VISION HOME & COMMUNITY, INC. DBA
VISION CHARTER ACADEMY

FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

June 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Stewards
Vision Home & Community, Inc.
Delta, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the and each major fund of Vision Home & Community, Inc., d.b.a. Vision Charter Academy (the Academy), a component unit of Delta County Joint School District No. 50J, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the 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 Vision Charter 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 the 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.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the 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 the management's discussion and analysis, the budgetary comparison information, and the pension and other post-employment benefits 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.

Chadwick, Steinkirchner, Davis & Co., P.C.

Chadwick, Steinkirchner, Davis & Co., P.C.
January 30, 2023

Vision Charter Academy
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2022

As management of Vision Charter Academy (VCA), we offer readers of VCA's Annual Financial Report this narrative and analysis of the financial activities of VCA for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that can be found in the basic financial statements.

Financial Highlights
Key financial highlights for the fiscal year ended June 30, 2022 are as follows:

- VCA Fund Balance at the end of the year grew from $1,128,872 in FY21 to $1,251,620 in FY22, including our revolving account which is primarily private contributions for specific activities.

- At the end of the current fiscal year, the total assets for the school's General Fund was $1,501,275. The General Fund has recorded a liability of $249,655 which includes: salaries of school personnel who work approximately nine months of the year and are paid over twelve months, accounts payable, and unearned revenue from ESSER Fund, Full Day Kindergarten Implementation Fund and Local Accountability Grant. Colorado State law does not require the liability to be funded or budgeted until the year in which it is to be paid. At the direction of the Board of Stewards, the school continues to budget and fund this liability.

- In general, the school's net position increased by $1,230,246 from the previous year on a Government Wide basis. This is due to the reporting requirements of GASB 68 and GASB 75. Vision Charter Academy's share of PERA net pension liability is $3.2 million and $155,888 for the Other Post-Employment Benefits (OPEB per GASB 75) thus leaving a new ending net position of negative $(2,629,710).

- VCA expended $310,183 to lease office space for administration, classroom space and meeting space for our Highly Qualified Coordinators and purchase new school building (Building Corporation) using revenue provided by the General Fund and the Capital Construction Fund Grant for Charter Schools for building expenses, including the blended component unit – Vision Building Corporation which incurred a debt of $254,483 for the purchase of 257 Main Street, Delta, CO 81416. Additionally, we purchased additional IT resources for the in seat classrooms and equipment for the campuses.

- The school sold one building located at 319 Main Street Delta, CO in May 2022. The Vision Building Corporation, a blended component unit of the school, owns three buildings located at 263 Main Street and 45 W 3rd, Delta, CO 81416 acquired August 2020 and 257 Main Street, Delta CO 81416 acquired June 30, 2022.

- During the current fiscal year, the school saw an decrease in the funded pupil count from 527.5 to 338 FTE. This decrease was created by two separate issues. First, during the pandemic, VCA incurred an unnatural increase in enrollment which was predicted to decrease once traditional school reopened. Second, VCA renewed its contract with the school district and consciously decided to return to its original educational model which does not include all day, every day classes. The learners who had previously attended on campus all day classes and desired that schedule, returned to the traditional schools.

- General revenues from local, state and federal sources accounted for $3.95 million.

- VCA had $4.1 million in expenses including only expenditures and not the PERA pension liability obligations.

Overview of the Financial Statements
This discussion and analysis serves as an introduction to VCA's basic financial statements. VCA's basic financial statement consists of three components: 1) government-wide financial statements 2) fund financial statements, and 3) notes to financial statements. This report also includes required supplementary information in addition to the basic financial statements.

Government wide financial statements.
The *government-wide financial statements* are designed to provide the reader with a broad overview of VCA's finances as a whole (similar to the private sector businesses) and includes two types of statements –

- The statement of net position presents information about all of VCA's assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position. Over time, the increases and/or decreases in VCA's net position may be an indicator of whether our financial position is improving or deteriorating.
- The statement of activities presents information demonstrating how VCA's net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event occurs regardless of the timing of related cash flow. Thus, revenues and expenses are reported in this statement even though the resulting cash flow may be recorded in a future period.

Both government-wide financial statements distinguish functions of VCA that are principally supported by grants and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). VCA currently only has governmental activities.

Governmental Activities – Governmental activities are generally financed through grants, intergovernmental revenues and other exchange revenues. Most of VCA's programs and services are reported here including instruction, support services, operation and maintenance of plant, and extracurricular activities.

Fund Financial Statements.
Fund financial statements are designed to demonstrate compliance with finance-related requirements. 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. VCA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. VCA has only one governmental fund.

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 VCA'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. Thus, readers may better understand the long-term impact of VCA's near-term financing decisions.

Special Revenue Fund

Vision Building Corporation is a component unit of Vision Charter Academy whose sole purpose is to acquire and lease facilities to Vision Charter Academy. Due to this relationship the Corporation is reported as if it were part of or blended with Vision Charter Academy's operations as a Special Revenue Fund.

Notes to the Basic Financial Statement

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

Other Information

In addition to the basic financial statement and accompanying notes, this report also presents certain required supplemental information concerning VCA. VCA adopts an annual appropriated budget for the general fund.

Government-wide Financial Analysis

Government-wide Net Position

The assets of VCA are classified as current assets. Cash and receivables are current assets. These assets are available to provide resources for the near-term operations of VCA.

Capital assets are used in the operations of VCA. VCA capital assets consist of buildings.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include account payable and accrued salaries and benefits. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal 2021-22 year. Long-term liabilities such as long-term debt obligations, building loan debt, compensated absences payable and net pension liability would be liquidated from resources that become available after fiscal 2021-22. The legally required TABOR reserve has also been restricted.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of VCA, current assets exceeded current liabilities by $1,252,070 at the close of the most recent fiscal year.

VCA's Net Position

	Governmental Activities	
	2020-2021	2021-2022
Assets:		
Current assets	$ 1,286,316	$ 1,501,275
Capital assets	728,588	1,014,553
Total assets	2,014,904	2,515,828

Deferred Outflows:		
Pension related deferred outflows	1,966,190	1,160,402
OPEB related deferred outflows	40,180	33,838
Total deferred outflows	2,006,370	1,194,240
Total assets and deferred outflows of resources	$ 4,021,274	$ 3,710,068
Liabilities:		
Current liabilities	$ 173,526	$ 269,807
Noncurrent liabilities	5,626,930	4,101,595
Total liabilities	5,800,456	4,371,402
Deferred Inflows:		
Pension related deferred inflows	2,020,855	1,909,742
OPEB related deferred inflows	62,747	58,634
Total deferred inflows of resources	2,083,602	1,968,376
Net position:		
Net investment in capital	226,101	270,835
Restricted	133,106	102,765
Unrestricted	(4,221,991)	(3,003,310)
Total net position	(3,862,784)	(2,629,710)
Total liabilities, deferred inflows of resources, and net position	$ 4,021,274	$ 3,710,068

Governmental activities increased VCA's net position by $1,230,246. Key elements of this change are as follows:

VCA's Change in Net Position

	Governmental Activities	
	2020-2021	2020-2021
Revenues:		
Charges for services	$ 9,606	$ 32,689
Operating grants	432,559	910,564
Capital grants	257,233	157,052
Interest	57,	57
State equalization	4,160,252	2,940,813
Total revenues	$ 4,859,707	$ 4,041,175
Expenses:		
Instructional services	2,529,386	1,966,686
Student support	50,946	175,036
Instructional staff support	105,371	94,833
General administration	78,595	64,444
School administration	157,450	83,782
Business support	190,395	63,632
Central support	56,865	31,331
Operations/maintenance	410,642	311,847
Interest on Long-Term Debt	15,958	18,512
Total expenses	3,595,609	2,810,102
Change in net position	1,264,098	1,230,246
Net position – beginning	(5,126,882)	(3,862,784)
Prior period adjustment		2,828
Fund balance beginning of year – restated		(3,859,956)
Net position – ending	$ (3,362,784)	$ (2,629,710)

Governmental Fund. The focus of VCA's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing VCA's financing requirements. In particular, unassigned fund balance may serve as a useful measure of VCA's net resources available for spending at the end of the fiscal year.

The general fund is the only governmental fund of Vision Charter Academy and is the core of operations for VCA. As of June 30, 2022, the general fund shows an ending fund balance of $1,251,620 The unassigned fund balance for VCA at the end of the fiscal year consists of the unassigned balance for the General Fund of $1,148,855. This balance includes the revolving account that generates revenue through private contributions for specific extracurricular activities. The remainder of the fund balance is restricted for legally obligated funds – the TABOR amendment of $102,765.

General Fund Budgeting Highlights

Vision Charter Academy began budget development for the 2021-2022 fiscal year in November 2020. This process began with educating the Board of Stewards and staff regarding the current and past budgets. Next, an assessment was completed and reviewed by the Budget Committee and included reviewing department needs for resources and staffing based on enrollment projections, current position requirements and strategic priorities of the school as a whole.

After reviewing enrollment projections and the most current revenue assumptions which were delayed by the state, the proposed budget was submitted to the Vision Home & Community, Inc. Board of Stewards for review and approval. Upon the June 8, 2021 approval of the BOS, VCA submitted the budget to the Delta County School District. The budget was approved by the Delta County School District 50J Board of Education on June 24, 2021.

VCA presented an initial budget to the Board of Education in May 2021; however, due to the delay from the late adoption of the state budget which dictates PPR, and with agreement from the district, VCA submitted a revised budget proposal approved by the Board of Stewards on June 8, 2021 that reflected the confirmed PPR from the state. VCA's budget development process is consistent with current Colorado statutes that require a proposed budget to be presented to the authorizing district's Board of Education by June 1, with budget adoption by June 30. The law provides for school boards to adjust revenues and expenditures through January 31 of each fiscal year. Based on guidance from the District's Finance Director, VCA submitted Board of Steward approved supplemental budget to the district on January 21, 2022. Actual revenues received were less than the budget by $630,744 from federal, state and local sources. Actual expenditures were under budget by $674,465 leaving an excess of revenues over expenditures of $43,721. The school also received $79,027 in proceeds from sale of a building. The net increase to fund balance was $122,748.

Capital Asset and Debt Administration

Capital Assets: Beginning capital assets, net was $728,588 in fiscal year 2021-2022. Capital Asset, net is $1,014,553 at the end of 2022. The increase is related to acquisition of one additional property by the Building Corp. See Note C for additional information.

Long-Term Debt: During 2022 the Building Corporation purchased a building for $360,000 with $105,517 cash at closing and a commercial loan agreement of $254,483 for the use in operations of VCA. The debt balance as of June 30,2022 is $743,718. See Note D for additional information.

Current Issues, Economic Conditions and Outlook

State funding through the equalization formula comprises the majority of the funds provided for Delta County schools. Delta County relies heavily on the state equalization. VCA's enrollment significantly decreased from the previous year. The previous year's increase was temporary and solely due to parents choosing to keep their children at home during the pandemic. In addition, VCA made a conscious decision to decrease enrollment through not providing all day, every day classes on its campus. VCA is a unique educational model that chooses to embrace its individualized learning model and supports learner and parent choice in education. It predicts to maintain an enrollment of 320-350 in the coming years.

VCA continues to embrace the five-year Strategic Plan based on overall priorities and needs gathered through a variety of processes and stakeholder groups including the Budget Committee. The 2021-2021 school year was designated as Year 3 of this five-year plan. The Strategic Planning Committee consults with the Budget Committee in a meaningful way and with an ongoing dialog in order to promote the use of school funds in order to help our school grow academically while maintaining the emphasis on individualized learning. VCA continued to focus on and devote resources to the priorities outlined within the Strategic Plan in the following categories. 1) Rigor – VCA has school with high expectations of growth from learners and staff. One major focus for this component of the strategic plan was building confidence and trust through use of local assessment data to ensure mastery of grade level content. 2) Relationships – VCA is fully invested in the promotion of partnerships empowering learner designed individualized education. Relationships continue to be a main focus within VCA. Our partnerships between families and our highly qualified staff opens opportunity for learners to thrive and follow their individual path to their future. 3) Resources – VCA offers ever increasing variety of resources and opportunities for families and staff. Use of up to date curriculum and increasing community partnerships for elective opportunities is a priority.

The budget situation in the 2021-2022 school year continued to be unique due additional funds provided through ESSER. Additional funding through the ESSER Fund provided funds that addressed the remote needs, as well as, the additional staffing needs specifically attributed to learning loss and virtual access to support and resources.

With VCA's funding primarily reliant on the state equalization funds, we must be vigilant in understanding funding sources, regulations, and reporting requirements. VCA strives to use its resources effectively and efficiently to provide each learner with the opportunity to succeed in their educational goals while meeting the accountability required for all public schools.

Contacting VCA

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

Vision Charter Academy
263 Main Street Unit 1
Delta, CO 81419
Tel: 970-874-8336

Vision Home & Community, Inc.

STATEMENT OF NET POSITION

June 30, 2022

		Governmental Activities
ASSETS		
Cash		$ 1,325,665
Accounts receivable		175,610
Capital assets, net of accumulated depreciation		1,014,553
	Total assets	2,515,828
DEFERRED OUTFLOWS OF RESOURCES		
Pension related deferred outflows		1,160,402
OPEB related deferred outflows		33,838
	Total deferred outflows of resources	1,194,240
	Total assets and deferred outflows of resources	$ 3,710,068
LIABILITIES		
Accounts payable		$ 47,221
Accrued payroll liabilities		173,996
Unearned revenue		28,438
Noncurrent liabilities:		
Due in less than one year		20,152
Due in more than one year		723,566
Net pension liability		3,222,141
Net OPEB liability		155,888
	Total liabilities	4,371,402
DEFERRED INFLOWS OF RESOURCES		
Pension related deferred inflows		1,909,742
OPEB related deferred inflows		58,634
	Total deferred inflows of resources	1,968,376
NET POSITION		
Net investment in capital		270,835
Restricted for emergencies		102,765
Unrestricted		(3,003,310)
	Total net position	(2,629,710)
	Total liabilities, deferred inflows of resources, and net position	$ 3,710,068

The accompanying notes are an integral part of the statements.

Vision Home & Community, Inc

STATEMENT OF ACTIVITIES

Year ended June 30, 2022

		Program Revenues			Net (Expense) Revenue and Changes in Net Position	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Governmental activities:						
Instructional services	$ 1,966,686	$ -	$ 825,361	$ 157,052	$ (984,273)	$ (984,273)
Support services:						
Student support	175,036	925	74,688	-	(99,423)	(99,423)
Instructional staff support	94,833	-	-	-	(94,833)	(94,833)
General administration	64,444	-	-	-	(64,444)	(64,444)
School administration	83,782	-	-	-	(83,782)	(83,782)
Business support	63,632	31,764	-	-	(31,868)	(31,868)
Central support	31,331	-	-	-	(31,331)	(31,331)
Operations and maintenance	311,847	-	10,515	-	(301,332)	(301,332)
Interest on Long-Term Debt	18,512	-	-	-	(18,512)	(18,512)
Total support services	843,416	32,689	85,203	-	(725,524)	(725,524)
Total governmental activities	$ 2,810,102	$ 32,689	$ 910,564	$ 157,052	(1,709,797)	(1,709,797)
General revenues:						
State equalization					2,940,813	2,940,813
Loss on sale of assets					(827)	(827)
Interest income					57	57
Total general revenues					2,940,043	2,940,043
Change in net position					1,230,246	1,230,246
Net position - beginning					(3,862,784)	(3,862,784)
Prior period adjustment					2,828	2,828
Net position - beginning - restated					(3,859,956)	(3,859,956)
Net position - ending					$ (2,629,710)	$ (2,629,710)

The accompanying notes are an integral part of the statements.

Vision Home & Community, Inc

BALANCE SHEET - GOVERNMENTAL FUND

June 30, 2022

	General	Building Corporation	Total
ASSETS			
Cash	$ 1,325,665	$ -	$ 1,325,665
Accounts receivable	175,610	-	175,610
Total assets	$ 1,501,275	$ -	$ 1,501,275
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 47,221	$ -	$ 47,221
Accrued payroll liabilities	173,996	-	173,996
Unearned revenue	28,438	-	28,438
Total liabilities	249,655	-	249,655
Fund balances			
Restricted - TABOR reserve	102,765	-	102,765
Unassigned	1,148,855	-	1,148,855
Total fund balances	1,251,620	-	1,251,620
Total liabilities and fund balances	$ 1,501,275	$ -	$ 1,501,275

The accompanying notes are an integral part of the statements.

Vision Home & Community, Inc

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

June 30, 2022

Fund equity (as reported above)	$ 1,251,620
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	1,014,553
Long-term liabilities, including capital leases and loans payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(743,718)
Net pension liability and related deferred inflows and outflows of resources are not recorded in the funds	(3,971,481)
Net OPEB liability and related deferred inflows and outflows of resources are not recorded in the funds	(180,684)
Net position of governmental activities	$ (2,629,710)

The accompanying notes are an integral part of the statements.

Vision Home & Community, Inc

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Year ended June 30, 2022

	General	Building Corporation	Total
Revenues			
Local sources	$ 15,508	$ 31,764	$ 47,272
State sources	3,405,575	-	3,405,575
Federal sources	500,029	-	500,029
Total revenues	3,921,112	31,764	3,952,876
Expenditures			
Current			
Instructional services	2,677,977	-	2,677,977
Student support	210,446	-	210,446
Instructional staff support	141,200	-	141,200
General administration	64,444	-	64,444
School administration	150,975	-	150,975
Business support	105,815	-	105,815
Operation and maintenance	165,633	-	165,633
Central support	50,718	-	50,718
Capital outlay	310,183	254,483	564,666
Debt Service			
Interest	-	18,512	18,512
Principal	-	13,252	13,252
Total expenditures	3,877,391	286,247	4,163,638
Revenues in excess (deficiency) of expenditures	43,721	(254,483)	(210,762)
Other financing sources (uses)			
Proceeds from sale of building	79,027	-	79,027
Proceeds from debt issuance	-	254,483	254,483
Total other financing sources (uses)	79,027	254,483	333,510
Revenues in excess (deficiency of expenditures and other financing sources (uses)	122,748	-	122,748
Fund balance beginning of year	1,126,044	-	1,126,044
Prior period adjustment	2,828	-	2,828
Fund balance beginning of year - restated	1,128,872	-	1,128,872
Fund balance end of year	$ 1,251,620	$ -	$ 1,251,620

The accompanying notes are an integral part of the statements.

Vision Home & Community, Inc

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

Year ended June 30, 2022

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	122,748
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which additions were greater than depreciation expense.		365,819
Governmental funds report proceeds from sales of capital assets as other financing source but in the statement of activities, gains are shown net of book value for capital asset sale		(79,854)
Governmental funds report the sale of capital assets as other financing sources but in th statement of activites these are recognized net of the net book value of the disposec assets as a gain or loss on sale. This is the difference between those two treatments		
The issuance of long-term debt provides current financial resources to funds but increases long-term liabilities in the statement of net position. Repayment of the principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		(241,231)
In the governmental funds, expenditures related to pension and OPEB obligations are measured by the amount of financial resources used, whereas in the statement of activities, they are measured on the accrual basis. This is the amount by which pension and OPEB expense in the statement of activities is more than that in the governmental funds.		1,062,764
Change in net position of governmental activities	$	1,230,246

The accompanying notes are an integral part of the statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Vision Home & Community, Inc. dba Vision Charter Academy (the Academy) have been prepared in accordance with generally accepted accounting principles (GAAP) applicable to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body establishing governmental accounting and financial reporting principles.

The following is a summary of the Academy's significant accounting policies:

1. The Reporting Entity

Vision Home & Community, Inc. dba Vision Charter Academy consists of schools established under the Charter Schools Act serving kindergarten through high school students. It is governed by an independently elected Board of Stewards. The Academy is considered a component unit of Delta County Joint School District No. 50J, and is reported discretely in a separate column on their financial statements to emphasize that it is legally separate from the District.

Blended Component Units

The Academy includes the Vision Charter Academy Building Corporation (the Corporation) within its reporting entity. The Corporation was formed to hold title to property and facilitate the operations of the Academy and support other organizations, projects, and initiatives that are organized and operated for similar purposes. The Corporation is blended into the Academy's financial statements as a special revenue fund. The Corporation does not issue separate financial statements.

2. 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 the Academy. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Academy presently has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function 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 revenue and other items not properly included among program revenues are reported instead as general revenues.

3. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Academy considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Intergovernmental revenue, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Academy.

The Academy reports the following major governmental funds:

The *General Fund* is the Academy's primary operating fund. It accounts for all financial resources of the Academy, except those required to be accounted for in another fund.

The *Building Corporation* is a special revenue fund that is used to account for the financial activities of the Building Corporation, including facilities acquisition and construction and the related debt service.

4. Assets, Liabilities and Net Position or Equity

Cash and Investments

The Academy's cash and cash equivalents are considered to be cash on hand and demand deposits. The Academy does not currently have investments.

State statutes authorize the Academy to invest in obligations of the U.S. Treasury, obligations unconditionally guaranteed by U.S. agencies, certain international agency securities, certain types of bonds of U.S. local government entities, bankers' acceptances of certain banks, commercial paper, written repurchase agreements collateralized by certain authorized securities, certain money market funds, and guaranteed investment contracts.

Receivables

The Academy considers all receivables, if any, to be fully realizable and does not maintain an allowance for doubtful accounts.

Capital Assets

The Academy reports capital assets in the government-wide financial statements. Capital assets are defined by the 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 historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation expense is charged to Instructional function in the statement of activities.

Estimated useful lives are:

Buildings and Improvements	10-40 years
Equipment and Vehicles	3-10 years

Accrued Salaries

Salaries and benefits to teachers and certain other employees are paid over a 12-month period, but are earned over a school year of approximately nine months. The salaries earned, but unpaid, at June 30 are reflected in the financial statements as an accrued liability.

5. Stewardship, compliance and accountability

Budgetary Information

Prior to May 15, management submits to the Board of Stewards a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes expenditures and the means of financing them. Public board meetings are conducted to obtain comments. The budget is submitted by the Board of Stewards to the District's Board of Education by June 1 of each year. Prior to June 30, the budget is adopted by the District's Board of Education.

During the budget year, the Board of Stewards has the option of changing and finalizing the budget for the fiscal year. Three supplemental budget amendments were adopted during the fiscal year ended June 30, 2022.

The Building Corporation Fund may be in violation of state statutes as the expenditures exceed the appropriated budgets as the School did not adopt a budget for the Building Corporation Fund for fiscal year 2022.

Budgeted level of expenditures

Expenditures may not legally exceed appropriations at the fund level. Administrative control is maintained through the use of detailed line-item budgets. Budgets must be amended at the fund level by the Board of Stewards. At year-end, all appropriations lapse in accordance with Colorado statutes.

Budgetary basis of accounting

Appropriated budgets are adopted by the Board of Stewards for the General Fund on a basis consistent with generally accepted accounting principles (GAAP).

6. Pensions

The School participates in the 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.

7. Other Post-Employment Benefit Plan (OPEB)

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

NOTE B – CASH

Cash carrying value of deposits in banking institutions as of June 30, 2022, consists of the following:

Demand accounts	$ 1,325,279
Petty cash	386
Total cash and investments	$ 1,325,665

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government including component units deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least 102% of the aggregate uninsured deposits. As of June 30, 2022, the Academy had deposits of $1,345,975, of which $250,000 was covered by federal depository insurance and $796,763 was collateralized as noted above.

NOTE C – CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	Balance June 30,2021	Additions	Deletions	Balance June 30,2022
Governmental Activities:				
Capital assets being depreciated				
Buildings	$ 747,270	$ 360,000	$ (58,266)	$1,049,004
Leasehold improvements	-	24,420	(24,420)	-
Total capital assets	747,270	384,420	(82,686)	1,049,004
Accumulated depreciation				
Buildings	(18,682)	(18,682)	2,913	(34,451)
Total accumulated depreciation	(18,682)	(18,682)	2,913	(34,451)
Capital assets, net	$ 728,588	$ 365,738	$ (79,773)	$1,014,553

Depreciation expense in the amount of $18,682 was charged to instructional expense.

NOTE D – DEBT

The changes in long-term liabilities for the year were as follows:

	Balance June 30,2021	Additions	Retirements	Balance June 30,2022	Due Within One Year
Governmental Activities:					
Commerical Loan 2021	$ 502,487	$ -	$ (13,252)	$ 489,235	$ 13,755
Commercial Loan 2022	-	254,483	-	254,483	6,397
Total	$ 502,487	$ 254,483	$ (13,252)	$ 743,718	$ 20,152

During August 2020, the Corporation entered into a loan agreement “Commercial Loan Bank of the West” with the Bank of the West for $513,000 to purchase property at 263 Main Street and 45 W 3rd Street Ste 103 in Delta, CO. The loan is secured by these properties and by assignment of rents, if any, related to these properties. The loan matures in August 2030 and carries an interest rate of 3.98% per annum. Principal and interest payments are due per month of $2,719 with one lump payment due August 2030 of $369,285. If there is an event of default the lender may require full balances to be paid as well as: a late charge of 5% of the unpaid portion or the regularly scheduled payments, and the Corporation could be assessed a 5% late charge on unpaid portions. The loan also has a prepayment fee of 1% of the prepaid paid balance and any currently accrued interest.

On June 9, 2022, the Corporation entered into another commercial loan with Bank of the West for $254,483 to purchase properly at 263 Main Street, Unit 2 in Delta, CO. The loan is secured by this property and by assignment of rents, if any, related to the property. The loan matures June 9, 2032 and carries an interest rate of 5.45% per annum. Principal and interest payment of $1,514 are due monthly with a lump sum payment of $187,298 due on June 9, 2032.

The following schedule reflects the debt service requirements to maturity of the loans:

Year Ended June 30,	Principal	Interest	Total
2023	$ 20,152	$ 30,346	$ 50,498
2024	19,589	30,344	49,933
2025	20,453	29,480	49,933
2026	21,320	28,613	49,933
2027	22,224	27,709	49,933
2028-2032	639,980	100,087	740,067
Total	$ 743,718	$ 246,579	$ 990,297

NOTE E – LEASES

The School leases its buildings from the Corporation. The lease requires payments, which approximate the Corporation's required payments on the loan and may be terminated in any year by non-appropriation of funds. The Corporation has pledged the lease payments to pay loan principal and interest. Lease expense was $31,764 for the year ended June 30, 2022, and is shown as expenditures in the General Fund and revenues in the Building Corporation fund. The School also leased space in Delta, Co, the lease agreement during the year was for 12 months at $2,400 a month. Total operating lease expense during fiscal year 2022 was $27,720.

NOTE F – FUND BALANCES

GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on the Academy's fund balances more transparent. In the fund financial statements the following classifications describe the relative strength of the spending constraints.

- *Non-spendable fund balance* - The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid expenses) or is legally or contractually required to be maintained intact.

- *Restricted fund balance* - The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.
- *Committed fund balance* - The portion of fund balance constrained for specific purposes according to limitations imposed by the Academy's highest level of decision making authority, the Board of Stewards, prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board.
- *Assigned fund balance* - The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the Board or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.
- *Unassigned fund balance* - The residual portion of fund balance that does not meet any of the above criteria. The Academy will only report a positive unassigned fund balance in the General Fund.

If both restricted and unrestricted amounts of fund balance are available for use when an expenditure is incurred, it is Academy policy to use restricted amounts first. Unrestricted fund balance will be used in the following order: committed, assigned, and unassigned. Net position represents the difference between assets and deferred outflows of resources and liabilities and the deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use, either through the enabling legislation adopted by the Academy or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

NOTE G – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. Eligible employees of the Academy are provided with pensions through the SCHDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado

General Assembly. PERA issues a publicly available 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 multiplied by 2.5 percent and then multiplied by years of service credit.

- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

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

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.

- $15 times the first 10 years of service credit plus $20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

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

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

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 SCHDTF. 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 the 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 10.50% 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:

	July 1, 2021 Through June 30, 2022
Employer contribution rate	10.90%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount apportioned to the SCHDTF	9.88%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%

Total employer contribution rate to the SCHDTF	19.88%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Academy is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the School were $329,194 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.

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

The net pension liability for the SCHDTF was measured as of December 31, 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 update procedures were used to roll-forward the total pension liability to December 31, 2021. The Academy's proportion of the net pension liability was based on the 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 the Academy reported a liability of $3,222,141 for its proportionate share of the net pension liability that reflected a decrease for support from the State as a nonemployer contributing entity. The amount recognized by the 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 the Academy were as follows:

Academy's proportionate share of the net pension liability	$ 3,222,141
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Academy	331,388
Total	$ 3,553,529

At December 31, 2021, the Academy's proportion was .027687 percent, which was a decrease of .005104 from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the Academy recognized pension expense of $ (623,229). At June 30, 2022, the Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 123,356	$ –
Changes of assumptions or other inputs	245,986	–
Net difference between projected and actual earnings on pension plan investments	–	1,211,429
Changes in proportion and differences between contributions recognized and proportionate share of contributions	627,743	698,313
Contributions subsequent to the measurement date	163,317	N/A
Total	$ 1,160,403	$ 1,909,742

$163,317 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,2022:	
2023	9,706
2024	(393,858)
2025	(381,461)
2026	(147,043)
Thereafter	–

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:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40 – 11.00%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07; and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06[1]	Financed by the AIR

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

The TPL 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% 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 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 were based upon the PubNS-2010 Disabled Retiree Table using 99% 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 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 of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long- term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

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

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

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

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected 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% 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% 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%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.

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

Sensitivity of the 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 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	$ 4,742,728	$ 3,222,141	$ 1,953,268

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

NOTE H – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

General Information about the OPEB Plan

Plan description. Eligible employees of the Academy are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual 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. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

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

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

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

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Academy is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the Academy were $16,890 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, the Academy reported a liability of $155,888 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF 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. The Academy's proportion of the net OPEB liability was based on Academy contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, the Academy's proportion was .018078 percent, which was a decrease of .000882 from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the Academy recognized OPEB expense of $10,310. At June 30, 2021, the Academy reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 238	$ 36,963
Changes of assumptions or other inputs	3,227	9,650
Net difference between projected and actual earnings on OPEB plan investments	–	8,456
Changes in proportion and differences between contributions recognized and proportionate share of contributions	21,994	3,565
Contributions subsequent to the measurement date	8,379	N/A
Total	$ 33,838	$ 58,634

$8,379 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,2022:	
2023	$ (7,764)
2024	(9,395)
2025	(11,519)
2026	(3,147)
2027	(1,154)
Thereafter	(196)

Actuarial assumptions. The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, 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% in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	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
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2020, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2021 for the PERA Benefit Structure:

	Initial Costs for Members Without Medicare Part A		
Medicare Plan	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 (actual dollars) per month.

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

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

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

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
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 2020 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

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.

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% 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 Trust Fund:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2021 plan year.

- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by 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 of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

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

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

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

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

Sensitivity of the 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 one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	7.10%	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%
Net OPEB Liability	$151,412	$ 155,888	$ 134,398

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 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's FNP was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$ 181,048	$ 155,888	$ 134,398

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

NOTE I – RISK MANAGEMENT

The Academy is exposed to various risks of loss related to torts; errors and omissions; violation of civil rights; theft of, damage to, and destruction of assets; and natural disasters. The Academy uses workers compensation and other liability insurance to help mitigate these risks. During the year ended June 30, 2022, the Academy paid $20,268 in related insurance premiums to insurers.

NOTE J – TAX, SPENDING AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The Academy believes it is in compliance with the requirements of the Amendment. However, the Academy has made certain interpretations of the Amendment's language in order to determine its compliance.

NOTE K – LINE OF CREDIT

The school entered into an uncollateralized line of credit for $100,000. The line was not used during the year. The line carries interest at Bank of the West Prime Rate plus .25 percentage points and is due in August of each year if continued.

NOTE L – RELATED PARTIES

The school contracts with Delta County School District 50J to provide support services. During fiscal year 2022, the school incurred costs of $92,448 to be paid to the District for those services and, including reimbursement, paid the District a total of $331,016 for the contracted support services including special services, technology services, insurance, maintenance, clerical grant support and, per statute, central administration services. As of June 30, 2022, the District owed the School $24,224, and the school owed the District $26,655 for a net liability of the school to the District in the amount of $2,331.

Vision Home & Community, Inc

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGET AND ACTUAL

Year ended June 30, 2022

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Local sources	$ 17,200	$ 17,200	$ 15,508	$ (1,692)
State sources	3,787,026	3,206,994	3,405,575	198,581
Federal sources	474,766	1,327,662	500,029	(827,633)
Total revenues	4,278,992	4,551,856	3,921,112	(630,744)
Expenditures				
Current				
Instructional services	2,930,648	3,304,720	2,677,977	626,743
Student support	159,394	169,917	210,446	(40,529)
Instructional staff support	209,271	118,122	141,200	(23,078)
General administration	72,150	62,860	64,444	(1,584)
School administration	256,932	153,031	150,975	2,056
Business support	158,478	110,519	105,815	4,704
Operation and maintenance	123,367	171,794	165,633	6,161
Central support	138,277	200,785	50,718	150,067
Capital outlay	230,475	260,108	310,183	(50,075)
Total expenditures	4,278,992	4,551,856	3,877,391	674,465
Excess of revenues over expenditures	-	-	43,721	43,721
Other financing sources (uses)				
Proceeds from sale of building	-	-	79,027	79,027
Total other financing sources (uses)	-	-	79,027	79,027
Revenues in excess (deficiency of expenditures and other financing sources (uses)	-	-	122,748	122,748
Fund balance beginning of year	1,086,000	1,145,355	1,126,044	(19,311)
Prior period adjustment	-	-	2,828	2,828
Fund balance beginning of year - restated	1,086,000	1,145,355	1,128,872	(16,483)
Fund balance end of year	$ 1,086,000	$ 1,145,355	$ 1,251,620	$ 106,265

Vision Home & Community, Inc

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUILDING CORPORATION FUND - BUDGET AND ACTUAL

Year ended June 30, 2022

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Local sources	$ 31,764	$ 31,764	$ 31,764	$ -
Total revenues	31,764	31,764	31,764	-
Expenditures				
Capital outlay	375,000	375,000	254,483	120,517
Debt service:				
Interest	19,000	19,000	18,512	488
Principal	12,764	12,764	13,252	(488)
Total expenditures	31,764	31,764	286,247	120,517
Revenues in excess (deficiency) of expenditures	-	-	(254,483)	(254,483)
Other financing sources (uses)				
Transfers from general func	93,750	93,750	-	(93,750)
Proceeds from debt issuance	281,250	281,250	254,483	(26,767)
Total other financing sources (uses)	281,250	281,250	254,483	(26,767)
Net change in fund balances	281,250	281,250	-	(281,250)
Fund balance beginning of year	-	-	-	-
Fund balance end of year	$ 281,250	$ 281,250	$ -	$ (281,250)

Vision Home & Community, Inc.

SCHEDULE OF ACTIVITY - NET PENSION LIABILITY

June 30, 2022

Measurement date:	Employer proportion of NPL	Employer proportionate share of NPL	Nonemployer contributing entity proportionate share of NPL associated with employer	Total of employer and nonemployer porportionate share of NPL	Employer covered payroll	Employer proportionate share of NPL as a percentage of covered payroll	Pension plan's fiduciary net position as a percentage of total pension liability
December 31, 2014	0.031119%	$ 4,217,644	$ -	$ 4,217,644	$ 1,288,018	327%	63%
December 31, 2015	0.031644%	4,839,793	-	4,839,793	1,381,224	350%	59%
December 31, 2016	0.030280%	9,015,662	-	9,015,662	1,358,992	663%	43%
December 31, 2017	0.031226%	10,097,388	-	10,097,388	1,440,483	701%	44%
December 31, 2018	0.027325%	4,838,419	582,005	5,420,424	1,502,506	322%	57%
December 31, 2019	0.026376%	3,940,461	443,540	4,384,001	1,549,636	254%	65%
December 31, 2020	0.032792%	4,957,537	-	4,957,537	1,641,883	302%	67%
December 31, 2021	0.027688%	3,222,141	331,388	3,553,529	1,581,372	204%	75%

Vision Home & Community, Inc.

SCHEDULE OF ACTIVITY - EMPLOYER PENSION CONTRIBUTIONS

June 30, 2022

	Required employer contribution	Employer contributions recognized by the plan	Difference	Employer covered payroll	Contributions as a percentage of employer covered payroll
June 30, 2015	$ 232,340	$ 232,340	$ -	$ 1,373,356	16.92%
June 30, 2016	231,334	231,334	-	1,304,577	17.73%
June 30, 2017	260,934	260,934	-	1,419,471	18.38%
June 30, 2018	279,476	279,476	-	1,479,855	18.89%
June 30, 2019	285,658	285,658	-	1,493,244	19.13%
June 30, 2020	321,796	321,796	-	1,660,453	19.38%
June 30, 2021	374,071	374,071	-	1,789,808	20.90%
June 30, 2022	329,194	329,194	-	1,655,906	19.88%

Vision Home & Community, Inc.

SCHEDULE OF ACTIVITY - NET OPEB LIABILITY

June 30, 2022

	Employer proportion of NOPEBL	Employer proportionate share of NOPEBL	Employer covered payroll	Employer proportionate share of NOPEBL as a percentage of covered payroll	OPEB plan's fiduciary net position as a percentage of total OPEB liability
Measurement date:					
December 31, 2017	0.017742%	$ 230,581	$ 1,440,483	16%	18%
December 31, 2018	0.017761%	241,650	1,502,506	16%	17%
December 31, 2019	0.017234%	193,713	1,549,636	13%	24%
December 31, 2020	0.018990%	180,161	1,641,883	11%	33%
December 31, 2021	0.018078%	155,888	1,581,372	10%	39%

Vision Home & Community, Inc.

SCHEDULE OF ACTIVITY - EMPLOYER PENSION CONTRIBUTIONS

June 30, 2022

	Required employer contribution	Employer contributions recognized by the plan	Difference	Employer covered payroll	Contributions as a percentage of employer covered payroll
June 30, 2018	$ 15,095	$ 15,095	$ -	$ 1,479,855	1.02%
June 30, 2019	15,231	15,231	-	1,493,244	1.02%
June 30, 2020	16,937	16,937	-	1,660,453	1.02%
June 30, 2021	18,256	18,256	-	1,789,808	1.02%
June 30, 2022	16,890	16,890	-	1,655,906	1.02%