	12,518	9,482
Total Federal Sources	305,900	305,900	1,667,307	1,361,407	472,496
TOTAL REVENUES	9,478,959	9,958,929	11,427,511	1,468,582	11,126,372

See the accompanying Independent Auditors' Report
 (Continued)

EL PASO COUNTY SCHOOL DISTRICT #22
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 General Fund
 For the Year Ended June 30, 2021
 (With Comparative Totals for the Year Ended June 30, 2020)

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
(Continued)					
EXPENDITURES					
Instruction					
Salaries	4,309,693	3,946,493	3,746,833	199,660	3,641,727
Benefits	1,555,391	1,579,486	1,258,603	320,883	1,326,108
PS-Professional	16,750	22,000	18,713	3,287	12,738
PS-Property	5,800	5,800	980	4,820	980
PS-Other	508,081	508,081	301,241	206,840	396,486
Supplies	186,370	265,947	311,099	(45,152)	173,600
Property	21,950	20,462	10,572	9,890	48,535
Other Expenses	10,700	10,700	13,560	(2,860)	7,101
Total Instruction	<u>6,614,735</u>	<u>6,358,969</u>	<u>5,661,601</u>	<u>697,368</u>	<u>5,607,275</u>
Supporting Services					
Pupil Support					
Salaries	181,700	181,700	166,691	15,009	164,821
Benefits	69,459	69,459	51,905	17,554	47,412
PS- Professional	1,000	1,000	195	805	968
PS-Other	2,000	2,000	130	1,870	9,429
Supplies	1,349	1,349	698	651	1,142
Total Pupil Support	<u>255,508</u>	<u>255,508</u>	<u>219,619</u>	<u>35,889</u>	<u>223,772</u>
Staff Support					
Salaries	234,040	234,040	183,437	50,603	165,599
Benefits	70,281	70,281	61,811	8,470	55,859
PS- Professional	29,280	29,280	35,157	(5,877)	8,691
PS- Property	95	95	43	52	-
PS-Other	300	300	185	115	422
Supplies	29,200	29,400	22,160	7,240	30,284
Other Expenses	3,671	3,671	13,038	(9,367)	-
Total Staff Support	<u>366,867</u>	<u>367,067</u>	<u>315,831</u>	<u>51,236</u>	<u>260,855</u>
General Administration					
Salaries	110,000	110,000	114,892	(4,892)	121,299
Benefits	37,185	37,185	32,944	4,241	35,269
PS- Professional	24,000	24,000	23,604	396	21,238
PS-Other	5,500	5,500	2,223	3,277	3,255
Supplies	3,000	3,000	1,853	1,147	1,948
Other Expenses	14,000	14,000	19,607	(5,607)	11,798
Total General Administration	<u>193,685</u>	<u>193,685</u>	<u>195,123</u>	<u>(1,438)</u>	<u>194,807</u>
School Administration					
Salaries	750,400	750,400	735,049	15,351	573,510
Benefits	243,095	243,095	225,868	17,227	181,180
PS-Other	6,305	6,305	859	5,446	2,198
Supplies	7,290	7,290	2,902	4,388	4,115
Total School Administration	<u>1,007,090</u>	<u>1,007,090</u>	<u>964,678</u>	<u>42,412</u>	<u>761,003</u>

See the accompanying Independent Auditors' Report

(Continued)

EL PASO COUNTY SCHOOL DISTRICT #22
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 General Fund
 For the Year Ended June 30, 2021
 (With Comparative Totals for the Year Ended June 30, 2020)

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
(Continued)					
EXPENDITURES (Continued)					
Supporting Services (Continued)					
Business Services					
Salaries	329,000	329,000	158,719	170,281	190,648
Benefits	72,059	72,059	74,474	(2,415)	73,344
PS- Professional	41,300	41,300	33,414	7,886	40,157
PS- Property	1,000	1,000	486	514	-
PS-Other	281,000	281,000	341,460	(60,460)	277,281
Supplies	67,000	67,000	57,010	9,990	46,970
Property	1,000	1,000	715	285	960
Other Expenses	2,000	2,000	2,433	(433)	1,633
Total Business Services	794,359	794,359	668,711	125,648	630,993
Operations and Maintenance					
Salaries	120,000	120,000	106,590	13,410	110,971
Benefits	39,420	39,420	35,544	3,876	36,044
PS- Professional	35,000	25,000	21,845	3,155	28,874
PS- Property	370,000	370,000	411,341	(41,341)	329,748
PS-Other	36,000	36,000	15,049	20,951	40,037
Supplies	250,000	250,000	304,704	(54,704)	292,206
Property	20,000	20,000	-	20,000	89,558
Total Operations and Maintenance	870,420	860,420	895,073	(34,653)	927,438
Transportation					
Salaries	496,500	496,500	357,749	138,751	388,768
Benefits	164,718	164,718	109,379	55,339	124,601
PS- Professional	3,500	3,500	3,939	(439)	5,187
PS- Property	48,000	48,000	8,326	39,674	41,174
PS-Other	34,728	34,728	33,733	995	31,604
Supplies	153,500	153,500	87,272	66,228	128,879
Property	84,000	84,000	(16,793)	100,793	664,933
Total Transportation	984,946	984,946	583,605	401,341	1,385,146
Other Central Support					
Salaries	217,000	217,000	216,660	340	160,739
Benefits	73,699	73,699	227,906	(154,207)	47,155
PS- Professional	55,500	55,500	98,018	(42,518)	47,058
PS- Property	6,887	6,887	561	6,326	4,174
PS-Other	900	900	-	900	-
Supplies	66,114	65,307	92,832	(27,525)	97,429
Property	129,500	129,500	117,645	11,855	33,110
Total Other Central Support	549,600	548,793	753,622	(204,829)	389,665
Risk Management					
PS-Other	-	-	23,533	(23,533)	2,545
Other Supporting Services					
Salaries	-	-	244,826	(244,826)	-
Benefits	-	-	51,809	(51,809)	-
Total Other Supporting Services	-	-	296,635	(296,635)	-
Total Supporting Services	5,022,475	5,011,868	4,916,430	95,438	4,776,224

(Continued)

EL PASO COUNTY SCHOOL DISTRICT #22
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 General Fund
 For the Year Ended June 30, 2021
 (With Comparative Totals for the Year Ended June 30, 2020)

	2021				2020
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
(Continued)					
EXPENDITURES (Continued)					
Other Uses					
Up-Front Grant Match	-	-	-	-	14,778
Debt Service					
Interest	-	-	7,172	(7,172)	4,457
Principal	-	-	69,698	(69,698)	72,413
Total Debt Service	-	-	76,870	(76,870)	76,870
TOTAL EXPENDITURES	<u>11,637,210</u>	<u>11,370,837</u>	<u>10,654,901</u>	<u>715,936</u>	<u>10,475,147</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(2,158,251)	(1,411,908)	772,610	2,184,518	651,225
OTHER FINANCING SOURCES (USES)					
Debt Proceeds	-	-	-	-	278,225
Transfers	(299,545)	(303,145)	(222,150)	80,995	(134,750)
CHANGE IN FUND BALANCE	(2,457,796)	(1,715,053)	550,460	2,265,513	794,700
BEGINNING FUND BALANCE	<u>2,457,796</u>	<u>1,715,053</u>	<u>3,437,875</u>	<u>1,722,822</u>	<u>2,643,175</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,988,335</u>	<u>\$ 3,988,335</u>	<u>\$ 3,437,875</u>

See accompanying Independent Auditors' Report.

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Special Revenue Funds

EL PASO COUNTY SCHOOL DISTRICT #22
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Food Service Fund
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
REVENUES					
Local Sources					
Food Service Revenue	\$ 109,505	\$ 109,505	\$ 21,662	\$ (87,843)	\$ 101,636
Other Local	1,140	1,140	10,000	8,860	1,078
Total Local Sources	<u>110,645</u>	<u>110,645</u>	<u>31,662</u>	<u>(78,983)</u>	<u>102,714</u>
State Sources					
State Grants from CDE					
State Matching Child Nutrition	7,125	7,125	4,380	(2,745)	4,343
Start Smart Nutrition	2,000	2,000	-	(2,000)	1,928
School Lunch Protection	6,900	6,900	-	(6,900)	6,517
Total State Sources	<u>16,025</u>	<u>16,025</u>	<u>4,380</u>	<u>(11,645)</u>	<u>12,788</u>
Federal Sources					
Federal Grants from CDE					
Coronavirus Relief Fund	-	-	-	-	19,295
School Breakfast Program	54,000	54,000	-	(54,000)	50,004
National School Lunch Program	252,000	252,000	36,297	(215,703)	414,943
Summer Food Service Program for Children	4,200	4,200	396,021	391,821	4,115
National School Lunch Equipment Assistance	-	-	17,081	17,081	-
Federal Grants from Other State Agencies					
National School Lunch Program- Commodities	40,000	40,000	34,863	(5,137)	17,387
Total Federal Sources	<u>350,200</u>	<u>350,200</u>	<u>484,262</u>	<u>134,062</u>	<u>505,744</u>
TOTAL REVENUES	<u>476,870</u>	<u>476,870</u>	<u>520,304</u>	<u>43,434</u>	<u>621,246</u>
EXPENDITURES					
Supporting Services					
Other Central Support					
Salaries	-	-	12,000	(12,000)	-
Food Service					
Salaries	187,000	187,000	153,005	33,995	170,534
Benefits	73,296	73,296	66,218	7,078	65,584
PS- Property	9,000	9,000	15,142	(6,142)	7,557
PS-Other	20,500	20,500	18,107	2,393	19,150
Supplies	2,000	2,000	3,299	(1,299)	1,414
Food	340,000	340,000	220,350	119,650	334,550
Commodities	1,200	1,200	38,231	(37,031)	17,941
Property	5,500	5,500	2,670	2,830	19,207
Total Food Service	<u>638,496</u>	<u>638,496</u>	<u>517,022</u>	<u>121,474</u>	<u>635,937</u>
TOTAL EXPENDITURES	<u>638,496</u>	<u>638,496</u>	<u>529,022</u>	<u>109,474</u>	<u>635,937</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(161,626)	(161,626)	(8,718)	152,908	(14,691)
OTHER FINANCING SOURCES (USES)					
Transfers	-	-	-	-	10,000
CHANGE IN FUND BALANCE	(161,626)	(161,626)	(8,718)	152,908	(4,691)
BEGINNING FUND BALANCE	161,626	161,626	7,940	(153,686)	12,631
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (778)</u>	<u>\$ (778)</u>	<u>\$ 7,940</u>

See accompanying Independent Auditors' Report.

EL PASO COUNTY SCHOOL DISTRICT #22
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Pupil Activity Fund
 For the Year Ended June 30, 2021
 (With Comparative Totals for the Year Ended June 30, 2020)

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
REVENUES					
Local Sources					
Investment Earnings	\$ -	\$ -	\$ 145	\$ 145	\$ 347
Pupil Activity Revenues	-	-	81,626	81,626	91,492
Donations	-	-	14,850	14,850	-
TOTAL REVENUES	-	-	96,621	96,621	91,839
EXPENDITURES					
Instruction					
Other Expenses	-	-	75,042	(75,042)	99,554
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	-	-	21,579	21,579	(7,715)
OTHER FINANCING SOURCES (USES)					
Transfers	-	-	17,250	17,250	17,250
CHANGE IN FUND BALANCE	-	-	38,829	38,829	9,535
BEGINNING FUND BALANCE	-	-	122,312	122,312	112,777
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161,141</u>	<u>\$ 161,141</u>	<u>\$ 122,312</u>

See accompanying Independent Auditors' Report.

Other Supplementary Information

Debt Service Fund

EL PASO COUNTY SCHOOL DISTRICT #22
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Bond Redemption Fund
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	2021		Variance with Final Budget	2020	
	Original & Final Budget	Actual		Actual	Actual
REVENUES					
Local Sources					
Property Taxes	\$ 125,000	\$ 177,232	\$ 52,232	\$ 173,153	
Specific Ownership Taxes	-	8,580	8,580	-	
Delinquent Taxes	(500)	387	887	302	
Investment Earnings	10,000	1,175	(8,825)	12,974	
TOTAL REVENUES	<u>134,500</u>	<u>187,374</u>	<u>52,874</u>	<u>186,429</u>	
EXPENDITURES					
Supporting Services					
Business Services					
PS- Professional	350	304	46	303	
Debt Service					
Interest	65,465	65,464	1	69,851	
Principal	108,700	108,660	40	104,362	
Total Debt Service	174,165	174,124	41	174,213	
TOTAL EXPENDITURES	<u>174,515</u>	<u>174,428</u>	<u>87</u>	<u>174,516</u>	
CHANGE IN FUND BALANCE	(40,015)	12,946	52,961	11,913	
BEGINNING FUND BALANCE	40,015	753,247	713,232	741,334	
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 766,193</u>	<u>\$ 766,193</u>	<u>\$ 753,247</u>	

See accompanying Independent Auditors' Report.

Capital Projects Fund

EL PASO COUNTY SCHOOL DISTRICT #22
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Capital Reserve Project Fund
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	2021			2020 Actual
	Original & Final Budget	Actual	Variance with Final Budget	
REVENUES				
Local Sources				
Investment Earnings	\$ 8,500	\$ 404	\$ (8,096)	\$ 8,990
Rent Revenue	62,760	62,760	-	62,760
Total Local Sources	71,260	63,164	(8,096)	71,750
State Sources				
State Grants from CDE				
Best Capital Construction Program	1,405,000	968,645	(436,355)	1,084,530
TOTAL REVENUES	1,476,260	1,031,809	(444,451)	1,156,280
EXPENDITURES				
Supporting Services				
Operations and Maintenance				
PS- Professional	10,000	7,830	2,170	8,300
Facilities/Capital Outlay				
PS- Professional	500	-	500	-
Buildings	2,256,900	1,342,846	914,054	1,536,382
Non-Capitalized Equipment	3,000	-	3,000	-
Total Facilities/Capital Outlay	2,260,400	1,342,846	917,554	1,536,382
Contingency	148,875	-	148,875	-
TOTAL EXPENDITURES	2,419,275	1,350,676	1,068,599	1,544,682
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(943,015)	(318,867)	624,148	(388,402)
OTHER FINANCING SOURCES (USES)				
Transfers	104,900	204,900	100,000	107,500
CHANGE IN FUND BALANCE	(838,115)	(113,967)	724,148	(280,902)
BEGINNING FUND BALANCE	838,115	553,810	(284,305)	834,712
ENDING FUND BALANCE	\$ -	\$ 439,843	\$ 439,843	\$ 553,810

See accompanying Independent Auditors' Report.

State Compliance



Colorado Department of Education
Auditors Integrity Report
 District: 1050 - Ellicott 22
 Fiscal Year 2020-21
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	-	0001-0999 Total Expenditures & Other Uses	=	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental							
10 General Fund	3,437,875		10,890,791		10,340,331		3,988,335
18 Risk Mgmt Sub-Fund of General Fund	0		0		0		0
19 Colorado Preschool Program Fund	0		314,569		314,569		0
Sub- Total	3,437,875		11,205,360		10,654,900		3,988,335
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	7,940		520,304		529,022		-778
22 Govt Designated-Purpose Grants Fund	0		0		0		0
23 Pupil Activity Special Revenue Fund	122,312		113,871		75,042		161,141
24 Full Day Kindergarten Mill Levy Override	0		0		0		0
25 Transportation Fund	0		0		0		0
31 Bond Redemption Fund	753,247		187,374		174,427		766,193
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	553,810		1,236,710		1,350,676		439,843
46 Supplemental Cap Const, Tech, Main Fund	0		0		0		0
Totals	4,875,185		13,263,619		12,784,068		5,354,735
Proprietary							
50 Other Enterprise Funds	0		0		0		0
64 (63) Risk-Related Activity Fund	0		0		0		0
60,65-69 Other Internal Service Funds	0		0		0		0
Totals	0		0		0		0
Fiduciary							
70 Other Trust and Agency Funds	0		0		0		0
72 Private Purpose Trust Fund	0		0		0		0
73 Agency Fund	0		0		0		0
74 Pupil Activity Agency Fund	0		0		0		0
79 GASB 34:Permanent Fund	0		0		0		0
85 Foundations	0		0		0		0
Totals	0		0		0		0

FINAL



Colorado Department of Education
Bolded Balance Sheet Report

District: 1050 - Ellicott 22
 Fiscal Year 2020-21
 Colorado School District/BOCES

ASSETS	Governmental										Proprietary					Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Cap 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		
Cash and Investments (8100-8104,8111)	5,523,082	0	64,280	161,141	0	0	-53,733	838,271	239,728	0	0	0	0	0	0	6,772,769		
Cash with Fiscal Agent (8105)	12,311	0	0	0	0	0	0	2,129	0	0	0	0	0	0	0	14,440		
Taxes Receivable (8121,8122)	56,722	0	0	0	0	0	0	9,803	0	0	0	0	0	0	0	66,524		
Interfund Loans Receivable (8131,8132)	0	0	0	0	0	0	0	0	249,027	0	0	0	0	0	0	249,027		
Grants Accounts Receivable (8142)	265,786	0	0	0	0	0	75,778	0	0	0	0	0	0	0	0	341,563		
Other Receivables (8151-8154,8161)	-831	0	0	0	0	0	6,972	-677	0	0	0	0	0	0	0	5,464		
Inventories (8171,8172,8173)	0	0	0	0	0	0	16,138	0	0	0	0	0	0	0	0	16,138		
Prepaid Expenses 8181,8182)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total Assets	5,857,069	0	64,280	161,141	0	0	45,155	849,526	488,754	0	0	0	0	0	0	7,465,925		

See accompanying Independent Auditors' Report.

	Governmental										Proprietary					Fiduciary
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap 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
LIABILITIES & FUND EQUITY																
LIABILITIES																
Interfund Payables (7401-7402)	165,695	0	0	0	0	0	0	83,332	0	0	0	0	0	0	0	249,027
Other Payables (7421-7423)	146,418	0	749	0	0	0	3,451	48,911	0	0	0	0	0	0	0	199,530
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses (7461)	965,284	0	63,014	0	0	0	31,100	0	0	0	0	0	0	0	0	1,059,399
Payroll Ded. and Withholdings (7471-7473)	186,296	0	516	0	0	0	0	0	0	0	0	0	0	0	0	186,812
Unearned Revenue (7481)	0	0	0	0	0	0	11,381	0	0	0	0	0	0	0	0	11,381
Grants Deferred Revenue (7482)	405,040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	405,040
Deferred Inflow (7800)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Inflow Grants (7801)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Liabilities	1,868,734	0	64,280	0	0	0	45,932	83,332	48,911	0	0	0	0	0	0	2,111,189

See accompanying Independent Auditors' Report.

Governmental

Proprietary

Fiduciary

FUND EQUITY	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap 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
Non-spendable Fund Balance 6710	0	0	0	0	0	0	16,138	0	0	0	0	0	0	0	0	16,138
Restricted Fund Balance 6720	0	0	0	0	0	0	0	766,193	0	0	0	0	0	0	0	766,193
TABOR 3% Emergency Reserve 6721	328,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	328,000
TABOR Multi-Year 6722	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
District Emergency Reserve (letter of credit or real estate) 6723	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Colorado Preschool Program (CPP) Reserve 6724	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Full-Day Kindergarten Reserve 6725	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Risk-Related / Restricted Capital Reserve 6726	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BEST Capital Reserve 6727	0	0	0	0	0	0	0	0	169,700	0	0	0	0	0	0	169,700
Total Program Reserve 6728	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Committed Fund Balance 6750	0	0	0	161,141	0	0	0	0	270,143	0	0	0	0	0	0	431,285
Assigned Fund Balance 6760	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unassigned Fund Balance 6770	3,660,335	0	0	0	0	0	-16,915	0	0	0	0	0	0	0	0	3,643,420
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Equity	3,988,335	0	0	161,141	0	0	-778	766,193	439,843	0	0	0	0	0	0	5,354,735

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap 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
Total Liabilities & Fund Equity	5,857,069	0	64,280	161,141	0	0	45,155	849,526	488,754	0	0	0	0	0	0	7,465,924

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap 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
Do Assets=Liability+Fund Equity	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes