

**IGNACIO SCHOOL DISTRICT 11JT
IGNACIO, COLORADO**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

**For the Year Ended
June 30, 2022**

IGNACIO SCHOOL DISTRICT 11JT

ROSTER OF OFFICIALS

Year Ended June 30, 2022

Board Of Directors

Allen McCaw - President

Yvonne Chapman - Vice President

Jim Bulwan - Secretary

Leila Baker - Treasurer

Jay Dee Brunson - Director

Administrative Staff

Christopher deKay - Superintendent

LuCinda Lounge - Finance Director

IGNACIO SCHOOL DISTRICT 11JT

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Roster of Officials

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INTRODUCTORY SECTION

Management Discussion And Analysis
(Required Supplementary Information – Unaudited)

Ignacio School District 11JT
Management Discussion and Analysis
June 30, 2022

This document provides an overview and analysis of the financial performance of the District for the fiscal year ending June 30, 2022.

Financial Highlights

The total net position of the district decreased to \$16,030,555 during the fiscal year of July 1, 2021 to June 30, 2022. Total unrestricted net position is \$(11,178,005). This is due to adding the PERA net pension liability of \$11,402,301 as described in Note 9. The total salaries and benefits of our district employees decreased from \$8,611,104 in 2020-2021 to \$8,163,731 in 2021-2022 on the accrual basis, a decrease of almost 5%. Instructional expenditures have increased from \$6,821,501 in 2019-2020 to \$6,908,688 in 2020-2021 on the accrual basis, an increase of 1.2%. Revenues from property and SOT taxes accounted for 14% of total revenues. Revenues from state sources accounted for 71% of total revenues. Revenues from federal sources accounted for 11% of total revenues, and revenue from local and other sources accounted for 2% of total revenue.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Ignacio School District 11JT basic financial statements. The basic financial statements consist of these components: The Management Discussion and Analysis (this section), the audit opinion, financial statements and the footnotes. Comparisons with prior years' statements provide the district with information useful in future financial planning. The district revenues come from different allocations within the classifications Local Sources, State Sources, and Federal Sources. The total revenues are used as a basis for determining the district's budget. Within the sources of revenue are property taxes, specific ownership taxes, interest on invested funds, and other sources. State Sources include state equalization payments, and transportation payments. Federal Sources include payments for Title I and other grants and special education programming.

Government-Wide Financial Statements

These statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net positions includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the District's net positions and how they have changed. Net positions, the difference between the District's assets, deferred outflows, and liabilities, are one way to measure the District's financial health or position. Over time, increases or decreases in the District's net positions are an indication of whether its financial health is improving or deteriorating.

The government-wide statements are divided into two categories:

Governmental activities - all of the District's basic services are included here, such as instruction, administration, operation of the buildings and grounds, food service and pupil transportation. Property taxes and state and federal subsidies and grants finance these activities.

Business - Type activities - which is the Deferred Maintenance Fund is an enterprise fund used to account for all financial transactions related to the District's Building rental revenue and expenses.

Fund Financial Statements

These statements provide detailed information about the most significant funds, not the District as a whole. Some funds are required by state law and bond requirements. Governmental funds - most of the District's activities are reported in governmental funds, which focus on the determination of financial position and change in financial position, not on income determination.

Ignacio School District 11JT
Management Discussion and Analysis
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They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the District's operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary funds - used to account for the District activities that are similar to business operations in the private sector: or where the reporting is on determining net income, financial position, changes in financial position, and a significant portion of the funding is through user charges. When the District charges customers for services it provides, these services are generally reported in proprietary funds.

Fiduciary Funds - acts as a trustee, or fiduciary for student activities. These activities are excluded from the District's other financial statements because the District cannot use these assets to finance its operations.

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

Other information in addition to the basic financial statements and accompanying notes is presented in the form of certain required supplementary information regarding budgetary comparison schedule. Other statements on individual funds are presented immediately following the required supplementary information. These represent budgetary comparison schedules not required by generally accepted accounting principles, but are required by Colorado statutes.

Government-Wide Financial Statements

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. In the case of the Ignacio School District, assets exceeded liabilities by approximately \$22,504,032.

TABLE 1 - CONDENSED STATEMENT OF NET POSITION

	2021			2022		
	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
Current Assets	13,764,139	568,453	14,332,592	13,156,843	830,066	13,986,909
Non Current Assets	52,073,752	1,068,621	53,142,373	51,407,372	1,023,761	52,431,133
Deferred Outflows of Financial Resources	6,235,559	-	6,235,559	4,071,246	-	4,071,246
Total Assets	72,073,450	1,637,074	73,710,524	68,635,461	1,853,827	70,489,288
Current Liabilities	1,277,898	14,766	1,292,664	1,328,788	14,727	1,343,515
Long-Term Liabilities	46,256,871	-	46,256,871	38,999,637	-	38,999,637
Deferred Inflows of Financial Resources	10,130,434	-	10,130,434	7,642,104	-	7,642,104
Total Liabilities	57,665,203	14,766	57,679,969	47,970,529	14,727	47,985,256
Net Position						
Net Investment in Capital Assets	25,408,752	1,068,621	26,477,373	27,172,372	1,023,761	28,196,133
Restricted Net Position	5,211,140	-	5,211,140	4,670,565	-	4,670,565
Unrestricted Net Position	(16,211,645)	553,687	(15,657,958)	(11,178,005)	637,392	(10,540,613)
Total Net Position (Deficit)	\$ 14,408,247	\$ 1,622,308	\$ 16,030,555	\$ 20,664,932	\$ 1,661,153	\$ 22,326,085

Ignacio School District 11JT
Management Discussion and Analysis
June 30, 2022

Governmental Activities

Of the District's \$70,489,288 in total assets, \$52,431,133 (74%) reflects investment in capital assets, (e.g. land, buildings, equipment, and transportation equipment). The District uses capital assets to provide services to students; consequently, these assets are not available for future spending. The unrestricted net position of \$10,540,613 may be used to meet the District's ongoing financial obligations. The results of this year's operations as a whole are reported in the Statement of Activities on Page 5. All expenses are reported in the first column. Specific charges, grants, revenues and subsidies that directly relate to specific expense categories are represented to determine the final amount of the District's activities that are supported by other general revenues. The two largest general revenues are the equalization provided by the State of Colorado Department of Education and the property taxes assessed to District taxpayers.

TABLE 2 - CONDENSED STATEMENT OF ACTIVITIES

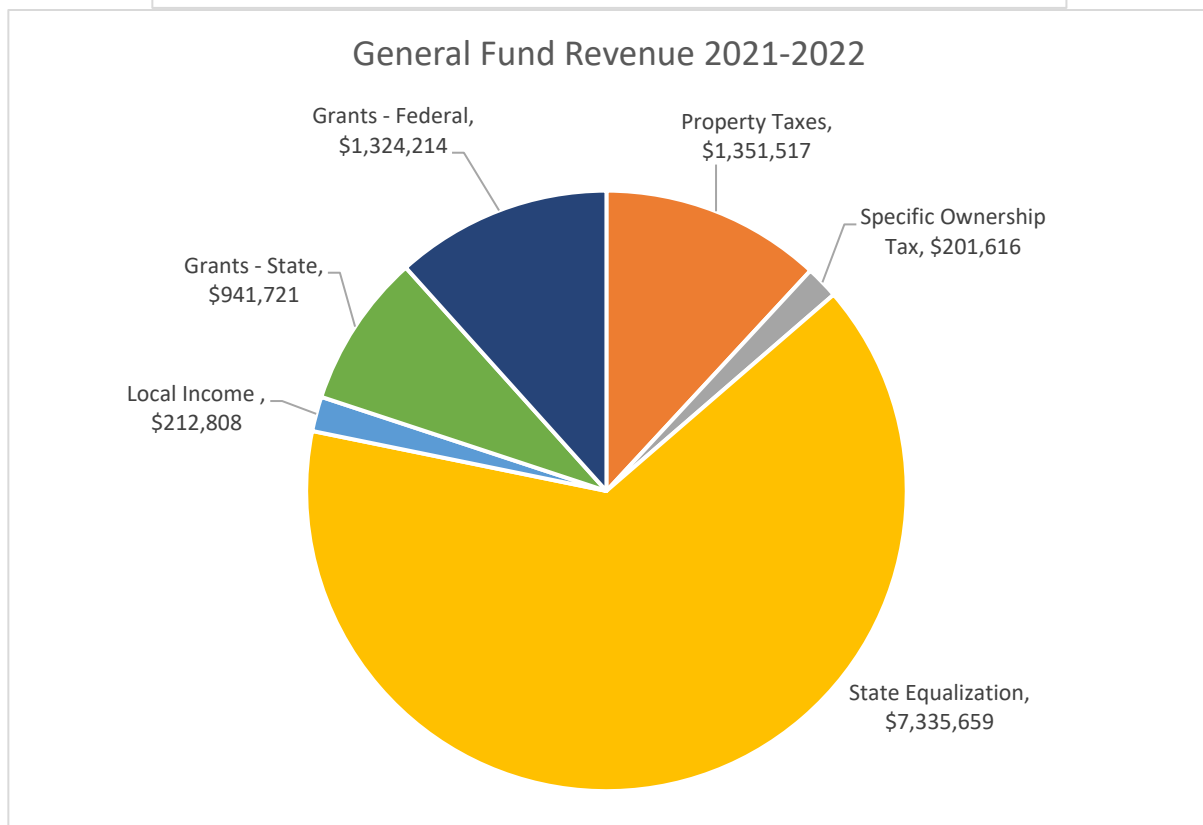
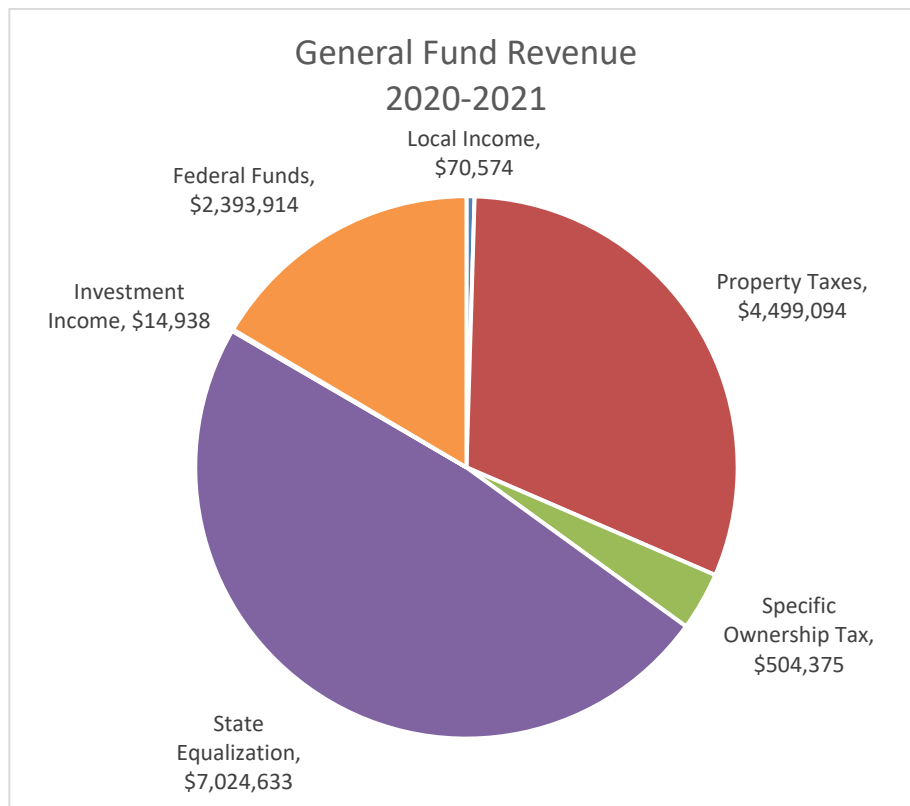
	<u>2021</u>			<u>2022</u>		
	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
Program Revenues:						
Charges for Services	\$ 131,728	\$ 183,598	315,326	\$ 302,604	\$ 184,281	486,885
Operating Grants	2,143,602	-	2,143,602	2,432,322	-	2,432,322
Capital Grants	1,485,071	-	1,485,071	1,524,494	-	1,524,494
Total Program Revenues	3,760,401	183,598	3,943,999	4,259,420	184,281	4,443,701
General Revenues:						
Taxes	5,003,469	-	5,003,469	4,064,140	-	4,064,140
State Equalization	7,024,633	-	7,024,633	7,335,659	-	7,335,659
Investment Income	14,938	-	14,938	23,070	6,313	29,383
Insurance Proceeds	125,350	-	125,350	-	-	-
Other Revenues	70,574	-	70,574	134,437	-	134,437
Transfers	(140,000)	140,000	-	(40,000)	40,000	-
Total General Revenues	12,098,964	140,000	12,238,964	11,517,306	46,313	11,563,619
Total Revenues	15,859,365	323,598	16,182,963	15,776,726	230,594	16,007,320
Expenses						
Instruction	4,826,319	-	4,826,319	4,658,803	-	4,658,803
Supporting Services	4,389,820	-	4,389,820	4,845,682	-	4,845,682
Deferred Maintenance Fund	-	131,736	131,736	-	191,749	191,749
Total Expenses	9,216,139	131,736	9,347,875	9,504,485	191,749	9,696,234
Change in Net Position	6,643,226	191,862	6,835,088	6,272,241	38,845	6,311,086
Net Position - Beginning	7,765,021	1,430,446	9,195,467	14,408,247	1,622,308	16,030,555
Prior Period Restatement	-	-	-	(15,556)	-	(15,556)
Net Position Beginning (Restated)	7,765,021	1,430,446	9,195,467	14,392,691	1,622,308	16,014,999
Net Position - Ending	\$ 14,408,247	\$ 1,622,308	16,030,555	\$ 20,664,932	\$ 1,661,153	\$ 22,326,085

Uncollected Property Tax Revenue

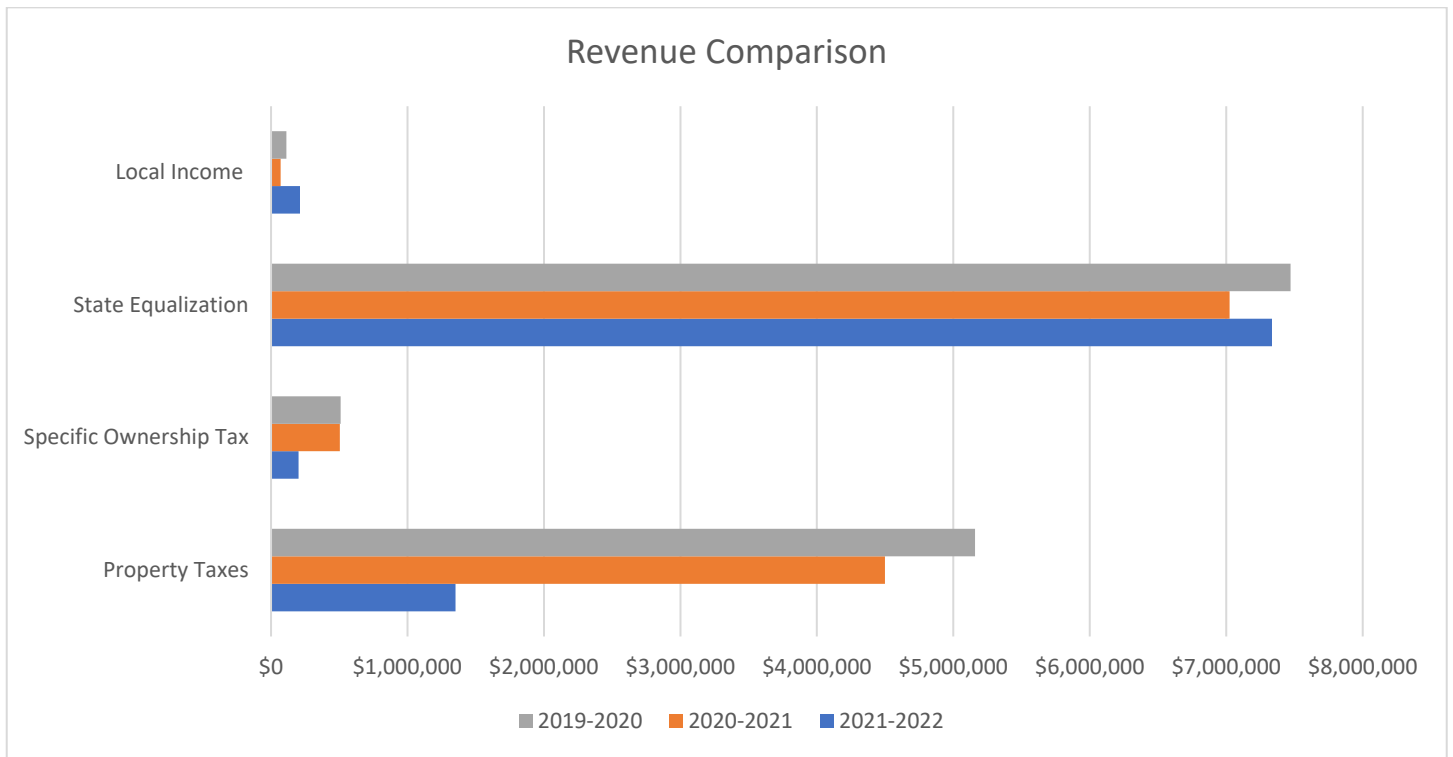
La Plata County Taxes were assessed for 2022 incorrectly using 2021 rates. This error was discovered in September of 2022. La Plata County Commissioners voted to increase the 2023 tax collections to cover the uncollected revenue in calendar year 2023. The amount of the uncollected taxes was \$701,962. This resulted in a lower tax revenue for FY 2021-2022 and a higher tax revenue for FY 2022-2023.

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Management Discussion and Analysis
June 30, 2022

General Fund Revenues by Source



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Management Discussion and Analysis
June 30, 2022



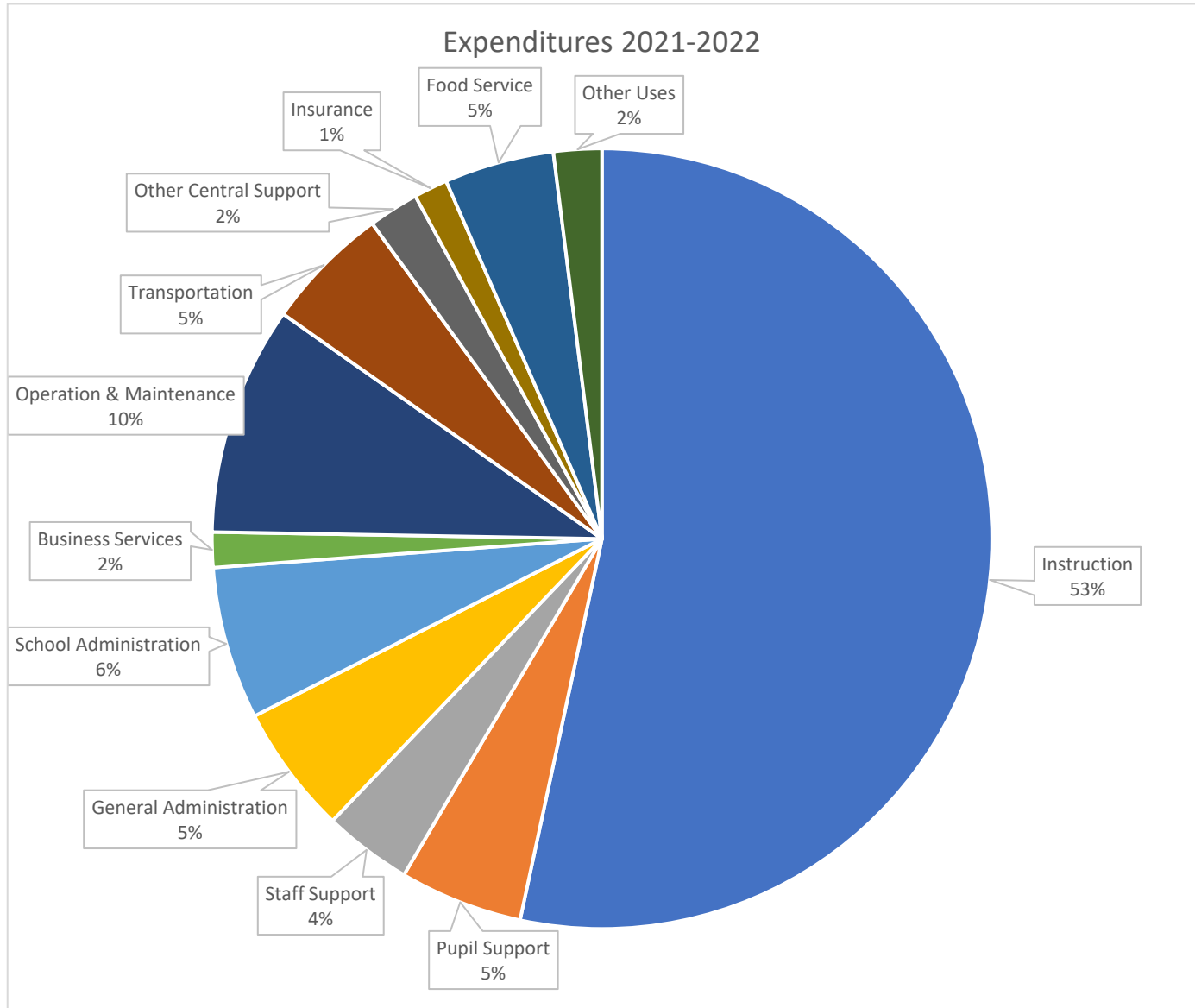
The district revenues come from different allocations within the classifications Local Sources, State Sources, and Federal Sources. The total revenues are used as a basis for determining the district's budget. Within the Local Sources of revenue are property taxes, specific ownership taxes, interest on banked funds, and other sources. State Sources include state equalization payments, transportation payments, and other sources such as grants. Federal Sources include payments for Title Grants and Impact Aid.

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Management Discussion and Analysis
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Fund Level Financial Statements

The General Fund is the main operating fund of the District. The general fund reports an ending fund balance of \$5,876,296 which is a decrease of \$596,338 from the prior year. General Fund expenditures increased \$90,343 from the prior year to \$11,437,064. The following represents the allocation of General Fund expenditures:

General Fund Expenditures by Function



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Management Discussion and Analysis
June 30, 2022

Food Service Fund

The Food Service Fund reported an increase in expenditures of \$530,697 to \$628,600 as of June 30, 2022. Revenues increased from \$475,286 in 2020-2021 to \$548,423 in 2021-2022. The State instituted an Emergency Food Program in March 2020 due to Covid 19, the increase in 2010-2022 is due to this federal program.

General Fund Budget

The District made minor revisions to the original budget based on additional information that was available subsequent to the original adoption. This was primarily related to grant allocations that were not available until October 2022.

Total revenues exceeded the final budget amounts by \$773,957 with the differences spread among numerous categories. Expenditures came in \$4,325,077 under budgeted line item appropriations, without reserves and debt service.

Capital Assets

At June 30, 2022, the District had \$51,407,372 total invested in capital assets, net of accumulated depreciation. The following table summarizes the governmental activities capital asset activity:

<u>Governmental Activities</u>	<u>Balance 6/30/21</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/22</u>
Capital Assets Not Being Depreciated				
Land	\$ 636,263	\$ -	\$ -	\$ 636,263
Construction in Progress	-	58,250	-	58,250
Total Capital Assets Not Being Depreciated	<u>636,263</u>	<u>58,250</u>	<u>-</u>	<u>694,513</u>
Capital Assets Being Depreciated				
Buildings and Improvements	55,698,468	-	-	55,698,468
Equipment	1,617,320	-	-	1,617,320
Vehicles	<u>1,807,469</u>	<u>231,800</u>	<u>-</u>	<u>2,039,269</u>
Total Capital Assets Being Depreciated	<u>59,123,257</u>	<u>231,800</u>	<u>-</u>	<u>59,355,057</u>
Total Capital Assets	<u>59,759,520</u>	<u>290,050</u>	<u>-</u>	<u>60,049,570</u>
Less: Accumulated Depreciation				
Buildings and Improvements	(5,287,608)	(747,011)	-	(6,034,619)
Equipment	(983,136)	(105,405)	-	(1,088,541)
Vehicles	<u>(1,415,024)</u>	<u>(104,014)</u>	<u>-</u>	<u>(1,519,038)</u>
Total Accumulated Depreciation	<u>(7,685,768)</u>	<u>(956,430)</u>	<u>-</u>	<u>(8,642,198)</u>
Net Governmental Capital Assets	<u>\$ 52,073,752</u>	<u>\$ (666,380)</u>	<u>\$ -</u>	<u>\$ 51,407,372</u>

Ignacio School District 11JT
Management Discussion and Analysis
June 30, 2022

<u>Business-type Activities</u>	<u>Balance 6/30/21</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/22</u>
Capital Assets Being Depreciated				
Buildings and Improvements	\$ 2,104,497	\$ -	\$ -	\$ 2,104,497
Equipment	36,433	-	-	36,433
Total Capital Assets	<u>2,140,930</u>	<u>-</u>	<u>-</u>	<u>2,140,930</u>
Less: Accumulated Depreciation				
Buildings and Improvements	(1,035,876)	(44,860)	-	(1,080,736)
Equipment	(36,433)	-	-	(36,433)
Total Accumulated Depreciation	<u>(1,072,309)</u>	<u>(44,860)</u>	<u>-</u>	<u>(1,117,169)</u>
Net Business-type Capital Assets	<u>\$ 1,068,621</u>	<u>\$ (44,860)</u>	<u>\$ -</u>	<u>\$ 1,023,761</u>

	<u>Balance 6/30/2021</u>	<u>Additions</u>	<u>Amort.</u>	<u>Balance 6/30/22</u>
Deferred Outflows:				
Deferred Charge on Refunding	\$ 672,030	\$ -	\$ 121,700	\$ 550,330
Deferred Inflows:				
Bond Premiums	(1,388,270)	-	(426,850)	(961,420)
Net Debt Related Long Term Items	<u>\$ (716,240)</u>	<u>\$ -</u>	<u>\$ (305,150)</u>	<u>\$ (411,090)</u>

Reconciliation of Accrual Interest Expense

Interest Paid	\$ 689,274
Less Premium Amortization	(426,850)
Plus Amortization of Charge	114,593
Accrual Interest Expense	<u>\$ 377,017</u>

LONG-TERM DEBT

Long-term debt activity for the year ended June 30, 2022 was as follows:

	<u>Balance 6/30/2021</u>	<u>Advances/ Refunding</u>	<u>Payments</u>	<u>Balance 6/30/2022</u>	<u>Due Within One Year</u>	<u>Interest Expense</u>
G.O. Bonds Payable - Series 2012	\$ 1,675,000	\$ -	\$ 1,675,000	\$ -	\$ -	\$ 20,937
Series 2016 Refunding Bonds	8,725,000	-	40,000	8,685,000	40,000	319,102
Series 2017 Refunding Bonds	4,325,000	-	25,000	4,300,000	25,000	180,359
Series 2021 Refunding Bonds	8,095,000	-	150,000	7,945,000	1,835,000	89,434
Series 2021B Refunding Bonds	6,220,000	-	485,000	5,735,000	530,000	99,640
Accrued Compensated Absences	362,750	17,939	-	380,689	-	-
Total Long Term Obligations	<u>\$ 29,402,750</u>	<u>\$ 17,939</u>	<u>\$ 2,375,000</u>	<u>\$ 27,045,689</u>	<u>\$ 2,430,000</u>	<u>\$ 689,274</u>
Bond premiums shown below				961,420		
Total Noncurrent Liabilities per Financial Statements				<u>\$ 28,007,109</u>		

**Ignacio School District 11JT
Management Discussion and Analysis
June 30, 2022**

Total Long Term Obligations \$27,045,6889.

Economic Factors

Ignacio School District has seen the assessed valuation of the property within the district decrease from \$314,555,120 in fiscal year 2004 to the 2022 valuation of \$268,860,772. The district's enrollment has shown a slow and steady decline from a K-12 enrollment of 941 in the 2001- 2002 school year to 641 for the 2022-2023 schoolyear.

Contacting the Financial Management Office of Ignacio School District 11JT

This report is designed to provide Board members, citizens, and patrons of Ignacio School District with an overview of the district's financial condition. Questions can be taken to the district office at 455 Becker Street, Ignacio, Colorado, during working hours.

FINANCIAL SECTION

Mayberry & Company, LLC

Certified Public Accountants

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

Board of Directors
Ignacio School District 11 JT
Ignacio, Colorado

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Ignacio School District 11 JT, as of and for the year ended June 30, 2022, and the related notes to the financial statements which collectively comprise Ignacio School District 11 JT'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, the business type activities, each major fund, and the aggregate remaining fund information of the Ignacio School District 11 JT as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Ignacio School District 11 JT and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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 Ignacio School District 11 JT's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibility 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 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 Ignacio School District 11 JT'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 Ignacio School District 11 JT'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.

Report on Summarized Comparative Information

We have previously audited the Ignacio School District 11 JT's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 10 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ignacio School District 11 JT's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Governmental Accounting Standards

In accordance with *Governmental Accounting Standards* on our consideration of the Ignacio School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Ignacio School District's internal control over financial reporting and compliance.

Mayberry & Company, LLC

February 28, 2023
Englewood, Colorado

Basic Financial Statements

IGNACIO SCHOOL DISTRICT 11JT

Statement of Net Position
June 30, 2022

			Totals
	Governmental Activities	Business-Type Activities	2022
ASSETS AND DEFERRED OUTFLOWS OF FINANCIAL RESOURCES			
Assets			
Current Assets			
Cash and Investments	\$ 12,616,278	\$ 648,786	\$ 13,265,064
Cash with Fiscal Agent	52,770	-	52,770
Taxes Receivable	107,836	-	107,836
Interfund Accounts Receivable	4,034	-	4,034
Grants Receivable	367,257	-	367,257
Other Accounts Receivable	230	181,280	181,510
Inventory	8,438	-	8,438
Capital and Other Assets			
Capital Assets not Being Depreciated	694,513	-	694,513
Capital Assets Being Depreciated	59,355,057	2,140,930	61,495,987
Accumulated Depreciation	(8,642,198)	(1,117,169)	(9,759,367)
Total Assets	64,564,215	1,853,827	66,418,042
Deferred Outflows of Financial Resources			
Net Pension Deferred Outflows	3,449,226	-	3,449,226
Net OPEB Deferred Outflows	71,690	-	71,690
Deferred Charge on Refunding	550,330	-	550,330
Total Deferred Outflows of Financial Resources	4,071,246	-	4,071,246
TOTAL ASSETS AND DEFERRED OUTFLOWS OF FINANCIAL RESOURCES	\$ 68,635,461	\$ 1,853,827	\$ 70,489,288
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
Liabilities			
Current Liabilities			
Accounts Payable	\$ 174,909	\$ (40)	\$ 174,869
Accrued Interest	57,356	-	57,356
Accrued Salaries & Benefits	1,077,857	-	1,077,857
Unearned Revenue	2,403	2,000	4,403
Unearned Revenue Grants	16,263	-	16,263
Other Current Liabilities	-	12,767	12,767
Noncurrent Liabilities			
Due Within One Year	2,430,000	-	2,430,000
Due In More Than One Year	36,569,637	-	36,569,637
Total Liabilities	40,328,425	14,727	40,343,152
Deferred Inflows of Financial Resources			
Net Pension Deferred Inflows	6,438,273	-	6,438,273
Net OPEB Deferred Inflows	242,412	-	242,412
Bond Premiums	961,419	-	961,419
Deferred Inflows	-	177,947	177,947
Total Deferred Inflows of Financial Resources	7,642,104	177,947	7,820,051
Net Position			
Net Investment in Capital Assets	27,172,372	1,023,761	28,196,133
Restricted Net Position	4,670,565	-	4,670,565
Unrestricted Net Position	(11,178,005)	637,392	(10,540,613)
Total Net Position	20,664,932	\$ 1,661,153	\$ 22,326,085
TOTAL LIABILITIES, DEFERRED OUTFLOWS AND NET POSITION	\$ 68,635,461	\$ 1,853,827	\$ 70,489,288

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

IGNACIO SCHOOL DISTRICT 11JT

Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities							
Instruction	\$ 4,658,803	\$ 200,157	\$ 846,747	\$ -	\$ (3,611,899)	\$ -	\$ (3,611,899)
Supporting Services	4,845,682	102,447	1,585,575	1,524,494	(1,633,166)	-	(1,633,166)
Total Governmental Activities	9,504,485	302,604	2,432,322	1,524,494	(5,245,065)	-	(5,245,065)
Business Type Activities							
Deferred Maintenance	191,749	184,281	-	-	-	(7,468)	(7,468)
Total Primary Government	<u>\$ 9,696,234</u>	<u>\$ 486,885</u>	<u>\$ 2,432,322</u>	<u>\$ 1,524,494</u>	<u>(5,245,065)</u>	<u>(7,468)</u>	<u>(5,252,533)</u>
General Revenues							
Property Taxes					3,614,206	-	3,614,206
Specific Ownership Taxes					449,934	-	449,934
State Equalization					7,335,659	-	7,335,659
Investment Earnings					23,070	6,313	29,383
Gain (Loss) on Capital Asset Disposals					10,000	-	10,000
Other Revenues					124,437	-	124,437
Total General Revenues					11,557,306	6,313	11,563,619
Transfers					(40,000)	40,000	-
Total General Revenues and Transfers					11,517,306	46,313	11,563,619
Change in Net Position					6,272,241	38,845	6,311,086
Beginning Net Position					14,408,247	1,622,308	16,030,555
Prior Period Restatement					(15,556)	-	(15,556)
Beginning Net Position (As Restated)					14,392,691	1,622,308	16,014,999
Ending Net Position	<u>\$ 20,664,932</u>	<u>\$ 1,661,153</u>	<u>\$ 22,326,085</u>				

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

IGNACIO SCHOOL DISTRICT 11JT
Balance Sheet
Governmental Funds
June 30, 2022

		Special Revenue		
		Food Service	Designated	Pupil Activity
	General Fund	Fund	Grants Fund	Fund
ASSETS				
Cash and Investments	\$ 6,941,041	\$ 44,690	\$ (165,793)	\$ 235,054
Cash with Fiscal Agent	19,681	-	-	-
Taxes Receivable	40,160	-	-	-
Interfund Accounts Receivable	4,034	-	-	-
Grants Receivable	-	117,186	250,071	-
Other Accounts Receivable	-	230	-	-
Inventory	-	8,438	-	-
TOTAL ASSETS	\$ 7,004,916	\$ 170,544	\$ 84,278	\$ 235,054
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE				
Liabilities				
Accounts Payable	\$ 164,170	\$ -	\$ 10,739	\$ -
Accrued Salaries & Benefits	964,450	47,121	66,286	-
Unearned Revenue	-	2,403	-	-
Unearned Revenue Grants	-	9,011	7,252	-
Total Liabilities	1,128,620	58,535	84,277	-
Deferred Inflows of Financial Resources				
Deferred Inflows	-	-	-	-
Fund Balance				
Nonspendable Fund Balance	-	8,438	-	-
Restricted Fund Balance				
Restricted for Debt Service	-	-	-	-
Restricted for TABOR Emergencies	310,000	-	-	-
Committed Fund Balance	-	103,571	1	235,054
Assigned Fund Balance	-	-	-	-
Unassigned Fund Balance	5,566,296	-	-	-
Total Fund Balance	5,876,296	112,009	1	235,054
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 7,004,916	\$ 170,544	\$ 84,278	\$ 235,054

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

Debt Service		Capital Projects	Totals	
Bond				
Redemption		Capital Reserve		
Fund		Project Fund	2022	2021
\$ 4,280,243	\$ 1,271,610	\$ 12,606,845	\$ 13,366,130	
33,089	-	52,770	59,385	
67,676	-	107,836	107,542	
-	-	4,034	-	
-	-	367,257	197,608	
-	-	230	7,221	
-	-	8,438	8,387	
<u>\$ 4,381,008</u>	<u>\$ 1,271,610</u>	<u>\$ 13,147,410</u>	<u>\$ 13,746,273</u>	
\$ -	\$ -	\$ 174,909	\$ 136,778	
-	-	1,077,857	1,039,629	
-	-	2,403	5,791	
-	-	16,263	10,000	
-	-	1,271,432	1,192,198	
20,443	-	20,443	30,097	
-	-	8,438	8,387	
4,360,565	-	4,360,565	4,922,140	
-	-	310,000	289,000	
-	1,271,610	1,610,236	509,314	
-	-	-	971,319	
-	-	5,566,296	5,823,818	
<u>4,360,565</u>	<u>1,271,610</u>	<u>11,855,535</u>	<u>12,523,978</u>	
<u>\$ 4,381,008</u>	<u>\$ 1,271,610</u>	<u>\$ 13,147,410</u>	<u>\$ 13,746,273</u>	

IGNACIO SCHOOL DISTRICT 11JT**Reconciliation of Governmental Fund Balances
to Governmental Activities Net Position
June 30, 2022**

Fund Balance - Governmental Funds		\$	11,855,535
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds			
Capital assets, not being depreciated	\$	694,513	
Capital assets, being depreciated		59,355,057	
Accumulated depreciation		<u>(8,642,198)</u>	51,407,372
Certain long-term pension and OPEB related costs and adjustments are not available to pay or payable currently and are therefore not reported in the funds			
Pension Liability			
Net pension deferred outflows		3,449,226	
Net pension liability		(11,402,301)	
Net pension deferred inflows		<u>(6,438,273)</u>	(14,391,348)
OPEB Liability			
Net OPEB deferred outflows		71,690	
Net OPEB liability		(551,647)	
Net OPEB deferred inflows		<u>(242,412)</u>	(722,369)
Certain assets are not available to pay for current year expenditures and are therefore deferred in the funds			
Deferred property taxes			20,443
Internal Service operations primarily benefit Governmental Activities			
Internal Service Funds Net Position			9,433
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.			
Bonds payable		(26,665,000)	
Accrued interest payable		(57,356)	
Deferred charge (gain) on refunding		550,330	
Bond premiums		(961,419)	
Accrued compensated absences		<u>(380,689)</u>	(27,514,134)
Total Net Position - Governmental Activities			<u>\$ 20,664,932</u>

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

IGNACIO SCHOOL DISTRICT 11JT
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

		Special Revenue		
	General Fund	Food Service Fund	Designated Grants Fund	Pupil Activity Fund
REVENUES				
Local Sources	\$ 1,765,941	\$ 10,324	\$ -	\$ 199,435
State Sources	8,277,380	4,467	50,625	-
Federal Sources	1,762,777	533,632	649,096	-
TOTAL REVENUES	<u>11,806,098</u>	<u>548,423</u>	<u>699,721</u>	<u>199,435</u>
EXPENDITURES				
Current:				
Instruction	6,357,298	-	331,067	146,972
Pupil Support	435,254	-	225,839	-
Staff Support	375,973	-	98,514	-
General Administration	692,195	-	-	-
School Administration	776,974	-	42,070	-
Business Services	187,396	-	-	-
Operations and Maintenance	1,229,154	-	-	-
Transportation	673,189	-	-	-
Other Central Support	270,208	-	-	-
Risk Management	181,025	-	-	-
Other Supporting Services	258,398	-	-	-
Food Service	-	588,437	-	-
Community Support	-	-	2,231	-
Facilities	-	-	-	-
Debt Service	-	-	-	-
TOTAL EXPENDITURES	<u>11,437,064</u>	<u>588,437</u>	<u>699,721</u>	<u>146,972</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	<u>369,034</u>	<u>(40,014)</u>	<u>-</u>	<u>52,463</u>
OTHER FINANCING SOURCES (USES)				
Debt Proceeds	-	-	-	-
Transfers	(710,000)	100,000	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(710,000)</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCE	<u>(340,966)</u>	<u>59,986</u>	<u>-</u>	<u>52,463</u>
BEGINNING FUND BALANCE	6,232,818	52,023	1	182,591
Prior Period Adjustment	(15,556)	-	-	-
BEGINNING FUND BALANCE (As Restated)	<u>6,217,262</u>	<u>52,023</u>	<u>1</u>	<u>182,591</u>
ENDING FUND BALANCE	<u>\$ 5,876,296</u>	<u>\$ 112,009</u>	<u>\$ 1</u>	<u>\$ 235,054</u>

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

Debt Service		Capital Projects	Totals	
Bond				
Redemption	Capital Reserve			
Fund	Project Fund	2022	2021	
\$ 2,528,391	\$ 10,000	\$ 4,514,091	\$ 5,332,237	
-	-	8,332,472	7,606,242	
-	-	2,945,505	3,034,064	
2,528,391	10,000	15,792,068	15,972,543	
-	73,351	6,908,688	7,263,182	
-	-	661,093	440,565	
-	-	474,487	505,433	
-	-	692,195	398,384	
-	-	819,044	755,094	
1,201	-	188,597	441,316	
-	-	1,229,154	1,005,262	
-	-	673,189	654,693	
-	-	270,208	240,542	
-	-	181,025	182,062	
-	-	258,398	379,757	
-	-	588,437	530,697	
-	-	2,231	-	
-	369,444	369,444	16,395	
3,088,765	-	3,088,765	17,202,693	
3,089,966	442,795	16,404,955	30,016,075	
(561,575)	(432,795)	(612,887)	(14,043,532)	
-	-	-	14,377,307	
-	570,000	(40,000)	(140,000)	
-	570,000	(40,000)	14,237,307	
(561,575)	137,205	(652,887)	193,775	
4,922,140	1,134,405	12,523,978	12,330,203	
-	-	(15,556)	-	
4,922,140	1,134,405	12,508,422	12,330,203	
\$ 4,360,565	\$ 1,271,610	\$ 11,855,535	\$ 12,523,978	

IGNACIO SCHOOL DISTRICT 11JT

Reconciliation of Governmental Changes in Fund Balance to Governmental Activities Change in Net Position For the Year Ended June 30, 2022

Change in Fund Balance - Governmental Funds	\$	(652,887)
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level		
Capitalized Asset Purchases	\$	290,050
Depreciation Expense		<u>(956,430)</u>
		(666,380)
Certain assets are not available to pay for current year expenditures and are therefore deferred in the funds		
Change in Unearned Revenue		(9,654)
Internal Service operations primarily benefit Governmental Activities		
Change in net assets - Internal Service Funds		(4,581)
Pension and OPEB expense at the fund level represent cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.		
Pension Liability		
Current year change and amortization of deferred outflows - net		(2,082,193)
Change in net pension liability		4,860,421
Current year change and amortization of deferred inflows - net		<u>2,043,919</u>
		4,822,147
OPEB Liability		
Current year change and amortization of deferred outflows - net		32,473
Change in OPEB liability		39,752
Current year change and amortization of deferred inflows - net		<u>17,560</u>
		89,785
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level.		
Principal payments on bonds payable		2,375,000
Amortization of bond premiums/deferred charge (gain)		312,258
Change in accrued interest payable		24,492
Change in accrued compensated absences		<u>(17,939)</u>
		2,693,811
Total Net Position - Governmental Activities	\$	<u><u>6,272,241</u></u>

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

IGNACIO SCHOOL DISTRICT 11JT
Statement of Net Position
Proprietary Funds
June 30, 2022

	Enterprise Fund	Int Svc Fund	Totals	
	Deferred Maintenance Fund	Dental Insurance Fund	2022	2021
ASSETS				
Cash and Investments	\$ 648,786	\$ 9,433	\$ 658,219	\$ 582,986
Other Accounts Receivable	181,280	-	181,280	3,333
Capital Assets Being Depreciated	2,140,930	-	2,140,930	2,140,930
Accumulated Depreciation	(1,117,169)	-	(1,117,169)	(1,072,309)
TOTAL ASSETS	\$ 1,853,827	\$ 9,433	\$ 1,863,260	\$ 1,654,940
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
Liabilities				
Accounts Payable	\$ (40)	\$ -	\$ (40)	\$ 3,852
Unearned Revenue	2,000	-	2,000	2,000
Other Current Liabilities	12,767	-	12,767	12,766
Total Liabilities	14,727	-	14,727	18,618
Deferred Inflows of Financial Resources				
Deferred Inflows	177,947	-	177,947	-
Net Position				
Net Investment in Capital Assets	1,023,761	-	1,023,761	1,068,621
Unrestricted Net Position (Deficit)	637,392	9,433	646,825	567,701
Total Net Position	1,661,153	9,433	1,670,586	1,636,322
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 1,853,827	\$ 9,433	\$ 1,863,260	\$ 1,654,940

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

IGNACIO SCHOOL DISTRICT 11JT
Statement of Revenues, Expenses and Change in Net Position
Proprietary Funds
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	<u>Enterprise Fund</u>	<u>Int Svc Fund</u>	<u>Totals</u>	
	<u>Deferred</u>			
	<u>Maintenance</u>	<u>Dental Insurance</u>		
	<u>Fund</u>	<u>Fund</u>	<u>2022</u>	<u>2021</u>
OPERATING REVENUES				
Rent Revenue	\$ 184,281	\$ -	\$ 184,281	\$ 183,598
Benefit Premiums	-	34,312	34,312	36,400
TOTAL OPERATING REVENUES	<u>184,281</u>	<u>34,312</u>	<u>218,593</u>	<u>219,998</u>
OPERATING EXPENSES				
Operations and Maintenance	190,849	-	190,849	131,736
Risk Management	-	38,893	38,893	36,174
Other Supporting Services	-	-	-	1
Facilities	900	-	900	-
TOTAL OPERATING EXPENSES	<u>191,749</u>	<u>38,893</u>	<u>230,642</u>	<u>167,911</u>
OPERATING INCOME (LOSS)	<u>(7,468)</u>	<u>(4,581)</u>	<u>(12,049)</u>	<u>52,087</u>
OTHER REVENUES (EXPENSES)				
Investment Earnings	6,313	-	6,313	-
Transfers	40,000	-	40,000	140,000
TOTAL OTHER REVENUES (EXPENSES)	<u>46,313</u>	<u>-</u>	<u>46,313</u>	<u>140,000</u>
CHANGE IN NET POSITION	<u>38,845</u>	<u>(4,581)</u>	<u>34,264</u>	<u>192,087</u>
BEGINNING NET POSITION	<u>1,622,308</u>	<u>14,014</u>	<u>1,636,322</u>	<u>1,444,235</u>
ENDING NET POSITION	<u>\$ 1,661,153</u>	<u>\$ 9,433</u>	<u>\$ 1,670,586</u>	<u>\$ 1,636,322</u>

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

IGNACIO SCHOOL DISTRICT 11JT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	Enterprise Fund	Int Svc Fund	Totals	
	Deferred			
	Maintenance	Dental		
	Fund	Insurance Fund	2022	2021
Cash Flows from Operating Activities				
Cash Received from Local Sources	\$ 184,281	\$ 34,312	\$ 218,593	\$ 218,665
Cash Paid to Vendors	(146,928)	(42,745)	(189,673)	(125,100)
Net Cash Provided (Used) by Operating Activities	37,353	(8,433)	28,920	93,565
Cash Flows Used by Capital Financing Activities				
Purchases of Capital Assets	-	-	-	(59,192)
Cash Flows Provided (Used) by Noncapital Finance Activities				
Cash (to) from Other Funds	40,000	-	40,000	140,000
Investment Earnings	6,313	-	6,313	-
Net Increase (Decrease) in Cash	83,666	(8,433)	75,233	174,373
Cash, Beginning	565,120	17,866	582,986	408,613
Cash, Ending	<u>\$ 648,786</u>	<u>\$ 9,433</u>	<u>\$ 658,219</u>	<u>\$ 582,986</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) for Operating Activities:				
Operating Income (Loss)	<u>\$ (7,468)</u>	<u>\$ (4,581)</u>	<u>\$ (12,049)</u>	<u>\$ 52,088</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	44,860	-	44,860	43,676
Changes in Assets and Liabilities Related to Operations:				
Accounts Receivable	-	-	-	(3,333)
Increase (Decrease) in:				
Accounts Payable	(39)	(3,852)	(3,891)	(1,891)
Unearned Revenue	-	-	-	2,000
Other Current Liabilities	-	-	-	1,025
Net Change	<u>44,821</u>	<u>(3,852)</u>	<u>40,969</u>	<u>41,477</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 37,353</u>	<u>\$ (8,433)</u>	<u>\$ 28,920</u>	<u>\$ 93,565</u>

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

IGNACIO SCHOOL DISTRICT 11JT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	<u>Private Purpose Trust Funds</u>	
	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 10,481	\$ 9,922
LIABILITIES, DEFERRED INFLOWS AND NET POSITION		
Liabilities		
Interfund Accounts Payable	\$ 4,034	\$ -
Net Position		
Restricted for Scholarship	6,447	9,922
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 10,481</u>	<u>\$ 9,922</u>

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

IGNACIO SCHOOL DISTRICT 11JT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	<u>Private Purpose Trust Funds</u>		<u>Private Purpose Trust Funds</u>	
	Floyd			
	Scholarship	Candeleria/Floyd		
	Fund	Scholarship Fund	2022	2021
ADDITIONS				
Local Sources	\$ 18	\$ 7	\$ 25	\$ 14
DEDUCTIONS				
Other Supporting Services	2,000	1,500	3,500	500
CHANGE IN FIDUCIARY NET POSITION	(1,982)	(1,493)	(3,475)	(486)
BEGINNING NET POSITION	4,340	5,582	9,922	10,408
ENDING NET POSITION	<u>\$ 2,358</u>	<u>\$ 4,089</u>	<u>\$ 6,447</u>	<u>\$ 9,922</u>

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

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of The Ignacio School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

Reporting Entity

The District is a political subdivision of the State of Colorado duly organized and existing in accordance with the provisions of the School District Reorganization Act of 1949. The District operates under a five member publicly elected board of education. The District is the basic level of government that has financial accountability and control over all activities related to the public school education in the Town of Ignacio and the immediate surrounding area. The Board receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

Oversight responsibility is determined on the basis of financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. Pursuant to the definition of component units in GASB Statements 14, 39, and 61, the District's Board of Education has not included any component units.

Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues.

Direct expenses are those 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 operation or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements as applicable.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned; 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 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Entitlement revenues are recognized to the extent of related expenditures or when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue receipts, and a deferred revenue account is established when receipts exceed the related expenditures. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims, and judgments are recorded only when payment is due.

All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

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

Food Service Fund This fund accounts for the District's food service programs.

Governmental Designated Purpose Grants Fund This is a special revenue fund used to account for restricted state and federal grants that are obtained primarily to provide for specific instructional programs.

Pupil Activity Fund This fund accounts for the District's student and scholarship activities.

Bond Redemption Fund This debt service fund is used to account for the accumulation of resources for and the payment of principal, interest, and related expenses on the long-term general obligation debt or long-term voter approved lease-purchase debt.

Capital Reserve Fund This fund accounts for the District's major capital purchases.

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the District reports the following proprietary funds:

Internal Service Fund The proprietary fund is used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the District, generally on a cost reimbursement basis. The District accounts for its self-funded dental insurance in an internal service fund. This is presented as a part of the District's internal activities.

The District reports the following Business Type Activity:

Deferred Maintenance Fund This proprietary/enterprise fund is used to account for all financial transactions related to the District's building rental revenue and expenses.

Amounts reported as Program revenues include:

- Charges to customers or applicants for goods, services, or privileges provided;
- Operating grants and contributions; and
- Capital grants and contributions.

Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes and District flow through per pupil funding.

Budgets and Budgetary Accounting

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

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

- Budgets are required by state law for all funds. By May 31, the Administrators submits to the Board of Directors a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year-end.
- Prior to June 30, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

- Revisions that alter the total expenditures of any fund must be approved by the Board of Directors.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted by the Board of Directors.

Cash The District's cash and cash equivalents are considered to be cash-on-hand and demand deposits, which are deposited in checking accounts which are legally authorized.

Deposits All deposits are reported at their gross value.

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

Capital Assets Capital Assets, which include property, buildings, and equipment, are reported as either governmental activity capital assets if acquired through operating resources or in the blended component unit, the Foundation Fund, if funded as part of the initial facility construction. Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or more 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. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized.

Property, buildings and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30-40
Building Improvements	10-20
Equipment	7 - 15

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Long-Term Obligations Long-term obligations in the government-wide financial statements are reported as liabilities in the applicable activity.

Vacation, Sick Leave, and Other Compensated Absences Employees are entitled to certain compensated absences based on their length of employment. Except for sick leave, compensated absences do not vest or accumulate and are recorded as expenditures when they are paid. Compensated absences (sick leave) are reflected in the Governmental Activities. Vacation can be carried over upon the superintendent's approval.

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

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

Net Position/Fund Balance In the government-wide financial statements and for the proprietary fund statements, net position is either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

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

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

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

All remaining fund balance in the General Fund is presented as unassigned.

Net Position/Fund Balance Flow Assumption

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

Revenues and Expenditures

Revenues for governmental funds are recorded when they become measurable and available. Generally, per-pupil operating revenues and fees are recognized when received. Grants from other governments are recognized to the extent of related expenditures, or when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue receipts, and a deferred revenue account is established when receipts exceed the related expenditures. Expenditures for governmental funds are generally recognized when the related liability is incurred.

Comparative Data

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

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2: CASH AND INVESTMENTS

At June 30, 2022, the District's cash, deposits, and investments consisted of the following:

	<u>Bank Balance</u>	<u>Carrying Value</u>
Deposits		
Demand Deposits - FDIC Insured	\$ 250,000	\$ 250,000
Demand Deposits - PDPA Collateralized	4,026,063	4,001,631
Cash with Fiscal Agent	-	3,181
Total Deposits	<u>\$ 4,276,063</u>	<u>4,254,812</u>
Investments		<u>9,161,650</u>
Total Deposits and Investments		<u>\$ 13,413,281</u>

At June 30, 2022, the District's cash, deposits, and investments were reported in the financial statements as follows:

Governmental Activities	\$ 12,606,475
Business-Type Activities	647,562
Private Purpose Trust Scholarship	<u>10,481</u>
Total Cash and Investments	<u>\$ 13,264,518</u>

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At June 30, 2022, State regulatory commissioners have indicated that all financial institutions holding deposits for the District are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102 percent of the uninsured deposits.

Custodial Credit Risk

Deposits in financial institutions, reported as cash, cash equivalents, and investments had a bank balance as summarized above at June 30, 2022, which was fully insured by depository insurance or secured with collateral held through PDPA. All investments evidenced by individual securities are registered in the name of the District.

Investment Interest Rate Risk

The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates other than those contained in Colorado Revised Statutes.

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2: CASH AND INVESTMENTS (Continued)

Investment Credit Risk

The District has no investment policy that limits its investment choices other than the limitation of state law as follows:

1. Direct obligations of the US government, its agencies, and instrumentalities to which the full faith and credit of the US government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged;
2. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out of state financial institutions;
3. With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper, and repurchase agreements with certain limitations;
4. County, municipal, or school tax supported debt obligations; bond or revenue anticipation notes; money; or bond or revenue anticipation notes of public trusts whose beneficiary is a county, municipality, or school;
5. Notes or bonds secured by a mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and obligations of the National Mortgage Association; and
6. Money market funds regulated by the Securities and Exchange Commission (SEC) in which investments consist of the investments mentioned in 1, 2, 3, and 4, above.

During the year ended June 30, 2022, the District invested funds in Colotrust. As an investment pool, it operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. It invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pool operates similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. This fund is rated AAAM by the Standard and Poor's Corporation. As the investment is completely liquid, there is no weighted average maturity.

The District's Colotrust investments consist of the following:

Colotrust - Unrestricted	\$ 4,871,455
Colotrust - Restricted for Debt Service	4,290,194
Total Investments	<u>\$ 9,161,649</u>

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2: CASH AND INVESTMENTS (Continued)

Concentration of Investment Credit Risk

The District places no limit on the amount it may invest in any one issuer. At June 30, 2022, the District had no concentration of credit risk.

The District invests excess funds under the prudent investor rule. The criteria for selection of investments and their order of priority are: 1) safety; 2) liquidity; and 3) yield.

NOTE 3: INVENTORIES

Food Service Fund inventory as of June 30, 2022 of \$8,438 consisted of purchased food and non-food supplies. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2022 was as follows:

<u>Governmental Activities</u>	<u>Balance 6/30/21</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/22</u>
Capital Assets Not Being Depreciated				
Land	\$ 636,263	\$ -	\$ -	\$ 636,263
Construction in Progress	-	58,250	-	58,250
Total Capital Assets Not Being Depreciated	636,263	58,250	-	694,513
Capital Assets Being Depreciated				
Buildings and Improvements	55,698,468	-	-	55,698,468
Equipment	1,617,320	-	-	1,617,320
Vehicles	1,807,469	231,800	-	2,039,269
Total Capital Assets Being Depreciated	59,123,257	231,800	-	59,355,057
Total Capital Assets	59,759,520	290,050	-	60,049,570
Less: Accumulated Depreciation				
Buildings and Improvements	(5,287,608)	(747,011)	-	(6,034,619)
Equipment	(983,136)	(105,405)	-	(1,088,541)
Vehicles	(1,415,024)	(104,014)	-	(1,519,038)
Total Accumulated Depreciation	(7,685,768)	(956,430)	-	(8,642,198)
Net Governmental Capital Assets	<u>\$ 52,073,752</u>	<u>\$ (666,380)</u>	<u>\$ -</u>	<u>\$ 51,407,372</u>

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4: CAPITAL ASSETS (Continued)

<u>Business-type Activities</u>	<u>Balance 6/30/21</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/22</u>
Capital Assets Being Depreciated				
Buildings and Improvements	\$ 2,104,497	\$ -	\$ -	\$ 2,104,497
Equipment	36,433	-	-	36,433
Total Capital Assets	<u>2,140,930</u>	<u>-</u>	<u>-</u>	<u>2,140,930</u>
Less: Accumulated Depreciation				
Buildings and Improvements	(1,035,876)	(44,860)	-	(1,080,736)
Equipment	<u>(36,433)</u>	<u>-</u>	<u>-</u>	<u>(36,433)</u>
Total Accumulated Depreciation	<u>(1,072,309)</u>	<u>(44,860)</u>	<u>-</u>	<u>(1,117,169)</u>
Net Business-type Capital Assets	<u>\$ 1,068,621</u>	<u>\$ (44,860)</u>	<u>\$ -</u>	<u>\$ 1,023,761</u>

Depreciation expense for Governmental Activities was charged to functions of the primary government as follows:

Instruction	\$ 501,506
Supporting Services	<u>454,924</u>
Total Governmental Depreciation	<u>\$ 956,430</u>

NOTE 5: ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from August to July but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2022, are \$1,077,857. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the General Fund.

NOTE 6: LONG-TERM DEBT

Long-term debt activity for the year ended June 30, 2022 was as follows:

	<u>Balance 6/30/2021</u>	<u>Advances/ Refunding</u>	<u>Payments</u>	<u>Balance 6/30/2022</u>	<u>Due Within One Year</u>	<u>Interest Expense</u>
G.O. Bonds Payable - Series 2012	\$ 1,675,000	\$ -	\$1,675,000	\$ -	\$ -	\$ 20,937
Series 2016 Refunding Bonds	8,725,000	-	40,000	8,685,000	40,000	319,102
Series 2017 Refunding Bonds	4,325,000	-	25,000	4,300,000	25,000	180,359
Series 2021 Refunding Bonds	8,095,000	-	150,000	7,945,000	1,835,000	89,434
Series 2021B Refunding Bonds	6,220,000	-	485,000	5,735,000	530,000	99,640
Accrued Compensated Absences	362,750	17,939	-	380,689	-	-
Total Long Term Obligations	<u>\$ 29,402,750</u>	<u>\$ 17,939</u>	<u>\$2,375,000</u>	<u>\$ 27,045,689</u>	<u>\$2,430,000</u>	<u>\$ 689,274</u>
Bond premiums shown below				<u>961,420</u>		
Total Noncurrent Liabilities per Financial Statements				<u>\$ 28,007,109</u>		

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6: LONG-TERM DEBT (Continued)

	Balance 6/30/2021	Additions	Amort.	Balance 6/30/22
Deferred Outflows:				
Deferred Charge on Refunding	\$ 672,030	\$ -	\$ 121,700	\$ 550,330
Deferred Inflows:				
Bond Premiums	(1,388,270)	-	(426,850)	(961,420)
Net Debt Related Long Term Items	\$ (716,240)	\$ -	\$ (305,150)	\$ (411,090)

Reconciliation of Accrual Interest Expense

Interest Paid	\$ 689,274
Less Premium Amortization	(426,850)
Plus Amortization of Charge	114,593
Accrual Interest Expense	\$ 377,017

General Obligation Bonds

Series 2011G Matching Money Bonds

On December 8, 2011, the District issued general obligation bonds Series 2011G in the amount of \$9,099,431 with an interest rate of 4.12% to be paid in full on December 1, 2031. The bonds were issued for the District's match for the Building Excellent Schools Today Act (BEST) grant for the construction and renovation of the elementary school. These bonds were refunded with the issuance of the Series 2021B Refunding Bonds.

Series 2012 Bonds

On February 15, 2012, the District issued general obligation bonds Series 2012 in the amount of \$34,900,000 with an average interest rate of 4.13% to be paid in full on December 1, 2031. The bonds were issued for the purpose of financing the construction of a new middle school building and the renovation of the existing middle and high school buildings. These bonds were partially refunded with the issuance of the Series 2016, Series 2017, and Series 2021 Refunding Bonds.

Series 2016 Bonds

On October 27, 2016, the District issued general obligation refunding bonds Series 2016 in the amount of \$8,865,000 with an interest rate between 2.00% and 4.00%, to be paid in full on December 1, 2031. The bonds were issued for the purpose of advance refunding a portion of the District's general obligation bonds, Series 2012. The bonds are subject to redemption prior to maturity at the option of the District beginning December 1, 2027.

Series 2017 Bonds

On June 22, 2017, the District issued general obligation refunding bonds Series 2017 in the amount of \$4,425,000 with an interest rate between 2.00% and 5.00%. The bonds were issued for the purpose of advance refunding a portion of the District's general obligation bonds, Series 2012. The bonds are not subject to redemption prior to maturity at the option of the District.

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6: LONG-TERM DEBT (Continued)

General Obligation Bonds

Series 2021 Bonds

On March 23, 2021, the District issued general obligation refunding bonds Series 2021 in the amount of \$8,095,000 with an interest rate between .36% and 1.61%. The bonds were issued for the purpose of advance refunding the remaining callable portion of the District's general obligation bonds, Series 2012. The bonds are not subject to redemption prior to maturity at the option of the District.

Series 2021B Bonds

On June 17, 2021, the District issued general obligation refunding bonds Series 2021B in the amount of \$6,220,000 with an interest rate between .98% and 2.08%. The bonds were issued for the purpose of refunding the District's general obligation bonds, Series 2011G Matching Money Bonds. The bonds are not subject to redemption prior to maturity at the option of the District. The bonds are not subject to redemption prior to maturity at the option of the District.

All bonds noted above are general obligations of the District and shall be payable from the general and ad valorem taxes required to be levied, without limitation as to rate, and in amounts sufficient to pay the principal and interest on the bonds, on all taxable property of the District, except to the extent other legally available funds are applied for such purpose.

The annual debt service for the general obligation bonds are as follows:

<u>Fiscal Year</u>	<u>Payments</u>
2023	\$ 3,108,473
2024	3,017,625
2025	3,012,375
2026	3,118,196
2027	3,115,950
2028 - 2033	<u>15,215,544</u>
Total Future Payments	30,588,163
Less: Interest Portion	<u>(3,923,163)</u>
Present Value of Future Payments	<u><u>\$ 26,665,000</u></u>

Advance Refunding

Certain outstanding general obligation bonds of the District have been defeased by placing the proceeds of refunding bonds into an irrevocable escrow account held and managed by bank trustees and invested in U.S. Treasury obligations, the principal and interest on which would provide amounts sufficient to pay the principal and interest on the defeased bonds in accordance with the schedule of remaining payments due. Accordingly, the escrow account and the defeased bonds are not included in the District's financial statements.

NOTE 7: DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

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

Benefits provided as of December 31, 2020. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

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.

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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

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

As of December 31, 2021, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. 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, District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 10.50 percent of their PERA-includable salary during the period of July 1, 2021 through June 30, 2022. Employer contribution requirements are summarized in the table below:

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

	2021
Employer contribution rate	10.90%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. 24-51-208(1)(f)	-1.02%
Amount apportioned to the SCHDTF	9.88%
Amortization equalization disbursement (AED) as specified in C.R.S. 24-51-411	4.50%
Supplemental amortization equalization disbursement (SAED) as specified in C.R.S. 24-51-411	5.50%
Total employer contribution rate to the SCHDTF	19.88%

¹ Rates are expressed as a percentage of salary as defined in C.R.S. 24-51-101(42).

As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million (actual dollars) 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.

The allocation for 2021 was as follows:

<u>Trust Fund</u>	<u>Direct Distribution</u>
State Division	\$ 76,706
School Division	127,781
Judicial Division	1,360
DPS Division	19,153
	<u><u>\$ 225,000</u></u>

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from District were \$1,217,341 for the year ended June 30, 2022.

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

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

The proportions presented in this schedule are also based on the direct distribution payment received in July 2021 for \$127,781 and is considered a nonemployer contribution that meets the definition of a special funding situation for the purposes of GASB 68 paragraph 15.

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

At June 30, 2022, the District reported a liability of \$11,402,301 for its proportionate share of the net pension liability. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ (11,402,301)
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	\$ (1,172,694)
Total	\$ (12,574,995)

At December 31, 2021, the District proportion was 0.09798 percent, which was a decrease of 0.00959 from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the District recognized pension expense of \$3,592,174 and revenue of \$1,172,694 for support from the State as a nonemployer contributing entity. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 464,587	\$ -
Changes of assumptions or other inputs	\$ 955,699	\$ -
Net difference between projected and actual earnings on pension plan investments	\$ 552,562	\$ (4,967,422)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ 839,716	\$ (1,470,851)
Contributions subsequent to the measurement date	\$ 636,662	\$ -
Total	\$ 3,449,226	\$ (6,438,273)

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

\$636,662 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Fiscal Year Totals
2023	\$ (365,566)
2024	(1,405,710)
2025	(1,334,092)
2026	(520,341)
Total	\$ (3,625,709)

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 increase, including wage inflation	3.40%-11.00%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic) ¹	1.00%
PERA benefit struture hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

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

The total pension liability as of December 31, 2021, includes the anticipated adjustments to contribution rates and the annual increase cap, resulting from the 2020 automatic adjustment provision (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.

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

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

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

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

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

The actuarial assumptions used in the December 31, 2020, valuations were based on the 2020 experience analysis, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

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.

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200, 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.

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200, 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 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered annual increase cap, from 1.25% to 1.00%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension asset (liability)	\$ (16,783,254)	\$ (11,402,301)	\$ (6,912,096)

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 8: DEFINED CONTRIBUTION PENSION PLAN

Voluntary Investment Program

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

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. The District does not contribute to the plan. Employees are immediately vested in their own contributions, employer contributions, if any, and investment earnings. For the year ended June 30, 2022 program members contributed \$26,941.

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

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

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

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

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

General Information about the OPEB Plan (Continued)

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

PERA Benefit Structure

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

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

DPS Benefit Structure

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

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

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

General Information about the OPEB Plan (Continued)

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$62,459 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 District reported a liability of \$551,647 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 District proportion of the net OPEB liability was based on District 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 District proportion was 0.06397 percent, which was an increase of 0.00174 from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the District recognized OPEB expense of \$22,947. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 984	\$ (130,884)
Changes of assumptions or other inputs	\$ 11,586	\$ (29,111)
Net difference between projected and actual earnings on pension plan investments	\$ 4,104	\$ (37,764)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ 22,350	\$ (44,653)
Contributions subsequent to the measurement date	\$ 32,666	\$ -
Total	\$ 71,690	\$ (242,412)

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

\$32,666 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:	Fiscal Year Totals
2023	\$ (53,917)
2024	(62,198)
2025	(59,330)
2026	(26,138)
2027	(1,739)
2028	(66)
Total	\$ (203,388)

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 increase, including wage inflation	3.40-11.00%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
A 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% for 2021, gradually increasing to 4.50% in 2029
Benefit Structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

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

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

	Initial Costs for Members Without		
	Monthly Cost	Monthly Premium	Monthly Cost Adjusted to Age 65
Medicare Plan			
Medicare Advantage/ Self-Insured Prescription	\$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, 2020, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

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%

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

Mortality assumptions used in the December 31, 2020 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

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

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

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

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

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

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

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

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

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

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

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

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

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

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

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

The 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.

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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 Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

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

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

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates			
	1% Decrease	Current Trend Rate	1% Increase
Initial PERACare Medicare trend rate	3.50%	4.50%	5.50%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Proportionate share of the net OPEB asset (liability)	\$ (592,181)	\$ (607,893)	\$ (626,184)

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.

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

Discount Rate	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension asset (liability)	\$ (696,352)	\$ (607,893)	\$ (532,311)

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 10: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to employees. The District participates in the Colorado School District Self-Insurance pool for general liability and property insurance coverage. The District carries commercial insurance for workers' compensation coverage. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the current year or the three prior years.

Self Insurance Fund

Dental Insurance

District employees and their dependents participate in the District's dental self-insurance plan. The District contributes up to \$60 per month per employee to the Plan. Claims were paid by a Third Party Administrator (TPA) acting on behalf of the District. The administrative contract between the District and the TPA is renewable annually, and administrative fees are included in the contractual provisions. Maximum annual benefits are \$1,000 per year per covered individual (\$500 for first year employees).

Changes in liability amounts in fiscal year 2022 were as follows:

	<u>Dental Plan</u>
Claims Liability at June 30, 2021	\$ 3,852
Current year claims and changes in estimates	38,821
Claims paid	42,673
Claims Liability at June 30, 2022	<u>\$ -</u>

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11: SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES AND LEGAL COMPLIANCE

Claims and Judgments

The District participates in state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District is required to reimburse the grantor government. As of June 30, 2022, significant amounts of grant expenditures have not been audited, but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

Tabor Amendment

In November 1992, Colorado voters passed the Taxpayers Bill of Rights Amendment (TABOR) to the State Constitution which limits state and local government tax powers and imposes spending limitations.

The District is subject to the TABOR Amendment. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and assessed valuation. Revenue received in excess of the limitations may be required to be refunded, unless authorized through ballot measure to retain the revenue. The TABOR Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment.

The TABOR Amendment requires the District to establish a reserve for emergencies. At June 30, 2022, the District's reserve of \$310,000 was recorded as a restricted fund balance in the General Fund.

Incorrect La Plata County Property Tax Assessment

As part of the June 30, 2022 fiscal year audit process, it was discovered La Plata County did not correctly certify the District's mill levy for 2021 to be collected during calendar year 2022. The county mistakenly did not update the assessment rate that was in place during 2020 and therefore the same rate was used for the 2021 mill levy. This resulted in significantly lower tax receipts, and overall student funding, then what was anticipated. The District notified the County when the shortfall was identified which resulted in the determination of the usage of the incorrect mill. The District adjusted the 2022 mill levy, to be collected in 2023, to the extent legally allowable, to recover as much of the lost taxes as possible. The result of the incorrect mill assessment is as follows:

	<u>Certified Mill</u>	<u>Assessed Mill</u>	<u>Mill Difference</u>	<u>Amount</u>
Operating Mill Levy	3.359	2.277	-1.082	\$ (173,006)
Override Mill Levy	<u>6.073</u>	<u>4.942</u>	<u>-1.131</u>	<u>(180,841)</u>
Total General Fund	9.432	7.219	-2.213	(353,847)
Bond Mill Levy	<u>14.427</u>	<u>12.250</u>	<u>-2.177</u>	<u>(348,091)</u>
Net Lost Assessment	<u>23.859</u>	<u>19.469</u>	<u>-4.390</u>	<u>\$ (701,938)</u>

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 12: INTERFUND BALANCES

The District made routine transfers for the year ended June 30, 2022. The General Fund transferred \$100,000, \$450,000, and \$40,000 to the Food Service, Capital Projects, and Deferred Maintenance Funds, respectively.

NOTE 13: DEFICIT NET POSITION

The Governmental Activities has an unrestricted net position deficit of \$11,178,005 primarily due to the PERA net pension liability of \$11,402,301, further described in Note 7 and the HTCF OPEB net liability of \$551,647, as further described in Note 9, and the related deferrals. As the District has no control over pension benefits or contribution rates, we expect this deficit net position to continue going forward.

NOTE 14: LEASE RECEIVABLE

Lease receivable activity for the year ended June 30, 2022 was as follows:

	Restated Balance July 1, 2021	Receipts	Balance June 30, 2022	Due Within One Year	Interest Income
<u>Building Maintenance Fund/Govt Activities:</u>					
2000 ELHI lease receivable	\$ 81,431	\$ 40,106	\$ 41,325	\$ 41,325	\$ -
2018 SoCoCAA lease receivable	156,203	19,581	136,622	20,177	4,418
Total	\$ 237,634	\$ 59,687	\$ 177,947	\$ 61,502	\$ 4,418

ELHI Lease Receivable

In July 2000, the District entered into a ground lease agreement for \$118,681. Monthly receipts ranging from \$3,333.33 to \$3,500 are to be received through June 2023, at an estimated interest rate of 3.0%. In case of default, the lessor shall have the immediate right of re-entry and may remove all persons and property from the premises and such property may be removed and stored in a public warehouse at the cost of the lessee. The lessor may exercise any other remedy it may have under the law including, but without limitation, an action in forcible entry and detainer. Lessor shall that the right but not the duty to re-let the premises for and on account of lessee and lessee shall remain liable for the difference in liability owed. The lessee is liable for any costs and expenses, including attorney's fees, incurred by Lessor in dispossessing lessee, with or without judicial action and in reletting the premises.

IGNACIO SCHOOL DISTRICT 11JT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 14: LEASE RECEIVABLE (Continued)

SoCoCAA Lease Receivable

In October 2018, the District entered into a ground lease agreement for \$207,641. Monthly receipts of \$2,000 are to be received through September 2028, at an estimated interest rate of 3.0%. In case of default, the lessor shall have the immediate right of re-entry and may remove all persons and property from the premises and such property may be removed and stored in a public warehouse at the cost of the lessee. The lessor may exercise any other remedy it may have under the law including, but without limitation, an action in forcible entry and detainer. Lessor shall that the right but not the duty to re-let the premises for and on account of lessee and lessee shall remain liable for the difference in liability owed. The lessee is liable for any costs and expenses, including attorney's fees, incurred by Lessor in dispossessing lessee, with or without judicial action and in reletting the premises.

The annual receipts for the lease receivables are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2023	\$ 66,000
2024	24,000
2025	24,000
2026	24,000
2027	24,000
2028-2029	30,000
Total Future Minimum Payments	192,000
Less: Interest at 3.00%	(14,053)
Present Value of Payments	<u>\$ 177,947</u>

NOTE 15: PRIOR PERIOD RESTATEMENT

It was discovered during the current fiscal year, that the District had been reporting differing grant totals to the Colorado Department of Education's Grants Fiscal Unit than what was being reported to the School Finance Unit for the fiscal years 2019 through 2022. The District has adjusted the amounts reported to School Finance and presented in these financial statements to agree the School Finance totals for the four year period to those the total amounts reported to Grants Fiscal for the same period. The grants impacted were Title I, Title IIA, and Title IV. The District is reducing the beginning equity in the General Fund and Governmental Activities by \$15,556, representing the difference between expected and actual amounts reported through the Colorado Department of Education's Data Transmission Reports.

**Required Supplementary Information
(Pension and OPEB Schedules Unaudited)**

IGNACIO SCHOOL DISTRICT 11JT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION ASSET (LIABILITY)
PERA Pension Plan
Last 10 Fiscal Years⁽¹⁾

<u>Fiscal Year</u>	<u>District's proportion of the net pension asset (liability)</u>	<u>District's proportionate share of the net pension asset (liability)</u>	<u>Non-employer contributing entity's total proportionate share of the net pension asset (liability)</u>	<u>Total proportionate share associated with District</u>	<u>District's covered payroll</u>	<u>District's proportionate share of the net pension asset (liability) as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
June 30, 2014	0.012415%	\$ (15,835,714)	\$ -	\$ (15,835,714)	\$ 5,066,628	312.55%	64.07%
June 30, 2015	0.120639%	\$ (16,350,680)	\$ -	\$ (16,350,680)	\$ 5,130,104	318.72%	62.84%
June 30, 2016	0.118835%	\$ (18,174,923)	\$ -	\$ (18,174,923)	\$ 5,156,646	352.46%	59.16%
June 30, 2017	0.116610%	\$ (34,719,235)	\$ -	\$ (34,719,235)	\$ 5,391,943	643.91%	43.13%
June 30, 2018	0.119849%	\$ (38,754,831)	\$ -	\$ (38,754,831)	\$ 5,706,047	701.00%	43.96%
June 30, 2019	0.104661%	\$ (18,532,376)	\$ (2,229,229)	\$ (20,761,605)	\$ 5,753,774	322.09%	57.01%
June 30, 2020	0.098989%	\$ (14,788,680)	\$ (1,664,620)	\$ (16,453,300)	\$ 5,779,675	255.87%	64.52%
June 30, 2021	0.107572%	\$ (16,262,722)	\$ -	\$ (16,262,722)	\$ 5,827,317	279.08%	66.99%
June 30, 2022	0.097980%	\$ (11,402,301)	\$ (1,172,694)	\$ (12,574,995)	\$ 6,123,446	186.21%	74.86%

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

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

See the accompanying Independent Auditors' Report.

IGNACIO SCHOOL DISTRICT 11JT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
PERA Pension Plan
Last 10 Fiscal Years⁽¹⁾

<u>Fiscal Year</u>	<u>Contractually required contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
June 30, 2014	\$ 809,995	\$ (809,995)	\$ -	\$ 5,066,628	15.99%
June 30, 2015	\$ 866,637	\$ (866,637)	\$ -	\$ 5,130,104	16.89%
June 30, 2016	\$ 914,681	\$ (914,681)	\$ -	\$ 5,156,646	17.74%
June 30, 2017	\$ 990,996	\$ (990,996)	\$ -	\$ 5,391,943	18.38%
June 30, 2018	\$ 1,077,813	\$ (1,077,813)	\$ -	\$ 5,706,047	18.89%
June 30, 2019	\$ 1,100,697	\$ (1,100,697)	\$ -	\$ 5,753,774	19.13%
June 30, 2020	\$ 1,120,101	\$ (1,120,101)	\$ -	\$ 5,779,675	19.38%
June 30, 2021	\$ 1,129,334	\$ (1,129,334)	\$ -	\$ 5,827,317	19.38%
June 30, 2022	\$ 1,217,341	\$ (1,217,341)	\$ -	\$ 6,123,446	19.88%

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

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

See the accompanying Independent Auditors' Report.

IGNACIO SCHOOL DISTRICT 11JT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET OPEB ASSET (LIABILITY)
PERA Health Care Trust Fund
Last 10 Fiscal Years⁽¹⁾

Fiscal Year Ended	District's proportion of the net OPEB asset (liability)	District's proportionate share of the net OPEB asset (liability)	District's covered payroll	District's proportionate share of the net OPEB asset (liability) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
June 30, 2017	0.066282%	\$ (859,373)	\$ 5,391,943	15.938%	16.70%
June 30, 2018	0.068098%	\$ (884,996)	\$ 5,706,047	15.510%	17.53%
June 30, 2019	0.068030%	\$ (925,579)	\$ 5,753,774	16.086%	17.03%
June 30, 2020	0.064722%	\$ (727,473)	\$ 5,779,675	12.587%	24.49%
June 30, 2021	0.062238%	\$ (591,339)	\$ 5,827,317	10.148%	32.78%
June 30, 2022	0.063974%	\$ (551,647)	\$ 6,123,446	9.009%	39.40%

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

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

See the accompanying Independent Auditors' Report.

IGNACIO SCHOOL DISTRICT 11JT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - OPEB
PERA Health Care Trust Fund
Last 10 Fiscal Years⁽¹⁾

<u>Fiscal Year</u>	<u>Contractually required contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
June 30, 2017	\$ 54,998	\$ (54,998)	\$ -	\$ 5,391,943	1.02%
June 30, 2018	\$ 58,202	\$ (58,202)	\$ -	\$ 5,706,047	1.02%
June 30, 2019	\$ 58,688	\$ (58,688)	\$ -	\$ 5,753,774	1.02%
June 30, 2020	\$ 58,953	\$ (58,953)	\$ -	\$ 5,779,675	1.02%
June 30, 2021	\$ 59,439	\$ (59,439)	\$ -	\$ 5,827,317	1.02%
June 30, 2022	\$ 62,459	\$ (62,459)	\$ -	\$ 6,123,446	1.02%

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

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

See the accompanying Independent Auditors' Report.

Required Supplementary Information

IGNACIO SCHOOL DISTRICT 11JT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
REVENUES					
Local Sources					
Property Taxes	\$ 970,000	\$ 970,000	\$ 1,351,517	\$ 381,517	\$ 1,601,030
Specific Ownership Taxes	200,000	200,000	201,616	1,616	220,679
Delinquent Taxes	1,500	1,500	1,289	(211)	2,363
Tuition From Individuals	400	400	722	322	200
Investment Earnings	14,000	14,000	14,052	52	8,560
Rent Revenue	5,000	5,000	3,100	(1,900)	7,209
Donations	(97,000)	(97,000)	14,500	111,500	13,000
Indirect Cost Revenue	23,500	23,500	54,710	31,210	24,262
Insurance Proceeds	-	-	-	-	125,350
Other Local	68,000	68,000	124,435	56,435	67,574
Total Local Sources	1,185,400	1,185,400	1,765,941	580,541	2,070,227
Intermediate Sources					
Other Intermediate Source Revenue	15,000	15,000	-	(15,000)	-
Total Intermediate Sources	15,000	15,000	-	(15,000)	-
State Sources					
State Share (Equalization)	6,801,410	6,801,410	7,335,659	534,249	7,024,633
State Transportation	100,000	100,000	126,485	26,485	127,275
State Grants from CDE					
Small Rural Schools Additional Funding	275,000	275,000	331,682	56,682	283,504
Additional As- Risk Funding	7,000	7,000	4,538	(2,462)	6,172
One-Time At-Risk Mitigation	-	-	219,152	219,152	-
State Grants from Other Agencies					
State Vocational Education	70,000	70,000	66,231	(3,769)	63,468
State PERA Contribution	-	-	139,553	139,553	-
State Grants Provided through BOCES	-	-	54,080	54,080	-
Total State Sources	7,253,410	7,253,410	8,277,380	1,023,970	7,505,052
Federal Sources					
Federal Grants from CDE					
Coronavirus Relief Fund	-	-	-	-	528,513
Ed Stab Fd - ESSER III Formula	863,739	863,739	-	(863,739)	-
ESSER II - Supplemental	130,000	130,000	41,169	(88,831)	-
Ed Stab Fd - ESSER II Formula	384,592	384,592	382,624	(1,968)	-
Ed Stab Fd - Elem Sec Emer Relief Formula	-	-	-	-	92,257
Coronaovirus Relief Fund At-Risk	-	-	-	-	64,454
Ed Stab Fd - Elem Sec Emer Relief Discretionary	-	-	-	-	32,500
Nat'l Forest Land Pmts: Secure Rural Schools	-	-	10,152	10,152	14,547
COVID19 Testing	-	-	4,618	4,618	-
Direct Federal Revenue					
Impact Aid Revenue	1,200,000	1,200,000	1,324,214	124,214	1,424,827
Total Federal Sources	2,578,331	2,578,331	1,762,777	(815,554)	2,157,098
TOTAL REVENUES	11,032,141	11,032,141	11,806,098	773,957	11,732,377

See the accompanying Independent Auditors' Report

(Continued)

IGNACIO SCHOOL DISTRICT 11JT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
(Continued)					
EXPENDITURES					
Current:					
Instruction					
Salaries	3,508,036	3,698,036	3,435,027	263,009	3,436,645
Benefits	1,476,583	1,521,809	1,369,747	152,062	1,443,473
PS-Professional	150,121	151,621	144,946	6,675	81,411
PS-Property	14,900	14,400	24,901	(10,501)	30,727
PS-Other	757,225	755,725	840,857	(85,132)	728,605
Supplies	1,548,231	1,317,376	489,308	828,068	932,946
Property	83,000	88,000	43,608	44,392	164,587
Other Expenses	3,200	8,000	8,904	(904)	3,107
Total Instruction	<u>7,541,296</u>	<u>7,554,967</u>	<u>6,357,298</u>	<u>1,197,669</u>	<u>6,821,501</u>
Supporting Services					
Pupil Support					
Salaries	270,750	270,750	277,320	(6,570)	229,927
Benefits	132,463	132,463	130,951	1,512	111,727
PS- Professional	24,200	24,350	24,418	(68)	14,363
PS-Other	2,950	2,950	821	2,129	(1,065)
Supplies	3,800	4,300	1,744	2,556	1,550
Total Pupil Support	<u>434,163</u>	<u>434,813</u>	<u>435,254</u>	<u>(441)</u>	<u>356,502</u>
Staff Support					
Salaries	221,800	221,800	217,116	4,684	219,578
Benefits	90,572	90,573	87,555	3,018	83,642
PS- Professional	10,000	10,000	8,459	1,541	16,798
PS- Property	47,600	47,600	45,955	1,645	39,954
PS-Other	1,900	1,900	2,773	(873)	-
Supplies	8,050	8,050	11,897	(3,847)	8,452
Property	3,000	3,000	2,218	782	-
Total Staff Support	<u>382,922</u>	<u>382,923</u>	<u>375,973</u>	<u>6,950</u>	<u>368,424</u>
General Administration					
Salaries	272,804	272,804	263,123	9,681	253,442
Benefits	92,612	92,613	228,686	(136,073)	65,819
PS- Professional	47,500	57,500	46,290	11,210	44,400
PS-Other	21,650	26,650	21,046	5,604	15,955
Supplies	7,000	7,000	5,516	1,484	3,668
Property	2,000	3,390	3,595	(205)	-
Other Expenses	26,500	26,500	123,939	(97,439)	15,100
Total General Administration	<u>470,066</u>	<u>486,457</u>	<u>692,195</u>	<u>(205,738)</u>	<u>398,384</u>
School Administration					
Salaries	540,330	540,330	528,842	11,488	488,882
Benefits	206,264	206,262	202,276	3,986	191,227
PS- Professional	34,880	34,880	29,532	5,348	33,139
PS-Other	18,710	18,710	12,853	5,857	12,905
Supplies	5,907	5,907	3,030	2,877	4,080
Other Expenses	1,500	1,500	441	1,059	599
Total School Administration	<u>807,591</u>	<u>807,589</u>	<u>776,974</u>	<u>30,615</u>	<u>730,832</u>

See the accompanying Independent Auditors' Report

(Continued)

IGNACIO SCHOOL DISTRICT 11JT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
(Continued)					
EXPENDITURES (Continued)					
Supporting Services (Continued)					
Business Services					
Salaries	148,700	148,700	140,529	8,171	143,583
Benefits	60,234	60,234	14,827	45,407	39,008
PS- Professional	23,000	23,000	22,046	954	20,046
PS-Other	6,421	6,421	3,340	3,081	3,398
Supplies	2,000	2,000	1,747	253	1,895
Other Expenses	4,490	4,490	4,907	(417)	832
Total Business Services	244,845	244,845	187,396	57,449	208,762
Operations and Maintenance					
Salaries	347,770	350,770	331,455	19,315	329,796
Benefits	163,731	176,621	156,472	20,149	152,275
PS- Professional	155,000	155,000	209,593	(54,593)	63,000
PS- Property	226,500	226,500	204,109	22,391	177,876
PS-Other	800	800	262	538	565
Supplies	350,000	350,000	288,478	61,522	281,750
Property	65,000	65,000	38,785	26,215	-
Total Operations and Maintenance	1,308,801	1,324,691	1,229,154	95,537	1,005,262
Transportation					
Salaries	443,040	443,040	373,441	69,599	397,410
Benefits	159,732	159,843	136,146	23,697	141,294
PS- Professional	9,000	9,000	7,750	1,250	6,553
PS- Property	23,000	23,000	17,326	5,674	9,270
PS-Other	40,000	40,000	26,874	13,126	24,658
Supplies	92,000	92,000	111,652	(19,652)	75,508
Total Transportation	766,772	766,883	673,189	93,694	654,693
Other Central Support					
Salaries	200,460	200,460	196,560	3,900	177,678
Benefits	80,803	80,803	73,648	7,155	62,864
PS-Other	500	500	-	500	-
Total Other Central Support	281,763	281,763	270,208	11,555	240,542
Risk Management					
PS-Other	250,000	250,000	181,025	68,975	182,062
Other Supporting Services					
PS-Other	298,100	298,100	256,910	41,190	379,617
Supplies	3,394	3,394	1,488	1,906	140
Total Other Supporting Services	301,494	301,494	258,398	43,096	379,757
Total Supporting Services	5,248,417	5,281,458	5,079,766	201,692	4,525,220
Contingency	2,972,428	2,925,716	-	2,925,716	-
TOTAL EXPENDITURES	15,762,141	15,762,141	11,437,064	4,325,077	11,346,721
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(4,730,000)	(4,730,000)	369,034	5,099,034	385,656
OTHER FINANCING SOURCES (USES)					
Transfers	(590,000)	(590,000)	(710,000)	(120,000)	(563,000)
CHANGE IN FUND BALANCE	(5,320,000)	(5,320,000)	(340,966)	4,979,034	(177,344)
BEGINNING FUND BALANCE	5,320,000	5,320,000	6,232,818	912,818	6,410,162
PRIOR PERIOD RESTATEMENT	-	-	(15,556)	(15,556)	-
BEGINNING FUND BALANCE (As Restated)	5,320,000	5,320,000	6,217,262	897,262	6,410,162
ENDING FUND BALANCE	\$ -	\$ -	\$ 5,876,296	\$ 5,876,296	\$ 6,232,818

See accompanying Independent Auditors' Report.

IGNACIO SCHOOL DISTRICT 11JT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Food Service Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
REVENUES					
Local Sources					
Food Service Revenue	\$ 3,000	\$ 3,000	\$ 10,324	\$ 7,324	\$ 8,584
State Sources					
State Grants from CDE					
State Matching Child Nutrition	3,600	3,600	3,478	(122)	3,493
Other Agency State Grants	-	-	989	989	-
Total State Sources	3,600	3,600	4,467	867	3,493
Federal Sources					
Federal Grants from CDE					
National School Lunch Program	-	-	-	-	2,424
Summer Food Service Program for Children	400,000	400,000	-	(400,000)	441,760
SNAP - P-EBT	-	-	614	614	-
Seamless Summer Option - Breakfast	-	-	145,993	145,993	-
Seamless Summer Option - Lunch	-	-	346,046	346,046	-
Supply Chain Assistance	-	-	14,725	14,725	-
Federal Grants from Other State Agencies					
National School Lunch Program - Commodities	22,000	22,000	26,254	4,254	19,024
Total Federal Sources	422,000	422,000	533,632	111,632	463,208
TOTAL REVENUES	428,600	428,600	548,423	119,823	475,285
EXPENDITURES					
Supporting Services					
Food Service					
Salaries	212,300	212,300	215,196	(2,896)	203,831
Benefits	109,108	109,108	97,040	12,068	98,140
PS- Professional	1,700	1,700	1,509	191	1,661
PS- Property	5,000	5,000	4,939	61	3,592
PS-Other	1,400	1,400	1,737	(337)	1,040
Supplies	12,090	12,090	26,022	(13,932)	63,343
Food	200,000	200,000	209,906	(9,906)	132,445
Commodities	31,345	31,345	32,088	(743)	26,645
Contingency	55,657	55,657	-	55,657	-
TOTAL EXPENDITURES	628,600	628,600	588,437	40,163	530,697
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(200,000)	(200,000)	(40,014)	159,986	(55,412)
OTHER FINANCING SOURCES (USES)					
Transfers	100,000	100,000	100,000	-	100,000
CHANGE IN FUND BALANCE	(100,000)	(100,000)	59,986	159,986	44,588
BEGINNING FUND BALANCE	100,000	100,000	52,023	(47,977)	7,435
ENDING FUND BALANCE	\$ -	\$ -	\$ 112,009	\$ 112,009	\$ 52,023

See accompanying Independent Auditors' Report.

IGNACIO SCHOOL DISTRICT 11JT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Designated Grants Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022					
	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual	
REVENUES						
State Sources						
State Grants from CDE						
State ELPA Prof Dev and Student Support	\$ 16,940	\$ 16,940	\$ -	\$ (16,940)	\$ 13,625	
State ELPA	12,581	12,581	9,259	(3,322)	12,165	
State Grants to Libraries	3,500	3,500	4,500	1,000	3,500	
National Board Certified Teachers	-	-	-	-	3,200	
Computer Science Education	-	-	-	-	150	
Early Literacy Grant	-	-	-	-	25,000	
READ Act	27,485	27,485	20,466	(7,019)	27,561	
Dyslexia Pilot Program	-	10,000	7,423	(2,577)	-	
State Grants Provided through BOCES	10,225	10,225	8,977	(1,248)	12,496	
Total State Sources	70,731	80,731	50,625	(30,106)	97,697	
Federal Sources						
Federal Grants from CDE						
NCLB Title I, Part A- Imp Basic Prgrms Oper by Sch	359,868	361,042	289,026	(72,016)	207,269	
NCLB Title III, Part A- Eng Lang Acq	3,427	6,975	-	(6,975)	-	
NCLB Title II, Part A- Teacher & Principal Trng	48,012	48,114	33,536	(14,578)	45,673	
ESSA, Title IV-A: Stud Supp and Acad Enrich Grants	10,000	10,000	11,836	1,836	13,826	
IDEA Part D	-	-	10,000	10,000	-	
Colorado Project Aware	195,000	197,738	200,280	2,542	60,244	
Federal Grants from Other State Agencies						
Title VII- Indian Education	68,214	68,214	76,375	8,161	68,995	
Federal Provided through BOCES	-	11,294	28,043	16,749	17,750	
Total Federal Sources	684,521	703,377	649,096	(54,281)	413,757	
TOTAL REVENUES	755,252	784,108	699,721	(84,387)	511,454	
EXPENDITURES						
Instruction						
Salaries	195,250	192,250	138,191	54,059	123,837	
Benefits	75,142	75,589	63,217	12,372	42,784	
PS-Professional	64,426	52,100	47,227	4,873	60,803	
PS-Other	8,005	8,005	9,788	(1,783)	5,399	
Supplies	35,398	37,517	47,540	(10,023)	13,546	
Property	-	11,294	25,105	(13,811)	19,751	
Total Instruction	378,221	376,755	331,068	45,687	266,120	
Supporting Services						
Pupil Support						
Salaries	115,250	126,950	126,051	899	34,858	
Benefits	45,857	50,878	53,973	(3,095)	11,065	
PS- Professional	20,000	15,000	15,000	-	17,100	
PS-Other	5,000	-	8,606	(8,606)	5,820	
Supplies	15,000	14,464	9,570	4,894	11,910	
Property	-	588	-	588	3,310	
Other Expenses	19,500	12,727	12,639	88	-	
Total Pupil Support	220,607	220,607	225,839	(5,232)	84,063	
Staff Support						
Salaries	79,800	44,961	39,097	5,864	80,308	
Benefits	26,952	26,344	15,870	10,474	26,488	
PS- Professional	20,928	48,500	32,202	16,298	17,333	
PS-Other	3,112	17,500	6,477	11,023	2,708	
Supplies	13,640	16,340	4,867	11,473	10,172	
Other Expenses	-	137	-	137	-	
Total Staff Support	144,432	153,782	98,513	55,269	137,009	
School Administration						
Other Expenses	23,488	41,722	42,070	(348)	24,262	
Community Support						
Supplies	3,000	3,000	2,231	769	-	
Total Supporting Services	391,527	419,111	368,653	50,458	245,334	
TOTAL EXPENDITURES	769,748	795,866	699,721	96,145	511,454	
CHANGE IN FUND BALANCE	(14,496)	(11,758)	-	11,758	-	
BEGINNING FUND BALANCE	14,496	14,496	1	(14,495)	1	
ENDING FUND BALANCE	\$ -	\$ 2,738	\$ 1	\$ (2,737)	\$ 1	

See accompanying Independent Auditors' Report.

IGNACIO SCHOOL DISTRICT 11JT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Pupil Activity Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022				
	Original & Final Budget	Actual	Variance with Final Budget		2021 Actual
REVENUES					
Local Sources					
Pupil Activity Revenues	\$ 195,665	\$ 199,435	\$ 3,770	\$	55,073
EXPENDITURES					
Instruction					
Supplies	195,665	146,972	48,693		98,531
CHANGE IN FUND BALANCE	-	52,463	52,463		(43,458)
BEGINNING FUND BALANCE	-	182,591	182,591		226,049
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 235,054</u>	<u>\$ 235,054</u>	<u>\$</u>	<u>182,591</u>

See accompanying Independent Auditors' Report.

Other Supplementary Information

IGNACIO SCHOOL DISTRICT 11JT
Schedule of Revenues, Expenses and Changes in Net Position
Budget and Actual
Deferred Maintenance Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022			
	Final		Variance	2021
	Budget	Actual	with Final	Actual
			Budget	
OPERATING REVENUES				
Investment Earnings	\$ -	\$ 6,313	\$ 6,313	\$ -
Rent Revenue	169,000	184,281	15,281	183,598
TOTAL OPERATING REVENUES	<u>169,000</u>	<u>190,594</u>	<u>21,594</u>	<u>183,598</u>
OPERATING EXPENSES				
Salaries	35,500	35,496	4	17,226
Benefits	16,934	16,734	200	4,299
PS- Professional	207,000	216	206,784	2,368
PS- Property	333,000	54,318	278,682	39,090
PS-Other	3,500	-	3,500	-
Supplies	100,000	36,224	63,776	25,077
Capital Outlay	775,000	3,900	771,100	59,192
Depreciation Expense	55,000	44,860	10,140	43,676
TOTAL OPERATING EXPENSES	<u>1,525,934</u>	<u>191,748</u>	<u>1,334,186</u>	<u>190,928</u>
OPERATING INCOME (LOSS)	(1,356,934)	(1,154)	1,355,780	(7,330)
OTHER REVENUES (EXPENSES)				
Transfers	40,000	40,000	-	140,000
CHANGE IN NET POSITION (BUDGET BASIS)	(1,316,934)	38,846	1,355,780	132,670
BUDGET TO GAAP RECONCILIATION				
Capital Outlay	-	-	-	59,192
CHANGE IN NET POSITION (GAAP BASIS)	(1,316,934)	38,846	1,355,780	191,862
BEGINNING NET POSITION	<u>1,316,934</u>	<u>1,622,308</u>	<u>305,374</u>	<u>1,430,446</u>
ENDING NET POSITION	<u>\$ -</u>	<u>\$ 1,661,154</u>	<u>\$ 1,661,154</u>	<u>\$ 1,622,308</u>

See accompanying Independent Auditors' Report.

IGNACIO SCHOOL DISTRICT 11JT
Schedule of Revenues, Expenses and Changes in Net Position
Budget and Actual
Dental Insurance Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance with Final Budget	2021 Actual
OPERATING REVENUES				
Benefit Premiums	\$ 40,000	\$ 34,312	\$ (5,688)	\$ 36,400
OPERATING EXPENSES				
PS- Professional	54,000	38,894	15,106	36,174
PS-Other	1,000	(1)	1,001	-
TOTAL OPERATING EXPENSES	55,000	38,893	16,107	36,174
OPERATING INCOME (LOSS)	(15,000)	(4,581)	10,419	226
CHANGE IN NET POSITION (GAAP BASIS)	(15,000)	(4,581)	10,419	226
BEGINNING NET POSITION	15,000	14,014	(986)	13,788
ENDING NET POSITION	\$ -	\$ 9,433	\$ 9,433	\$ 14,014

See accompanying Independent Auditors' Report.

IGNACIO SCHOOL DISTRICT 11JT
Combining Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022
(With Comparative Totals for June 30, 2021)

	<u>Private Purpose Trust Funds</u>		<u>Totals</u>	
	<u>Floyd</u>	<u>Candeleria/Floyd</u>		
	<u>Scholarship</u>	<u>Scholarship Fund</u>	<u>2022</u>	<u>2021</u>
	<u>Fund</u>	<u>Scholarship Fund</u>		
ASSETS				
Cash and Investments	\$ 6,392	\$ 4,089	\$ 10,481	\$ 9,922
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
Interfund Accounts Payable	\$ 4,034	\$ -	\$ 4,034	\$ -
Net Position				
Restricted for Student Activity/Scholarship	\$ 2,358	\$ 4,089	\$ 6,447	\$ 9,922

See the accompanying Independent Auditors' Report

IGNACIO SCHOOL DISTRICT 11JT
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	<u>Private Purpose Trust Funds</u>		<u>Totals</u>	
	<u>Floyd</u>	<u>Candeleria/Floyd</u>		
	<u>Scholarship Fund</u>	<u>Scholarship Fund</u>	<u>2022</u>	<u>2021</u>
ADDITIONS				
Local Sources	\$ 18	\$ 7	\$ 25	\$ 14
DEDUCTIONS				
Other Supporting Services	<u>2,000</u>	<u>1,500</u>	<u>3,500</u>	<u>500</u>
CHANGE IN FIDUCIARY NET POSITION	<u>(1,982)</u>	<u>(1,493)</u>	<u>(3,475)</u>	<u>(486)</u>
BEGINNING NET POSITION	<u>4,340</u>	<u>5,582</u>	<u>9,922</u>	<u>10,408</u>
ENDING NET POSITION	<u>\$ 2,358</u>	<u>\$ 4,089</u>	<u>\$ 6,447</u>	<u>\$ 9,922</u>

See the accompanying Independent Auditors' Report

IGNACIO SCHOOL DISTRICT 11JT
Statement of Changes in Fiduciary Net Position
Budget and Actual
Floyd Scholarship Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022			2021
	Original &	Actual	Variance	
	Final		with Final	
	Budget		Budget	Actual
ADDITIONS				
Local Sources	\$ 1	\$ 18	\$ 17	\$ 7
DEDUCTIONS				
Other Supporting Services	1,500	2,000	(500)	500
Contingency	3,538	-	3,538	-
TOTAL DEDUCTIONS	5,038	2,000	3,038	500
CHANGE IN FIDUCIARY NET POSITION	(5,037)	(1,982)	3,055	(493)
BEGINNING NET POSITION	5,037	4,340	(697)	4,833
ENDING NET POSITION	\$ -	\$ 2,358	\$ 2,358	\$ 4,340

See the accompanying Independent Auditors' Report

IGNACIO SCHOOL DISTRICT 11JT
Statement of Changes in Fiduciary Net Position
Budget and Actual
Candeleria/Floyd Scholarship Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022			2021
	Original & Final Budget	Actual	Variance with Final Budget	
ADDITIONS				
Local Sources	\$ 1	\$ 7	\$ 6	7
DEDUCTIONS				
Contingency	4,083	-	4,083	-
TOTAL DEDUCTIONS	5,583	1,500	4,083	-
CHANGE IN FIDUCIARY NET POSITION	(5,582)	(1,493)	4,089	7
BEGINNING NET POSITION	5,582	5,582	-	5,575
ENDING NET POSITION	<u>\$ -</u>	<u>\$ 4,089</u>	<u>\$ 4,089</u>	<u>\$ 5,582</u>

See the accompanying Independent Auditors' Report

IGNACIO SCHOOL DISTRICT 11JT
Statement of Changes in Fiduciary Net Position
Budget and Actual
Floyd Scholarship Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022			2021
	Original & Final Budget	Actual	Variance with Final Budget	
				Actual
ADDITIONS				
Local Sources	\$ 1	\$ 18	\$ 17	\$ 7
DEDUCTIONS				
Contingency	3,538	-	3,538	-
TOTAL DEDUCTIONS	<u>5,038</u>	<u>2,000</u>	<u>3,038</u>	<u>500</u>
CHANGE IN FIDUCIARY NET POSITION	(5,037)	(1,982)	3,055	(493)
BEGINNING NET POSITION	<u>5,037</u>	<u>4,340</u>	<u>(697)</u>	<u>4,833</u>
ENDING NET POSITION	<u>\$ -</u>	<u>\$ 2,358</u>	<u>\$ 2,358</u>	<u>\$ 4,340</u>

See the accompanying Independent Auditors' Report

IGNACIO SCHOOL DISTRICT 11JT
Statement of Changes in Fiduciary Net Position
Budget and Actual
Candeleria/Floyd Scholarship Fund
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	2022			
	Original & Final Budget	Actual	Variance with Final Budget	2021 Actual
ADDITIONS				
Local Sources	\$ 1	\$ 7	\$ 6	7
DEDUCTIONS				
Contingency	4,083	-	4,083	-
TOTAL DEDUCTIONS	<u>5,583</u>	<u>1,500</u>	<u>4,083</u>	<u>-</u>
CHANGE IN FIDUCIARY NET POSITION	(5,582)	(1,493)	4,089	7
BEGINNING NET POSITION	<u>5,582</u>	<u>5,582</u>	<u>-</u>	<u>5,575</u>
ENDING NET POSITION	<u>\$ -</u>	<u>\$ 4,089</u>	<u>\$ 4,089</u>	<u>\$ 5,582</u>

See the accompanying Independent Auditors' Report

STATE COMPLIANCE



Colorado Department of Education

Auditors Integrity Report

District: 1540 - Ignacio 11 JT

Fiscal Year 2021-22

Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental				
10 General Fund	6,229,996	11,083,362	11,437,062	5,876,296
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
Sub- Total	6,229,996	11,083,362	11,437,062	5,876,296
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	52,023	648,424	588,438	112,010
22 Govt Designated-Purpose Grants Fund	1	699,721	699,721	1
23 Pupil Activity Special Revenue Fund	182,591	199,435	146,971	235,054
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	4,922,140	2,528,391	3,089,965	4,360,565
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	1,134,405	580,000	442,795	1,271,610
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	12,521,155	15,739,332	16,404,952	11,855,536
Proprietary				
50 Other Enterprise Funds	1,622,308	230,594	191,748	1,661,154
64 (63) Risk-Related Activity Fund	14,015	0	4,582	9,433
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	1,636,322	230,594	196,329	1,670,587
Fiduciary				
70 Other Trust and Agency Funds	9,922	25	3,500	6,446
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	9,922	25	3,500	6,446

FINAL

See accompanying Independent Auditors' Report.



Colorado Department of Education
Boded Balance Sheet Report

District: 1540 - Ignacio 11 JT
Fiscal Year 2021-22

Colorado School District/BOCES

See accompanying Independent Auditors' Report.

ASSETS	Governmental							Proprietary					Fiduciary			
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Cash and Investments (8100-8104,8111)	6,941,041	0	0	69,261	0	0	44,690	0	1,271,610	0	648,786	9,433	0	530	0	8,985,350
Cash with Fiscal Agent (8105)	19,681	0	0	0	0	0	0	33,089	0	0	0	0	0	0	0	52,770
Other Investment Accounts (8112-8115)	0	0	0	0	0	0	0	4,280,243	0	0	0	0	0	9,951	0	4,290,194
Taxes Receivable (8121,8122)	40,159	0	0	0	0	0	0	67,676	0	0	0	0	0	0	0	107,835
Interfund Loans Receivable (8131,8132)	4,034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,034
Grants Accounts Receivable (8142)	0	0	0	250,071	0	0	117,186	0	0	0	0	0	0	0	0	367,257
Other Receivables (8151-8154,8161)	0	0	0	0	0	0	231	0	0	0	181,280	0	0	0	0	181,512
Inventories (8171,8172,8173)	0	0	0	0	0	0	8,438	0	0	0	0	0	0	0	0	8,438
Sites and Site Improvements (8211, 8221, 8222)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings (8231-8234)	0	0	0	0	0	0	0	0	0	0	1,023,761	0	0	0	0	1,023,761
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	7,004,915	0	0	319,332	0	0	170,544	4,381,008	1,271,610	0	1,853,828	9,433	0	10,481	0	15,021,151

<u>LIABILITIES & FUND EQUITY</u>	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Interfund Payables (7401,7402)	0	0	0	0	0	0	0	0	0	0	0	0	0	4,034	0	4,034
Other Payables (7421-7423)	164,170	0	0	10,739	0	0	0	0	0	0	-40	0	0	0	0	174,869
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses (7461)	964,450	0	0	66,286	0	0	47,121	0	0	0	0	0	0	0	0	1,077,857
Unearned Revenue (7481)	0	0	0	0	0	0	2,403	0	0	0	2,000	0	0	0	0	4,403
Grants Deferred Revenue (7482)	0	0	0	7,252	0	0	9,011	0	0	0	0	0	0	0	0	16,263
Other Current Liabilities (7491,7492,7499)	0	0	0	0	0	0	0	0	0	0	12,767	0	0	0	0	12,767
Deferred Inflow (7800)	0	0	0	0	0	0	0	20,443	0	0	177,947	0	0	0	0	198,390
Deferred Inflow Grants (7801)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Liabilities	1,128,620	0	0	84,278	0	0	58,535	20,443	0	0	192,674	0	0	4,034	0	1,488,583

Governmental

Proprietary

Fiduciary

FUND EQUITY	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Non-spendable Fund Balance 6710	0	0	0	0	0	0	8,438	0	0	0	0	0	0	0	0	8,438
Restricted Fund Balance 6720	0	0	0	0	0	0	0	4,360,565	0	0	0	0	0	6,446	0	4,367,012
TABOR 3% Emergency Reserve 6721	310,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	310,000
TABOR Multi-Year 6722	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
District Emergency Reserve (letter of credit or real estate) 6723	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Colorado Preschool Program (CPP) Reserve 6724	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Full-Day Kindergarten Reserve 6725	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Risk-Related / Restricted Capital Reserve 6726	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BEST Capital Reserve 6727	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Program Reserve 6728	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Committed Fund Balance 6750	0	0	0	235,054	0	0	103,572	0	1,271,610	0	0	0	0	0	0	1,610,236
Assigned Fund Balance 6760	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unassigned Fund Balance 6770	5,581,852	0	0	1	0	0	0	0	0	0	0	0	0	0	0	5,581,852
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	1,023,761	0	0	0	0	1,023,761
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	637,393	9,433	0	0	0	646,826
Prior Period Adjustment 6880	-15,556	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-15,556
Total Fund Equity	5,876,296	0	0	235,055	0	0	112,010	4,360,565	1,271,610	0	1,661,154	9,433	0	6,446	0	13,532,569

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Total Liabilities & Fund Equity	7,004,915	0	0	319,332	0	0	170,544	4,381,008	1,271,610	0	1,853,828	9,433	0	10,481	0	15,021,152

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk related activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85
For Each Fund Type: Do Assets=Liability+Fund Equity	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes