

Hanover School District No. 28
El Paso County, Colorado

Auditor's Report and Financial Statements

June 30, 2021

Hanover School District No. 28
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Independent Auditor's Report

Board of Education
Hanover School District No. 28

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hanover School District No. 28 (the "District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary information on page 43, Schedule of District's Proportionate Share of the Net Pension Liability on page 39, Schedule of District's Proportionate Share of the Other Post-Employment Benefits on page 40, and Schedule of Contributions and Related Ratios on pages 41 and 42 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.

Management has elected to omit the management's discussion and analysis. 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. The omission of this information does not affect our opinion on the basic financial statements.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, such as the combining and individual nonmajor fund financial statements, including budget and actual statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

rfarmer, llc

January 28, 2022

Hanover School District No. 28
Statement of Net Position
June 30, 2021

	Governmental Activities --Total
ASSETS	
Cash and Equivalents	\$ 1,907,292
Receivables	103,237
Due from Other Governmental Agencies	22,044
Inventories	3,976
Capital Assets:	
Capital Assets, not being depreciated	227,585
Capital Assets, being depreciated	6,250,050
Total Capital Assets	6,477,635
DEFERRED OUTFLOWS OF RESOURCES	
Net Deferred Outflows Pension	1,217,712
Net Deferred Outflows OPEB	12,539
Total Deferred Outflows	1,230,251
Total Assets	9,744,435
LIABILITIES	
Accounts payable and accrued expenses	443,443
Accrued interest	18,001
Unearned Revenues	50,230
Long-term liabilities	
Due within one year	
Due within one year	713,749
Due in more than one year	6,615,085
Total liabilities	7,840,508
DEFERRED INFLOWS OF RESOURCES	
Net Deferred Inflows Pension	2,181,331
Net Deferred Inflows OPEB	57,934
Total Deferred Inflows	2,239,265
NET POSITION	
Net investment in capital assets	3,638,886
Restricted:	
Debt Service	1,103,646
Preschool	63,326
Inventories	(84,913)
TABOR	116,817
Unrestricted	(5,173,100)
Total net position	\$ (335,338)

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

Hanover School District No. 28
Balance Sheet
Governmental Funds
June 30, 2021

	<u>General</u>	<u>Title Programs</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 865,849	\$ (51,512)	\$ 1,103,646	\$ (10,689)	\$ 1,907,294
Taxes receivable, net	14,666	-	-	-	14,666
Due from other funds	2,707	91,186	-	11,343	105,236
Receivable from other governments	-	3,765	-	-	3,765
Other receivables	85,242	-	-	21,608	106,850
Inventories	-	-	-	3,976	3,976
Total assets	<u>968,464</u>	<u>43,439</u>	<u>1,103,646</u>	<u>26,238</u>	<u>2,141,787</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	99,602	4,266	-	707	104,575
Due to other funds	102,807	-	-	2,430	105,237
Unearned revenue	5,410	35,637	-	9,183	50,230
Other accrued expenses	322,798	3,536	-	4,517	330,851
Other payables	8,017	-	-	-	8,017
Total liabilities	<u>538,634</u>	<u>43,439</u>	<u>-</u>	<u>16,837</u>	<u>598,910</u>
Fund balances:					
Non-spendable inventory	-	-	-	3,976	3,976
Restricted preschool fund	63,326	-	-	-	63,326
Restricted debt service	-	-	1,103,646	-	1,103,646
Assigned	-	-	-	5,425	5,425
Restricted-TABOR	116,817	-	-	-	116,817
Unassigned	249,687	-	-	-	249,687
Total fund balances	<u>429,830</u>	<u>-</u>	<u>1,103,646</u>	<u>9,401</u>	<u>1,542,877</u>
Total liabilities and fund balances	<u>\$ 968,464</u>	<u>\$ 43,439</u>	<u>\$ 1,103,646</u>	<u>\$ 26,238</u>	<u>\$ 2,141,787</u>

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

Hanover School District No. 28
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2021

Total fund balance, governmental funds	\$	1,542,877
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		6,477,635
Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position: Pension Plan Deferred Outflow		1,230,251
Some liabilities, (such as Notes Payable, Long-term Compensated Absences, Net Pension Liability, Pension Differences-Deferred Outflow and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		(9,586,100)
Net Position of Governmental Activities in the Statement of Net Position	<u>\$</u>	<u>(335,337)</u>

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

Hanover School District No. 28
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	<u>General</u>	<u>Title Programs</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Property Taxes	\$ 351,857	\$ -	\$ 828,306	\$ -	\$ 1,180,163
SO Tax	137,382	-	-	-	137,382
Student Activities	-	-	-	20,666	20,666
Intergovernmental	3,415,121	152,729	-	143,847	3,711,697
Charges for services	-	-	-	13,349	13,349
Investment earnings	280	-	5,085	-	5,365
Miscellaneous	186,949	-	-	8,004	194,953
Total revenues	<u>4,091,589</u>	<u>152,729</u>	<u>833,391</u>	<u>185,866</u>	<u>5,263,575</u>
EXPENDITURES					
Instructional:					
Instructional	1,749,059	152,729	-	62,211	1,963,999
Pupil Support	84,554	-	-	8,256	92,810
General Administrative	205,824	-	-	-	205,824
School Administration	441,884	-	-	-	441,884
Total Instructional	<u>2,481,321</u>	<u>152,729</u>	<u>-</u>	<u>70,467</u>	<u>2,704,517</u>
Support Services:					
Business Services	149,907	-	-	-	149,907
Operations and Maintenance	500,299	-	-	-	500,299
Food Service	-	-	-	172,659	172,659
Pupil Transportation	221,145	-	-	-	221,145
Risk Management	244,768	-	-	-	244,768
District wide Costs	739	-	-	-	739
Debt Service:					
Principal	-	-	670,000	21,734	691,734
Interest Expense	-	-	72,836	11,234	84,070
Capital Outlay	-	-	-	25,349	25,349
Total Expenditures	<u>3,598,179</u>	<u>152,729</u>	<u>742,836</u>	<u>301,443</u>	<u>4,795,187</u>
Excess (deficiency) of revenues over expenditures	<u>493,410</u>	<u>-</u>	<u>90,555</u>	<u>(115,577)</u>	<u>468,388</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	269,895	269,895
Transfers out	<u>(269,895)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(269,895)</u>
Total other financing sources and uses	<u>(269,895)</u>	<u>-</u>	<u>-</u>	<u>269,895</u>	<u>-</u>
SPECIAL ITEM					
Proceeds from sale of assets	500	-	-	-	500
Net change in fund balances	224,015	-	90,555	154,318	468,888
Fund balances - beginning	205,815	-	1,013,091	(144,917)	1,073,989
Fund balances - ending	<u>\$ 429,830</u>	<u>\$ -</u>	<u>\$ 1,103,646</u>	<u>\$ 9,401</u>	<u>\$ 1,542,877</u>

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

Hanover School District No. 28
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
For the Year Ended June 30, 2021

Net change in fund balances - total governmental funds: \$ 468,888

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlay of \$25,349 is less than depreciation of \$368,333 in the current period. (342,984)

Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure, In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which repayments exceeded proceeds. 691,734

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

Net difference between PERA pension and OPEB actual expense contributions 2,117,297

Rounding (1)
Change in net position of governmental activities \$ 2,934,934

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

Hanover School District No. 28
El Paso County, Colorado
Notes to the Financial Statements
June 30, 2021

Note 1 **Summary of Significant Accounting Policies:**

The Hanover School District No. 28 (the “District”) was formed in 1962 encompassing approximately 256 square miles of southern El Paso County, Colorado. The District operates under an elected Board of Education with five members and provides educational services to approximately 250 students.

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

The accounting policies of the “District” conform to generally accepted accounting principles as applicable to governmental units. Following is a summary of the more significant policies:

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”) Statement No. 14, “The Financial Reporting Entity” and as subsequently amended.

Based upon the application of these criteria, no additional governmental organizations are includable within the District’s reporting entity, nor is the District included in any other organization.

Basis of Presentation

Government-wide Financial Statements

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. 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 statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are 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 funds, each displayed in a separate column. All remaining funds would be aggregated and reported as non-major funds. Fiduciary funds would be presented separately, if present.

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.

Bond Redemption Fund (Debt Service Fund) - This fund is used to account for the collection of dedicated property taxes and the related repayment of the District's general obligation debt.

Title Programs - This fund is used to account for certain time (Federal Funds) not accounted for in the General Fund.

Measurement Focus and Basis of Accounting

Government-Wide 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.

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

Cash and Investments - Cash of some funds are pooled into common pooled accounts in order to maximize investment opportunities. An individual fund's pooled Cash and Cash Investments are available upon demand and are considered to be "cash equivalents". Negative balances incurred in pooled cash at year-end, while technically a liability of that fund, have not been reclassified at year end. Cash is kept in interest bearing accounts which are comprised of checking and money market accounts which are legally authorized. Cash applicable to a particular fund is readily identifiable. The balance in the cash accounts is available to meet current operating requirements. Investments are recorded 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. No amounts were determined to be uncollectible at June 30, 2020. Property taxes levied in the current year but not received at year-end are identified as property taxes receivable and are presented net of an allowance for uncollectible taxes.

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

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 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. The District's policy is to capitalize, inventory and depreciate all capital purchases of \$5,000 or more with a useful life in excess of one year.

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

Buildings and Improvements	20 - 50 Years
Transportation Equipment	8 Years
Other Equipment	5 - 20 Years

Vacation, Sick Leave, and Other Compensated Absences - It is the District's policy to permit employees to accumulate a limited amount of earned but unused sick pay benefits, which will be paid to employees upon separation from District service. A liability for these amounts is reported in governmental funds only if they have matured or have been earned. District employees earn up to 15 days of annual leave per year. Unused leave will be paid at 50% of current substitute teacher daily rate upon retirement. As all employees are contracted to work a set number of days during a year, no vacation accrual accumulates. The compensated absence liability is shown as long-term debt as payments are not funded with current resources.

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.

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 for property taxes in the Bond Redemption Fund and pension and OPEB related deferrals.

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.

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

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Education, reported 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. For the District, assignments are coordinated between the Board of Education, Superintendent and District's business office.

All remaining governmental balances or deficits in the other governmental funds are presented as unassigned.

Net Position/Fund Balance Flow Assumptions

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.

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 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. Due to the funding formula utilized by the Colorado Department of Education, property taxes are recognized as revenue when payable to the County Treasurer. Uncollected property taxes levied in 2020 for collection in 2021 are identified as property taxes receivable at June 30. Property taxes receivable in the Bond Redemption Fund that do not meet recognition criteria are recorded as a deferred inflow.

Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Budgets are required by state law for all funds. Prior to April 1, the District submits to the Board a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to June 30, the budget is adopted by formal resolution of the Board.
4. Expenditures may not legally exceed appropriations at the fund level. The District is authorized to transfer budgeted amounts between departments within any fund. However, the Board must approve any revisions that alter the total expenditures of any fund.
5. Formal budgetary integration is employed as a management control device during the year for the various funds
6. Budgets for the various funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Note 2

Cash and Investments:

The District's cash and investment balances are allocated as follows:

Cash and Equivalents	\$ 801,465
Investments	1,103,646
Total Cash and Investments	<u>\$ 1,905,111</u>

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The District's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks

and financial services are required, by statute, to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At June 30, 2020, all of the District's deposits were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial risk.

Investments

The District's investments are allocated as follows:

	<u>Total</u>
Local Government Investment Pools – COLOTRUST	<u>\$1,013,091</u>

Credit Risk

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

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

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

During the year ended June 30, 2021, the District invested funds in COLOTRUST. As an investment pool, it operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. It invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA).

General Description

If an external investment pool meets the criteria in GASB 79 Paragraph 4 and measures all of its investments at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. If an external investment pool does not meet the criteria in Paragraph 4, the pool's participants should measure their investments in the pool at fair value as provided in Paragraph 11 of GASB Statement 31, as amended.

COLOTRUST follows Financial Accounting Standards Board (FASB) Accounting Standards Topic (ASC) 820 Fair Value Measurement and Disclosure for financial reporting purposes. ASC 820 defines fair value, establishes a single framework for measuring fair

value, and requires disclosures about fair value measurement. COLOTRUST does not meet all of the specific criteria outlined in GASB 79 Paragraph 4 therefore COLOTRUST Participants should measure their investments in COLOTRUST at fair value as provided in Paragraph 11 of GASB Statement 31, as amended. COLOTRUST reports the amortized cost of investments, which approximates fair value, to its Participants.

Public Trust interprets GASB 31, as amended by GASB 79, to mean that COLOTRUST should measure all of the investments in COLOTRUST at fair value. Therefore, your Participant balance should be considered the fair value of your investment in COLOTRUST. This information provided may be required for the financial reporting of Participants in COLOTRUST. Participants should consult their auditing and accounting professionals regarding their specific reporting requirements.

GASB 72 Note Disclosure Requirement for COLOTRUST

COLOTRUST measures its investments at fair value in accordance with Paragraph 41 of Statement 79 and Paragraph 11 of Statement 31, and therefore a Participant's investment in COLOTRUST is not required to be categorized within the fair value hierarchy for purposes of Paragraph 81a(2) of Statement 72*.

Credit Quality Disclosure

COLOTRUST PLUS+ and COLOTRUST PRIME are rated by S&P Global Ratings. The current rating is 'AAAm.'

Interest Rate Risk Disclosure

The dollar weighted average days to maturity (WAM) of COLOTRUST PLUS+ at December 31, 2020, is 51 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of COLOTRUST PLUS+ at December 31, 2020, is 80 days. The dollar weighted average days to maturity (WAM) of COLOTRUST PRIME at December 31, 2020, is 13 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of COLOTRUST PRIME at December 31, 2020, is 92 days.

Concentration of Credit Risk

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

Interest Rate Risk

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

Custodial Credit Risk - Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or

collateral securities that are in the possession of an outside party. As of June 30, 2021, the District did not have any investments requiring safekeeping. The majority of the District's bond funds are held by UMB, the District's third-party trustee.

Note 3 Capital Assets

Activity for the capital assets of the District is summarized below:

	Balance 07/01/2020	Additions Reclassifications	Deletions Reclassifications	Balance 06/30/2021
Governmental Activities:				
Capital Assets not being depreciated:				
Land	\$ 227,585	\$ -	\$ -	\$ 227,585
Capital Assets being depreciated:				
Building and Improvement	11,989,661	-	-	11,989,661
Equipment	1,151,706	-	-	1,151,706
Food Service Equipment	286,302	-	-	286,302
Transportation Equipment	751,161	25,349	(38,000)	738,510
Total	<u>14,178,830</u>	<u>25,349</u>	<u>(38,000)</u>	<u>14,166,179</u>
Less Accumulated Depreciation:				
Building and Improvement	(5,773,054)	(303,467)	-	(6,076,521)
Equipment	(863,779)	(39,843)	-	(903,622)
Food Service Equipment	(272,365)	(2,737)	-	(275,102)
Transportation Equipment	(676,598)	(22,286)	38,000	(660,884)
Total	<u>(7,585,796)</u>	<u>(368,333)</u>	<u>38,000</u>	<u>(7,916,129)</u>
Net Capital Assets	<u>\$ 6,820,619</u>	<u>\$ (342,984)</u>	<u>\$ -</u>	<u>\$ 6,477,635</u>

The District's depreciation is allocated to its various programs as follows:

Instruction	\$ 346,047
Supporting Services	22,286
Total Depreciation	<u>\$ 368,333</u>

Note 4 Inventories

Food Service Fund inventory as of June 30, 2021 of \$3,976 consisted of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.

Note 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 \$330,851. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the General and Food Service Funds.

Note 6 Long-Term Debt

The following is a summary of the District’s long-term debt activity for the year ended June 30, 2021:

Summary of Long-Term Debt:	Balance 6/30/20	Advances	Payments	Balance 6/30/21	Current Portion
2010 GO Refunding Bonds	\$ 2,795,000	\$ -	\$ (670,000)	\$ 2,125,000	\$ 690,000
Capital Leases	247,915	-	(21,734)	226,181	23,749
PERA Net Pension Liability	5,329,338	-	(567,217)	4,762,121	-
OPEB	262,183	-	(89,100)	173,083	-
Accrued Compensated Absences	42,449	-	-	42,449	-
	<u>\$ 8,676,885</u>	<u>\$ -</u>	<u>\$(1,348,051)</u>	<u>\$ 7,328,834</u>	<u>\$ 713,749</u>

Payments on the bonds are funded through the Bond Redemption Fund, payments for vehicle and building improvement leases are budgeted and paid through the Capital Reserve Projects Fund. Copier lease payments are made through the General Fund, payments towards pension liabilities and leave are funded in accordance with the underlying payroll expense.

General Obligation Bonds Payable

In October of 2010, the District issued \$7,380,000 in general obligation refunding bonds for the purpose of advance refunding a portion of the District’s outstanding General Obligation Bonds, series 2003 and a portion of the District’s outstanding General Obligations Bonds, series 2004. Principal payments are due annually on December 1, through 2023. Interest payments are due semi-annually on June 1 and December 1, with interest accruing at rates ranging from 2.0% to 3.0%.

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

	Principal	Interest	Total
2022	\$ 690,000	\$ 53,789	\$ 743,789
2023	705,000	33,839	738,839
2024	730,000	11,388	741,388
Total	<u>\$ 2,125,000</u>	<u>\$ 99,016</u>	<u>\$ 2,224,016</u>

Capital Leases

In August of 2016, the District entered into a capital lease arrangement for the purchase of energy savings equipment. The lease was for \$60,000 and requires annual payments through August, 2031 of \$5,415 including 4.0% interest. The District has capitalized assets of \$60,300 related to this lease. In case of default, the lessor has the option to exercise any one of the following remedies: (a) obtain possession of the equipment, and (b) exercise any other right, remedy, or privilege which may be available to it under applicable law. In additions, the District shall remain liable for all covenants and indemnities under this lease and for all legal fees and other costs and expenses, including court costs, incurred by the

lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to the lessor.

In January of 2018, the District entered into a capital lease arrangement for the purchase of energy savings equipment. The lease was for \$182,749 and requires annual payments through August, 2032 of \$16,748 including 4.5% interest. The District has capitalized assets of \$182,749 related to this lease. In case of default, the lessor has the option to exercise any one of the following remedies: (a) obtain possession of the equipment, and (b) exercise any other right, remedy, or privilege which may be available to it under applicable law. In additions, the District shall remain liable for all covenants and indemnities under this lease and for all legal fees and other costs and expenses, including court costs, incurred by the lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to the lessor.

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

Fiscal Year	2016 Lease	2018 Lease	Total
2022	\$ 5,415	\$ 16,748	\$ 22,163
2023	5,415	16,748	22,163
2024	5,415	16,748	22,163
2025	5,415	16,748	22,163
2026	5,415	16,748	22,163
2027-2031	27,075	83,739	110,814
2032-2033	5,413	33,493	38,906
Total future Minimum Payments	59,563	200,972	260,535
Less: Interest	(12,611)	(51,842)	(64,453)
Present Value Obligation	\$ 46,952	\$ 149,130	\$ 196,082

In December of 2017, the District entered into a lease agreement for \$24,995 for the purchase of a van. Annual payments of \$5,052 are due through December 2022, at an interest rate of 4.0%. The District has capitalized assets of \$24,995 related to this lease. In case of default, the lessor has the right to take one or any combination of the following remedies with or without terminating the lease. The District may be required to pay the lessor all contract payments and other amounts payable to the end of the then current Budget Year being immediately due and payable. Under this scenario the District may be required to deliver the equipment to the lessor within fifteen (15) days after the event of default occurs. The lessor may exercise any other right or remedy available at law or in equity. The District is liable for any damages to the equipment and all legal fees and other costs and expenses incurred in the enforcement of the lessor's rights under this contract to remedy.

In November of 2018, the District entered into a lease agreement for \$24,990 for the purchase of a Van. Annual payments of \$5,753 are due through November 2023, at an interest rate of 4.8%. The District has capitalized assets of \$27,680 related to this lease. In case of default, the lessor has the right to take one or any combination of the following remedies with or without terminating the lease. The District may be required to pay the lessor all contract payments and other amounts payable to the end of the then current Budget Year being immediately due and payable. Under this scenario the District may be required to deliver the equipment to the lessor within fifteen (15) days after the event of default occurs.

The lessor may exercise any other right or remedy available at law or in equity. The District is liable for any damages to the equipment and all legal fees and other costs and expenses incurred in the enforcement of the lessor's rights under this contract to remedy.

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

<u>Fiscal Year</u>	<u>2016 Lease</u>	<u>2018 Lease</u>	<u>Total</u>
2022	\$ 5,052	\$ 5,753	\$ 10,805
2023	5,051	5,753	10,804
2024	-	5,753	5,753
Total future Minimum Payments	10,103	17,259	27,362
Less: Interest	(933)	(1,888)	(2,821)
Present Value Obligation	<u>\$ 9,170</u>	<u>\$ 15,371</u>	<u>\$ 24,541</u>

In October 2018, the District entered into a copier lease arrangement for \$7,834. Monthly payments of \$155 are due through September 2023, at an estimated interest rate of 5.0%. The District has capitalized assets of \$7,834 related to this lease. In case of default, the District may be required to do any combination of the following, immediately pay all amounts then due, plus the present value of the remaining lease payments, interim rent and residual value of the equipment, as determined by the lessor, discounted at an annual rate of 3.0%. 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 District shall remain liable for all legal fees and other costs and expenses incurred by the lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to the lessor.

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

<u>Fiscal Year</u>	<u>2016 Lease</u>	<u>2018 Lease</u>	<u>Total</u>
2022	\$ 1,698	\$ 159	\$ 1,857
2023	1,784	72	1,856
2024	461	3	464
Total	<u>\$ 3,943</u>	<u>\$ 234</u>	<u>\$ 4,177</u>

Note 7

Jointly Governed Organization

BOCES

The District, in conjunction with other surrounding districts, created the Pikes Peak Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational services at a shared lower cost per district. The BOCES board is comprised of one member from each participating district. During the fiscal year ended June 30, 2021, the District paid total assessments of \$157,597 to the BOCES. Financial statements for the BOCES can be obtained from the BOCES administrative office at 4825 Lorna Place, Colorado Springs, CO 80915.

Note 8

Pension Plan

Risk Management - The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has joined Colorado School District Self Insurance Pool (CSDSIP), a public entity risk pool currently operating as a common risk management and insurance program for members. The District pays an annual premium to CSDSIP for its liability, property and casualty, vehicle, mechanical and crime insurance coverage. The intergovernmental agreement of formation of CSDSIP provides that the Pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

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 and additions to/deductions from the fiduciary net position of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB)18-200: *Concerning Modifications to the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years.* The bill was signed into law by Governor Hickenlooper on June, 4, 2018. A brief description of some of the major changes to plan provisions required by SB 18-200 makes changes to certain benefit provisions. Some, but not all, 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 School Division Trust Fund (SCHDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 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.

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

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

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

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

As of December 31, 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, , benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007, and all benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment on or after January 1, 2007, will receive the lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in C.R.S. § 24-51-413.

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

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

Contributions provisions as of June 30, 2021: Eligible employees of, the District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, et seq. and § 24-51-413. Eligible employees are required to contribute 8.75 percent of their PERA-includable salary during the period of July 1, 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	<u>19.88%</u>

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

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

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 the District were \$1,397,615 for the year ended June 30, 2021.

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

The net pension liability for the SCHDTF was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total pension liability to December 31, 2020. The District's proportion of the net pension liability was based on the District's 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.

At June 30, 2021 the District reported a liability of \$4,762,121 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total proportion of the net pension liability that was associated with the District were as follows:

The District's proportionate share of the net pension liability	\$ 4,762,121
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	-
Total	<u>\$ 4,762,121</u>

At December 31, 2020, the District's proportion was 0.031499 percent, which is an immaterial increase from its proportion measured as of December 31, 2019.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 261,654	\$ -
Changes of assumptions and other inputs	458,101	800,472
Net difference between projected and actual earnings on pension plan investments	332,607	1,380,859
Contributions subsequent to the measurement date.	165,350	N/A
Total	<u>\$ 1,217,712</u>	<u>\$ 2,181,331</u>

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

For the Plan Year Ended December 31,	Amounts Reported as Collective Deferred Outflows and Collective Deferred Inflows of Resources Recognized in Collective Pension Expense as Follows:
2021	(815,779)
2022	75,611
2023	(223,432)
2024	(165,367)
2025	-
Thereafter	-

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

Actuarial cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50 – 9.70%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.25%
PERA benefit structure hired after 12/31/06 ¹	Financed by the 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 reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

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

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

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

The actuarial assumptions used in the December 31, 2019, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 29, 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 increases, including wage inflation	3.40% - 11.00 %
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.25%
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR

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

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

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

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

Post-retirement non-disabled mortality assumptions were based upon the PubT-2010 Health 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.
- Female: 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, 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 analysis 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 assets 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 assets 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%	

¹The opportunity Fund's name changes 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 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.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include the current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 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 provides an annual direct distribution of \$225 million, which commenced July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. 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 and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered annual increase cap, from 1.50 percent to 1.25 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

use the municipal bend rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% increase (8.25%)
Proportionate share of the net pension liability	\$6,495,923	\$4,762,121	\$3,317,292

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

Defined Benefit Other Post Employment Benefit (OPEB) Plan:

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

General Information About the OPEB Plan:

Plan Description. Eligible employees of 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 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

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

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

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

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

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

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum services-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 \$72,620 for the year ended December 31, 2020.

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

At December 31, 2019, the District reported a liability of \$173,083 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 the District's contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

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

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

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

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

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

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

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

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

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
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 for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

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

Post-retirement non-disabled mortality assumptions for the 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.

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

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

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

The 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 26, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Bord meeting.

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

Trust Fund

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

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

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

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

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

Pre-retirement mortality assumptions for the State and Local Government Division (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 Employee Table with generational projection using scale MP-2019.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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 assets 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%	

¹The opportunity Fund’s name changes 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 rate of return assumption of 7.25 percent.

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

	1% Decrease In Trend Rates	Current Trend Rates	1% Increase In Trend Rates
Initial PERACare Medicare trend rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB liability	\$168,610	\$173,083	\$178,292

The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows to determine the discount rate applied the actuarial cost method and assumption 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 3.50 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfer of dollars in the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-

percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

Discount Rate	Sensitivity of the Net OPEB Liability		
	6.25%	7.25%	8.25%
Net OPEB liability	\$198,270	\$173,083	\$151,563

At December 31, 2020, the District's proportion was .0018215 percent, which was an immaterial decrease from its proportion measured as of December 31, 2019.

For the year ended December 31, 2020, the District recognized OPEB expense of \$17,181. At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 459	\$ 38,052
Changes of assumptions or other inputs	1,293	10,613
Net difference between projected and actual earnings on OPEB plan investments	2,197	9,269
Contributions subsequent to the measurement date	8,590	N/A
Total	\$ 12,539	\$ 57,934

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in collective OPEB expense as follows:

Year Ended December 31,	
2021	\$ (12,602)
2022	(11,613)
2023	(12,912)
2024	(12,008)
2025	(4,557)
Thereafter	(291)

Note 11 Summary Disclosure of Significant Contingencies, Restrictions, and Commitments

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 and proprietary funds or the overall financial position of the District.

Tabor Amendment - In November 1992, Colorado voters passed the Tabor Amendment (Amendment 1) to the State Constitution which limits state and local government tax

powers and imposes spending limitations. The District is subject to the Tabor Amendment. Fiscal year 2001 provides the basis for limits in future years to which may be applied allowable increases for inflation and student enrollment. Revenue received in excess of the limitations may be required to be refunded unless the District’s electorate votes to retain the revenue. In November of 1997, the voters of the District approved a ballot measure which allows the District to retain, appropriate, and utilize the full revenues received from every source whatever, without limitation, in 1997 and all subsequent years. The Tabor Amendment is subject to many interpretations, but the District feels it is in substantial compliance with the Amendment.

Pursuant to the Amendment the District is required to set aside 3% of “fiscal year spending” as an emergency reserve. The District has reserved \$1 16,817 of fund balance in the General Fund to meet this requirement.

The District has restricted all of the available carryover in the Bond Redemption for debt service. Amounts received and utilized for the Colorado Preschool Program are restricted by statute. A summary of the District’s restricted governmental fund balance and governmental activity net position is as follows:

Restricted for Debt Service	\$ 1,013,646
Restricted for TABOR Emergencies	116,817
Restricted for Colorado Preschool Program	<u>62,773</u>
Total Governmental Restricted Fund	
Balance/Net Position	<u>\$ 1,193,236</u>

Note 12

Risk Management

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, if 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.

Note 13

Budget Violation

The District's expenditures exceeded appropriations in the capital fund. The over expenditure may be a violation of state statutes.

Required Supplementary Information

Hanover School District No. 28
Schedule of the District's Proportionate Share of the Net Pension Liability PERA
For the Year Ended June 30, 2021

	<u>2020</u>	<u>2019</u>	<u>for the years ended December 31,</u>		<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
			<u>2018</u>	<u>2017</u>				
District's proportion (percentage) of the collective net pension liability	0.00031499	0.0003572	0.0003392	0.0003777	0.0004065	0.0004343	0.0004465	0.0004592
District's proportionate share of the collective pension liability	<u>\$ 4,762,121</u>	<u>\$ 5,336,326</u>	<u>\$ 6,006,038</u>	<u>\$ 12,212,320</u>	<u>\$ 12,103,721</u>	<u>\$ 6,641,568</u>	<u>\$ 6,052,130</u>	<u>\$5,858,691</u>
Payroll	\$ 1,684,428	\$ 2,097,377	\$ 1,864,704	\$ 1,820,709	\$ 1,732,638	\$ 1,873,716	\$ 1,891,185	\$1,877,385
District's proportionate share of the net pension liability as a percentage of its payroll	282.71%	254.43%	322.09%	670.75%	698.57%	354.46%	320.02%	312.07%
Plan fiduciary net pension as a percentage of the total pension liability	66.99%	64.52%	57.01%	43.96%	43.13%	59.16%	62.84%	64.07%

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

Hanover School District No. 28
Schedule of the District's Proportionate Share of the Net Liability OPEB
For the Year Ended June 30, 2021

	for the years ended December 31,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's proportion (percentage) of the collective net pension liability	0.0001821	0.0002332	0.0002026	0.0002047	0.0001952
District's proportionate share of the collective OPEB liability	<u>\$ 173,083</u>	<u>\$ 347,209</u>	<u>\$ 275,654</u>	<u>\$ 266,008</u>	<u>\$ 253,023</u>
Payroll	\$ 1,684,428	\$ 2,097,377	\$ 1,864,704	\$ 1,820,709	\$ 1,732,638
District's proportionate share of the net pension liability as a percentage of its payroll	10.28%	16.55%	14.78%	14.61%	14.60%
Plan fiduciary net pension as a percentage of the total pension liability	32.75%	16.51%	16.72%	17.53%	17.03%

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

Hanover School District No. 28
Schedule of Contributions and Related Ratios PERA
Year Ended June 30, 2021

	<u>2020</u>	<u>2019</u>	<u>for the years ended December 31,</u>		<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
			<u>2018</u>	<u>2017</u>				
Statutory required contributions	\$ 330,696	\$ 809,123	\$ 356,718	\$ 343,913	\$ 318,445	\$ 332,358	\$ 319,481	\$ 300,135
Contributions in relation to the statutorily required contribution	<u>330,696</u>	<u>809,123</u>	<u>356,718</u>	<u>343,913</u>	<u>318,445</u>	<u>332,358</u>	<u>319,481</u>	<u>300,135</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Payroll	\$ 1,684,428	\$ 2,097,377	\$ 1,864,704	\$ 1,820,709	\$ 1,732,638	\$ 1,873,716	\$ 1,891,185	\$ 1,877,385
Contribution as a percentage of payroll	19.64%	19.64%	19.13%	18.89%	18.38%	17.74%	16.89%	15.99%

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

Hanover School District No. 28
Schedule of Contributions and Related Ratios OPEB
Year Ended June 30, 2021

	for the years ended December 31,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutory required contributions	\$ 17,181	\$ 42,016	\$ 19,020	\$ 18,571	\$ 17,673
Contributions in relation to the statutorily required contribution	<u>17,181</u>	<u>42,016</u>	<u>19,020</u>	<u>18,571</u>	<u>17,673</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Payroll	\$ 1,684,428	\$ 2,097,377	\$ 1,864,704	\$ 1,820,709	\$ 1,732,638
Contribution as a percentage of payroll	1.02%	1.02%	1.02%	1.02%	1.02%

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

Hanover School District No. 28
Budget and Actual
General
For the year ended June 30, 2021

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Property Taxes	\$ 362,000	\$ 349,800	\$ 351,857
SO Taxes	134,020	135,985	137,382
Intergovernmental	2,939,672	3,380,118	3,415,121
Investment earnings	10,000	400	280
Miscellaneous	20,000	30,000	186,949
Total revenues	<u>3,465,692</u>	<u>3,896,303</u>	<u>4,091,589</u>
EXPENDITURES			
Instructional:			
Instruction	1,530,031	1,883,961	1,749,059
Pupil Support	112,639	98,804	84,554
General Administration	264,042	131,725	205,824
School Administration	350,818	420,066	441,884
Support Services:			
Business Services	124,280	171,780	149,907
Operations and Maintenance	362,878	389,598	500,299
Pupil Transportation	282,898	272,788	221,145
Risk Management	261,000	261,000	244,768
District wide Costs	-	-	739
Total Expenditures	<u>3,288,586</u>	<u>3,629,722</u>	<u>3,598,179</u>
Excess (deficiency) of revenues over expenditures	<u>177,106</u>	<u>266,581</u>	<u>493,410</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	(181,560)	(187,711)	(269,895)
Total other financing sources and uses	<u>(181,560)</u>	<u>(187,711)</u>	<u>(269,895)</u>
SPECIAL ITEM			
Proceeds from sale of capital assets	-	-	500
Net change in fund balances	(4,454)	78,870	224,015
Fund balances - beginning	467,000	467,000	205,815
Fund balances - ending	<u>\$ 462,546</u>	<u>\$ 545,870</u>	<u>\$ 429,830</u>

Other Supplementary Information

Hanover School District No. 28
Balance Sheet
Other Governmental Funds
June 30, 2021

	Food Service	Pupil Activity Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ (17,414)	\$ 6,725	\$ (10,689)
Due from other funds	11,343	-	11,343
Other receivables	21,608	-	21,608
Inventories	3,976	-	3,976
Total assets	19,513	6,725	26,238
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	504	203	707
Due to other funds	2,430	-	2,430
Deferred revenue	9,183	-	9,183
Other accrued expenses	4,517	-	4,517
Total liabilities	16,634	203	16,837
 Fund balances:			
Non-spendable-inventories	3,976	-	3,976
Committed	(1,097)	6,522	5,425
Total fund balances	2,879	6,522	9,401
Total liabilities and fund balances	\$ 19,513	\$ 6,725	\$ 26,238

Hanover School District No. 28
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	<u>Food Service</u>	<u>Pupil Activity Fund</u>	<u>Capital Reserve Projects Fund</u>	<u>Total Special Revenue Funds</u>
REVENUES				
Student Activities	\$ -	\$ 20,666	\$ -	20,666
Intergovernmental	143,847	-	-	143,847
Charges for services	13,349	-	-	13,349
Miscellaneous	8,004	-	-	8,004
Total revenues	<u>165,200</u>	<u>20,666</u>	<u>-</u>	<u>185,866</u>
EXPENDITURES				
Instructional:				
Pupil Activities	-	62,211	-	62,211
Pupil Support	-	-	8,256	8,256
Support Services:				
Food Services	172,659	-	-	172,659
Debt Service:				
Principal	-	-	21,734	21,734
Interest and other charges	-	-	11,234	11,234
Capital Outlay	-	-	25,349	25,349
Total Expenditures	<u>172,659</u>	<u>62,211</u>	<u>66,573</u>	<u>301,443</u>
Excess (deficiency) of revenues over expenditures	<u>(7,459)</u>	<u>(41,545)</u>	<u>(66,573)</u>	<u>(115,577)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>91,274</u>	<u>32,936</u>	<u>145,685</u>	<u>269,895</u>
Total other financing sources and uses	<u>91,274</u>	<u>32,936</u>	<u>145,685</u>	<u>269,895</u>
Net change in fund balances	83,815	(8,609)	79,112	154,318
Fund balances - beginning	<u>(80,936)</u>	<u>15,131</u>	<u>(79,112)</u>	<u>(144,917)</u>
Fund balances - ending	<u>\$ 2,879</u>	<u>\$ 6,522</u>	<u>\$ -</u>	<u>\$ 9,401</u>

Hanover School District No. 28
Budget and Actual
Food Service
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Intergovernmental	\$ 115,000	\$ 115,000	\$ 143,847
Charges for services	5,000	5,000	13,349
Miscellaneous	-	-	8,004
Total revenues	<u>120,000</u>	<u>120,000</u>	<u>165,200</u>
EXPENDITURES			
Support Services:			
Food Services	<u>191,420</u>	<u>191,420</u>	<u>172,659</u>
Total Expenditures	<u>191,420</u>	<u>191,420</u>	<u>172,659</u>
Excess (deficiency) of revenues over expenditures	<u>(71,420)</u>	<u>(71,420)</u>	<u>(7,459)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>79,340</u>	<u>79,340</u>	<u>91,274</u>
Total other financing sources and use	<u>79,340</u>	<u>79,340</u>	<u>91,274</u>
Net change in fund balances	7,920	7,920	83,815
Fund balances - beginning	-	-	(80,936)
Fund balances - ending	<u>\$ 7,920</u>	<u>\$ 7,920</u>	<u>\$ 2,879</u>

Hanover School District No. 28
Budget and Actual
Pupil Activity Fund
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Student activities	\$ 5,000	\$ 5,000	\$ 20,666
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>20,666</u>
EXPENDITURES			
Noninstructional Services:			
Student activities	66,490	66,490	62,211
Total Expenditures	<u>66,490</u>	<u>66,490</u>	<u>62,211</u>
Excess (deficiency) of revenues over expenditures	<u>(61,490)</u>	<u>(61,490)</u>	<u>(41,545)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	61,490	61,490	32,936
Total other financing sources and uses	<u>61,490</u>	<u>61,490</u>	<u>32,936</u>
Net change in fund balances	-	-	(8,609)
Fund balances - beginning	12,000	12,000	15,131
Fund balances - ending	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>\$ 6,522</u>

Hanover School District No. 28
Budget and Actual
Title Programs
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Intergovernmental	\$ -	\$ 184,600	\$ 152,729
Total revenues	<u>-</u>	<u>184,600</u>	<u>152,729</u>
EXPENDITURES			
Instructional:			
Instruction	14,500	184,600	152,729
Total Expenditures	<u>14,500</u>	<u>184,600</u>	<u>152,729</u>
Excess (deficiency) of revenues over expenditures	<u>(14,500)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(14,500)	-	-
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ (14,500)</u>	<u>\$ -</u>	<u>\$ -</u>

Hanover School District No. 28
Budget and Actual
Debt Service
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Property Taxes	\$ 824,649	\$ 824,649	\$ 828,306
Investment earnings	-	-	5,085
Total revenues	<u>824,649</u>	<u>824,649</u>	<u>833,391</u>
EXPENDITURES			
Debt Service:			
Principal	675,000	675,000	670,000
Interest and other charges	75,805	75,805	72,836
Total Expenditures	<u>750,805</u>	<u>750,805</u>	<u>742,836</u>
Excess (deficiency) of revenues over expenditures	<u>73,844</u>	<u>73,844</u>	<u>90,555</u>
Net change in fund balances	73,844	73,844	90,555
Fund balances - beginning	881,932	881,932	1,013,091
Fund balances - ending	<u>\$ 955,776</u>	<u>\$ 955,776</u>	<u>\$ 1,103,646</u>

Hanover School District No. 28
Budget and Actual
Capital Reserve Projects Fund
For the year ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Total revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Instructional :			
Pupil Support	-	-	8,256
Debt Service:			
Principal	31,987	31,987	21,734
Interest and other charges	8,743	8,743	11,234
Capital Outlay	-	-	25,349
Total Expenditures	<u>40,730</u>	<u>40,730</u>	<u>66,573</u>
Excess (deficiency) of revenues over expenditures	<u>(40,730)</u>	<u>(40,730)</u>	<u>(66,573)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>48,551</u>	<u>48,551</u>	<u>145,685</u>
Total other financing sources and uses	<u>48,551</u>	<u>48,551</u>	<u>145,685</u>
Net change in fund balances	7,821	7,821	79,112
Fund balances - beginning	<u>(3,910)</u>	<u>(3,910)</u>	<u>(79,112)</u>
Fund balances - ending	<u>\$ 3,911</u>	<u>\$ 3,911</u>	<u>\$ -</u>



Colorado Department of Education
Auditors Integrity Report
 District: 1070 - Hanover 28
 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	290,043	3,591,000	3,514,537	366,506
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	-84,228	229,903	82,349	63,326
Sub- Total	205,815	3,820,903	3,596,886	429,832
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	-80,937	256,474	172,659	2,878
22 Govt Designated-Purpose Grants Fund	1	152,729	152,729	1
23 Pupil Activity Special Revenue Fund	15,131	53,602	62,211	6,521
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	1,013,091	833,391	742,836	1,103,646
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	-79,112	145,684	66,573	0
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	1,073,989	5,262,783	4,793,893	1,542,879
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