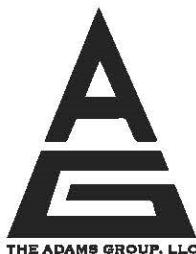


EAGLE RIDGE ACADEMY
BRIGHTON, COLORADO

FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

EAGLE RIDGE ACADEMY
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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Eagle Ridge Academy
Brighton, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Eagle Ridge Academy, a component unit of Brighton School District 27J, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Eagle Ridge Academy's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Eagle Ridge Academy, as of June 30, 2022, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Eagle Ridge

Academy's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison schedules, and GASB required pension and OPEB schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in

the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Adams Group, LLC

Denver, Colorado

October 4, 2022

EAGLE RIDGE ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

As management of Eagle Ridge Academy (the School), we offer readers of Eagle Ridge Academy's financial statements our narrative overview and analysis of the financial activities of Eagle Ridge Academy for the fiscal year ended June 30, 2022.

Financial Highlights

The liabilities and deferred inflows of resources of Eagle Ridge Academy exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$794,678 (net position). This is largely due to the GASB Statement No. 68 net pension liability and GASB Statement No. 75 net OPEB liability reported as of June 30, 2022 due to the School's involvement in Colorado PERA.

At the close of the fiscal year, Eagle Ridge Academy's governmental funds reported combined ending fund balance of \$4,328,360.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Eagle Ridge Academy's basic financial statements. Eagle Ridge Academy's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of Eagle Ridge Academy's finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how Eagle Ridge Academy's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected grant expenses and earned but unpaid salary and benefits).

The government-wide statement of activities distinguishes functions/programs of Eagle Ridge Academy supported primarily by Per Pupil Revenue or other revenues passed through from the authorizer (Brighton School District 27J). The governmental activities of Eagle Ridge Academy include instruction and supporting services.

The government-wide financial statements can be found on pages 9 – 10.

EAGLE RIDGE ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Eagle Ridge Academy, like other governmental units or schools, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of Eagle Ridge Academy are included as one category: governmental funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of Eagle Ridge Academy's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Eagle Ridge Academy maintains two individual governmental funds, the General Fund, and a Special Revenue Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Special Revenue Fund as they are both considered major funds.

Eagle Ridge Academy adopts annually appropriated budgets for any governmental funds. A budgetary comparison schedule for each governmental fund has been provided to demonstrate compliance with budget.

Special Revenue Fund

The Brighton Charter School Building Corporation is a nonprofit finance organization whose sole purpose is to acquire and lease facilities to Eagle Ridge Academy for governmental use. The Corporation provides services entirely to Eagle Ridge Academy. Due to this relationship, the Corporation is reported as if it were part of or blended with Eagle Ridge Academy's operations as a special revenue fund.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. This information is provided in pages 15-47.

EAGLE RIDGE ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Eagle Ridge Academy, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources resulting in a deficit net position of \$794,678 at the close of the most recent fiscal year.

Eagle Ridge Academy's Statement of Net Position
Governmental Activities

	2022	2021
<u>Assets</u>		
Current and other assets	\$ 4,571,467	\$ 4,114,326
Capital assets	7,561,353	7,713,398
Total Assets	12,132,820	11,827,724
Deferred outflows of resources	1,021,075	1,635,020
<u>Liabilities</u>		
Current and other liabilities	675,358	653,455
Noncurrent liabilities	11,420,879	13,393,285
Total Liabilities	12,096,237	14,046,740
Deferred inflows of resources	1,852,336	2,204,098
<u>Net Position</u>		
Net investment in capital assets	(666,672)	(873,854)
Restricted:		
Emergencies	149,007	131,832
Debt service	984,015	974,963
Repair and replacement	100,154	100,050
Unrestricted	(1,361,182)	(3,121,085)
Total Net Position	\$ (794,678)	\$ (2,788,094)

The largest portion of Eagle Ridge Academy's assets consists of capital assets, less accumulated depreciation, at 62% of total assets in 2022. Eagle Ridge Academy's overall net position increased by \$1,993,416 during fiscal year 2022. This was a result of the actuarial assumption surrounding Eagle Ridge Academy's involvement in the Colorado PERA defined pension plan and the related change in pension expense (income) when comparing 2021 to 2022.

EAGLE RIDGE ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Eagle Ridge Academy's Statement of Activities
Governmental Activities

	2022	2021
<u>Program revenue:</u>		
Charges for services	\$ 112,096	\$ 58,378
Operating grants and contributions	323,493	421,470
Capital grants and contributions	155,415	157,897
Total program revenue	591,004	637,745
 <u>General revenue:</u>		
Per pupil revenue	4,636,083	4,104,210
Mill levy revenue	20,115	20,986
Investment earnings	2,934	954
Other	18,918	53,590
Total general revenue	4,678,050	4,179,740
 Total revenue	5,269,054	4,817,485
 <u>Expenses:</u>		
Current:		
Instruction	1,658,354	1,440,885
Supporting services	1,244,138	1,242,706
Interest on long-term debt	373,146	395,131
Total expenses	3,275,638	3,078,722
 Change in net position	1,993,416	1,738,763
 Net Position, Beginning	(2,788,094)	(4,526,857)
 Net Position, Ending	\$ (794,678)	\$ (2,788,094)

The largest portion of Eagle Ridge Academy's revenues came from per pupil revenue – 88%, respectively in 2022.

Financial Analysis of the Government's Funds

As noted earlier, Eagle Ridge Academy uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The focus of Eagle Ridge Academy's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Eagle Ridge Academy's financing requirements.

EAGLE RIDGE ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

In particular, unassigned fund balance may serve as a useful measure of Eagle Ridge Academy's net resources available for spending at the end of the fiscal year.

As of the end of the current year, Eagle Ridge Academy's General Fund reported an ending fund balance of \$3,181,167, an increase of \$436,082 from the prior year.

As of the end of the current year, Eagle Ridge Academy's Special Revenue Fund reported an ending fund balance of \$1,147,193, an increase of \$7,041 from the prior year.

General Fund Budgetary Highlights

Eagle Ridge Academy approves a final general fund budget in May based on enrollment projections for Eagle Ridge Academy year. In October, after enrollment stabilizes, adjustments are made to the budget. At year-end, Eagle Ridge Academy had some variances between its final budgeted and actual activities. Overall, Eagle Ridge Academy recognized \$213,790 more revenue than expected, including transfers, and spent \$26,010 more than planned, when compared to the final budget which may be a violation of Colorado State Budget Law. One budget amendment was made during FY 2021-2022.

Capital Assets & Long-Term Debt

Eagle Ridge Academy has invested in capital assets in the form of Eagle Ridge Academy's building and building improvements, land and land improvements, construction in progress, and equipment. Depreciation expenses for capital assets are booked under the Supporting Services expenses of Eagle Ridge Academy's operations. See Note 4 for more information.

Eagle Ridge Academy has long-term debt in the form of refunding revenue bonds. Eagle Ridge Academy is required to make equal lease payments to CRLLC for the use of the building. CRLLC is required to make equal lease payments to the Trustee for payment of the bonds. See Note 6 for more information. Subsequent to yearend, Eagle Ridge Academy issued Series 2022A and 2022B CECFA Refunding and Improvement Revenue Bonds. See Note 12 for additional information.

Economic Factors and Next Year's Budget

The primary factor driving the budget for Eagle Ridge Academy is student enrollment. Enrollment for the 2021-2022 school year was 525 funded students. This information was analyzed as part of the 2022-2023 budget which is projecting a 515 funded student count.

Requests for Information

This financial report is designed to provide a general overview of Eagle Ridge Academy's finances for all those with an interest in Eagle Ridge Academy's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Eagle Ridge Academy:

Eagle Ridge Academy
3551 Southern Street
Brighton, CO 80601

BASIC FINANCIAL STATEMENTS

EAGLE RIDGE ACADEMY
STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>Governmental Activities</u>
<u>Assets</u>	
Cash and investments	\$ 3,373,074
Restricted cash and investments	1,147,193
Accounts receivable	50,098
Prepaid items	1,102
Capital assets, not depreciated	98,960
Capital assets, net of depreciation	7,462,393
Total Assets	<u>12,132,820</u>
 <u>Deferred Outflows of Resources</u>	
Related to pension	1,000,922
Related to OPEB	20,153
Total Deferred Outflows of Resources	<u>1,021,075</u>
 <u>Liabilities</u>	
Accounts payable	64,277
Accrued salaries and benefits	170,091
Accrued interest	63,024
Claims payable	8,739
Noncurrent liabilities:	
Due within one year	369,227
Due in more than one year	7,858,798
Pension liability	3,397,699
OPEB liability	164,382
Total Liabilities	<u>12,096,237</u>
 <u>Deferred Inflows of Resources</u>	
Related to pension	1,792,009
Related to OPEB	60,327
Total Deferred Inflows of Resources	<u>1,852,336</u>
 <u>Net Position</u>	
Net investment in capital assets	(666,672)
Restricted:	
Emergencies	149,007
Debt service	984,015
Repair and replacement	100,154
Unrestricted	(1,361,182)
Total Net Position	<u>\$ (794,678)</u>

See accompanying Notes to Financial Statements.

EAGLE RIDGE ACADEMY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction	\$ 1,658,354	\$ -	\$ 323,493	\$ 155,415	\$ (1,179,446)
Supporting services	1,244,138	112,096	-	-	(1,132,042)
Interest on long-term debt	373,146	-	-	-	(373,146)
Total Governmental Activities	\$ 3,275,638	\$ 112,096	\$ 323,493	\$ 155,415	(2,684,634)

GENERAL REVENUES:

Per pupil revenue	4,636,083
Mill levy override	20,115
Investment earnings	2,934
Other	18,918
Total General revenues	4,678,050
Change in net position	1,993,416
Net Position, Beginning	(2,788,094)
Net Position, Ending	\$ (794,678)

See accompanying Notes to Financial Statements.

EAGLE RIDGE ACADEMY
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
<u>Assets</u>			
Cash and investments	\$ 3,373,074	\$ -	\$ 3,373,074
Restricted cash and investments	-	1,147,193	1,147,193
Accounts receivable	50,098	-	50,098
Prepaid items	1,102	-	1,102
Total Assets	<u>\$ 3,424,274</u>	<u>\$ 1,147,193</u>	<u>\$ 4,571,467</u>
 <u>Liabilities and fund balances</u>			
<u>Liabilities:</u>			
Accounts payable	\$ 64,277	\$ -	\$ 64,277
Accrued salaries and benefits	170,091	-	170,091
Claims payable	8,739	-	8,739
Total Liabilities	<u>243,107</u>	<u>-</u>	<u>243,107</u>
 <u>Fund balances:</u>			
<u>Nonspendable</u>			
Prepaid items	1,102	-	1,102
<u>Restricted:</u>			
Emergencies	149,007	-	149,007
Debt service	-	1,047,039	1,047,039
Repair and Replacement	-	100,154	100,154
<u>Unassigned</u>	<u>3,031,058</u>	<u>-</u>	<u>3,031,058</u>
Total Fund Balances	<u>3,181,167</u>	<u>1,147,193</u>	<u>4,328,360</u>
Total Liabilities and Fund Balances	<u>\$ 3,424,274</u>	<u>\$ 1,147,193</u>	<u>\$ 4,571,467</u>

See accompanying Notes to Financial Statements.

EAGLE RIDGE ACADEMY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total fund balance, governmental funds	\$	4,328,360
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds.</p>		7,561,353
<p>Long-term liabilities, including loans payable are not due and payable in the current period, and therefore, are not reported in governmental funds.</p>		
Bonds payable		(8,095,000)
Premium on bonds payable		(133,025)
Accrued interest payable		(63,024)
OPEB liability		(164,382)
Net pension liability		(3,397,699)
<p>Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.</p>		
Related to pension		1,000,922
Related to OPEB		20,153
<p>Deferred inflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.</p>		
Related to pension		(1,792,009)
Related to OPEB		(60,327)
Total net position of governmental activities	\$	(794,678)

See accompanying Notes to Financial Statements.

EAGLE RIDGE ACADEMY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General Fund	Special Revenue Fund	Total Governmental Funds
<u>Revenues</u>			
Local sources	\$ 4,787,212	\$ -	\$ 4,787,212
Federal and state sources	478,908	-	478,908
Investment earnings	445	2,489	2,934
Total revenues	<u>5,266,565</u>	<u>2,489</u>	<u>5,269,054</u>
<u>Expenditures</u>			
Current			
Instruction	2,756,092	-	2,756,092
Supporting services	1,148,719	-	1,148,719
Capital outlay	186,632	-	186,632
Debt Service:			
Principal	-	350,000	350,000
Interest and other charges	-	384,488	384,488
Total expenditures	<u>4,091,443</u>	<u>734,488</u>	<u>4,825,931</u>
Excess (deficiency) of revenues over (under) expenditures	1,175,122	(731,999)	443,123
<u>Other financing sources and (uses)</u>			
Transfers in	-	739,040	739,040
Transfers out	(739,040)	-	(739,040)
Total other financing sources and (uses)	<u>(739,040)</u>	<u>739,040</u>	<u>-</u>
Net change in fund balances	436,082	7,041	443,123
Fund Balances - Beginning	<u>2,745,085</u>	<u>1,140,152</u>	<u>3,885,237</u>
Fund Balances - Ending	<u>\$ 3,181,167</u>	<u>\$ 1,147,193</u>	<u>\$ 4,328,360</u>

See accompanying Notes to Financial Statements.

EAGLE RIDGE ACADEMY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds: \$ 443,123

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

Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.

Capital outlay	108,569
Depreciation expense	(260,614)

The issuance of long-term debt provides current financial resources to funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Neither transaction, however, has any effect on net position.

Principal payments	350,000
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Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, were as these amounts are deferred and amortized in the statement of activities.

Amortization of premium	9,227
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Interest payable on debt is not recorded on the fund statements because it is not a current use of cash. Interest is accrued on the government-wide statements since the liability is to be paid in the near term.

2,115

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The (increases) decreases in these activities consist of:

OPEB income	17,186
Pension income	1,323,810

Change in net position of governmental activities	\$ 1,993,416
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EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Eagle Ridge Academy was formed in July 2010 pursuant to the Colorado Charter Schools Act to form and operate a charter school within the Brighton School District 27J (the District) in the state of Colorado.

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable to governmental units. A summary of Eagle Ridge Academy's significant accounting policies consistently applied in the preparation of these financial statements follows.

Financial Reporting Entity

Eagle Ridge Academy is a component unit of the District which grants the charter and provides the majority of the funding to Eagle Ridge Academy. The financial reporting entity consists of Eagle Ridge Academy and organizations for which Eagle Ridge Academy is financially accountable. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of Eagle Ridge Academy. In addition, any legally separate organizations for which Eagle Ridge Academy is financially accountable are considered part of the reporting entity.

As required by accounting principles generally accepted in the United States of America, these basic financial statements present the financial activities of Eagle Ridge Academy and its component unit. A component unit is a legally separate organization for which Eagle Ridge Academy is financially accountable or that provides services to Eagle Ridge Academy. Eagle Ridge Academy follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining the governmental activities, organizations, and functions that should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. Based upon the application of these criteria, the following organization is included in Eagle Ridge Academy's reporting entity.

Brighton Charter School Building Corporation (the Corporation)

The Corporation is a nonprofit finance organization whose sole purpose is to acquire and lease facilities to Eagle Ridge Academy for governmental use. The Corporation provides services entirely to Eagle Ridge Academy.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Brighton Charter School Building Corporation (the Corporation) (Continued)

Due to the above relationships, the Corporation is reported as if it were part of or blended with Eagle Ridge Academy's operations as a special revenue fund. No separate financial statements for the Corporation have been issued.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of Eagle Ridge Academy. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by intergovernmental revenues, are reported in a single column.

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

Fund Financial Statements

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

Major Governmental Funds

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

Special Revenue Fund – This fund is used to account for the activity of the Brighton Charter School Corporation, funded primarily from transfers from the general fund.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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

Revenues are recognized as soon as they are both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period, or soon thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end.

Grants and entitlement revenues are recognized when compliance with the matching requirements are met. A receivable is established when the related expenditures exceed revenue receipts, and a deferred inflow of resources account is established when receipts exceed the related expenditures.

On-Behalf Payments – Generally Accepted Accounting Principles (GAAP) requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of Colorado makes direct on-behalf payments for retirement benefits to Colorado PERA. PERA allocates the contribution to the trust funds of the State, School, Denver Public Schools, and Judicial Division. This payment is required on July 1st of each year until there are no unfunded actuarial accrued liabilities of any division of PERA that receives the direct distribution. The amount of on-behalf payments made for Eagle Ridge Academy by the State of Colorado has been recorded in the fund financial statements.

Internally dedicated resources are reported as general revenues rather than as program revenues.

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

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Cash & Investments – Cash consists of demand deposits. Investments are reported at amortized cost.

Receivables – Receivables consists primarily of amounts owed from state and local governments and other local entities. They are reported at their gross value, and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Items – Certain payments to vendors reflect costs applicable to future years and are reported as prepaid items. Prepayments are recorded using the consumption method where services are allocated over appropriate service periods.

Capital Assets - Capital assets, which include property and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by Eagle Ridge Academy as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at acquisition cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Depreciation of exhaustible capital assets is charged as an expense against operations, and accumulated depreciation is reported on the statement of net position in the government-wide financial statements. Capital assets of Eagle Ridge Academy are depreciated using the straight-line method. Eagle Ridge Academy depreciates the capital assets over an estimated useful life of ranging from 5 to 50 years.

Deferred Outflows of Resources – Eagle Ridge Academy’s governmental activities report a separate section for deferred outflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period. Eagle Ridge Academy reports deferred outflows of resources related to GASB Statement Nos. 68 and 75. See Notes 8 and 9 for additional information.

Long-Term Debt – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses and amortized using the straight-line method. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures/expenses.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Net Pension Liability – Eagle Ridge Academy’s governmental activities report a net pension liability as of June 30, 2022. Eagle Ridge Academy is required to report their proportionate share of PERA’s unfunded pension liability. See Note 8 for additional information.

Postemployment Benefits Other Than Pensions (OPEB) – Eagle Ridge Academy 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, and information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting.

Deferred Inflows of Resources – Eagle Ridge Academy’s governmental activities report a separate section for deferred inflows of resources. This separate financial statement element reflects a decrease in net position that applies to a future period. Eagle Ridge Academy reports deferred inflows of resources related to GASB Statement Nos. 68 and 75. See Notes 8 and 9 for additional information.

Net Position – In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed.

Eagle Ridge Academy has negative unrestricted net position of \$1,361,182 and negative total net position of \$794,678. Negative net position is caused by Eagle Ridge Academy’s participation in PERA. Management anticipates that the Net Position will become positive as the State of Colorado and PERA continue to work to fully fund the pension.

Fund Balance Classification – The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which Eagle Ridge Academy is bound to honor constraints on the specific purposes for which amounts in the respective governmental fund can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - This classification includes amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact. Eagle Ridge Academy had \$1,102 in nonspendable resources as of June 30, 2022.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Eagle Ridge Academy has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. Restricted balance related to Emergency Reserves as of June 30, 2022 is \$149,007. The Special Revenue Fund has debt service and repair and replacement restrictions totaling \$1,147,193 as of June 30, 2022 due to the Series 2016 Bonds.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the board of directors. These amounts cannot be used for any other purpose unless the board of directors removes or changes the specified use by taking the same type of action (i.e. resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. Eagle Ridge Academy has no items reported as committed as of June 30, 2022.

Assigned – This classification includes amounts that are subject to a purpose constraint that represents an intended use but does not meet the criteria to be classified as restricted or committed. Only the Board may assign fund balances for specific purposes. The purpose of this assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance. Eagle Ridge Academy had no items reported as assigned fund balance as of June 30, 2022.

Unassigned – This classification includes the residual fund balance for the General Fund.

When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, Eagle Ridge Academy considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Current Year GASB Pronouncements

For the year ended June 30, 2022, Eagle Ridge Academy adopted the provisions of GASB Statement No. 87, *Leases*, which is effective for financial statement periods beginning after June 15, 2021. GASB Statement No. 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. For the year ended June 30, 2022, the implementation of the new standard had no impact on Eagle Ridge Academy.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

A budget is adopted for the general fund and special revenue fund for fiscal year 2022, on a basis consistent with generally accepted accounting principles.

Management submits to the Board of Directors a proposed budget for the fiscal year commencing the following July 1st. The budget is adopted by the Board of Directors prior to June 30th. The budget and supplemental appropriations are submitted to the District. Expenditures may not legally exceed appropriations at the fund level. Revisions must be approved by the Board of Directors. The budget includes proposed expenditures and the means of financing them. All appropriations lapse at fiscal year-end.

As of June 30, 2022, the general fund had actual expenditures over final budgeted expenditures in the amount of \$26,010. This may be a violation of state statute.

NOTE 3 – CASH AND INVESTMENTS

Cash and investments at June 30, 2022, consisted of the following:

Cash deposits	\$	3,373,074
Investments		1,147,193
Total	\$	<u>4,520,267</u>

Cash Deposits

Eagle Ridge Academy's deposits are governed by Colorado Statute. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local governments deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Cash Deposits (Continued)

The pool for all uninsured public deposits as a group is to be maintained by another institution or held in trust. The fair value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. 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, 2022, Eagle Ridge Academy had deposits with financial institutions with a carrying amount of \$3,373,074. The bank balances with the financial institutions were \$3,383,438 all of which was covered by federal depository insurance or collateralized under PDPA.

Investments

Eagle Ridge Academy has not adopted a formal investment policy; however, the School follows state statutes regarding investments.

Eagle Ridge Academy generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, Eagle Ridge Academy is not subject to concentration risk disclosure requirements or subject to investment custodial risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include:

- Obligations of the United States, certain U.S. government agency securities, and the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Certain reverse repurchase agreements
- Certain securities lending agreements
- Certain corporate bonds
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- Certain money market funds
- Guaranteed investment contracts
- * Local government investment pools

Credit Risk

State law limits investments for school districts to U.S. Treasury issues, other federally backed notes and credits, and other agency offerings without limitation. Other investment instruments including bank obligations, general obligation bonds, and commercial paper are limited to at least one of the highest rating categories of at least one nationally recognized rating agency. State law further limits investments in money market funds that are organized according to the Federal Investment Company Act of 1940, as specified in rule 2a-7, as amended, as long as such rule does not increase remaining maturities beyond a maximum of three years. Investments in these funds require that the institutions have assets in excess of \$1 billion or the highest credit rating from one or more of a nationally recognized rating agency.

Local Government Investment Pools

As of June 30, 2022, Eagle Ridge Academy had invested \$1,147,193 in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust is rated AAAM by Standard & Poor’s and is valued at amortized cost. Based on the valuation method, additional disclosures are not required under GASB Statement No. 72.

	Maturity	Amortized Cost
Investments:		
Local Government Investment Pool (CSAFE)	Less than One Year	\$ 1,147,193

Restricted Cash and Investments

Investments in the amount of \$1,147,193 are restricted in the special revenue fund for debt service requirements, as a result of the Series 2016 bond issuance. This balance is made up of accounts set up for the payment of principal and interest, debt service reserves, and repair and replacement.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Restricted Cash and Investments (Continued)

In addition, per the mortgage and loan agreement between the Corporation and the Colorado Educational and Cultural Facilities Authority (CECFA) regarding the Corporation's \$9,720,000 Charter School Revenue Bonds, further discussed in Note 6, the account set up for the bond reserve requirement is to maintain a balance of \$741,500. As of June 30, 2022, this account had a balance of \$742,698.

The final restricted cash account requirement between the Corporation and CECFA is the establishment of a Repair and Replacement Fund. This requirement dictates that Eagle Ridge Academy must maintain a balance of \$100,000 at the close of each fiscal year. For the year ended June 30, 2022, \$100,154 was the balance of this restricted cash account.

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, is summarized below:

	Balances June 30, 2021	Additions	Deletions	Balances June 30, 2022
Governmental Activities:				
Capital Assets, not Depreciated				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Construction in progress	-	48,960	-	48,960
Total capital assets, not depreciated	<u>50,000</u>	<u>48,960</u>	<u>-</u>	<u>98,960</u>
Capital Assets, Being Depreciated				
Building	9,031,412	-	-	9,031,412
Building improvements	947,493	32,695	-	980,188
Land improvements	385,019	-	-	385,019
Equipment	6,842	26,914	-	33,756
Total capital assets, depreciated	<u>10,370,766</u>	<u>59,609</u>	<u>-</u>	<u>10,430,375</u>
Accumulated depreciation				
Building	(2,468,585)	(180,628)	-	(2,649,213)
Building improvements	(169,125)	(55,246)	-	(224,371)
Land improvements	(67,606)	(19,251)	-	(86,857)
Equipment	(2,052)	(5,489)	-	(7,541)
Total accumulated depreciation	<u>(2,707,368)</u>	<u>(260,614)</u>	<u>-</u>	<u>(2,967,982)</u>
Net capital assets, depreciated	<u>7,663,398</u>	<u>320,223</u>	<u>-</u>	<u>7,462,393</u>
Total Capital Assets	<u>\$ 7,713,398</u>	<u>\$ 369,183</u>	<u>\$ -</u>	<u>\$ 7,561,353</u>

Depreciation of \$260,614 has been charged to the Supporting Services function of Eagle Ridge Academy.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 – ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from August - July but are earned during a school year of nine months. The salaries and benefits earned, but unpaid, as of June 30, 2021, were \$170,091 in the general fund.

NOTE 6 – LONG-TERM DEBT

Following is a summary of Eagle Ridge Academy’s long-term debt transactions for the year ended June 30, 2022:

	<u>Balances</u> <u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>June 30, 2022</u>	<u>Due In</u> <u>One Year</u>
Bond payable - Series 2016	\$ 8,445,000	\$ -	\$ 350,000	\$ 8,095,000	\$ 360,000
Bond premium	142,252	-	9,227	133,025	9,227
Total	<u>\$ 8,587,252</u>	<u>\$ -</u>	<u>\$ 359,227</u>	<u>\$ 8,228,025</u>	<u>\$ 369,227</u>

2016 Bonds Payable

In November 2016, the Colorado Educational and Cultural Facilities Authority (CECFA) issued \$9,720,000 Charter School Revenue Bonds dated November 1, 2016. On November 1, 2016, the Corporation entered into a mortgage and lease agreement with the Brighton Charter School to use the bond proceeds for: 1) current refunding of Eagle Ridge Authority’s Charter School Revenue Bonds Series 2006 in the original aggregate principal amount of \$10,195,000, which were outstanding in the principal amount of \$9,345,000; 2) constructing improvements to existing educational facilities originally financed with proceeds of the Series 2006 Bonds; 3) funding a bond reserve fund; and 4) paying certain costs of issuance of the Bonds. The Bonds are subject to redemption prior to maturity, at the option of Eagle Ridge Authority, as a whole or in part in authorized denominations on November 1, 2021, and on any date thereafter, upon direction by the Corporation and upon payment of par plus accrued interest through the date of redemption. The bonds accrue interest at 4.62%. Interest payments are due semi-annually on May 1 and November 1. Principal payments are due annually on November 1, through 2037.

See Note 3 for certain restricted cash reserves to be maintained relating to the outstanding bonds. In addition, the debt agreement required Eagle Ridge Academy to maintain certain fund balance requirements. As of June 30, 2022, Eagle Ridge Academy was in compliance with the following debt related fund balance requirements: 1) required to maintain emergency reserves in the amount required under Article X, Section 20(5) of the Colorado Constitution, commonly known as the Taxpayer’s Bill of Rights (TABOR).

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 – LONG-TERM DEBT (CONTINUED)

The balance outstanding on the bonds at June 30, 2022, was \$8,095,000. Future debt service requirements to maturity for the outstanding bonds are as follows:

Fiscal year ended June 30,	Principal	Interest	Total
2023	\$ 360,000	\$ 371,619	\$ 731,619
2024	375,000	358,297	733,297
2025	385,000	344,522	729,522
2026	400,000	330,294	730,294
2027	415,000	315,522	730,522
2028 - 2032	2,385,000	1,253,625	3,638,625
2033 - 2037	3,775,000	560,875	4,335,875
	<u>\$ 8,095,000</u>	<u>\$ 3,534,754</u>	<u>\$11,629,754</u>

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2022, is as follows:

	Transfer Out	Transfer In	Amount
Interfund transfers:	General Fund	Special Revenue Fund	<u>\$ 739,040</u>

Interfund transfer activity relates to Eagle Ridge Academy’s general fund subsidizing debt service payments to the Special Revenue Fund for payment of Eagle Ridge Academy’s bonds payable as discussed in Note 6.

NOTE 8 – DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Pensions: Eagle Ridge Academy participates in School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension fund 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.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan

Plan Description: Eligible employees of Eagle Ridge Academy 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 are 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 annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided as of December 31, 2021: 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 (HAS) 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 annualized into a monthly benefit based on life expectancy and other actuarial factors.

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

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

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (continued)

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% 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, 2022: Eligible employees of Eagle Ridge Academy and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, et seq and § 24-51-413. Eligible employees are required to contribute 10.5 percent of their PERA-includable salary during the period of July 1, 2021 through June 30, 2022. Employer contribution requirements are summarized in the table below:

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (continued)

	July 1, 2021 Through June 30, 2022
Employer Contribution Rate ¹	10.90 %
Amount of Employer Contribution Apportioned to the health Care Trust Fund as Specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount Apportioned to the SCHDTF	9.88 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411	4.50 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411	5.50 %
Total Employer Contribution Rate to the SCHDTF	19.88 %

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and Eagle Ridge Academy is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF for Eagle Ridge Academy were \$380,574 for the year ended June 30, 2022.

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. As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million (actual dollars) direct distribution each year to PERA starting on July 1, 2018.

A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. In addition to the \$225 million (actual dollars) direct distribution due July 1, 2022, House Bill (HB) 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of \$380 million (actual dollars), upon enactment, with reductions to future direct distributions scheduled to occur July 1, 2023, and July 1, 2024.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

The net pension liability for the SCHDTF was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard updated procedures were used to roll-forward the total pension liability to December 31, 2021. Eagle Ridge Academy’s proportion of the net pension liability was based on Eagle Ridge Academy’s contributions to the SCHDTF for the calendar year 2021 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2022, Eagle Ridge Academy reported a liability of \$3,397,699 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 Eagle Ridge Academy as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with Eagle Ridge Academy were as follows:

Eagle Ridge Academy's Proportionate Share of the Net Pension Liability	\$ 3,397,699
State's Proportionate Share of the Net Pension Liability as a nonemployer contributing entity associated with Eagle Ridge Academy	389,503
Total	<u>\$ 3,787,202</u>

At December 31, 2021, Eagle Ridge Academy’s proportion of the net pension liability was 0.0292%, which was a decrease of 0.0038% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, Eagle Ridge Academy recognized pension income of \$1,305,984 and revenue of \$93,110 for support from the State as a nonemployer contributing entity. At June 30, 2022, Eagle Ridge Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ 130,078	\$ -
Changes of Assumptions or other Inputs	259,389	-
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	-	1,277,433
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
of Contributions	419,760	514,576
Contributions Subsequent to the Measurement Date	191,695	-
Total	<u>\$ 1,000,922</u>	<u>\$ 1,792,009</u>

\$191,695 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2023	\$ (42,036)
2024	(412,488)
2025	(373,206)
2026	(155,052)
Total	<u>\$ (982,782)</u>

Actuarial Assumptions: The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

	Actuarial Assumptions
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%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007; and DPS Benefit Structure (Compounded Annually)	1.00%
PERA Benefit Structure hired after December 31, 2006 ¹	Financed by the Annual Increase Reserve (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.

The total pension liability as of December 31, 2021, includes the anticipated adjustments to contribution rates and the AI cap, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis

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

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

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

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

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

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

- **Females:** 105 percent of the rates for all ages, with generational project 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 actuarial assumptions used in the December 31, 2020 valuation were based on the results of the 2020 experience analysis for the period January 1, 2016 through December 31, 2019 and were reviewed and adopted by the PERA Board at their November 20, 2020 meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors were 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 by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

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

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

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Note: 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 Senate Bill (SB) 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50 percent resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. 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, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50 percent resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits.

For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered AI cap, from 1.25 percent to 1.00 percent, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of Eagle Ridge Academy'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%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	\$ 5,001,135	\$ 3,397,699	\$ 2,059,692

Pension Plan Fiduciary Net Position: Detailed information about the SCHDTF’s fiduciary net position is available in PERA’s annual comprehensive financial report, which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

General Information about the OPEB Plan

Plan Description: Eligible employees of Eagle Ridge Academy are provided with OPEB through the Health Care Trust Fund (HCTF) - a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the Public Employees’ Retirement Association of Colorado (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 provision 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. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

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

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

General Information about the OPEB Plan (continued)

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

PERA Benefit Structure

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

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

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

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

General Information about the OPEB Plan (continued)

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and Eagle Ridge Academy is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Eagle Ridge Academy were \$19,526 for the year ended June 30, 2022.

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

At June 30, 2022, Eagle Ridge Academy reported a liability of \$164,382 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2021. Eagle Ridge Academy's proportion of the net OPEB liability was based on the Eagle Ridge Academy's contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, Eagle Ridge Academy's proportion was 0.019063%, which was a decrease of 0.000004% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, Eagle Ridge Academy recognized OPEB income of \$16,272. At June 30, 2022, Eagle Ridge Academy reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ 250	\$ 38,977
Changes of Assumptions or other Inputs	3,403	8,917
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	-	10,175
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
of Contributions	6,665	2,258
Contributions Subsequent to the Measurement Date	9,835	-
Total	<u>\$ 20,153</u>	<u>\$ 60,327</u>

\$9,835 reported as deferred outflows of resources related to OPEB resulting from Eagle Ridge Academy's contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability in the year ended June 30, 2023.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

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

<u>Year Ended June 30,</u>	<u>Amount</u>
2023	\$ (12,020)
2024	(14,826)
2025	(14,989)
2026	(6,550)
2027	(1,416)
Thereafter	(208)
Total	<u>\$ (50,009)</u>

Actuarial Assumptions: The total OPEB liability in the December 31, 2020, actuarial valuation was determined using the following actuarial cost, actuarial assumptions, and other inputs:

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 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	4.50% in 2021, 6.00% in 2022, gradually decreasing to 4.50% in 2029
Medicare Part A Premiums	3.75% in 2021 gradually increasing to 4.50% in 2029

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

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, 2020, valuation, the following monthly costs/premiums are assumed for 2021 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	\$ 633	\$ 230	\$ 591
Kaiser Permanente Medicare Advantage HMO	596	199	562

The 2021 Medicare Part A premium is \$471 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, 2020, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions used in the December 31, 2020 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect the generational mortality and were applied, as applicable, in the determination of the total OPEB liability for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

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

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

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

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

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

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

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83% of the rates prior to age 80 and 106% 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% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

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

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

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

- Initial per capital 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 2021 plan year.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

- 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 PERA Board’s actuary, as discussed above.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

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.

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 for 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.

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

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

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

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity of Eagle Ridge Academy'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 on 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	3.50%	4.50%	5.50%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	<u>\$ 159,661</u>	<u>\$ 164,382</u>	<u>\$ 169,850</u>

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF FNP was projected to be available to make all projected future benefit payments of current members.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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 OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement period.

Sensitivity of Eagle Ridge Academy’s proportionate share of the net OPEB liability to changes in the discount rate: The following presents the HCTF collective net OPEB liability calculated using the discount rate of 7.25 percent as of the measurement date, as well as 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):

	<u>1% Decrease</u> <u>(6.25%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(7.25%)</u>	<u>1% Increase</u> <u>(8.25%)</u>
Proportionate Share of the Net OPEB Liability	<u>\$ 190,912</u>	<u>\$ 164,382</u>	<u>\$ 141,720</u>

OPEB Plan Fiduciary Net Position: Detailed information about the HCTF plan’s fiduciary net position is available in the separately issued comprehensive annual financial report issued by PERA. That report can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Claims and Judgements

Eagle Ridge Academy participates in a number of federal and state 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.

Tabor

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer’s Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations, which apply to the state of Colorado and all local governments.

TABOR required local governments to establish Emergency Reserves. These reserves must be at least 3 percent of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Tabor (continued)

TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year spending limits will require judicial interpretation. Eagle Ridge Academy believes it has complied with the Amendment. As required, Eagle Ridge Academy has established a reserve for emergencies. At June 30, 2022, the reserve of \$149,007 was recorded as a restricted net position/fund balance for TABOR.

NOTE 11 – RISK MANAGEMENT

Eagle Ridge Academy, in conjunction with Bromley East Charter School and Belle Creek Charter School, has established a self-insurance collective purchasing arrangement for employee health benefits. Eagle Ridge Academy's premiums are determined at the beginning of each fiscal year and are deposited into a claims account throughout the year.

The claims account is reported as cash with an offsetting liability in the general fund. The self-insurance arrangement's fiscal year ends each September 30 and include individual stop loss insurance of \$65,000 and aggregate maximum benefit of \$1,000,000.

Eagle Ridge Academy is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. Eagle Ridge Academy carries commercial insurance for these risks of loss. Settled claims have not exceeded this coverage in any of the past three fiscal years.

Liability for Unsubmitted Claims

Liabilities are reported when it is probably that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. The carrying amount of claim liabilities are stated at anticipated cost for claims expected to be paid during the next year.

The estimated claim liability of \$8,739 as of June 30, 2022, and \$29,262 as of June 30, 2021, represents the estimate of IBNR claims. This plan is included in the Eagle Ridge Academy's general fund within the financial statement line claims payable. The following presents the changes in claims liability balances during the current fiscal year ended June 30, 2022, and prior fiscal year ended June 30, 2021:

EAGLE RIDGE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11 – RISK MANAGEMENT (CONTINUED)

Liability for Unsubmitted Claims (continued)

	Balance June 30, 2021	Claims Incurred	Claims Paid	Balance June 30, 2022
Claim Liability	<u>\$ 29,262</u>	<u>\$ 184,015</u>	<u>\$ 204,538</u>	<u>\$ 8,739</u>
	Balance June 30, 2020	Claims Incurred	Claims Paid	Balance June 30, 2021
Claim Liability	<u>\$ 15,185</u>	<u>\$ 208,205</u>	<u>\$ 194,128</u>	<u>\$ 29,262</u>

Claims did not exceed the Eagle Ridge Academy’s insurance coverage during fiscal years 2022, 2021 or 2020.

NOTE 12 – SUBSEQUENT EVENT

In July 2022, Eagle Ridge Academy issued Colorado Educational and Cultural Facilities Authority Charter School Refunding and Improvement Revenue Bonds, Series 2022A in the amount of \$10,205,000 and Series 2022B in the amount of \$320,000. The bonds were issued for purposes of (a) constructing improvements to the School’s existing educational facilities, including a new athletic field; (b) refinancing the Charter School Refunding and Improvement Revenue Bonds, Series 2016 ; (c) funding a Bond Reserve Fund; and (d) paying costs associated with the issuance of the Series 2022 bonds. The Series 2022 bonds mature in fiscal year 2048 and carry an interest rate of 5.0%.

REQUIRED SUPPLEMENTARY INFORMATION

EAGLE RIDGE ACADEMY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 4,031,168	\$ 4,574,939	\$ 4,636,083	\$ 61,144
Mill levy	20,975	20,100	20,115	15
Tuition and fees	155,000	125,000	112,096	(12,904)
Grants and donations	500	500	7,413	6,913
Investment earnings	-	-	445	445
Miscellaneous	34,500	10,500	11,505	1,005
Federal and state sources				
Grants and donations	172,304	166,321	323,493	157,172
Capital contributions	134,250	155,415	155,415	-
Total revenues	<u>4,548,697</u>	<u>5,052,775</u>	<u>5,266,565</u>	<u>213,790</u>
Expenditures				
Instruction:				
Salaries	1,654,441	1,740,749	1,784,993	(44,244)
Employee benefits	518,455	534,970	607,652	(72,682)
Purchased services	41,000	46,000	49,078	(3,078)
Student activities	100,000	100,000	160,452	(60,452)
Supplies and materials	83,000	188,000	153,917	34,083
Supporting services:				
Salaries	378,490	376,839	395,552	(18,713)
Employee benefits	118,608	115,811	54,885	60,926
Purchased services	630,450	696,125	635,154	60,971
Supplies and materials	50,500	104,000	29,433	74,567
Other	26,500	36,500	33,695	2,805
Capital outlay	190,000	125,000	186,632	(61,632)
Total expenditures	<u>3,791,444</u>	<u>4,063,994</u>	<u>4,091,443</u>	<u>(27,449)</u>
Excess (deficiency) of revenues over expenditures	757,253	988,781	1,175,122	186,341
Other financing sources and (uses)				
Transfers out	(740,479)	(740,479)	(739,040)	1,439
Total other financing sources and (uses)	<u>(740,479)</u>	<u>(740,479)</u>	<u>(739,040)</u>	<u>1,439</u>
Net change in fund balances	<u>\$ 16,774</u>	<u>\$ 248,302</u>	436,082	<u>\$ 187,780</u>
Fund Balances - Beginning			<u>2,745,085</u>	
Fund Balances - Ending			<u>\$ 3,181,167</u>	

EAGLE RIDGE ACADEMY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Original and Final Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>			
Local sources			
Investment income	\$ 22,496	\$ 2,489	\$ (20,007)
Total revenues	22,496	2,489	(20,007)
<u>Expenditures</u>			
Debt service			
Principal	430,050	350,000	80,050
Interest	310,000	384,488	(74,488)
Total expenditures	740,050	734,488	5,562
Excess (deficiency) of revenues over expenditures	(717,554)	(731,999)	(14,445)
<u>Other financing sources and (uses)</u>			
Transfers in	740,479	739,040	(1,439)
Total other financing sources and (uses)	740,479	739,040	(1,439)
Net change in fund balances	\$ 22,925	7,041	\$ (15,884)
Fund balances - beginning		1,140,152	
Fund balances - ending		\$ 1,147,193	

EAGLE RIDGE ACADEMY
SCHEDULE OF EAGLE RIDGE ACADEMY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST EIGHT FISCAL YEARS

Fiscal Year	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Plan Measurement Date	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
School's Proportion of the Net Pension Liability	0.029196462%	0.032967894%	0.028677175%	0.029336601%	0.032747746%	0.031420856%	0.028880391%	0.026997143%
School's Proportionate Share of the Net Pension Liability	\$ 3,397,699	\$ 4,984,081	\$ 4,284,308	\$ 5,194,648	\$ 10,589,457	\$ 9,355,204	\$ 4,417,052	\$ 3,659,020
State's Proportionate Share of the Net Pension Liability associated with the School **	<u>389,503</u>	<u>-</u>	<u>543,410</u>	<u>710,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 3,787,202</u>	<u>\$ 4,984,081</u>	<u>\$ 4,827,718</u>	<u>\$ 5,904,944</u>	<u>\$ 10,589,457</u>	<u>\$ 9,355,204</u>	<u>\$ 4,417,052</u>	<u>\$ 3,659,020</u>
School's Covered Payroll	\$ 1,824,687	\$ 1,763,209	\$ 1,685,133	\$ 1,597,805	\$ 1,509,515	\$ 1,402,174	\$ 1,258,111	\$ 1,130,537
School's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	186.2%	282.7%	254.2%	325.1%	701.5%	667.2%	351.1%	323.7%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.86%	66.99%	64.52%	57.01%	43.96%	43.10%	59.20%	62.80%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2014 was not available.

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

EAGLE RIDGE ACADEMY
SCHEDULE OF PENSION CONTRIBUTIONS AND RELATED RATIOS
LAST TEN FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 380,574	\$ 348,818	\$ 336,219	\$ 316,781	\$ 290,393	\$ 272,233	\$ 236,777	\$ 198,038	\$ 175,432	\$ 167,982
Contributions in Relation to the Contractually Required Contribution	<u>380,574</u>	<u>348,818</u>	<u>336,219</u>	<u>316,781</u>	<u>290,393</u>	<u>272,233</u>	<u>236,777</u>	<u>198,038</u>	<u>175,432</u>	<u>167,982</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's Covered Payroll	\$ 1,914,356	\$ 1,754,619	\$ 1,734,877	\$ 1,655,937	\$ 1,537,929	\$ 1,480,962	\$ 1,335,440	\$ 1,172,981	\$ 1,096,672	\$ 1,081,660
Contributions as a Percentage of Covered Payroll	19.88%	19.88%	19.38%	19.13%	18.88%	18.38%	17.73%	16.88%	16.00%	15.53%

EAGLE RIDGE ACADEMY
SCHEDULE OF EAGLE RIDGE ACADEMY'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
LAST FIVE FISCAL YEARS

Fiscal Year	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Plan Measurement Date	December 31, 2020	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
School's Proportion (Percentage) of the Collective Net OPEB Liability	0.019063083%	0.019066952%	0.018741221%	0.019068947%	0.018607143%
School's Proportionate Share of the Collective Net OPEB Liability	\$ 164,382	\$ 181,179	\$ 210,651	\$ 259,441	\$ 241,818
School's Covered Payroll	\$ 1,824,687	\$ 1,763,209	\$ 1,685,133	\$ 1,597,805	\$ 1,509,515
School's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll Covered Payroll	9.0%	10.3%	12.50%	16.24%	16.02%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	39.40%	32.78%	24.49%	17.03%	17.53%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2017 was not available.

EAGLE RIDGE ACADEMY
SCHEDULE OF OPEB CONTRIBUTIONS AND RELATED RATIOS
LAST TEN FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 19,526	\$ 17,897	\$ 17,696	\$ 16,891	\$ 15,687	\$ 15,125	\$ 13,621	\$ 12,012	\$ 11,186	\$ 11,033
Contributions in Relation to the Contractually Required Contribution	<u>19,526</u>	<u>17,897</u>	<u>17,696</u>	<u>16,891</u>	<u>15,687</u>	<u>15,125</u>	<u>13,621</u>	<u>12,012</u>	<u>11,186</u>	<u>11,033</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's Covered Payroll	\$ 1,914,356	\$ 1,754,619	\$ 1,734,877	\$ 1,655,937	\$ 1,537,929	\$ 1,480,962	\$ 1,335,440	\$ 1,172,981	\$ 1,096,672	\$ 1,081,660
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%