

cPa DIXON, WALLER & CO., INC.

LA VETA PUBLIC SCHOOLS

LA VETA, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2022

DIXON, WALLER & CO., INC.

TABLE OF CONTENTS

LA VETA PUBLIC SCHOOLS

FINANCIAL STATEMENTS

JUNE 30, 2022

	<u>Page</u>
Title Page	
Table of Contents	
Roster of Officials	
<u>FINANCIAL SECTION:</u>	
Independent Auditor's Report.....	1-3
Management's Discussion and Analysis	i-xiv
<u>BASIC FINANCIAL STATEMENTS:</u>	
Government Wide Financial Statements:	
Statement of Net Position.....	4
Statement of Activities.....	5
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	6-7
Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position.....	8
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	9-10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Notes to Basic Financial Statements.....	12-43

REQUIRED SUPPLEMENTARY INFORMATION:

Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual – Major Governmental Funds:

General Fund	44-47
Designated Purpose Grants Fund – Special Revenue Fund.....	48

Pension Trend Data:

Schedule of Proportionate Share of Net Pension Liability.....	49
Schedule of District Contributions - Pension.....	50

Other Post Employment Benefits (OPEB) Trend Data:

Schedule of Proportionate Share of Net OPEB Liability.....	51
Schedule of District Contributions – OPEB.....	52

COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES:

Combining Balance Sheet – Nonmajor Governmental Funds	53
Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Nonmajor Governmental Funds.....	54

Schedules of Revenues, Expenditures and Changes in Fund Balance Budget and Actual:

Building – Capital Project Fund.....	55
Bond Fund – Debt Service Fund.....	56
Capital Reserve- Capital Project Fund.....	57
Pupil Activity – Special Revenue Fund	58
Food Service – Special Revenue Fund	59

STATE REQUIRED SCHEDULES:

Auditor’s Integrity Report (Revenues, Expenditures, and Fund Balance by Fund).....	60
Bolded Balance Sheet.....	61-63

SINGLE AUDIT SECTION:

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	64-65
Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required By Uniform Guidance	66-68
Schedule of Findings and Questioned Costs.....	69-70
Summary Schedule of Prior Audit Findings.....	71
Schedule of Expenditures of Federal Awards.....	72
Notes to Schedule of Expenditures of Federal Awards	73

LA VETA PUBLIC SCHOOLS
ROSTER OF SCHOOL OFFICIALS
June 30, 2022

BOARD OF EDUCATION

Annalee Hickey	President
Dr. Anthony Wayne Masinton	Vice-President
Joe P. Nix	Member
Kelli Bjorum	Member
Peggy Arnold-Hoobler	Member

SCHOOL OFFICIALS

Bree Lessar	Superintendent
-------------	----------------

FINANCIAL SECTION

164 E. MAIN
TRINIDAD, COLORADO 81082
(719) 846-9241 FAX (719) 846-3352

INDEPENDENT AUDITOR'S REPORT

Board of Education
La Veta Public Schools
La Veta, CO 81055

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of La Veta Public Schools, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise La Veta Public Schools' 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, each major fund, and the aggregate remaining fund information of La Veta Public Schools, as of June 30, 2022, and the respective changes in financial position 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of La Veta Public Schools, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 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 La Veta Public Schools' 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise La Veta Public Schools' basic financial statements. The accompanying combining and individual fund financial statements, other schedules, state required schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 combining and individual fund financial statements, other schedules, state required schedules, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2023, on our consideration of La Veta Public Schools' 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 solely 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 the effectiveness of La Veta Public Schools' 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 La Veta Public Schools' internal control over financial reporting and compliance.



February 3, 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS

LA VETA SCHOOL DISTRICT RE-2
200 EAST STADIUM DRIVE
PO BOX 85
LA VETA, COLORADO 81055
PHONE 719-742-6411 FAX 719-742-3959

MANAGEMENT'S DISCUSSION AND ANALYSIS FY 2021/2022

This section of the La Veta School District RE-2's annual financial report offers readers of the District's financial statements, a narrative summary, and an analysis of the District's financial performance during the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information furnished in the District's financial statements, which immediately follow this section.

In 2003/2004 La Veta School District RE-2 adopted a financial reporting model promulgated by the Government Accounting Standards Board (GASB). In accordance with GASB Statement 34, *Basic Financial Statement and Management's Discussion and Analysis for State and Local Governments*, the District is required to restate prior financial periods for the purpose of providing a comparative analysis from one fiscal year to the next.

Financial Highlights

- At the close of FY 2022, the District's net position changed from \$25,443,691 at the end of FY 2021 to \$34,718,464 at the end of FY 2022, a change in net position of \$9,284,773. The most significant change in the District's net position is the increase of capital assets from \$40,222,430 to \$51,241,583, due to the construction of the new campus. Also affecting the District's net position are the accounting requirements of GASB 68, the Accounting and Financial Reporting for Pensions. GASB 68 affects the financial statement of Colorado PERA-affiliated employers. GASB 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflow of resources, and expenditures for the PERA defined benefit pension plan. GASB 68 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to the actuarial present value, and attribute that present value to periods of employee service. At the end of FY 2022, La Veta School District RE-2 showed \$3,930,358 for its proportionate share of net pension liability and \$1,529,787 of pension deferred inflow of resources. Also reported was net OPEB, other post-employment benefits, liability of \$190,152 and \$75,029 of deferred inflow of OPEB

resources. Notes to the financial statement include additional information regarding GASB 68.

- General revenues, primarily property taxes and state equalization payments, account for approximately \$3.2 million or 67% percent of operating revenues. Governmental activity expenses totaling \$4,764,080 were offset by \$10,506,111 of program specific revenues—charges for services, operating grants and contributions.
- The FY 2022 beginning fund balance in the District’s General Fund, which includes Fund 10/General Fund and Fund 19/Colorado Preschool Program (CPP), was \$996,699. General Fund received \$3,322,826 in revenues and expended \$3,528,132. The FY 2022 ending fund balance in the General Fund was \$711,393, a decrease of \$285,306.
- Fund 21, the Food Service Fund, recognized \$72,660 in revenue and expended \$135,587. The FY 2022 Food Service Fund beginning balance was \$33,908 and the ending fund balance was \$10,981, a decrease of \$22,927.
- The Government Designated Purpose Grants, Fund 22, accounted for \$710,789 in revenue and expenditures related to governmental activities.
- The Activities Account, Fund 23, received \$106,093 in revenues and expended \$107,402. The ending fund balance in the Activities Account was \$78,614.
- Bond Redemption, Fund 31, had a beginning fund balance of \$358,624. Revenues totaled \$448,550. Bond property taxes accounted for \$446,794 of the total revenues. Principal and interest paid on the Series 2019 Improvement and Refunding Bond totaled \$425,400. The principal balance on the District’s bond long term debt at the end of FY 2022 was \$5,385,000. The Bond Redemption fund balance on June 30, 2022 was \$381,774.
- The beginning fund balance in Fund 41, the Building Fund, was \$1,801,235, the balance from the sale of the General Obligations Series 2019 Improvement and Refunding Bond. Expenditures totaled \$11,070,001, leaving an ending fund balance of (\$6,046) in the Building Fund.
- Fund 43, Capital Reserve/Capital Projects, had a beginning fund balance of \$75,598. General Fund transferred \$40,000 to CRCP. The net proceeds from the sale of the Garland Street kindergarten amounted to \$97,435 and the purchase of an activities bus totaled \$66,670, leaving an ending fund balance in the Capital Reserve/Capital Projects Fund of \$146,363.

Overview of the Financial Statements

The Management's Discussion and Analysis statement is intended to serve as an introduction to La Veta School District RE-2's basic financial statements. The basic financial statements consist of three components: (1) District-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. Additionally, this report contains other supplementary information in conjunction with the basic financial statements.

The basic financial statements include two kinds of statements that present different views of the District. The basic financial statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District government, reporting the District's operations in more detail than the government-wide statements.

- The governmental funds statements tell how general government services were financed in the short-term as well as what remain for future spending.
- Proprietary fund statements offer short and long term financial information about the activities that the District operates like businesses. The District no longer has a proprietary fund.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplemental information that further explains and supports the financial statements.

Government-wide Statements

The government-wide statements are designed to provide readers a broad overview of the finances of La Veta School District RE-2, in a manner similar to private-sector business.

The Statement of Net Position 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 Statement of Net Program presents information on all of the District's assets and liabilities, with the differences

between the two reported as net program. Over time, increases or decreases in net program may serve as a useful indicator of whether the financial position of La Veta School District RE-2 is improving or deteriorating. To assess the District's overall health, you need to consider additional non-financial factors such as the condition of school buildings and other facilities.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net program are reported as soon as the underlying event giving rise to the change that occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future fiscal periods.

Both of the district-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). All of La Veta School District RE-2's financial activities are included in governmental activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Certain funds are required by law. Other funds control and manage money for particular purposes (such as federal grants or student activity). The District's funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- ***Governmental Funds:*** Most of the District's basic services are included in governmental funds, which focus on (1) inflows and outflows of cash and other financial assets and (2) balances remaining at year-end which are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the District's programs. Because this information does not encompass the long-term focus of the district-wide statements, a reconciling schedule is included on the governmental funds statements explaining the relationship (or difference) between them.

La Veta School District RE-2 maintains seven governmental funds: General Fund, which includes the Colorado Preschool Program, the Food Service Fund, Government Designated Grants, Student Activities, Bond Redemption, Building Fund, and Capital Reserve Capital Projects. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for these funds. Included in the required supplementary information section is budget-to-actual information for all government funds as required by State law.

- *Proprietary Funds.* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.

La Veta School District RE-2 currently does not have any proprietary funds.

- *Fiduciary Funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The District is responsible for ensuring the assets reported in these funds are used only for their intended purposes stated by those to whom the assets belong. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

La Veta School District RE-2 currently does not have any fiduciary funds

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This includes budget-to-actual information for all funds as dictated by State law.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

All financial activities of the District are reported on the accrual basis of accounting. This section explains the differences between the current and prior year's assets, liabilities, and changes in the net assets.

TABLE 1

La Veta School District RE-2 Changes in Net Program

Table 1 provides a comparison of the District's net position from June 30, 2021 to June 30, 2022.

The Statement of Net Position reports all financial and capital resources. The statement presents assets and liabilities in order of relative liquidity. All liabilities reported are current as of June 30, 2022, consisting of accounts payable, accrued salaries and benefits, and internal payables. The difference between the District's assets and liabilities is its net position. In FY 2022, the District-wide net position was \$34,718,464.

Table 1: NET POSITION	2022		2021	
	Governmental Activities	Total	Governmental Activities	Total
ASSETS				
Current and Other Assets	2,217,327	2,217,327	9,327,301	9,327,301
Capital Assets - Net	43,671,262	43,671,262	34,031,268	34,031,268
Deferred Outflows	1,045,190	1,045,190	1,586,163	1,586,163
Total Assets and Flows	<u>46,933,779</u>	<u>46,933,779</u>	<u>44,944,732</u>	<u>44,944,732</u>
LIABILITIES				
Current and Other Liabilities	678,726	678,726	5,786,814	5,786,814
Long Term Liabilities	9,931,773	9,931,773	11,382,260	11,382,260
Deferred Inflows	1,604,816	1,604,816	2,341,967	2,341,967
Total Liabilities and Flows	<u>12,215,315</u>	<u>12,215,315</u>	<u>19,511,041</u>	<u>19,511,041</u>
NET POSITION				
Net Investment in Capital Assets	38,286,262	38,286,262	28,441,268	28,441,268
Restricted for:				
Labor Reserve	396,000	396,000	780,000	780,000
Preschool	8,902	8,902	18,791	18,791
Food Service	1,193	1,193	25,105	25,105
Debt	381,774	381,774	358,624	358,624
Capital Outlay	-	-	1,801,235	1,801,235
Unrestricted	<u>(4,355,667)</u>	<u>(4,355,667)</u>	<u>(5,991,332)</u>	<u>(5,991,332)</u>
	<u>34,718,464</u>	<u>34,718,464</u>	<u>25,433,691</u>	<u>25,433,691</u>

TABLE 2

La Veta School District RE-2
Changes in Net Program

The District's Governmental Activities are reported on the accrual basis of accounting. A condensed financial comparison of revenues and expenditures from FY 2021 to FY 2022 shows the District's net program in total government activities decreased by \$14,756,045, the majority of the funds coming from the BEST Grant of \$13,092,260 being invested in capital construction.

Table 2 provides a summary and comparison of the changes in the net program from FY 2021 to FY 2022.

Table 2:
Changes in Net Position

	2022		2021	
	Governmental Activities	Total	Governmental Activities	Total
Revenues				
Charges for Services	111,665	111,665	45,853	45,853
Operating Grants and Contributions	1,131,988	1,131,988	1,110,244	1,110,244
Capital Grants and Contributions	9,262,458	9,262,458	22,354,718	22,354,718
Property taxes	1,379,593	1,379,593	1,310,108	1,310,108
Specific Ownership Taxes	142,557	142,557	149,992	149,992
Equalization	1,839,761	1,839,761	1,670,407	1,670,407
Earnings on investments	1,347	1,347	5,799	5,799
Other Revenues	179,484	179,484	144,378	144,378
Transfers	-	-	-	-
TOTAL REVENUES	14,048,853	14,048,853	26,791,499	26,791,499
Expenses				
Instructional services	3,612,985	3,612,985	1,507,216	1,507,216
Students	411,073	411,073	217,182	217,182
Instructional staff	131,516	131,516	914,810	914,810
District administration	276,856	276,856	258,178	258,178
School administration	279,917	279,917	201,756	201,756
Business	193,804	193,804	170,753	170,753
Operation and maintenance of facilities	495,475	495,475	368,792	368,792
Transportation	128,957	128,957	49,972	49,972
Central	318,605	318,605	208,533	208,533
Facility	-	-	-	-
Capital outlay	-	-	-	-
Interest on Long Term Liabilities	155,805	155,805	160,682	160,682
Food Service	136,807	136,807	110,551	110,551
Pension and OPEB Changes	(1,377,720)	(1,377,720)	(1,417,744)	(1,417,744)
TOTAL EXPENSES	4,764,080	4,764,080	2,750,681	2,750,681
Increase (Decrease in Net Position)	9,284,773	9,284,773	24,040,818	24,040,818

TABLE 3

La Veta School District RE-2
Governmental Activities
FY 2022

The primary source of operating revenue for school districts comes from the School Finance Act of 1994. Under this Act, after rescissions, the District received \$13,568.95 per funded in-school student in FY 2022. The per-funded pupil amount included a 5.9% budget stabilization factor adjustment which totaled \$180,287.24. Total program per-pupil funding would have been \$14,424.61 without the budget stabilization factor. The total funded pupil count for FY 2022 was 210.7, which included 8 CPP slots.

Funding for the School Finance Act comes from property taxes, specific ownership taxes, and state equalization. In the General Fund, the District received \$3,039,265.88 in funding from these sources: 66.4% from state equalization, 30.3% from local property taxes, and 3.2% from specific ownership taxes.

The statement of activities provides the cost of program services and the related changes for services and grants offsetting those costs. Table 5 reflects each programs net cost (total cost less fees generated by the programs and intergovernmental aid provided for specific programs). Also included is the Funding Summary Report provided by the Colorado Department of Education School Finance Unit.

Table - 3 Governmental Activities by Major Function

	2022		2021	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instructional services	3612985	(2,548,085)	1507216	(491,608)
Students	411,073	(304,980)	217,182	(175,608)
Instructional staff	131516	(131,516)	914810	(914,810)
District administration	276856	(276,856)	258178	(258,178)
School administration	279,917	(279,917)	201,756	(201,756)
Business	193,804	(193,804)	170,753	(170,753)
Operation and maintenance of facilities	495,475	(495,475)	368,792	(368,792)
Transportation	128,957	(128,957)	49,972	(41,580)
Central	318,605	(318,605)	208,533	(208,533)
Facility	-	-	-	-
Capital outlay	-	9,262,458	-	22,354,718
Interest on Long Term Liabilities	155,805	(155,805)	160,682	(160,682)
Food Service	136,807	(64,147)	110,551	(20,028)
Pension and OPEB Changes	(1,377,720)	1,377,720	(1,417,744)	1,417,744
Total	<u>4,764,080</u>	<u>5,742,031</u>	<u>2,750,681</u>	<u>20,760,134</u>

District Name	La Veta Re-2	District Number	1400
Description	Amount		
FC1. FY22 October FTE Count (minus on-line)- enter line V5	199.0		
FC2. FY21 October FTE Count - enter line V13	196.0		
FC3. FY20 October FTE Count - enter line V14	200.0		
FC4. FY19 October FTE Count - enter line V15	207.0		
FC4.1. FY18 October FTE Count - enter line V15.1	211.5		
FC5. AVERAGED FUNDED PUPIL COUNT - enter the greater of line FC1 or	202.7		
FC5.1. FY22 Full Day Kindergarten Factor	0.0		
FC6. FY22 CPP Pupil Count - enter line V17	8.0		
FC6.1. FY22 Charter Institute CPP Pupil Count - enter line V20.1	0.0		
FC6.5. FY22 CHARTER INSTITUTE PUPIL COUNT - enter line V19	0.0		
FC7. FY22 FUNDED PUPIL COUNT - enter line FC5, plus FC5.1, plus line FC6, plus FC6.1	210.7		
FC7.5. FY22 ASCENT Pupil Count - enter line FC4.1	0.0		
FC7.6. FY22 CHARTER INSTITUTE ASCENT Pupil Count - enter line V20.6	0.0		
FC8. FY22 On-line Multi-District Pupil Count - enter line V4	0.0		
FC8.5. FY22 CHARTER INSTITUTE ONLINE PUPIL COUNT - enter line V20	0.0		
FC9. TOTAL FUNDED PUPIL COUNT - enter line FC7 plus line FC8 plus line FC7.5	210.7		
AR4. Projected K-12 free and reduced lunch count using 1-8 percent -	101.8		
AR5. Free and Reduced Lunch (grades K-12) Count - enter line V7	84.0		
AR6. FY22 At-Risk Pupil Count	101.8		
TF1. Formula Funding without At-risk - enter line PP9	\$2,872,711.34		
TF2. Formula At-risk Funding - enter line AR19	\$166,554.54		
TF3. Formula Funding - enter line TF1 plus line TF2	\$3,039,265.88		
TF4. ELL Formula Funding - enter line EL4	\$0.00		
TF5. On-Line Formula Funding - enter line OL3	\$0.00		
TF6. Total Formula Funding (including on-line funding) - enter line TF3 plus line TF4	\$3,039,265.88		
TF10. Maximum Total Formula Funding	\$0.00		
TF11. TABOR Formula Funding - enter line TB4	\$2,983,506.56		
TP2. Total Funding Beyond TABOR Formula - enter line AF6	\$55,759.32		
GT1. TOTAL PROGRAM FUNDING - enter line TP3	\$3,039,265.88		
V31. FY22 Assessed Valuation	\$34,133,793		
ML6. EQUALIZED MILL LEVY (FINAL)	0.027000		
GT2. PROPERTY TAX REVENUES - enter line ML6 times line V31	\$921,612.41		
GT3. SPECIFIC OWNERSHIP TAX - enter line V30	\$97,605.17		
GT4. STATE SHARE	\$2,020,048.30		
GT6. TOTAL PROGRAM PER-PUPIL FUNDING	\$14,424.61		
GT7. BUDGET STABILIZATION FACTOR	-\$180,287.24		
GT7.1. TOTAL PROGRAM	\$2,858,978.64		
GT7.2. PROPERTY TAXES	\$921,612.41		
GT7.3. SPECIFIC OWNERSHIP TAXES	\$97,605.17		
GT7.4. STATE SHARE	\$1,839,761.06		
GT7.5. REQUIRED CATEGORICAL BUYOUT FROM TOTAL PROGRAM	\$0.00		
GT7.6. PER PUPIL FUNDING AFTER BUDGET STABILIZATION FACTOR	\$13,568.95		
GT8. Adjusted district In-school per pupil funding	\$13,568.95		
GT9. District On-line per pupil funding	\$8,195.21		
GT10. Charter School Institute Total Program Funding	\$0.00		
GT11. DISTRICT'S ADJUSTED TOTAL PROGRAM FUNDING (GT1 plus GT10)	\$2,858,978.64		
GT12. PROPERTY TAX REVENUES - enter line GT2	\$921,612.41		
GT13. SPECIFIC OWNERSHIP TAX - enter line GT3	\$97,605.17		
GT14. DISTRICT'S ADJUSTED STATE SHARE	\$1,839,761.06		
RS1. RESCISSION TO DISTRICT (GT11 multiplied by rescission percentage in cell GB302)	\$0.00		
RS2. DISTRICT'S TOTAL PROGRAM FUNDING AFTER RESCISSION (GT11 plus RS1)	\$2,858,978.64		
RS5. DISTRICT'S STATE SHARE AFTER RESCISSION	\$1,839,761.06		
RS6. DISTRICT IN-SCHOOL PER PUPIL FUNDING AFTER RESCISSION	\$13,568.95		
RS7. DISTRICT ON-LINE PER PUPIL FUNDING AFTER RESCISSION	\$8,195.21		

Table 4
La Veta School District RE-2
Capital Assets

Summary and a comparison from FY 2021 to FY 2022 of the Districts capital assets.

La Veta School District's new campus was opened in March 2022, contributing the change in Buildings and Improvements.

Table 4: Capital Assets (Net of Depreciation)

	Governmental <u>2021-2022</u>	Governmental <u>2020-2021</u>
Land & Sites	312,512	332,177
Buildings & Improvements	43,133,645	33,489,120
Equipment & Vehicles	222,669	206,315
Food Service	2,436	3,656
Total Capital Assets	<u>43,671,262</u>	<u>34,031,268</u>

Table 5
La Veta School District RE-2
Changes in Long Term Debt

Table 5 is a summary of the La Veta School District RE-2 long-term debt transactions in FY 2022. The 2019 General Obligation Improvement & Refunding Bonds were sold in July 2019. The balance on the 2019 General Obligations Bonds is \$6,034,161.

Table 5: Changes In Long Term Debt

	Beginning Balance	Additions	Reductions	Ending Balance
Compensated Absence	\$ 10,490.00	\$ 7,408.00		\$ 17,898.00
2019 G.O. Improv and Refunding	5590000		\$ 205,000.00	\$ 5,385,000.00
Unamortized Bond Premium	695208		\$ 63,945.00	\$ 631,263.00
	<u>\$ 6,295,698.00</u>	<u>\$ 7,408.00</u>	<u>\$ 268,945.00</u>	<u>\$ 6,034,161.00</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

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

General Fund (Includes Fund 10/General Fund and Fund 19/Colorado Preschool Program (CPP))

The General Fund is the major operating fund of the District, providing the majority of the resources for the education and support programs. The Board of Education approved a budget in June 2021 based on a funded pupil count of 215.8 for the 2021/2022 school year.

In January 2022, the Board of Education approved a revised/finalized issuance of the budget. The primary reasons for the revision were a more precise student enrollment count and an updated beginning fund balance. The FY 2022 October pupil count was 207, the FTE count 199. After using five-year averaging, the total funded pupil-count for FY 2022 was 202.7.

On July 1, 2022 the beginning fund balance in the Fund 10, General Fund, was \$ 977,908. Revenues for the General Fund totaled \$3,204,907, including \$108,552 transfers to both the Food Service and CRCP. Expenditures totaled \$3,480,324. The fund balance in the General Fund at the end of FY 2022 was \$702,491 of \$275,417. This was largely due to Cares Act, ESSER I, and ESSER II funding received from the federal government. These funds helped offset remote learning and expenditures incurred because of COVID-19 regulations and mandates. These expenses would have been absorbed in General Fund. There was also savings recognized because of the cancellation of sporting events, field trips, and social events. Deficit spending, mainly spent in maintenance of facilities, was due to increased staffing costs resulting from COVID-19 staffing needs and the establishment of a new campus.

CPP – Colorado Preschool Program (Fund 19)

Fund 19 accounts for revenue and expenditures associated with the preschool program. In FY 2022, the required CPP direct allocation, \$108,552 was transferred from General Fund. The preschool October count was 8. Because the District operates full-day preschool, we received funding for 9 half day and 7 full day CPP slots and 8 E-Care

slots. Funding for two CPP special education students was also received. Total CPP expenditures totaled \$123,160, leaving a carry-over fund balance of \$8,902.

Food Service (Fund 21)

Operating revenues in the Food Service Fund totaled \$72,600 which included \$813 in student revenue, \$4,759 in adult revenue, and \$65,787 in federal aid. Because of the ongoing pandemic, the Federal government allowed the continuation of reimbursable free meals to all students during the 2021/2022 school year. The District's General Fund subsidized the food service program with a \$40,000 transfer in FY 2022. The ending fund balance in the Food Service Fund was \$10,981, of \$22,927.

Government Designated Grants (Fund 22)

Fund 22, Government Designated Purpose Grants, is used to record financial transactions for grants received for designated programs funded by federal, state, and local sources. In FY 2022, Fund 22 accounted for \$710,789 in revenue and expenditures related to governmental activities. The Federal Title Programs accounted for \$127,210 of these revenues and expenditures. The District received \$495,510 in ESSER III funds, used to offset remote learning and expenditures related to the COVID-19 pandemic. Additionally, the District was able to realize Rapid Request ESSER funds in the amount of \$73,395.39. The CDPHE School Nurse Grant, \$30,843, is used to enable the District to afford the critical need for a full-time school nurse. Carl Perkins Grant funding in the amount of \$13,549 was used to purchase curriculum packages and engines for teaching small engine repairs.

Student Activity (Fund 23)

The Student Activity Fund is used to record financial transactions related to school-sponsored pupil intra-scholastic and inter-scholastic athletics and other related activities. These activities are supported in whole or in part by revenue generated from fund-raising activities and donations. The FY 2022 beginning fund balance in the Student Activity Fund was \$79,923. Revenues in Activities totaled \$106,093, including a \$31,500 donation from an anonymous donor for food insecurity, a \$21,000 donation for the Thomas Egbert Book Room, and a donation from the La Veta Booster Club in the amount of \$19,660.91 for the replacement of uniforms. Activity expenditures totaled \$107,402, leaving a fund balance of \$78,614 in the Student Activity Fund as of June 30, 2022.

Bond Redemption (Fund 31)

In November 2018, District voters approved the General Obligations Series 2019 Improvement and Refunding Bond, \$5,715,000, for the construction of a new PK-12 school and refunding the balance owed on the General Obligation Bonds, Series 2002. This general obligation bond provided the local match required for the District to receive BEST Grant funding. The District was awarded a BEST Cash Grant in August 2019. In December 2020, the Bond Redemption mill levy was certified at 14.159 mills to provide property tax revenue sufficient for the principal and interest payments required by the bond amortization schedule.

Revenues from a tax levy for the purpose of satisfying bonded indebtedness obligations, both principal and interest, are recorded in the Bond Redemption Fund, but are administered by a third-party custodian. The District's approved third-party custodian for the Bond Redemption Fund is UMB Corporate Trust Services. Property tax revenue in the Bond Redemption Fund totaled \$446,794. Specific ownership tax revenues generated by the bond mill levy are deposited directly into the General Fund account. A bond principal payment of \$205,000 and bond interest payments totaling \$220,400 were made in FY 2022. The balance owed on the Series 2019 Improvement and Refunding Bond at the end of FY 2022 was \$5,385,000. The fund balance in Bond Redemption as of June 30, 2022 was \$381,774.

Building Fund (Fund 41)

The Building Fund is used to account for all resources available for acquiring capital sites, buildings, and equipment. It is required that Fund 41 be used for Bond sales reported for capital acquisitions.

The 2019 General Obligation Improvement and Refunding Bonds were sold in July 2019. Bond proceeds of \$5,500,000 and \$803,678 in bond premium/discounts were deposited in the Building Fund. These funds provided the local match required for the \$35,978,781 BEST Grant approved for the construction of the new La Veta PK-12 school. Funds from the BEST Grant are accounted for in the Building Fund.

In FY 2021, revenue and expenditures on the new building totaling \$22,339,718 were recognized from the BEST Grant. The District's match for these expenditures was \$3,415,025.

Because of the added expense to secure water and sewer, contingency funds included in the BEST Grant was exhausted.

The ending fund balance in the Building Fund on June 30, 2022 was (\$6,046).

Capital Reserve/Capital Projects (Fund 43)

Capital Reserve/Capital Project Fund (Fund 43) is used to account for the acquisitions of sites, buildings, equipment, and vehicles.

The FY 2022 beginning fund balance in Fund 43, Capital Reserve Capital Projects was \$75,598. \$40,000 was transferred from General Fund. The ending fund balance in the CRCP fund was \$146,363.

CONTACTING THE FINANCIAL MANAGEMENT TEAM OF LA VETA SCHOOL DISTRICT RE-2

This financial report is designed to provide the District's taxpayers, citizens, investor, and creditors with a general overview of the District's financial status and to demonstrate the District's accountability for the money it receives.

If there are questions regarding this report or additional information is needed, please contact Superintendent Bree Jones at La Veta School District, 200 East Stadium Drive, PO Box 85, La Veta, CO 81055, 719-742-6411.

BASIC FINANCIAL STATEMENTS

LA VETA PUBLIC SCHOOLS
STATEMENT OF NET POSITION
June 30, 2022

	Governmental Activities	Total
<u>ASSETS</u>		
Cash and Equivalents	1,377,743	1,377,743
Accounts Receivable	6,210	6,210
Grants Receivable	310,416	310,416
Property Taxes Receivable	513,170	513,170
Prepaid Assets	-	-
Inventories	9,788	9,788
Capital Assets	51,241,583	51,241,583
Accumulated Depreciation	<u>(7,570,321)</u>	<u>(7,570,321)</u>
<u>TOTAL ASSETS</u>	<u>45,888,589</u>	<u>45,888,589</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>		
Pensions	1,013,972	1,013,972
Other Post Employment Benefits	<u>31,218</u>	<u>31,218</u>
<u>TOTAL DEFERRED OUTFLOW OF RESOURCES</u>	<u>1,045,190</u>	<u>1,045,190</u>
<u>LIABILITIES</u>		
Accounts Payable	175,747	175,747
Accrued Salaries	250,023	250,023
Accrued Interest Payable	17,950	17,950
Compensated Absences	17,898	17,898
Unearned Revenue	12,108	12,108
Net Pension Liability	3,930,358	3,930,358
Net OPEB Liability	190,152	190,152
Unamortized Bond Premium	631,263	631,263
Debt Payable – Current	205,000	205,000
Debt Payable – Long-Term	<u>5,180,000</u>	<u>5,180,000</u>
<u>TOTAL LIABILITIES</u>	<u>10,610,499</u>	<u>10,610,499</u>
<u>DEFERRED INFLOW OF RESOURCES</u>		
Pensions	1,529,787	1,529,787
Other Post Employment Benefits	<u>75,029</u>	<u>75,029</u>
<u>TOTAL DEFERRED INFLOW OF RESOURCES</u>	<u>1,604,816</u>	<u>1,604,816</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	38,286,262	38,286,262
Restricted for:		
TABOR Reserve	396,000	396,000
Preschool	8,902	8,902
Food Service	1,193	1,193
Debt	381,774	381,774
Capital Outlay	-	-
Unrestricted	<u>(4,355,667)</u>	<u>(4,355,667)</u>
<u>TOTAL NET POSITION</u>	<u>34,718,464</u>	<u>34,718,464</u>

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

LA VETA PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

	Expenses	Program Revenues			Charges for Services	Operating Grants & Contributions	Capital Grants and Contributions	Governmental Activities	Total	Net (Expenses) Revenue and Changes in Net Position Primary Government
<u>FUNCTIONS/PROGRAMS</u>										
Governmental Activities										
Instructional Services	3,612,985		1,064,900	-	-	-	-	(2,548,085)	(2,548,085)	
Supporting Services:										
Students	411,073							(304,980)	(304,980)	
Instructional Staff	131,516							(131,516)	(131,516)	
District Administration	276,856							(276,856)	(276,856)	
School Administration	279,917							(279,917)	(279,917)	
Business	193,804							(193,804)	(193,804)	
Operation & Maintenance of Facilities	495,475							(495,475)	(495,475)	
Transportation	128,957							(128,957)	(128,957)	
Central Support	318,605							(318,605)	(318,605)	
Food Service	136,807		67,088				(64,147)	(64,147)	(64,147)	
Capital Outlay	-					9,262,458		9,262,458	9,262,458	
Interest on Long Term Liabilities	155,805							(155,805)	(155,805)	
Issue Costs	-							-	-	
Net Pension Changes	(1,370,923)							1,370,923	1,370,923	
Net OPEB Changes	(6,797)							6,797	6,797	
Total Governmental Activities	4,764,080		1,131,988			9,262,458		5,742,031	5,742,031	
Total School District	4,764,080		1,131,988			9,262,458		5,742,031	5,742,031	
<u>General Revenues</u>										
Property Taxes Levied for General Purposes								1,379,593	1,379,593	
Specific Ownership Taxes								142,557	142,557	
Equalization								1,839,761	1,839,761	
Earnings on Investments								1,347	1,347	
Other Revenues								179,484	179,484	
Total General Revenues and Transfers								3,542,742	3,542,742	
Change in Net Position								9,284,773	9,284,773	
Net Position - Beginning								25,433,691	25,433,691	
Net Position, Ending								34,718,464	34,718,464	

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

LA VETA PUBLIC SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

	General Fund	Designated Purpose Grants Fund	Bond Fund	Building Fund
<u>ASSETS</u>				
Cash and Equivalents	709,635	21,044	362,974	56,212
Accounts Receivable	6,210	-	-	-
Grants Receivable	77,895	164,639	-	62,275
Due From Other Funds	133,774	-	-	-
Property Taxes Receivable	419,700	-	93,470	-
Prepaid Assets	-	-	-	-
Inventories	-	-	-	-
<u>Total Assets</u>	<u>1,347,214</u>	<u>185,683</u>	<u>456,444</u>	<u>118,487</u>
<u>LIABILITIES</u>				
Accounts Payable	38,188	9,659	-	124,533
Accrued Salaries	211,792	38,231	-	-
Due To Other Funds	-	133,774	-	-
Interest Payable	-	-	-	-
Unearned Revenue	4,141	4,019	-	-
<u>Total Liabilities</u>	<u>254,121</u>	<u>185,683</u>	<u>-</u>	<u>124,533</u>
<u>DEFERRED INFLOW OF RESOURCES</u>				
Property Taxes	<u>381,700</u>	<u>-</u>	<u>74,670</u>	<u>-</u>
<u>FUND BALANCES:</u>				
Nonspendable:				
Inventories	-	-	-	-
Restricted for:				
Emergencies	396,000	-	-	-
Preschool	8,902	-	-	-
Food Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	381,774	-
Committed for:				
Capital Outlay	-	-	-	-
Assigned for:				
Pupil Activities	-	-	-	-
Unassigned	306,491	-	-	(6,046)
<u>Total Fund Balances</u>	<u>711,393</u>	<u>-</u>	<u>381,774</u>	<u>(6,046)</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>				
	<u>1,347,214</u>	<u>185,683</u>	<u>456,444</u>	<u>118,487</u>

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

Other Governmental Funds	Total Governmental Funds
227,878	1,377,743
-	6,210
5,607	310,416
-	133,774
-	513,170
-	-
<u>9,788</u>	<u>9,788</u>
<u>243,273</u>	<u>2,351,101</u>
3,367	175,747
-	250,023
-	133,774
-	-
<u>3,948</u>	<u>12,108</u>
<u>7,315</u>	<u>571,652</u>
<u>-</u>	<u>456,370</u>
9,788	9,788
-	396,000
-	8,902
1,193	1,193
-	-
-	381,774
146,363	146,363
78,614	78,614
-	<u>300,445</u>
<u>235,958</u>	<u>1,323,079</u>
<u>243,273</u>	<u>2,351,101</u>

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

LA VETA PUBLIC SCHOOLS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET POSITION
June 30, 2022

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

<u>TOTAL FUND BALANCE - GOVERNMENTAL FUNDS</u>	1,323,079
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$51,241,583 and the accumulated depreciation is \$7,570,321.	43,671,262
Property tax revenue is recognized when earned (claim to resources established) rather than when "available". All of the deferred property tax revenue is not available.	456,370
Accrued interest that is not due and payable on long term debt is not reported in the funds.	(17,950)
Compensated absences are not reported as a liability in the funds.	(17,898)
Long term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(5,385,000)
Unamortized bond premium is not reported as a liability in the funds.	(631,263)
The District's portion of the net pension obligation for PERA is reported on the statement of net position is not reported as a liability in the funds.	(3,930,358)
The District's portion of the net OPEB obligation is reported on the statement of net position is not reported as a liability in the funds.	(190,152)
Deferred flows for contributions made toward the net pension obligation from December 31, 2021 until June 30, 2022 is not reported in the funds.	225,571
Deferred flows for contributions made toward the net OPEB obligation from December 31, 2021 until June 30, 2022 is not reported in the funds.	11,574
Net deferred pension flows – Plan Level	(1,027,173)
Net deferred pension flows – Employer Level	285,787
Net deferred OPEB flows – Plan Level	(62,945)
Net deferred OPEB flows – Employer Level	<u>7,560</u>
<u>TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES</u>	<u>34,718,464</u>

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

LA VETA PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

	<u>General Fund</u>	<u>Designated Purpose Grants Fund</u>	<u>Bond Fund</u>	<u>Building Fund</u>
<u>REVENUES</u>				
Property Taxes	905,019	-	446,794	-
Specific Ownership Taxes	142,557	-	-	-
Earnings on Investments	1,033	-	52	262
Other Local Sources	196,101	-	1,704	-
State Aid	1,995,354	51,707	-	9,262,458
Federal Aid	<u>82,762</u>	<u>659,082</u>	<u>-</u>	<u>-</u>
<u>Total Revenues</u>	<u>3,322,826</u>	<u>710,789</u>	<u>448,550</u>	<u>9,262,720</u>
<u>EXPENDITURES</u>				
Current:				
Instructional Services	1,562,482	710,789	-	-
Supporting Services:				
Students	175,863	-	-	-
Instructional Staff	131,516	-	-	-
District Administration	276,856	-	-	-
School Administration	279,917	-	-	-
Business	193,804	-	-	-
Operation & Maintenance of Facilities	484,578	-	-	-
Transportation	104,511	-	-	-
Central Support	318,605	-	-	-
Food Service	-	-	-	-
Debt Service:				
Principal Retirement	-	-	205,000	-
Interest and Fiscal Charges	-	-	220,400	-
Capital Outlay	-	-	-	<u>11,070,001</u>
<u>Total Expenditures</u>	<u>3,528,132</u>	<u>710,789</u>	<u>425,400</u>	<u>11,070,001</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(205,306)</u>	<u>-</u>	<u>23,150</u>	<u>(1,807,281)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	<u>(80,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(80,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(285,306)</u>	<u>-</u>	<u>23,150</u>	<u>(1,807,281)</u>
<u>FUND BALANCES – Beginning</u>	<u>996,699</u>	<u>-</u>	<u>358,624</u>	<u>1,801,235</u>
<u>FUND BALANCES – Ending</u>	<u>711,393</u>	<u>-</u>	<u>381,774</u>	<u>(6,046)</u>

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

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
-	1,351,813
-	142,557
-	1,347
209,100	406,905
1,301	11,310,820
<u>65,787</u>	<u>807,631</u>
<u>276,188</u>	<u>14,021,073</u>
-	2,273,271
107,402	283,265
-	131,516
-	276,856
-	279,917
-	193,804
-	484,578
-	104,511
-	318,605
135,587	135,587
-	205,000
-	220,400
<u>66,670</u>	<u>11,136,671</u>
<u>309,659</u>	<u>16,043,981</u>
<u>(33,471)</u>	<u>(2,022,908)</u>
<u>80,000</u>	-
<u>80,000</u>	-
46,529	(2,022,908)
<u>189,429</u>	<u>3,345,987</u>
<u>235,958</u>	<u>1,323,079</u>

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

LA VETA PUBLIC SCHOOLS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2022

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

Net Change in Fund Balances – Total Governmental Funds (2,022,908)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more the \$5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

	11,136,671	
Capital Outlays more than \$5,000	11,136,671	
Net Disposal of Assets	(54,081)	
Depreciation Expense	<u>(1,442,596)</u>	9,639,994

Property tax revenues received prior to the year for which they are being levied or are not “available” at year end are reported as deferred revenue in the governmental funds. They are, however recorded as revenues in the statement of activities. Deferred property tax revenues increased this year.

27,780

In the statement of activities compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amount paid). During the year, compensated absences increased by this amount.

(7,408)

The governmental funds report debt proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. Interest expense is recognized as it accrues in the statement of activities regardless of when it is due. The net effect of these differences follows:

	650	
Accrued Interest	650	
Debt Payment	205,000	
Premium Amortization	63,945	

The statement of activities reports net pension obligation which is not reported in the fund financial statements.

	1,185,695	
Change in net pension obligation	1,185,695	
Change in net OPEB obligation	(4,153)	
Deferred flows from net pension obligation	185,228	
Deferred flows from net OPEB obligation	<u>10,950</u>	

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES 9,284,773

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

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of La Veta Public Schools (District) conform with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

The District operates under an elected Board of Education with five members.

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

A. Reporting Entity

Governmental Accounting Standards board (GASB) Statement No. 14 (as amended by Statements No. 34, No. 39 and No. 61), "*The Financial Reporting Entity*" (GASB No. 14) describes the financial reporting entity as it relates to governmental accounting. According to this Statement, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

This District is not included in any other governmental "reporting entity" as defined in GASB No. 14 and does not include any other component unit as part of its "reporting entity". As required by accounting principles generally accepted in the USA, these basic financial statements present the District (the primary government) and its component units.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. 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 are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds (General Fund, Bond Fund, Building Fund and Designated Purpose Grants Fund) and individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the District's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Amounts reported as program revenues included 1) charges to customers or applicants for goods, services or privileges provided 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

All governmental fund types use the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end.

Property and automotive ownership taxes are reported as receivables and deferred revenue when levied and as revenues when due for collection in the following year and determined to be available.

Grants and entitlement revenues are recognized when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue receipts.

Expenditures are recorded when the related fund liability is incurred with the exception of general obligation and capital lease debt service which is recognized when due and certain accrued sick and personal pay which are accounted for as expenditures when expected to be liquidated with expendable available financial resources.

The proprietary fund types are accounted for on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. The measurement focus in these funds is on the flow of economic resources and emphasizes the determination of net income. All assets and all liabilities associated with their activity are included on their statement of net position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net position.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund’s ongoing operations. The principal operating revenues of the District’s proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources, as they are needed.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting

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

• Major Governmental Funds

1. General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
2. Designated Purpose Grants Fund – this fund is provided to maintain a separate accounting for federal and state grant funded programs which normally have a different fiscal period than that of the District.
3. Bond Fund – used to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.
4. Building Fund – used to account for the acquisition of sites, buildings, and improvements.

E. Cash and Investments

Cash represents amounts on deposit with financial institutions or held by the District. The District is allowed to invest in the following types of investments: short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, government pools, and U.S. Treasury Obligations. The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments are recorded at fair value in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

F. Receivables

Property taxes levied in 2021 but uncollected in 2022 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2022 are recorded as deferred inflows, and are presented net of an allowance for uncollectible taxes. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

G. Inventories

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

The cost of all inventories is recorded as an asset when the individual inventory items are purchased, and as an expenditure or expense when consumed.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Capital Assets

Capital assets, which include property, vehicles and equipment, are utilized for general District operations and are capitalized at actual or estimated cost. Donations of such assets are recorded at estimated fair value at the time of donation. Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Maintenance, repairs, and minor renovations are recorded as expenditures when incurred. Major additions and improvements are capitalized. When assets used in the operation of the governmental fund types are sold, the proceeds of the sale are recorded as revenues in the appropriate fund. The District does not capitalize interest on the construction of capital assets in governmental funds. However, the District does capitalize interest on the construction of capital assets in business-type activities.

The monetary threshold for capitalization of assets is \$5,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (5-40 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position. The District records long-term debt of governmental funds at the face value. General obligation bonds are serviced from property taxes and other revenues of the Debt Service Fund.

Capital leases are serviced from property taxes and other revenues of the General Fund. The long-term accumulated unpaid accrued sick leave is serviced from property taxes and other revenues by the respective fund type from future appropriations.

J. Constitutional Amendment

In November 1992, Colorado voters approved Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations, which apply to the State of Colorado and local governments. It requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to any entity.

In November of 1999 the registered voters approved a ballot resolution authorizing the District to collect, retain and expend all revenues from any source provided that no property tax mill levy be increased or any new tax be imposed.

LA VETA PUBLIC SCHOOLS
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Constitutional Amendment (Continued)

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending (excluding bonded debt service). As of June 30, 2022 the District reserved \$396,000 for this purpose.

Spending and revenue limits are determined based on the prior fiscal year's spending adjusted for inflation in the prior calendar year plus annual increases in funded student enrollment. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions.

K. Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2021 property tax calendar for Huerfano County was as follows:

Levy Date	December 15, 2021
Lien Date	January 1, 2022
Tax Bills Mailed	January 1, 2022
First Installment Due	February 28, 2022
Second Installment Due	June 15, 2022
If Paid in Full, Due	April 30, 2022
Tax Sale – 2020 Delinquent Property Taxes	October 25, 2021

L. Accumulated Staff Leave

Compensated absences are made up of accumulated sick leave reported as non-current liabilities in the government-wide financial statements. As of June 30, 2022 the District has recorded an estimated liability of \$17,898 relating to accrued sick leave payable.

A summary of changes in compensated absences is as follows:

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2022</u>
Accumulated Sick Leave	<u>10,490</u>	<u>7,408</u>	<u>-</u>	<u>17,898</u>

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

N. GASB Statement No. 54

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District Board of Directors (the District's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

The District's Committed Fund Balance is fund balance reporting required by the School Board, either because of a School Board Policy in the School Board Policy Manual, or because of motions that passed at School Board meetings.

Assigned Fund Balance Policy:

The District's Assigned Fund Balance is fund balance reporting occurring by School Board Administration authority, under the direction of the Chief Business Officer.

Order of Fund Balance Spending Policy

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

First, non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then unrestricted fund balances are determined following the order of committed, assigned, and unassigned.

LA VETA PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. GASB Statement No. 54 (Continued)
Order of Fund Balance Spending Policy (Continued)

Fund Balance Classification by Fund:

	General Fund	Designated Purpose Grant Fund	Bond Fund	Building Fund	Capital Reserve Capital Project	Food Service	Student Activity	Total Governmental Funds
<u>Nonspendable</u>								
Inventories	-	-	-	-	-	9,788	-	9,788
<u>Restricted:</u>								
Emergencies	396,000	-	-	-	-	-	-	396,000
Preschool	8,902	-	-	-	-	-	-	8,902
Multi Year								
Obligation	-	-	-	-	-	-	-	-
Debt Service	-	-	381,774	-	-	-	-	381,774
Capital Outlay	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	1,193	-	1,193
<u>Committed:</u>								
Capital Outlay	-	-	-	-	146,363	-	-	146,363
<u>Assigned:</u>								
Pupil Activities	-	-	-	-	-	-	78,614	78,614
<u>Unassigned</u>	<u>306,491</u>	<u>-</u>	<u>-</u>	<u>(6,046)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300,445</u>
<u>Total Fund</u>								
<u>Balances</u>	<u>711,393</u>	<u>-</u>	<u>381,774</u>	<u>(6,046)</u>	<u>146,363</u>	<u>10,981</u>	<u>78,614</u>	<u>1,323,079</u>

O. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, 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.

In addition to liabilities, the statement of financial position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, 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.

P. GASB 87

On July 1, 2021 La Veta Public Schools adopted GASB 87, Leases. The District will comply with GASB 87 on all leases that are individually and aggregately material to the financial statements.

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes a reconciliation between *fund balances – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis were not included in the government wide statements during the consolidation of governmental activities.

LA VETA PUBLIC SCHOOLS
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
 (Continued)

	Items Eliminated	
	Due From Other Funds	Due To Other Funds
General Fund	133,774	-
Designated Purpose Grants Fund	-	133,774
Food Service	-	-
Capital Reserve Capital Projects	-	-
Pupil Activity Fund	-	-
	133,774	133,774
	<u>Transfers To Other Funds</u>	<u>Transfers From Other Funds</u>
General Fund	80,000	-
Food Service	-	40,000
Capital Reserve Capital Projects	-	40,000
	80,000	80,000

NOTE 3 BUDGETARY INFORMATION

Revenues and expenditures are controlled by budgetary accounting systems in accordance with various legal requirements. The budgeted revenues and expenditures represent the original adopted budget as subsequently adjusted by the Board of Education in accordance with Colorado School Laws. Budgets are generally prepared on the same basis as that used for accounting purposes.

The District has set procedures to be followed in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the Business Manager submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public notices are released to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.
4. The Business Manager is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration should be employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds.
6. Budgets for the General, Special Revenue, Capital Projects and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

All appropriations lapse at the end of each fiscal year. Authorization to transfer budgeted amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent of Schools and may be delegated to an appropriate level of management. Revisions and/or supplemental appropriations that alter the total expenditures of any fund must be approved by the Board of Education.

Budgetary amounts reported in the accompanying basic financial statements are as originally adopted and amended by the Superintendent and/or the Board of Education throughout the year.

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 CASH AND EQUIVALENTS

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 regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits.

At June 30, 2022, the District's bank balance and corresponding carrying balance were as follows:

	<u>Carrying Balance</u>	<u>Bank Balance</u>
Insured (FDIC)	250,000	250,000
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	271,729	374,194
Cash with County Treasurer	195,191	-
Cash with Fiscal Agent	302,964	-
Cash with COLOTRUST	356,899	-
Cash on Hand	960	-
<u>Total Cash and Deposits</u>	<u>1,377,743</u>	<u>624,194</u>

As presented above, deposits with a bank balance of \$374,194 and a carrying balance of \$271,729 as of June 30, 2022 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

	<u>Balance</u> <u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2022</u>
<u>Capital Assets Not Being Depreciated</u>				
Land	332,177	-	19,665	312,512
Construction in Progress	<u>31,180,548</u>	-	<u>31,180,548</u>	-
<u>Total Capital Assets Not Being Depreciated</u>	<u>31,512,725</u>	-	<u>31,200,213</u>	<u>312,512</u>
<u>Capital Assets Being Depreciated</u>				
Buildings & Site Improvements	7,118,367	42,250,549	77,604	49,291,312
Equipment & Vehicles	1,556,126	66,670	20,249	1,602,547
Food Service	<u>35,212</u>	-	-	<u>35,212</u>
<u>Total Capital Assets Being Depreciated</u>	<u>8,709,705</u>	<u>42,317,219</u>	<u>97,853</u>	<u>50,929,071</u>
<u>Less Accumulated Depreciation for:</u>				
Building & Site Improvements	4,809,795	1,391,060	43,188	6,157,667
Equipment & Vehicles	1,349,811	50,316	20,249	1,379,878
Food Service	<u>31,556</u>	<u>1,220</u>	-	<u>32,776</u>
<u>Total Accumulated Depreciation</u>	<u>6,191,162</u>	<u>1,442,596</u>	<u>63,437</u>	<u>7,570,321</u>
<u>Total Capital Assets Being Depreciated, Net</u>	<u>2,518,543</u>	<u>40,874,623</u>	<u>34,416</u>	<u>43,358,750</u>
<u>Governmental Activities Capital Assets, Net</u>	<u>34,031,268</u>	<u>40,874,623</u>	<u>31,234,629</u>	<u>43,671,262</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities

Instruction	1,406,033
Instructional Support	-
Operations and Maintenance	10,897
Transportation	24,446
Food Service	<u>1,220</u>
<u>Total Depreciation Expense – Governmental Activities</u>	<u>1,442,596</u>

NOTE 6 PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

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

Benefits provided as of December 31, 2021. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% 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% 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.

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 6 **PENSION PLAN (Continued)**

In all cases the service retirement benefit is limited to 100% 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% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S.. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

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

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

Contributions provisions as of June 30, 2022: Eligible employees of, La Veta Public Schools and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 10.50% of their PERA-includable salary during the period of July 1, 2021 through June 30, 2022. Employer contribution requirements are summarized in the table below.

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

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

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 6 PENSION PLAN (Continued)

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the La Veta Public Schools is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from La Veta Public Schools were \$444,585 for the year ended June 30, 2022.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million (actual dollars) direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. In addition to the \$225 million (actual dollars) direct distribution due July 1, 2022, House Bill (HB) 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of \$380 million (actual dollars), upon enactment, with reductions to future direct distributions scheduled to occur July 1, 2023, and July 1, 2024.

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

The net pension liability for the SCHDTF was measured as of December 31, 2021, and the total pension liability (TPL) 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 TPL to December 31, 2021. The La Veta Public Schools proportion of the net pension liability was based on La Veta Public Schools contributions to the SCHDTF for the calendar year 2021 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2022, the La Veta Public Schools reported a liability of \$3,930,358 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the La Veta Public Schools 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 La Veta Public Schools were as follows:

La Veta Public Schools proportionate share of the net pension liability	\$ 3,930,358
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the La Veta Public Schools	\$ 450,565
Total	\$ 4,380,923

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 6 PENSION PLAN (Continued)

At December 31, 2021, the La Veta Public Schools proportion was 0.034%, which was a decrease of 0.0001% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the La Veta Public Schools recognized pension income of \$1,370,923 and revenue of \$48,104 for support from the State as a nonemployer contributing entity. At June 30, 2022, the La Veta Public Schools reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	150,470	-
Changes of assumptions or other inputs	300,054	-
Net difference between projected and actual earnings on pension plan investments	-	(1,477,697)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	337,877	(52,090)
Contributions subsequent to the measurement date	225,571	N/A
Total	1,013,972	(1,529,787)

\$225,571 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, 2022	
2023	81,061
2024	(288,806)
2025	(354,283)
2026	(179,358)
2027	-
Thereafter	-

LA VETA PUBLIC SCHOOLS
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 PENSION PLAN (Continued)

Actuarial assumptions. The TPL in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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

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

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

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

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

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

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

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

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

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

LA VETA PUBLIC SCHOOLS
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 PENSION PLAN (Continued)

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

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

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

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

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

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

Discount rate. The discount rate used to measure the TPL was 7.25%. 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%.

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 6 PENSION PLAN (Continued)

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in Senate Bill (SB) 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered AI cap, from 1.25% 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% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

LA VETA PUBLIC SCHOOLS
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 PENSION PLAN (Continued)

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension	5,785,166	3,930,358	2,382,590

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

Defined Contribution Pension Plans

Voluntary Investment Program

Plan Description – Employees of the La Veta Public Schools 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 ACFR which includes additional information on the Voluntary Investment Program. 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. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended June 30, 2022, program members contributed \$7,711.

NOTE 7 OTHER POST EMPLOYMENT BENEFITS

Defined Benefit Other Post Employment Benefit (OPEB) Plan

Summary of Significant Accounting Policies

OPEB. La Veta Public Schools 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 La Veta Public Schools 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, and 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 by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

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

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

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

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

PERA Benefit Structure

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

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

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

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the La Veta Public Schools is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from La Veta Public Schools were \$22,811 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 La Veta Public Schools reported a liability of \$190,152 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 (TOL) 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 TOL to December 31, 2021. The La Veta Public Schools proportion of the net OPEB liability was based on La Veta Public Schools 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 La Veta Public Schools proportion was 0.022%, which was an increase of 0.0025% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the La Veta Public Schools recognized OPEB income of \$6,797. At June 30, 2022, the La Veta Public Schools reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	290	(45,087)
Changes of assumptions or other inputs	3,937	(10,315)
Net difference between projected and actual earnings on OPEB plan investments	-	(11,770)
Changes in proportion and differences between contributions recognized and proportionate share of contributions	15,417	(7,857)
Contributions subsequent to the measurement date	11,574	N/A
Total	31,218	(75,029)

\$11,574 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30, 2022	
2023	(15,757)
2024	(17,106)
2025	(17,042)
2026	(6,514)
2027	814
Thereafter	220

LA VETA PUBLIC SCHOOLS
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

Actuarial assumptions. The TOL in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method			Entry age	
Price inflation			2.30%	
Real wage growth			0.70%	
Wage inflation			3.00%	
Salary increases, including wage inflation				
Members other than State Troopers	3.30%-10.90%	3.40% -11.00%	3.20%-11.30%	2.80%-5.30%
State Troopers	3.20%-12.40%	N/A	3.20%-12.40%	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation			7.25%	
Discount rate			7.25%	
Health care cost trend rates				
PERA benefit structure:				
Service-based premium subsidy			0.00%	
PERACare Medicare plans			4.50% in 2021, 6.00% in 2022 gradually decreasing to 4.50% in 2029	
Medicare Part A premiums			3.75% in 2021, gradually increasing to 4.50% in 2029	
DPS benefit structure:				
Service-based premium subsidy			0.00 %	
PERACare Medicare plans			N/A	
Medicare Part A premiums			N/A	

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

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

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:

Medicare Plan	Initial Costs for Members Without Medicare Part A		
	Monthly Cost	Monthly Premium	Monthly Cost Adjusted to Age 65
Medicare Advantage/Self-Insured Rx	\$633	\$230	\$591
Kaiser Permanente Medicare Advantage HMO	596	199	562

The 2021 Medicare Part A premium is \$471 (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 TOL 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 7 OTHER POST EMPLOYMENT BENEFITS (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, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

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

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

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

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

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

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

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

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

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

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

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2021 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

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

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

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

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

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

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

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	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%
Net OPEB Liability	\$184,691	\$190,152	\$196,478

Discount rate. The discount rate used to measure the TOL was 7.25%. 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%.

LA VETA PUBLIC SCHOOLS
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

- 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 be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the La Veta Public Schools 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%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$220,842	\$190,152	\$163,938

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

NOTE 8 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 COLORADO SCHOOL DISTRICT SELF INSURANCE POOL

The District belongs to the Colorado School District's Self-Insurance Pool. The Pool was established by the Colorado Association of School Boards (CASB) to provide insurance coverage to participants in the areas of General Liability, Errors and Omissions, Automobile Liability, Auto Physical Damage, Auto Personal Injury Protection, Real and Personal Property, Crime, Workers' Compensation and other coverage. The Board of Directors is composed of eight persons; seven of whom are appointed by the Board of Directors of CASB and the Executive Director of CASB. The Pool is managed by an independent manager chosen by the Board of Directors. Each member's initial contribution and subsequent contributions are determined by the Pool based on factors including, but not limited to, the Aggregate Pool claims, the cost of Administrative and other operating expenses, the number of participants, the adequacy of both Operating and Reserve Funds and other factors touching on the status of the Pool or an individual participant, and as approved by the Colorado Insurance Commissioner.

As the District did not exercise oversight responsibility nor have sufficient control over Pool activities, the Pool is not a component unit of the District and only the District's share of contributions to the Pool is recorded as an expenditure in the school funds.

The District's share in the Pool is not determinable from current information, but is estimated to be less than 1%. The District's share, if calculated, would not be material to the Pool's financial information at June 30, 2022.

An audited summary of the Colorado School District's Pool financial information at June 30, 2021 and for the year then ended (latest information available) follows:

Total Assets	<u>64,950,784</u>
Total Liabilities	<u>26,531,849</u>
Total Equity	<u>38,418,935</u>
Revenue	32,051,341
Underwriting Expenses	<u>22,573,689</u>
Underwriting Gain (Loss)	9,477,652
Net Investment Income	1,118,389
Other Income	-
Net Income (Loss) Before Dividend	<u>10,596,041</u>
Dividend	-
Net Income	<u>10,596,041</u>
Transfer of Capital Contributions	-
Change in Non Admitted Assets	<u>(19,019)</u>
Capital Contributions from Members	-
Unassigned Surplus	<u>38,418,935</u>

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 10 LONG TERM DEBT

The following is a summary of the transaction in the School District's long-term debt:

	<u>Beginning Balance 7-1-2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance 6-30-2022</u>	<u>Current Portion</u>
2019 General Obligation Improvement and Refunding Bonds	5,590,000	-	205,000	5,385,000	205,000
Unamortized Bond Premium	<u>695,208</u>	<u>-</u>	<u>63,945</u>	<u>631,263</u>	<u>-</u>
	<u>6,285,208</u>	<u>-</u>	<u>268,945</u>	<u>6,016,263</u>	<u>205,000</u>

2019 General Obligation Improvement and Refunding Bonds

During the fiscal year ended June 30, 2020, the District issued \$5,715,000 in general obligation bonds for the purpose of building a new school and calling and paying off the outstanding balance on the 2002 general obligation bonds. These bonds will be paid annually over a 20 year period beginning in December of 2020 with an interest rate of 4%.

Refunding proceeds of \$287,375 were used to call and pay the remaining principal and interest of the series 2012 general obligation bonds.

The repayment schedule of the 2019 General Obligation Bonds as of June 30, 2022 is as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	205,000	211,300	416,300
2024	220,000	202,800	422,800
2025	230,000	193,800	423,800
2026	235,000	184,500	419,500
2027	245,000	174,900	419,900
2028	255,000	164,900	419,900
2029	265,000	154,500	419,500
2030	275,000	143,700	418,700
2031	285,000	132,500	417,500
2032	300,000	120,800	420,800
2033	310,000	108,600	418,600
2034	325,000	95,900	420,900
2035	335,000	82,700	417,700
2036	350,000	69,000	419,000
2037	365,000	54,700	419,700
2038	380,000	39,800	419,800
2039	395,000	24,300	419,300
2040	<u>410,000</u>	<u>8,200</u>	<u>418,200</u>
<u>Total</u>	<u>5,385,000</u>	<u>2,166,900</u>	<u>7,551,900</u>

LA VETA PUBLIC SCHOOLS
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 11 INVENTORIES

Food Service Fund inventories at June 30, 2022, consisted of USDA, purchased food, and non-food amounted to \$9,788. Purchased inventories are state 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 12 ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid at June 30, 2022 are estimated to be \$250,023. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

NOTE 13 LITIGATION

None.

NOTE 14 SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES

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

NOTE 15 JOINT VENTURES

Not reflected in the accompanying financial statements is the District's participation in the South Central Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational services at a shared lower cost per District.

The District has one member on the Board. The Board has final authority for all budgeting and financing of the joint venture. The District's share of the joint venture is not determinable at June 30, 2022. The joint venture summary audited financial information as of June 30, 2021 is as follows:

Total Assets and Deferred Outflows	<u>3,193,671</u>
Total Liabilities and Deferred Inflows	<u>7,591,107</u>
Net Position	<u>4,397,436</u>
Revenues	<u>5,837,565</u>
Expenditures	<u>3,289,689</u>
Excess (Deficiency)	<u>2,547,876</u>

LA VETA PUBLIC SCHOOLS
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 15 JOINT VENTURES (Continued)

The BOCES is not included as a component unit of the District as the financial responsibility is minimal, there is no financial interdependency, the District does not have the ability to significantly influence the operations of the BOCES and the District is not accountable for fiscal matters of the BOCES. The BOCES is audited annually and files a report with the Colorado State Auditor's office.

NOTE 16 INTERFUND BALANCES AND TRANSFERS

<u>Interfund Balances</u>	<u>Due From</u>	<u>Due To</u>
<u>Major Governmental Funds</u>		
General Fund	133,774	-
Designated Purpose Grants Fund	-	133,774
<u>Non Major Governmental Funds</u>		
Pupil Activity Fund	-	-
Food Service	-	-
Capital Reserve Capital Projects	-	-
	<u>133,774</u>	<u>133,774</u>

These interfund balances occurred due to expenditures paid on behalf of another fund.

Interfund balances are expected to be paid within one year from the date of the financial statements.

<u>Transfers</u>	<u>Transfer In</u>	<u>Transfer Out</u>
<u>Major Governmental Fund</u>		
General Fund	-	80,000
<u>Non Major Governmental Funds</u>		
Food Service	40,000	-
Capital Reserve Capital Projects	40,000	-
	<u>80,000</u>	<u>80,000</u>

Transfers were made from the General Fund for the purpose of assisting operations.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISONS

PENSION TREND DATA

MAJOR GOVERNMENTAL FUNDS

General Fund

The General Fund accounts for all transactions of the District not accounted for in other funds. This fund represents an accounting for the District's ordinary operations financed from property taxes and other general revenues. It is the most significant fund in relation to the District's overall operations.

Designated Purpose Grant Fund

The Designated Purpose Grant Fund is provided to maintain a separate accounting for federal and state grant funded programs which normally have a different fiscal period than that of the District.

Pension Trend Data

Other Post Employment Benefit Trend Data

LA VETA PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
<u>Local Sources</u>				
Property Taxes	839,589	925,112	905,019	(20,093)
Specific Ownership Taxes	110,000	110,000	142,557	32,557
Earnings on Investments	2,000	1,000	1,033	33
Delinquent Taxes & Interest	2,500	2,500	4,251	1,751
Other	100,750	189,124	191,850	2,726
<u>State Sources</u>				
Equalization	1,916,374	1,790,433	1,839,761	49,328
Transportation	5,000	-	-	-
Vocational Education	5,000	11,184	7,428	(3,756)
Other	95,561	92,561	148,165	55,604
<u>Federal Sources</u>				
Other	-	16,220	82,762	66,542
<u>TOTAL REVENUES</u>	<u>3,076,774</u>	<u>3,138,134</u>	<u>3,322,826</u>	<u>184,692</u>
<u>EXPENDITURES</u>				
<u>Instruction</u>				
<u>Regular Programs</u>				
Salaries	1,105,594	1,054,361	1,054,598	(237)
Employee Benefits	368,361	393,566	395,879	(2,313)
Purchased Services – Professional	250	250	543	(293)
Purchased Services - Property	5,000	5,000	4,591	409
Purchased Services – Other	56,350	54,850	35,634	19,216
Supplies and Materials	59,400	71,600	59,526	12,074
Property	7,000	14,934	6,377	8,557
Other Objects	6,550	18,852	5,334	13,518
<u>Total Instruction</u>	<u>1,608,505</u>	<u>1,613,413</u>	<u>1,562,482</u>	<u>50,931</u>

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

LA VETA PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>SUPPORTING SERVICES</u>				
<u>Student Supporting Services</u>				
Salaries	79,950	79,950	84,032	(4,082)
Employee Benefits	26,252	26,252	29,637	(3,385)
Purchased Services - Professional	-	15,000	-	15,000
Purchased Services - Property	-	-	-	-
Purchased Services - Other	37,578	37,578	38,667	(1,089)
Supplies and Materials	10,000	10,000	22,628	(12,628)
Property	-	-	-	-
Other Objects	700	700	899	(199)
<u>Total Student Services</u>	<u>154,480</u>	<u>169,480</u>	<u>175,863</u>	<u>(6,383)</u>
<u>Instructional Staff</u>				
Salaries	52,586	65,914	84,926	(19,012)
Employee Benefits	20,799	26,125	30,305	(4,180)
Purchased Services - Professional	200	200	663	(463)
Purchased Services - Property	-	-	-	-
Purchased Services - Other	6,000	7,500	8,059	(559)
Supplies and Materials	2,300	5,800	6,669	(869)
Property	-	-	-	-
Other Objects	750	750	894	(144)
<u>Total Instructional Staff</u>	<u>82,635</u>	<u>106,289</u>	<u>131,516</u>	<u>(25,227)</u>
<u>General Administration</u>				
Salaries	157,100	157,100	162,297	(5,197)
Employee Benefits	60,616	59,335	64,333	(4,998)
Purchased Services - Professional	26,750	21,768	13,930	7,838
Purchased Services - Property	-	-	-	-
Purchased Services - Other	15,000	13,000	11,568	1,432
Supplies and Materials	10,500	10,500	11,925	(1,425)
Property	1,500	1,500	-	1,500
Other Objects	6,750	6,750	12,803	(6,053)
<u>Total General Administration</u>	<u>278,216</u>	<u>269,953</u>	<u>276,856</u>	<u>(6,903)</u>

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

LA VETA PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>School Administration</u>				
<u>Office of the Principal</u>				
Salaries	145,100	176,390	194,851	(18,461)
Employee Benefits	59,257	62,057	81,801	(19,744)
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	-	-	-	-
Purchased Services – Other	-	-	104	(104)
Supplies and Materials	2,500	2,500	1,299	1,201
Property	1,500	1,500	1,167	333
Other Objects	1,550	1,550	695	855
<u>Total School Administration</u>	<u>209,907</u>	<u>243,997</u>	<u>279,917</u>	<u>(35,920)</u>
 <u>Business Services</u>				
Salaries	106,184	147,899	118,004	29,895
Employee Benefits	32,115	49,821	38,775	11,046
Purchased Services – Professional	15,500	12,250	12,622	(372)
Purchased Services - Property	18,000	18,000	14,939	3,061
Purchased Services - Other	2,500	2,500	421	2,079
Supplies and Materials	10,000	10,000	9,043	957
Property	1,500	1,500	-	1,500
Other Objects	500	500	-	500
<u>Total Business Services</u>	<u>186,299</u>	<u>242,470</u>	<u>193,804</u>	<u>48,666</u>
 <u>Operations and Maintenance</u>				
Salaries	104,416	115,856	117,537	(1,681)
Employee Benefits	46,812	55,235	54,757	478
Purchased Services - Professional	-	-	-	-
Purchased Services - Property	49,000	59,000	64,543	(5,543)
Purchased Services - Other	500	500	248	252
Supplies and Materials	180,000	200,000	247,493	(47,493)
Property	10,000	10,000	-	10,000
Other Objects	-	-	-	-
<u>Total Operations and Maintenance</u>	<u>390,728</u>	<u>440,591</u>	<u>484,578</u>	<u>(43,987)</u>

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

LA VETA PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Student Transportation</u>				
Salaries	28,733	24,280	40,326	(16,046)
Employee Benefits	24,653	7,606	13,314	(5,708)
Purchased Services – Professional	-	-	-	-
Purchased Services – Property	20,000	21,921	26,060	(4,139)
Purchased Services – Other	11,546	11,546	9,757	1,789
Supplies and Materials	30,000	25,000	14,964	10,036
Property	2,500	2,500	-	2,500
Other Objects	-	-	90	(90)
<u>Total Student Transportation</u>	<u>117,432</u>	<u>92,853</u>	<u>104,511</u>	<u>(11,658)</u>
<u>Central Support</u>				
Salaries	55,500	55,500	55,500	-
Employee Benefits	20,788	20,788	22,227	(1,439)
Purchased Services – Professional	2,000	2,000	1,200	800
Purchased Services – Property	1,000	1,000	-	1,000
Purchased Services – Other	225,503	219,219	210,944	8,275
Supplies and Materials	9,500	9,500	8,309	1,191
Property	2,000	28,000	20,425	7,575
Other Objects	-	-	-	-
<u>Total Central Support</u>	<u>316,291</u>	<u>336,007</u>	<u>318,605</u>	<u>17,402</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>1,735,988</u>	<u>1,901,640</u>	<u>1,965,650</u>	<u>(64,010)</u>
<u>APPROPRIATED RESERVES</u>	<u>566,151</u>	<u>539,779</u>	<u>-</u>	<u>539,779</u>
<u>TOTAL EXPENDITURES</u>	<u>3,910,644</u>	<u>4,054,832</u>	<u>3,528,132</u>	<u>526,700</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(833,870)</u>	<u>(916,698)</u>	<u>(205,306)</u>	
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	<u>(80,000)</u>	<u>(80,000)</u>	<u>(80,000)</u>	<u>-</u>
<u>REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)</u>	<u>(913,870)</u>	<u>(996,698)</u>	<u>(285,306)</u>	
<u>FUND BALANCE, Beginning</u>	<u>913,870</u>	<u>996,698</u>	<u>996,699</u>	
<u>FUND BALANCE, Ending</u>	<u>-</u>	<u>-</u>	<u>711,393</u>	

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

LA VETA PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL
DESIGNATED PURPOSE GRANTS – MAJOR SPECIAL REVENUE FUND
For the Year Ended June 30, 2022

	Budget		Actual	Variance- Favorable (Unfavorable)
	Original	Final		
<u>REVENUES:</u>				
Local Sources	-	-	-	-
State Sources	57,791	57,791	51,707	(6,084)
Federal Sources	989,144	989,144	659,082	(330,062)
<u>Total Revenues</u>	<u>1,046,935</u>	<u>1,046,935</u>	<u>710,789</u>	<u>(336,146)</u>
<u>EXPENDITURES:</u>				
Salaries	514,292	514,292	345,780	168,512
Employee Benefits	171,168	171,168	99,350	71,818
Purchased Services - Professional	10,980	10,980	7,665	3,315
Purchased Services – Property	-	-	-	-
Purchased Services - Other	27,385	27,385	5,758	21,627
Supplies and Materials	126,846	126,846	112,372	14,474
Property	22,687	122,687	23,837	(1,150)
Other Objects	173,577	173,577	116,027	57,550
<u>Total Expenditures</u>	<u>1,046,935</u>	<u>1,046,935</u>	<u>710,789</u>	<u>336,146</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	-	-	-	
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers	-	-	-	-
<u>Total Other Financing Sources (Uses)</u>	-	-	-	-
<u>REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)</u>	-	-	-	
<u>FUND BALANCES, July 1</u>	-	-	-	
<u>FUND BALANCES, June 30</u>	-	-	-	

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

LA VETA PUBLIC SCHOOLS
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 For The Last 10 Fiscal Years (As Available)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.034%	0.0338%	0.0304%	0.0317%	0.0353%	0.0356%	0.0339%	0.0330%	0.0344%	-
District's proportionate share of the net pension liability (asset)	\$3,930,358	\$5,116,053	\$4,539,770	\$5,613,769	\$11,440,988	\$10,591,063	\$5,194,071	\$4,475,632	\$4,387,968	-
State's proportionate share of the net pension liability associated with the District**	\$450,565	-	\$575,811	\$767,607	-	-	-	-	-	-
District's covered payroll	\$2,236,344	\$1,903,923	\$1,804,061	\$1,757,008	\$1,693,983	\$1,601,884	\$1,556,819	\$1,439,809	\$1,345,399	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	176%	269%	252%	319%	675%	661%	334%	311%	326%	-
Plan fiduciary net position as a percentage of the total pension liability	74.86%	66.99%	57.01%	43.96%	43.13%	59.20%	62.80%	64.06%	-	-

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

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

LA VETA PUBLIC SCHOOLS
 SCHEDULE OF DISTRICT CONTRIBUTIONS - PENSION
 For The Last 10 Fiscal Years (As Available)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contributions	\$ 444,585	\$ 378,500	\$ 349,627	\$ 336,116	\$ 320,003	\$ 294,527	\$ 276,322	\$ 243,349	\$ 215,166	\$ 214,098
Contributions in relation to the contractually required contributions	<u>\$ (444,585)</u>	<u>\$ (378,500)</u>	<u>\$ (349,627)</u>	<u>\$ (336,116)</u>	<u>\$ (320,003)</u>	<u>\$ (294,527)</u>	<u>\$ (276,322)</u>	<u>\$ (243,349)</u>	<u>\$ (215,166)</u>	<u>\$ (214,098)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$2,236,344	\$1,903,923	\$1,804,061	\$1,757,008	\$1,693,983	\$1,601,884	\$1,556,819	\$1,439,809	\$1,345,399	\$1,418,319
Contributions as a percentage of covered payroll	19.88%	19.88%	19.38%	19.13%	18.89%	18.39%	17.75%	16.90%	15.99%	15.10%

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

LA VETA PUBLIC SCHOOLS
 SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
 For The Last 10 Fiscal Years (As Available)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the net OPEB liability (asset)	0.022%	0.020%	0.020%	0.021%	0.0201%	0.0202%	-	-	-	-
District's proportionate share of the net OPEB liability (asset)	\$190,152	\$185,999	\$223,234	\$280,374	\$261,264	\$262,151	-	-	-	-
District's covered payroll	\$2,236,344	\$1,903,923	\$1,804,061	\$1,757,008	\$1,693,983	\$1,601,884	-	-	-	-
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	8.5%	9.7%	12.37%	15.95%	15.42%	16.37%	-	-	-	-
Plan fiduciary net position as a percentage of the total OPEB liability	39.40%	32.78%	24.49%	17.03%	17.53%	16.72%	-	-	-	-

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

LA VETA PUBLIC SCHOOLS
 SCHEDULE OF DISTRICT CONTRIBUTIONS - OPEB
 For The Last 10 Fiscal Years (As Available)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contributions	\$ 22,811	\$ 19,420	\$ 18,401	\$ 17,921	\$ 17,279	\$ 16,339	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$ (22,811)</u>	<u>\$ (19,420)</u>	<u>\$ (18,401)</u>	<u>\$ (17,921)</u>	<u>\$ (17,279)</u>	<u>\$ (16,339)</u>	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	-	-	-
District's covered payroll	\$2,236,344	\$1,903,923	\$1,804,061	\$1,757,008	\$1,693,983	\$1,601,884	-	-	-	-
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	-	-	-	-

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES

Building Fund – Capital Project Fund

This fund is used to account for the proceeds of general obligation bonds and matching grants to fund the construction of District facilities.

Debt Service Fund

Bond Fund

This fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

NON MAJOR GOVERNMENTAL FUNDS

Capital Project Funds

Capital Reserve - Capital Project Fund

This fund accounts for the acquisition of sites, buildings, equipment and vehicles.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Pupil Activity Fund

This fund accounts for financial transactions of all schools in the District through individual school activity accounts.

Food Service Fund

This fund accounts for all financial activities associated with the District's school breakfast and lunch programs.

LA VETA PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2022

	<u>Capital Reserve Capital Projects Fund</u>	<u>Pupil Activity</u>	<u>Food Service</u>	<u>Total NonMajor Governmental Funds</u>
<u>ASSETS</u>				
Cash and Investments	146,363	81,428	87	227,878
Accounts Receivable	-	-	-	-
Grants Receivable	-	-	5,607	5,607
Due From Other Funds	-	-	-	-
Property Taxes Receivable	-	-	-	-
Inventories	-	-	9,788	9,788
<u>Total Assets</u>	<u>146,363</u>	<u>81,428</u>	<u>15,482</u>	<u>243,273</u>
<u>LIABILITIES</u>				
Accounts Payable	-	2,814	553	3,367
Accrued Salaries	-	-	-	-
Due To Other Funds	-	-	-	-
Unearned Revenue	-	-	3,948	3,948
<u>Total Liabilities</u>	<u>-</u>	<u>2,814</u>	<u>4,501</u>	<u>7,315</u>
<u>DEFERRED INFLOW OF RESOURCES</u>				
Property Taxes	-	-	-	-
<u>FUND BALANCES</u>				
Nonspendable:				
Inventories	-	-	9,788	9,788
Restricted:				
Debt Service	-	-	-	-
Food Service	-	-	1,193	1,193
Committed:				
Capital Outlay	146,363	-	-	146,363
Assigned:				
Pupil Activities	-	78,614	-	78,614
Unassigned	-	-	-	-
<u>Total Fund Balances</u>	<u>146,363</u>	<u>78,614</u>	<u>10,981</u>	<u>235,958</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS & FUND BALANCES</u>				
	<u>146,363</u>	<u>81,428</u>	<u>15,482</u>	<u>243,273</u>

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

LA VETA PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2022

	<u>Capital Reserve Capital Projects Fund</u>	<u>Pupil Activity</u>	<u>Food Service</u>	<u>Total NonMajor Governmental Funds</u>
<u>REVENUES:</u>				
Property Taxes	-	-	-	-
Specific Ownership Taxes	-	-	-	-
Earnings on Investments	-	-	-	-
Other Local Sources	97,435	106,093	5,572	209,100
State Aid	-	-	1,301	1,301
Federal Aid	-	-	<u>65,787</u>	<u>65,787</u>
<u>Total Revenues</u>	<u>97,435</u>	<u>106,093</u>	<u>72,660</u>	<u>276,188</u>
<u>EXPENDITURES:</u>				
Current:				
Instructional Services	-	-	-	-
Supporting Services:				
Students	-	107,402	-	107,402
Instructional Staff	-	-	-	-
District Administration	-	-	-	-
School Administration	-	-	-	-
Business	-	-	-	-
Operation & Maintenance of Facilities	-	-	-	-
Transportation	-	-	-	-
Central	-	-	-	-
Food Service	-	-	135,587	135,587
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	<u>66,670</u>	<u>-</u>	<u>-</u>	<u>66,670</u>
<u>Total Expenditures</u>	<u>66,670</u>	<u>107,402</u>	<u>135,587</u>	<u>309,659</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>30,765</u>	<u>(1,309)</u>	<u>(62,927)</u>	<u>(33,471)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	<u>40,000</u>	<u>-</u>	<u>40,000</u>	<u>80,000</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>70,765</u>	<u>(1,309)</u>	<u>(22,927)</u>	<u>46,529</u>
<u>FUND BALANCES, Beginning</u>	<u>75,598</u>	<u>79,923</u>	<u>33,908</u>	<u>189,429</u>
<u>FUND BALANCES, Ending</u>	<u>146,363</u>	<u>78,614</u>	<u>10,981</u>	<u>235,958</u>

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

LA VETA PUBLIC SCHOOLS
BUILDING – CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	Budget	Actual	Variance- Favorable (Unfavorable)
<u>REVENUES</u>			
Earnings on Investments	200	262	62
Other Local	-	-	-
Grant Revenue	<u>9,262,458</u>	<u>9,262,458</u>	-
<u>Total Revenues</u>	<u>9,262,658</u>	<u>9,262,720</u>	<u>62</u>
<u>EXPENDITURES:</u>			
Land and Land Sites	-	-	-
Building and Improvements	11,563,893	11,070,001	493,892
Equipment	-	-	-
Vehicles	-	-	-
Other	-	-	-
Contingency Reserves	-	-	-
<u>Total Expenditures</u>	<u>11,563,893</u>	<u>11,070,001</u>	<u>493,892</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(2,301,235)</u>	<u>(1,807,281)</u>	
<u>OTHER FINANCING SOURCES (USES):</u>			
Transfers	500,000	-	(500,000)
Proceeds From Debt	-	-	-
Issue Costs	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>500,000</u>	<u>-</u>	<u>(500,000)</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(1,801,235)</u>	<u>(1,807,281)</u>	
<u>FUND BALANCE, July 1</u>	<u>1,801,235</u>	<u>1,801,235</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>(6,046)</u>	

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

LA VETA PUBLIC SCHOOLS
 BOND – DEBT SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 For the Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Property Taxes	450,000	446,794	(3,206)
Earnings on Investments	25	52	27
Other Local	<u>2,000</u>	<u>1,704</u>	<u>(296)</u>
<u>Total Revenues</u>	<u>452,025</u>	<u>448,550</u>	<u>(3,475)</u>
 <u>EXPENDITURES:</u>			
Debt Service:			
Principal Retirement	205,000	205,000	-
Interest and Fiscal Charges	220,500	220,400	100
Other	-	-	-
Contingency	<u>385,149</u>	<u>-</u>	<u>385,149</u>
<u>Total Expenditures</u>	<u>810,649</u>	<u>425,000</u>	<u>385,249</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	 <u>(358,624)</u>	 <u>23,150</u>	
 <u>OTHER FINANCING SOURCES (USES):</u>			
Transfers	-	-	-
Proceeds From Debt	-	-	-
Issue Costs	-	-	-
Payment to Refunded Bond Escrow Agent	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <u>NET CHANGE IN FUND BALANCES</u>	 <u>(358,624)</u>	 <u>23,150</u>	
 <u>FUND BALANCE, Beginning</u>	 <u>358,624</u>	 <u>358,624</u>	
 <u>FUND BALANCE, Ending</u>	 <u>-</u>	 <u>381,774</u>	

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

LA VETA PUBLIC SCHOOLS
 CAPITAL RESERVE – CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Earnings on Investments	-	-	-
Grant Revenue	-	-	-
Other Local	<u>477,435</u>	<u>97,435</u>	<u>(380,000)</u>
<u>Total Revenues</u>	<u>477,435</u>	<u>97,435</u>	<u>(380,000)</u>
<u>EXPENDITURES</u>			
Land and Land Sites	-	-	-
Building and Improvements	-	-	-
Equipment	-	-	-
Vehicles	75,629	66,670	8,959
Other	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Contingency Reserves	<u>17,404</u>	<u>-</u>	<u>17,404</u>
<u>Total Expenditures</u>	<u>93,033</u>	<u>66,670</u>	<u>26,363</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>384,402</u>	<u>30,765</u>	
<u>OTHER FINANCING SOURCES (USES):</u>			
Transfers	<u>(460,000)</u>	<u>40,000</u>	<u>500,000</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(460,000)</u>	<u>40,000</u>	<u>500,000</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(75,598)</u>	<u>70,765</u>	
<u>FUND BALANCE, July 1</u>	<u>75,598</u>	<u>75,598</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>146,363</u>	

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

LA VETA PUBLIC SCHOOLS
PUPIL ACTIVITY - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Local Sources	187,712	106,093	(81,619)
<u>Total Revenues</u>	<u>187,712</u>	<u>106,093</u>	<u>(81,619)</u>
<u>EXPENDITURES:</u>			
Student Activities	187,712	107,402	80,310
Contingency	-	-	-
<u>Total Expenditures</u>	<u>187,712</u>	<u>107,402</u>	<u>80,310</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>-</u>	<u>(1,309)</u>	
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)</u>	<u>-</u>	<u>(1,309)</u>	
<u>FUND BALANCE, July 1</u>	<u>-</u>	<u>79,923</u>	
<u>FUND BALANCE, June 30</u>	<u>-</u>	<u>78,614</u>	

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

LA VETA PUBLIC SCHOOLS
FOOD SERVICE – SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
<u>Local Sources</u>			
Food Sales	4,140	5,572	1,432
Earnings on Investments	-	-	-
Other	-	-	-
<u>State Sources</u>			
School Lunches	1,301	1,301	-
<u>Federal Sources</u>			
School Lunches	63,227	60,482	(2,745)
Commodities	<u>4,500</u>	<u>5,305</u>	<u>805</u>
<u>Total Revenues</u>	<u>73,168</u>	<u>72,660</u>	<u>(508)</u>
 <u>EXPENDITURES</u>			
Salaries	50,871	56,721	(5,850)
Employee Benefits	28,084	26,892	1,192
Purchased Services – Professional	200	150	50
Purchased Services – Property	1,000	787	213
Purchased Services - Other	250	-	250
Supplies and Materials	63,171	45,713	17,458
Capital Outlay	3,500	19	3,481
Other	-	-	-
Commodities	-	<u>5,305</u>	<u>(5,305)</u>
<u>Total Expenditures</u>	<u>147,076</u>	<u>135,587</u>	<u>11,489</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(73,908)	(62,927)	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	<u>40,000</u>	<u>40,000</u>	<u>-</u>
<u>REVENUES AND SOURCES OVER (UNDER) EXPENDITURES AND USES</u>	(33,908)	(22,927)	
<u>FUND BALANCE, Beginning</u>	<u>33,908</u>	<u>33,908</u>	
<u>FUND BALANCE, Ending</u>	<u>-</u>	<u>10,981</u>	

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

STATE REQUIRED SCHEDULES

Auditor's Integrity Report (Revenues, Expenditures, and Fund Balance by Fund)

Bolded Balance Sheet



Colorado Department of Education
Auditors Integrity Report
 District 1400 - La Veta Re-2
 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		1001-0999 Total Expenditures & Other Uses		6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
		+	=	-	=	
Governmental						
10 General Fund	977,907	3,124,907	3,400,323			702,491
18 Rv Agrnt Sup-Fund of General Fund	0	0	0	0	0	0
19 Colorado Prechool Program Fund	18,791	117,819	127,807			8,903
Sub-Total	996,698	3,242,726	3,528,131			711,394
11 Charter School Fund	0	0	0	0	0	0
20 26-29 Special Revenue Fund	0	0	0	0	0	0
06 Supplemental Cap Const, Tech Main, Fund	0	0	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0	0	0
31 Food Service Spec Revenue Fund	33,908	112,660	155,566			10,961
22 Grant Designated-Purpose Grants Fund	0	710,789	710,789			0
23 Pupil Activity Special Revenue Fund	79,922	106,093	187,452			28,613
25 Transportation Fund	0	0	0	0	0	0
31 Bond Retirement Fund	359,024	448,550	415,400			381,774
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0	0	0
41 Building Fund	1,801,235	9,262,721	11,076,001			-6,046
42 Special Building Fund	0	0	0	0	0	0
43 Capital Reserve Capital Projects Fund	75,598	137,435	56,670			146,363
46 Supplemental Cap Const Tech Main Fund	0	0	0	0	0	0
Totals	3,246,695	14,021,074	16,043,579			1,322,079
Proprietary						
30 Other Enterprise Funds	0	0	0	0	0	0
64 (63) Risk-Retiree Activity Fund	0	0	0	0	0	0
60 65-69 Other Internal Service Funds	0	0	0	0	0	0
Totals	0	0	0			0
Fiduciary						
70 Other Trust and Agency Funds	0	0	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0	0	0
73 Agency Fund	0	0	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0	0	0
79 GASB 34/Permanet Fund	0	0	0	0	0	0
85 Foundations	0	0	0	0	0	0
Totals	0	0	0			0

FINAL



Colorado Department of Education
Balanced Budget Report
 District: 1400 - La Veta Re-2
 Fiscal Year 2021-22
 Colorado School District/BOCES

ASSETS	Governmental							Proprietary					Fiduciary			
	General Funds 10-12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20-29	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)	544,659	0	29,795	102,472	0	0	87	302,964	202,575	0	0	0	0	0	0	1,182,553
Cash with Fiscal Agent (8105)	135,181	0	0	0	0	0	0	60,010	0	0	0	0	0	0	0	195,191
Taxes Receivable (8121,8122)	419,700	0	0	0	0	0	0	93,470	0	0	0	0	0	0	0	513,170
Interfund Loans Receivable (8131,8132)	133,774	0	0	0	0	0	0	0	0	0	0	0	0	0	0	133,774
Grants Accounts Receivable (8142)	77,895	0	0	164,639	0	0	5,607	0	62,274	0	0	0	0	0	0	310,416
Other Receivables (8151-8154,8161)	6,210	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,210
Inventories (8171,8172,8173)	0	0	0	0	0	0	9,788	0	0	0	0	0	0	0	0	9,788
Prepaid Expenses 8181,8182)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets:	1,317,419	0	29,795	267,111	0	0	15,482	456,444	264,850	0	0	0	0	0	0	2,351,102

	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
Interfund Payables (7401,7402)	0	0	0	133,774	0	0	0	0	0	0	0	0	0	0	133,774
Other Payables (7421-7423)	38,058	0	130	12,474	0	0	553	0	124,533	0	0	0	0	0	175,741
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses (7461)	195,170	0	16,622	38,231	0	0	0	0	0	0	0	0	0	0	250,022
Unearned Revenue (7481)	0	0	0	0	0	0	3,948	0	0	0	0	0	0	0	3,948
Grants Deferred Revenue (7482)	0	0	4,141	4,019	0	0	0	0	0	0	0	0	0	0	8,160
Other Current Liabilities (7491,7492,7499)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Inflow (7800)	381,700	0	0	0	0	0	0	74,670	0	0	0	0	0	0	456,370
Total Liabilities	614,928	0	20,893	186,458	0	0	4,501	74,670	124,533	0	0	0	0	0	1,028,022

LIABILITIES & FUND EQUITY

LIABILITIES

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, 70-79	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Unavailable Fund Balance 6710	0	0	0	0	0	0	9,788	0	0	0	0	0	0	0	0	9,788
Restricted Fund Balance 6720	0	0	0	0	0	0	1,193	381,774	0	0	0	0	0	0	0	382,967
FAROR 3% Emergency Reserve 6721	396,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	396,000
FAROR 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	8,903	0	0	0	0	0	0	0	0	0	0	0	0	8,903
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	0	0	0	0	0	146,362	0	0	0	0	0	0	146,362
Assigned Fund Balance 6760	0	0	0	78,613	0	0	0	0	0	0	0	0	0	0	0	78,613
Unassigned Fund Balance 6770	306,491	0	0	0	0	0	0	0	-6,045	0	0	0	0	0	0	300,446
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Period-End Adjustments 6880	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Equity	702,491	0	8,903	78,613	0	0	10,981	381,774	140,317	0	0	0	0	0	0	1,323,079

	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, 70-79	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Total Liabilities & Fund Equity	1,317,419	0	29,795	267,111	0	0	15,482	456,444	264,850	0	0	0	0	0	0	2,351,101

	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, 70-79	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Do Assets=Liability+Fund Equity	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

For Each Fund Type:
Do Assets=Liability+Fund Equity

SINGLE AUDIT SECTION

164 E. MAIN
TRINIDAD, COLORADO 81082
(719) 846-9241 FAX (719) 846-3352

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Education
La Veta Public Schools
La Veta, CO 81055

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of La Veta Public Schools as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise La Veta Public Schools' basic financial statements, and have issued our report thereon dated February 3, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered La Veta Public Schools' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the La Veta Public Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of the La Veta Public Schools' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether La Veta Public Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



February 3, 2023

164 E. MAIN
TRINIDAD, COLORADO 81082
(719) 846-9241 FAX (719) 846-3352

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Board of Education
La Veta Public Schools
La Veta, CO 81055

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited La Veta Public Schools' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of La Veta Public Schools' major federal programs for the year ended June 30, 2022. La Veta Public Schools' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, La Veta Public Schools complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of La Veta Public Schools and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of La Veta Public Schools' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to La Veta Public Schools' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on La Veta Public Schools' compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about La Veta Public Schools' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding La Veta Public Schools' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of La Veta Public Schools' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of La Veta Public Schools' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Deaton, Waller & Co., Inc." The signature is written in dark ink and is positioned above the date.

February 3, 2023

LA VETA PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS:

FINANCIAL STATEMENTS

Auditor's Report

An unmodified report has been issued on the financial statements of La Veta Public Schools.

Internal Control Over Financial Reporting

No significant deficiencies or material weaknesses were identified.

Noncompliance Material to Financial Statements

No instances of noncompliance in amounts material to the financial statements of La Veta Public Schools were disclosed by the audit.

FEDERAL AWARDS

Internal Control Over Major Programs

No significant deficiencies or material weaknesses were identified.

Auditor's Report on Compliance for Major Programs

An unmodified report has been issued on La Veta Public Schools compliance for major programs.

Audit Findings

No findings requiring disclosure in accordance with 2 CFR Section 200.516(a) were disclosed by the audit.

Major Programs

Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act 84.425U

Dollar Threshold to Distinguish Type A and Type B Programs

\$750,000.

Qualification as low-risk auditee

The District does not qualify as a low-risk auditee for fiscal year 2021/2022.

LA VETA PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

(Continued)

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

LA VETA PUBLIC SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2022

None

LA VETA PUBLIC SCHOOLS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

<u>Federal Grantor/Program or Cluster Title</u>	<u>Federal ALN Number</u>	<u>Pass-through Grantor</u>	<u>State Code</u>	<u>Federal Expenditures</u>
<i>Child Nutrition Cluster-Cluster</i>				
United States Department of Agriculture				
School Breakfast Program (SBP)	10.553	Colorado Department of Education	5553	4,543
Total School Breakfast Program (SBP)				4,543
National School Lunch Program (NSLP)	10.555	Colorado Department of Education	5555	47,024
National School Lunch Program (NSLP)	10.555	Colorado Department of Education	6555	8,301
National School Lunch Program (NSLP)	10.555	Colorado Department of Human Services	4555	5,306
Total National School Lunch Program (NSLP)				60,631
Total United States Department of Agriculture				65,174
<i>Total Child Nutrition Cluster-Cluster</i>				
<i>Other Programs</i>				
Department of Education				
Title I Grants to Local Educational Agencies	84.010	Colorado Department of Education	4010	107,068
Total Title I Grants to Local Educational Agencies				107,068
Career and Technical Education -- Basic Grants to States	84.048	Trinidad State Junior College		13,549
Total Career and Technical Education -- Basic Grants to States				13,549
Rural Education	84.358			12,792
Total Rural Education				12,792
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	Colorado Department of Education	4367	10,066
Total Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)				10,066
Student Support and Academic Enrichment Program	84.424	Colorado Department of Education	4424	10,076
Total Student Support and Academic Enrichment Program				10,076
Education Stabilization Fund Under The Coronavirus Aid, Relief,And Economic Security Act	84.425U Covid 19	Colorado Department of Education	4414	312,087
Education Stabilization Fund Under The Coronavirus Aid, Relief,And Economic Security Act	84.425U Covid 19	Colorado Department of Education	9414	183,822
Total Education Stabilization Fund Under The Coronavirus Aid, Relief,And Economic Security Act				495,909
ESSER I CARES 9.5% State Set-Aside- ESSER Rapid Request	84.425D Covid 19	Colorado Department of Education	4448	73,395
Total ESSER I CARES 9.5% State Set-Aside- ESSER Rapid Request				73,395
ESSER III ARP 9.5% State Set-Aside,EASI	84.425I Covid 19	Colorado Department of Education	4437	5,458
Total ESSER III ARP 9.5% State Set-Aside,EASI				5,458
<i>Total Department of Education</i>				
Department of Health and Human Services				
Child Care and Development Block Grant	93.575	Colorado Department of Human Services	7575	9,367
Total Child Care and Development Block Grant				9,367
<i>Total Department of Health and Human Services</i>				
National Endowment for the Humanities				
Grants to States	45.310	Colorado Department of Education	7310	4,163
Total Grants to States				4,163
<i>Total National Endowment for the Humanities</i>				
United States Department of Agriculture				
State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grants	10.649 Covid 19	Colorado Department of Education	4649	614
Total State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grants				614
<i>Total United States Department of Agriculture</i>				
<i>Total Other Programs</i>				
<i>Total Expenditures of Federal Awards</i>				
				\$ 807,631

The accompanying notes are an integral part of this schedule

LA VETA PUBLIC SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the La Veta Public Schools and is presented on the modified accrual basis of accounting. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general purpose financial statements.

NOTE 2 INDIRECT COST RATES

All grants being charged indirect cost have been received through the Colorado Department of Education. The Department calculates an allowable indirect cost rate for individual sub-recipients and mandates that the rate be used as the maximum for the recovery of indirect cost. The District has recovered indirect cost from grant funds at an amount no greater than that allowed by the Colorado Department of Education and has not elected to use the 10% de minimis indirect cost rate allowed by Uniform Guidance.

NOTE 3 FOOD DISTRIBUTION

Non-monetary assistance is reported in the schedule at the fair market value of commodities received.

NOTE 4 SUBRECIPIENT PAYMENTS

No amounts of federal financial assistance were passed through to subrecipients in the year ended June 30, 2022.