BIG SANDY SCHOOL DISTRICT 100J
SIMLA, COLORADO

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED
JUNE 30, 2021

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MANAGEMENT'S DISCUSSSION AND ANALYSIS

(Required Supplementary Information)

Management of the District offers readers of the basic financial statements this narrative overview and analysis of the financial statements of the District for the fiscal year ended June 30, 2021

Financial Highlights

At June 30, 2021 the District's net position was $13,087,398, a decrease of $188,259.

At the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of $3,358,065, an increase $1,053,969 from the prior year.

General Fund revenues exceeded expenditures by $521,880. The Capital Projects Fund increased $498,494. The Kimble Scholarship Fund decreased $79. The Pupil Activity Fund increased by $22,482. The Bond Redemption Fund increased by $9,287. The Food Service Fund increased $1,905 this year.

The District has had adequate resources available for all appropriations.

The general fund local revenue increased by $107,930. State revenue decreased by $303,973. Federal revenue increased by $484,980.

Expenditures in the General Fund decreased by $95,321.

Overview of the Financial Statements

This discussion is intended as an introduction to the District's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. In addition to the basic financial statements, also provided is other supplementary information.

<u>Government-Wide Financial Statements</u>

These statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net 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 two government-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position.

Over time, increases or decreases in the District's net position is an indication of whether its financial health is improving or deteriorating.

The government-wide statements show all the government activities.

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

Fund Financial Statements

The District's fund financial statements provide detailed information about the most significant funds, not the District as a whole. Some funds are required by state law and by bond requirements.

Governmental funds—Most of the District's activities are reported in governmental funds, which focus on the determination of financial position and change in financial position, not on income determination. The governmental fund statements provide a detailed short-term view of the District's operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. The District's total net position was $13,087,398 on June 30, 2021.

	2021	2020
Assets:		
Current Assets	$ 4,117,325	$ 3,077,915
Capital Assets – Net	20,555,284	21,756,870
Deferred Outflows of Resources	2,340,746	1,382,552
Capital Assets & Deferred Outflows of Financial Resources	27,013,355	26,217,337
Liabilities:		
Current Liabilities	765,699	780,713
Non-current Liabilities	10,199,094	7,721,989
Deferred Inflows of Resources	2,961,164	4,438,978
Total Liabilities & Deferred Inflows of Financial Resources	13,925,957	12,941,680
Net Position:		
Net Invested in Capital Assets	(1,869,254)	(421,458)
Restricted	556,294	546,320
Unrestricted Net Position	14,400,358	13,150,795
Total Net Position(Deficit)	13,087,398	13,275,657
Total Liabilities, Deferred Outflows and Net Position	$ 27,013,355	$ 26,217,337

The results of this year's operations as a whole are reported in the Statement of Activities on Page 2. All expenses are reported in the first column. Specific charges, grants, revenues and subsidies that directly relate to specific expense categories are represented to determine the final amount of the District's activities that are supported by other general revenues. The two largest general revenues are the State Equalization provided by the State of Colorado, and the local taxes assessed to community taxpayers.

Table 2 shows the District's largest functions – revenues, instructional programs, instructional student support, administrative, operation and maintenance of plant, pupil transportation and other expenses.

	2021	2020
Program Revenues:		
Charges for Services	$ 164,284	$ 190,417
Operating Grants	1,240,261	389,637
Capital Grants and Contributions	(749,336)	(499,215)
Total Program Revenues	655,209	80,839
General Revenues:		
Taxes	1,208,139	911,131
State Equalization	2,490,760	3,050,321
Investment Earnings	7,202	35,545
Miscellaneous Revenues	902,228	148,817
Total General Revenues	4,608,329	4,145,814
Total Revenues	5,263,538	4,226,653
Expenses:		
Instruction	1,736,453	2,346,967
Supporting Services	3,600,253	1,434,756
Total Expenses	5,336,706	3,781,723
Change in Net Position	(73,168)	444,930
Net Position - Beginning	13,275,657	12,766,152
Prior Period Restatement	(115,091)	64,575
Net Position - Beginning (Restated)	13,160,566	12,830,727
Net Position Ending	$ 13,087,398	$ 13,275,657

Financial Analysis of the District Funds

On June 30, 2021, the District governmental funds reported a combined fund balance $3,358,065, which is an increase of $1,053,969. Approximately 94% of the total fund balance constitutes unassigned fund balance, which is available for spending at the District's discretion.

General Fund - the chief operating fund of the District. On June 30, 2021, unassigned fund balance was $2,018,156.

State Equalization Revenues		Increase or (Decrease)
June 2016	$2,457,184	1.63%
June 2017	$2,485,001	1.13%
June 2018	$2,694,996	8.45%
June 2019	$2,834,203	5.17%
June 2020	$3,252,874	14.77%
June 2021	$2,490,760	(23.43%)

The state equalization accounts for the 55% of the districts operating revenue.

Local Revenues (GF) Increase or (Decrease)

June 2016	$590,803	(12.47%)
June 2017	$591,389	18.17%
June 2018	$1,071,994	81.27%
June 2019	$918,647	14.30%
June 2020	$932,228	1.48%
June 2021	$1,040,158	11.58%

Local revenues account for about 23% of the districts operating revenue. In 2017-18 we had a bubble in local revenue with the sale of our old school property and the donation for safety items which included 4 new buses, a skid steer and a snow plow. 2018-2019 we had a generous donation from the Sherman Foundation and with interest rates and assessed property valuation increasing a little, we had a higher than normal amount in local revenue. To help increase revenue, the district has sought many different types of grants such as CDE, BEST, Preschool, GOCO, DOLA, technology, safety, and E-Rate to help cover cost (more recently, we received proceeds from the HOPE Foundation and the Alan Lasater Outreach Foundation) .

Total Revenues (GF) Increase or (Decrease)

June 2016	$3,349,457	(0.01%)
June 2017	$3,294,611	(1.64%)
June 2018	$4,071,611	23.58%
June 2019	$4,119,096	1.17%
June 2020	$4,265,770	3.56%
June 2021	$4,554,689	5.31%

A year ago, with COVID happening during the middle of the fiscal year, there has been many big swings in revenue. We received $299K in revenue from the Cares Act in the spring and have saved it for next fiscal year as the state will be cutting school funding by a similar amount, we will need to closely monitor the big changes in revenue and expenses during this COVID time period. This year we received ESSER I, ESSER I supplemental, ESSER II and ESSER II supplemental monies plus additional COVID related grants.

District Enrollment

School Year	Student P-12 Count
2014/2015	297
2015/2016	301
2016/2017	306
2017/2018	323
2018/2019	321
2019/2020	335
2020/2021	298
2021/2022	325

The above count is our Total Student Count. With enrollment going up and down, and with the uncertainty of the economic climate, we must continue to monitor our expenses and revenue, including state revenue, closely.

Expenditures (GF)		Increase or (Decrease)
June 2016	$3,147,794	0.08%
June 2017	$3,223,416	2.40%
June 2018	$3,684,633	14.31%
June 2019	$3,710,229	0.69%
June 2020	$3,992,130	7.6%
June 2021	$3,896,809	(2.39%)

Over the years, instruction accounts for approximately 63% of the operating expenditures of the district. Over the years, salaries and benefits account for over 81% of these expenditures. Through the retirement of individuals at the top end of the salary schedule and their replacement with individuals on the lower end of the salary schedule, this helps offset increases in total salary expenditures. We have members on the payroll that will be looking at retirement in the next couple of years.

The table below shows an increase in the General Fund Account Balance this year. Competitive salaries, special education, technology upgrades, allocating funds for expenditures for future capital needs, and fuel costs continue to be emphasized when monitoring our budget. We received a BEST (Building Excellent Schools Today) grant in July 2011. We passed a $2.9 million bond issue that same year. We completed the new P-12 school building using some Fund Balance to pay for some items that BEST would not cover. It is a good rule of thumb to keep at least three months of operating expenses in reserve; this amount equals around $953,466. Our school board has set a goal of keeping $1,300,000 in reserve. On June 30, 2021, the General Fund ending balance was $2,140,156.

General Fund Account Balance

June 2014	$883,269
June 2015	$1,002,373
June 2016	$1,085,078
June 2017	$1,016,401
June 2018	$1,267,473
June 2019	$1,524,136
June 2020	$1,618,276
June 2021	$2,140,156

Capital Reserve/Capital Projects

We sold the old school property in 2018 and had a bubble in revenue, then we built a new storage building and put LED lighting into our school which brought the fund balance down the next year. We have purchased five new buses during the past four years and plan to build this fund up for future needs.

This year, we have a bubble in the fund balance as we received insurance money for our roof; during this next year, we will be reducing this amount as we pay the contractor for repairs.

Capital Reserve/Capital Projects Account Balance

June 2014	$123,849
June 2015	$133,787
June 2016	$165,532
June 2017	$252,739
June 2018	$472,048
June 2019	$200,299
June 2020	$309,556
June 2021	$808,050

Food Services

The Hot Lunch program has a goal of being self-sufficient, which is a hard task to even consider. It is funded through lunch sales, free and reduced government assistance, and government commodities. The district contributes to the program with a budget item in the General Fund. We also contribute to this program by purchasing capital equipment, depreciation and paying a portion of bookkeeping out of the General Fund. We received a kitchen equipment grant several years ago which paid for approximately $27,000 in new equipment. Our new kitchen along with several new pieces of equipment were provided through the BEST grant.

We need to continue working at providing a quality product so as to increase the numbers of lunches being served in order to reach our goal of breaking even from a financial standpoint. We cut part of our staff going into the 13/14 school year due to declining lunch participation; however, because the new staff achieved high standards, our lunch participation increased significantly. During the 13/14 school year, we hired 3 full-time cooks, but gave the food service program the leeway to bring in another part-time substitute cook as needed. Now, instead of having a daily substitute, we have 4 full-time cooks. With COVID having several out of the ordinary expenses and revenues, and with a new head cook and unusual circumstances, we have been very flexible with this fund/program in trying to continue with quality lunches.

Fund Balance

June 2015	$23,036
June 2016	$23,081
June 2017	$17,133
June 2018	$15,053
June 2019	$9,775
June 2020	$14,858
June 2021	$16,763

Operating Expense

June 2014	$130,178
June 2015	$120,499
June 2016	$116,854
June 2017	$128,276
June 2018	$134,512
June 2019	$153,091
June 2020	$125,296
June 2021	$168,460

The District will continue to support the food service program with a General Fund subsidy. We did not raise lunch prices during the 2021/2022 as we received no updates for the school year as in the past because of state/federal mandates.
COVID has caused several new adjustments to revenue and expenses.

Student Activities Fund 23

In 2010, the Activity Fund was split into two funds as per our auditor's request. In 2020, as per our new auditor's request, we combined Fund 23 and Fund 74 back into one fund, Fund 23.

Student Activity Special Revenue Fund 23 Account Balance as of June 30

2016	$8,076
2017	$4,754
2018	$6,731
2019	$18,029
2020	$86,320
2021	$108,802

Kimble Scholarship
The Kimble Scholarship was established in May 2002. The scholarship was funded from proceeds from the Kimble estate.

On May 17, 2002, the district received $47,400.00 from the estate. On March 27, 2003 we received an additional $506.30 with the closure of the estate.

The first scholarship was awarded in May of 2002 for $600.00. This amount was taken from the principal.

Scholarship guidelines were established through input from community members, staff, accountability committee and administration. The scholarship was to be a perpetual scholarship with proceeds from investments funding the yearly awards. With the state of the economy at this time, the interest rate revenue is producing minimal amounts of scholarships; however, the Fund remains strong.

On June 30, 2021, this fund balance is $48,120.

Capital Assets

The District's capital assets for its governmental as of June 30, 2021 amount to $1,749,980 (net of accumulated depreciation). This investment in capital assets follows:

	Restated Balance 6/30/20	Additions	Adjustments/ Deletions	Balance 6/30/21
Governmental activities				
Capital assets not being depreciated:				
Land	$ 74,277	$ -	$ -	$ 74,277
Capital assets being depreciated:				
Site Improvements	371,040	38,293		409,333
Buildings	785,174	-	-	785,174
Equipment	1,727,376	-	-	1,727,376
Transportation equipment	973,039	128,218	-	1,101,257
Total capital assets being depreciated	3,856,629	166,511	-	4,023,140
Accumulated Depreciation				
Site Improvements	(259,260)	(100,474)	-	(359,734)
Buildings	(138,240)	(21,458)	-	(159,698)
Equipment	(842,588)	(240,252)	-	(1,082,840)
Transportation equipment	(666,550)	(78,615)	-	(745,165)
Total accumulated depreciation	(1,906,638)	(440,799)	-	(2,347,437)
Net Capital Assets	**$ 2,024,268**	**$ (274,288)**	**$ -**	**$ 1,749,980**

Fixed asset purchases included a bus, a CNC Router and wood engraver for the Industrial Arts Program, drill press for auto mechanics and tech. boards for our business program, all paid for through grants. We purchased football field bleachers and upgraded our baseball concession stand building, storage building and dugouts.

Long Term Debt

The District has been paying off our BEST bonds for the past 10 years. In December 2021, we amended our original agreement and lowered our interest rate to 1.98%, saving our community's taxpayers a good amount of money over the remaining 10 years of payments.

	Balance at July 1, 2020	Increases	Decreases	Balance at June 30, 2021	Due within One Year
General obligation bonds, Series 2011	$ 2,008,793	$ -	$ 132,784	$ 1,876,009	$ 138,252

Economic Factors and Next Year's Budget

COVID has caused big savings in revenue and expenses with many uncertainties. We finished the year in good shape fiscally and have carried forward healthy reserves in case of a down turn in the economy and in revenues. We will need to closely monitor our enrollment numbers during and after this COVID period of time.

The district retired all of the outstanding bonds resulting in being debt free as of December, 2006. With the passage of a $2.9 million bond election in November of 2011 for the matching $23.7 million BEST Grant, we currently have 10 years of payments remaining on this bond. At the end of 2021, we lowered the interest rate on the bonds in order to save our taxpayers money on interest during the remaining 10 years of payments.

Our General Fund balance is greater than the goal of $1,300,000. It has over six months in operating reserves within its Fund Balance.

We continue to look at keeping our streamlined budget and at the same time add to our revenue while maximizing student learning in the process.

Contacting the District Financial Management

Our financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning the information provided in this report or requests for additional information should be addressed to the Superintendent of School at Big Sandy School District 100J, P O Box 68, Simla, CO 80835.

FINANCIAL SECTION

Mayberry & Company, LLC
Certified Public Accountants

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

Board of Education
Big Sandy School District 100J
Silma, Colorado

Independent Auditors' Report

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the related notes to the financial statements of the Big Sandy School District 100J, Colorado, as of and for the year ended June 30, 2021, which collectively comprise the basic financial statements of the District, as listed in the table of contents.

Management's Responsibility 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Big Sandy School District 100J, Colorado, as of June 30, 2021, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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Report on Summarized Comparative Information
We have previously audited the Big Sandy School District 100J's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 25, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters
Required Supplementary Information – Management Discussion and Analysis and Pension Schedules (Unaudited)
Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages M1 – M9 and pension schedules on pages 48 - 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Required Supplementary Information – Budgetary Comparison Schedule and Other Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules on pages 52 - 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. In addition, the combining and individual fund schedules on pages 56 - 57 and listed as other supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Other Legal and Regulatory Requirements
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Colorado Department of Education Auditors' Electronic Financial Data Integrity Check Figures and Bolded Balance Sheet reports pages 58 - 61 are presented for state regulatory compliance and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mayberry + Company, LLC

Englewood, CO
December 30,2021

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BASIC FINANCIAL STATEMENTS

The Basic Financial Statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all government-wide and fund level activity as of June 30, 2021.

BIG SANDY SCHOOL DISTRICT 100J
Statement of Net Position
June 30, 2021

		Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF FINANCIAL RESOURCES		
Assets		
Current Assets		
Cash and Investments	$	3,837,226
Cash with Fiscal Agent		39,929
Taxes Receivable		41,928
Grants Receivable		196,810
Other Accounts Receivable		204
Inventory		1,228
Capital and Other Assets		
BEST Grant Receivable		18,805,304
Capital Assets not Being Depreciated		74,277
Capital Assets Being Depreciated		4,023,140
Accumulated Depreciation		(2,347,437)
Total Assets		24,672,609
Deferred Outflows of Financial Resources		
Net Pension Deferred Outflows		2,320,462
Net OPEB Deferred Outflows		20,284
Total Deferred Outflows of Financial Resources		2,340,746
TOTAL ASSETS AND DEFERRED OUTFLOWS OF FINANCIAL RESOURCES	$	27,013,355
LIABILITIES, DEFERRED INFLOWS AND NET POSITION		
Liabilities		
Current Liabilities		
Accounts Payable	$	388,540
Retainage Payable		20,449
Accrued Interest		6,439
Accrued Salaries & Benefits		347,993
Unearned Revenue		2,278
Noncurrent Liabilities		
Due Within One Year		132,784
Due In More Then One Year		10,066,310
Total Liabilities		10,964,793
Deferred Inflows of Financial Resources		
Net Pension Deferred Inflows		2,882,794
Net OPEB Deferred Inflows		78,370
Total Deferred Inflows of Financial Resources		2,961,164
Net Position		
Net Investment in Capital Assets		(1,869,254)
Restricted Net Position		556,294
Unrestricted Net Position		14,400,358
Total Net Position		13,087,398
TOTAL LIABILITIES, DEFERRED OUTFLOWS AND NET POSITION	$	27,013,355

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

BIG SANDY SCHOOL DISTRICT 100J

Statement of Activities
For the Year Ended June 30, 2021

		Progam Revenues			Net (Expense) Revenue and Change in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government					
Governmental Activities					
Instruction	$ 1,736,453	$ 143,006	$ 231,796	$ -	$ (1,361,651)
Supporting Services	3,600,253	21,278	1,008,465	(749,336)	(3,319,846)
Total Primary Government	$ 5,336,706	$ 164,284	$ 1,240,261	$ (749,336)	(4,681,497)
General Revenues					
Property Taxes					1,056,954
Specific Ownership Taxes					151,185
State Equalization					2,490,760
Investment Earnings					7,202
Insurance Proceeds					881,031
Other Revenues					21,197
Total General Revenues					4,608,329
Change in Net Position					(73,168)
Beginning Net Position					13,275,657
Prior Period Restatement					(115,091)
Beginning Net Position (As Restated)					13,160,566
Ending Net Position					$ 13,087,398

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

BIG SANDY SCHOOL DISTRICT 100J
Balance Sheet
Governmental Funds
June 30, 2021

		Special Revenue		
	General Fund	**Food Service Fund**	**Pupil Activity Fund**	**Scholarship Fund**
ASSETS				
Cash and Investments	$ 2,380,227	$ 7,163	$ 92,802	$ 48,120
Cash with Fiscal Agent	31,521	-	-	-
Taxes Receivable	33,170	-	-	-
Interfund Accounts Receivable	1,927	15,000	16,000	-
Grants Receivable	69,652	25	-	-
Other Accounts Receivable	-	204	-	-
Inventory	-	1,228	-	-
TOTAL ASSETS	$ 2,516,497	$ 23,620	$ 108,802	$ 48,120
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE				
Liabilities				
Interfund Accounts Payable	$ 31,000	$ 1,927	$ -	$ -
Accounts Payable	-	-	-	-
Retainage Payable	-	-	-	-
Accrued Salaries & Benefits	345,341	2,652	-	-
Unearned Revenue	-	2,278	-	-
Unearned Revenue Grants	-	-	-	-
Total Liabilities	376,341	6,857	-	-
Deferred Inflows of Financial Resources				
Fund Balance				
Nonspendable Fund Balance	-	1,228	-	-
Restricted Fund Balance				
Restricted for Debt Service	-	-	-	48,120
Restricted for TABOR Emergencies	122,000	-	-	-
Restricted for Colorado Preschool Program	-	-	-	-
Committed Fund Balance	-	15,535	108,802	-
Unassigned Fund Balance	2,018,156	-	-	-
Total Fund Balance	2,140,156	16,763	108,802	48,120
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	$ 2,516,497	$ 23,620	$ 108,802	$ 48,120

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

Debt Service	Capital Projects	Totals	
Bond Redemption Fund	Capital Reserve Project Fund	2021	2020
$ 219,008	$ 1,089,906	$ 3,837,226	$ 2,849,145
8,408	-	39,929	36,011
8,758	-	41,928	172,473
-	-	32,927	1,927
-	127,133	196,810	14,329
-	-	204	1,714
-	-	1,228	4,243
$ 236,174	$ 1,217,039	$ 4,150,252	$ 3,079,842
$ -	$ -	$ 32,927	$ 1,927
-	388,540	388,540	1,014
-	20,449	20,449	-
-	-	347,993	394,505
-	-	2,278	1,239
-	-	-	377,061
-	408,989	792,187	775,746
-	-	1,228	4,243
236,174	150,000	434,294	400,086
-	-	122,000	128,000
-	-	-	24,060,967
-	658,050	782,387	281,491
-	-	2,018,156	(22,570,691)
236,174	808,050	3,358,065	2,304,096
$ 236,174	$ 1,217,039	$ 4,150,252	$ 3,079,842

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BIG SANDY SCHOOL DISTRICT 100J
Reconciliation of Governmental Fund Balances
to Governmental Activities Net Position
June 30, 2021

Fund Balance - Governmental Funds		$ 3,358,065
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds		
Capital assets, not being depreciated	$ 74,277	
Capital assets, being depreciated	4,023,140	
Accumulated depreciation	(2,347,437)	1,749,980
Certain long-term assets are not available to pay for current year expenditures and are therefore not reported in the funds		
Long-Term BEST Grant Receivable		18,805,304
Certain long-term pension and OPEB related costs and adjustments are not available to pay or payable currently and are therefore not reported in the funds		
Pension Liability		
Net pension deferred outflows	2,320,462	
Net pension liability	(6,220,889)	
Net pension deferred inflows	(2,882,794)	(6,783,221)
OPEB Liability		
Net OPEB deferred outflows	20,284	
Net OPEB liability	(226,187)	
Net OPEB deferred inflows	(78,370)	(284,273)
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.		
Bonds payable	(3,752,018)	
Accrued interest payable	(6,439)	(3,758,457)
Total Net Position - Governmental Activities		$ 13,087,398

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

BIG SANDY SCHOOL DISTRICT 100J
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

		Special Revenue		
	General Fund	Food Service Fund	Pupil Activity Fund	Scholarship Fund
REVENUES				
Local Sources	$ 1,040,158	$ 22,103	$ 143,160	$ 721
Intermediate Sources	65	-	-	-
State Sources	2,948,900	1,520	-	-
Federal Sources	565,565	105,740	16,000	-
TOTAL REVENUES	4,554,688	129,363	159,160	721
EXPENDITURES				
Current:				
Instruction	2,468,079	-	166,678	800
Pupil Support	97,951	-	-	-
Staff Support	47,658	-	-	-
General Administration	192,605	-	-	-
School Administration	190,261	-	-	-
Business Services	60,340	-	-	-
Operations and Maintenance	415,972	-	-	-
Transportation	256,304	-	-	-
Other Central Support	128,620	-	-	-
Food Service	39,018	168,458	-	-
Facilities	-	-	-	-
Debt Service	-	-	-	-
TOTAL EXPENDITURES	3,896,808	168,458	166,678	800
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	657,880	(39,095)	(7,518)	(79)
OTHER FINANCING SOURCES (USES)				
Transfers in (Out)	(136,000)	41,000	30,000	-
CHANGE IN FUND BALANCE	521,880	1,905	22,482	(79)
BEGINNING FUND BALANCE	1,618,276	14,858	86,320	48,199
Prior Period Adjustment	-	-	-	-
BEGINNING FUND BALANCE (As Restated)	1,618,276	14,858	86,320	48,199
ENDING FUND BALANCE	$ 2,140,156	$ 16,763	$ 108,802	$ 48,120

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

Debt Service	Capital Projects	Totals	
Bond Redemption Fund	Capital Reserve Project Fund	2021	2020
$ 222,819	$ 881,861	$ 2,310,822	$ 1,351,572
-	-	65	83
-	-	2,950,420	3,256,692
-	127,133	814,438	145,570
222,819	1,008,994	6,075,745	4,753,917
-	-	2,635,557	2,777,918
-	-	97,951	85,154
-	-	47,658	63,109
750	-	193,355	205,735
-	-	190,261	192,404
-	-	60,340	64,624
-	408,989	824,961	413,412
-	128,218	384,522	254,555
-	-	128,620	130,301
-	-	207,476	142,626
-	38,293	38,293	-
212,782	-	212,782	212,889
213,532	575,500	5,021,776	4,542,727
9,287	433,494	1,053,969	211,190
-	65,000	-	-
9,287	498,494	1,053,969	211,190
226,887	309,556	2,304,096	2,021,001
-	-	-	71,905
226,887	309,556	2,304,096	2,092,906
$ 236,174	$ 808,050	$ 3,358,065	$ 2,304,096

BIG SANDY SCHOOL DISTRICT 100J
Reconciliation of Governmental Changes in Fund Balance
to Governmental Activities Change in Net Position
For the Year Ended June 30, 2021

Change in Fund Balance - Governmental Funds		$ 1,053,969
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level		
Capitalized Asset Purchases	$ 166,511	
Depreciation Expense	(440,799)	(274,288)
The long-tem BEST grant receivable is being amortized based on the depreciation of the underlying building that is the basis of the grant		
Amortization of BEST grant receivable		(812,207)
Pension and OPEB expense at the fund level represent cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.		
Pension Liability		
Current year change and amortization of deferred outflows - net	961,978	
Change in net pension liability	(775,405)	
Current year change and amortization of deferred inflows - net	1,498,957	1,685,530
OPEB Liability		
Current year change and amortization of deferred outflows - net	(3,784)	
Change in OPEB liability	41,525	
Current year change and amortization of deferred inflows - net	(21,143)	16,598
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level.		
Principal payments on bonds payable	(1,743,225)	
Change in accrued interest payable	455	(1,742,770)
Total Net Position - Governmental Activities		$ (73,168)

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Big Sandy School District 100J (the District) conform to generally accepted accounting principles as applicable to governmental units. Following is a summary of the more significant policies:

Reporting Entity

In evaluating how to define the government, for financial reporting purposes, the District's management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board ("GASB") Statement No. 14, "The Financial Reporting Entity."

Based upon the application of these criteria, no additional organizations are includable within the District's reporting entity.

Jointly Governed Organizations

The District is a participant among four Districts in a jointly governed organization to operate the Pikes Peak Board of Cooperative Educational Services (BOCES). The BOCES was formed for the purpose of administrative functions among member districts for special education and federal grants. The BOCES is governed by a board of directors consisting of a member of the board of education and the superintendent from each of the participating members. The District does not have an ongoing financial interest in or ongoing financial responsibility for the BOCES. Financial statements for the BOCES can be obtained from the BOCES administrative offices at: 2883 South Circle Drive, Colorado Springs, CO 80906.

Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information of the District as a whole. The reporting information includes all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. The fiduciary funds are presented separately. As a general rule, the effect of interfund activity has been eliminated from these statements.

The District reports the following major governmental funds:

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

Special Revenue (Food Service and Athletic) Funds – These funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted to expenditures for specified purposes.

Debt Service (Bond Redemption) – This fund is used to account for the repayment of the District's general obligation indebtedness.

Capital Project (Capital Reserve) – This fund accounts for the District's routine capital projects.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the same time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available as allowed by the per pupil operating revenue formula approved by the State legislature or within sixty days after year end. These revenues could include federal, state, and county grants, and some charges for services. Grants are only recognized to the extent allowable expenditures have been incurred. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

Budgets and Budgetary Accounting

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting (Continued)

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- Budgets are required to be filed with the Commissioner of Education within thirty days after the beginning of the fiscal year.
- Budgets may be revised until January 31st of the budget year.
- Expenditures may not legally exceed appropriations at the fund level.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted and amended by the Board of Education.
- Encumbrance accounting is not utilized.

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

Receivables – All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Inventories – Inventory of the proprietary fund is valued at the lower of cost (first-in, first-out) or market.

Due To and Due From Other Funds – Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

Capital Assets – Capital assets used in governmental activities operations are shown on the government-wide financial statements. These assets are not shown in the governmental funds and are therefore listed as a reconciling item between the two presentations. Property and equipment acquired or constructed for governmental fund operations are recorded as expenditures in the fund making the disbursement and capitalized at cost in the government-wide presentation. No depreciation has been provided on capital assets in the governmental funds.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Property and equipment is stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

The District capitalizes all assets with an individual original value of $5,000 or more and a useful life in excess of one year.

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

Buildings and Site Improvements	10-80 years
Vehicles	10-25 years
Other Equipment	5-15 years

Taxes Receivable – Property taxes are recognized as revenue in the year in which they are intended to finance operating expenses, pursuant to the Colorado school district funding formula. As 2020 property taxes were both measurable and available at June 30, 2021, the District has recognized a receivable (net of uncollectible portion) for property taxes levied January 1, 2021 but not collected by June 30, 2021.

Accumulated unpaid sick and vacation and other pay are serviced from other revenues in the General Fund. These liabilities are only recorded on the government-wide financial statements as they are not expected to be financed from current resources. At June 30, 2021, the District has recorded accrued leave as disclosed in Note 6.

Long-Term Debt – The District's general obligation bonds are accounted for in the Bond Redemption Fund. Principal repayments are shown as expenditures in the fund level financial statements. The District's capital leases are paid through the General Fund and are shown as expenditures in that fund.

For the government-wide presentation, principal payments are reclassified as reductions in the outstanding obligation balances.

Deferred outflows/inflows of resources - In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government has several items that qualify for reporting in this category, all related to outstanding pension and OPEB obligations and further described in Note 7 and 9.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows related to pension liabilities and OPEB liabilities as further described in Note 7 and 9.

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

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

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

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Education, and at their highest level of action are reported as “committed” fund balance.

Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

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

All other remaining governmental balances are reported as unassigned.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Net Position/ Fund Balance and Flow Assumptions

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

Revenues and Expenditures/Expenses

Revenues and Expenditures/Expenses – Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees, and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred.

Property Tax Revenues – Property taxes are levied on December 15 based on the assessed value of property as certified by the county assessor on August 17. Assessed values are an approximation of market value. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent and penalties and interest may be assessed by the County Treasurer on the post mark day following these dates. The tax sale date is the first Thursday of November.

NOTE 2: CASH AND INVESTMENTS

A reconciliation of the cash components on the balance sheet to the cash categories in this footnote are as follows:

Deposits	$	3,618,117
Investments (Level 2/Mutual Fund/AAAm)		219,008
Cash on hand		100
Total	**$**	**3,837,225**

NOTE 2: CASH AND INVESTMENTS (Continued)

Deposits

Custodial Credit Risk - Deposits

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

At June 30, 2021, all of the District's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

	Bank Balance	Book Balance
FDIC Insured	$ 250,000	$ 250,000
PDPA Collateralized	3,324,426	3,368,117
Cash on hand	-	100
Total Cash	**$ 3,574,426**	**$ 3,618,217**

Investments

Credit Risk

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

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

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

Credit Risk (Continued)

The District's investment policy limits its investments to those allowed by Colorado Revised Statute 24-75-601.1 as described above. For the fiscal year ended June 30, 2021, the District did not have any investments requiring disclosure.

Concentration of Credit Risk

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

Interest Rate Risk

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

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2021, the District did not have any investments requiring safekeeping.

NOTE 3: INVENTORIES

Food Service Fund inventory of $1,228 as of June 30, 2021, consisted of purchased food. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.

NOTE 4: CAPITAL ASSETS

Activity for capital assets is summarized below:

	Restated Balance 6/30/20	Additions	Adjustments/ Deletions	Balance 6/30/21
Governmental activities				
Capital assets not being depreciated:				
Land	$ 74,277	$ -	$ -	$ 74,277
Capital assets being depreciated:				
Site Improvements	371,040	38,293		409,333
Buildings	785,174	-	-	785,174
Equipment	1,727,376	-	-	1,727,376
Transportation equipment	973,039	128,218	-	1,101,257
Total capital assets being depreciated	3,856,629	166,511	-	4,023,140
Accumulated Depreciation				
Site Improvements	(259,260)	(100,474)	-	(359,734)
Buildings	(138,240)	(21,458)	-	(159,698)
Equipment	(842,588)	(240,252)	-	(1,082,840)
Transportation equipment	(666,550)	(78,615)	-	(745,165)
Total accumulated depreciation	(1,906,638)	(440,799)	-	(2,347,437)
Net Capital Assets	**$ 2,024,268**	**$ (274,288)**	**$ -**	**$ 1,749,980**

Depreciation for the governmental activities is allocated as follows:

Instruction	$ 241,579
Supporting services	199,220
Total depreciation	**$ 440,799**

The District has entered into a BEST grant agreement with the State of Colorado as further described in Note 13. For the prior year financial statement presentation, the State's portion of the building was presented as a capital asset and was depreciated. Since that portion of the District's facilities will not be owned by the District until the State repays its outstanding debt obligation related to the construction, the State portion has been reclassified as a long-term grant receivable that will be amortized through the debt obligation period and will be added to the District's capital assets upon the repayment.

NOTE 5: ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2021 is reflected as a liability in the respective funds in the accompanying financial statements as follows:

General Fund	$ 345,341
Food Service Fund	2,652
Total Accrued Salaries and Benefits	$ 347,993

NOTE 6: LONG-TERM DEBT

The following is a summary of long-term obligation transactions of the District for the year ended June 30, 2021:

	Balance at July 1, 2020	Increases	Decreases	Balance at June 30, 2021	Due within One Year
General obligation bonds, Series 2011	$ 2,008,793	$ -	$ 132,784	$ 1,876,009	$138,252

An interest summary of the District's long-term debt is as follows:

	Accrued Interest	Interest Paid	Interest Expense
General obligation bonds, Series 2011	$ 6,439	$ 79,998	$ 79,560

General Obligation Bonds

In November of 2011 the voters of the District approved a bond issue in the amount of $2,900,663 to supplement BEST awarded by the State of Colorado to build a new school building on purchased land. Principal is due annually on December 1, and interest at 4.12% is due semiannually on June 1 and December 1. Payments are made through the Bond Redemption Fund of the District. This bond was refinanced subsequent to year end. Bond payments, to maturity, are as follows:

Year	Principal	Interest	Total
2022	$ 138,252	$ 74,416	$ 212,668
2023	143,946	68,605	212,551
2024	149,874	62,555	212,429
2025	156,047	56,255	212,302
2026	162,474	49,696	212,170
2027-2031	918,425	140,240	1,058,665
2032	206,991	4,262	211,253
Total	$ 1,876,009	$ 456,029	$ 2,332,038

NOTE 7: DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

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

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years.* The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 made changes to certain benefit provisions. Most of these changes were in effect as of June 30,2021.

General Information about the Pension Plan

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

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

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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

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

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

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

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

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

As of December 31, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, 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 an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in C.R.S. § 24-51-413.

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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

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

Contributions provisions as of June 30, 2021: Eligible employees of, District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq*. and § 24-51-413. Eligible employees are required to contribute 10.00 percent of their PERA-includable salary during the period of July 1, 2020 through June 30, 2021. Employer contribution requirements are summarized in the table below:

	July 1, 2020 Through June 30, 2021
Employer contribution rate	10.90%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. 24-51-208(1)(f)	-1.02%
Amount apportioned to the SCHDTF	9.88%
Amortization equalization disbursement (AED) as specified in C.R.S. 24-51-411	4.50%
Supplemental amortization equalization disbursement (SAED) as specified in C.R.S. 24-51-411	5.50%
Total employer contribution rate to the SCHDTF	**19.88%**

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

As specified in C.R.S. § 24-51-414, the State is required to contribute $225 million (actual dollars) 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. House Bill (HB) 20-1379 suspended the $225 million (actual dollars) direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from District were $431,998 for the year ended June 30, 2021.

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

The net pension liability for the SCHDTF was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total pension liability to December 31, 2020. The District proportion of the net pension liability was based on District contributions to the SCHDTF for the calendar year 2020 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

Due to the aforementioned suspension of the July 1, 2020, direct distribution payment, the nonemployer contributing entity's proportion is zero percent. Pursuant to C.R.S. § 24-51-414, the direct distribution payment from the State of Colorado is to recommence annually starting on July 1, 2021. For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation.

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

At June 30, 2021, the District reported a liability of $6,220,889 for its proportionate share of the net pension liability. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	$	(6,220,889)
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	$	-
Total	$	(6,220,889)

At December 31, 2020, the District proportion was 0.04115 percent, which was an increase of 0.00470 from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the District recognized pension expense of $1,258,335 and revenue of $0 for support from the State as a nonemployer contributing entity. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

	Deferred Outflows		Deferred Inflows	
Difference between expected and actual experience	$	322,526	$	-
Changes of assumptions or other inputs	$	598,431	$	(934,633)
Net difference between projected and actual earnings on pension plan investments	$	379,118	$	(1,720,258)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	$	807,852	$	(227,903)
Contributions subsequent to the measurement date	$	212,535	$	-
Total	**$**	**2,320,462**	**$**	**(2,882,794)**

$212,535 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Fiscal Year Totals	
2022	$	(867,310)
2023		405,139
2024		(96,672)
2025		(216,024)
Total	**$**	**(774,867)**

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

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

Actuarial cost method	**Entry Age**
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increase, including wage inflation	3.50-9.70%
Long-term investment rate of return, net of	7.25%
Discount rate	7.25%
Post retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	1.25%
PERA benefit struture hired after 12/31/06 (ad hoc, substantively automatic) [1]	Financed by the Annual Increase Reserve (AIR)

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

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

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

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

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

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

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

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

Actuarial cost method	**Entry Age**
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increase, including wage inflation	3.40-11.00%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	1.25%
PERA benefit struture hired after 12/31/06 (ad hoc, substantively automatic) [1]	Financed by the Annual

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

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

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

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

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

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

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

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

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

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

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

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

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

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

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

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

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

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. HB 20-1379 suspended the $225 million (actual dollars) direct distribution payable on July 1, 2020, for the State's 2020-21 fiscal year.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

- The 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.

- Benefit payments and contributions were assumed to be made at the middle of the year.

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionare share of the net pension asset (liability)	$ (8,485,802)	$ (6,220,889)	$ (4,333,470)

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

NOTE 8: DEFINED CONTRIBUTION PENSION PLAN

Voluntary Investment Program

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

NOTE 8: DEFINED CONTRIBUTION PENSION PLAN (Continued)

Voluntary Investment Program (Continued)

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

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. The District does not contribute to the plan. Employees are immediately vested in their own contributions, employer contributions, if any, and investment earnings. For the year ended June 30, 2021 program members contributed $59,982.

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

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

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

General Information about the OPEB Plan (Continued)

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

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

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

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

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

General Information about the OPEB Plan (Continued)

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

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were $22,452 for the year ended June 30, 2021.

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

At June 30, 2021, the District reported a liability of $226,187 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The District proportion of the net OPEB liability was based on District contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

At December 31, 2020, the District proportion was 0.02380 percent, which was a decrease of 0.00001 from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the District recognized OPEB expense of $3,484. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	$ 594	$ (49,742)
Net difference between projected and actual earnings on pension plan investments	$ 2,816	$ (12,102)
Changes of assumptions or other inputs	$ 1,663	$ (13,870)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	$ 4,308	$ (2,656)
Contributions subsequent to the measurement date	$ 10,903	$ -
Total	$ 20,284	$ (78,370)

$10,903 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

Year Ended June 30:	Fiscal Year Totals
2022	$ (16,473)
2023	(15,193)
2024	(16,333)
2025	(14,684)
2026	(5,924)
2027	(382)
Total	$ (68,989)

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

Actuarial cost method	**Entry Age**
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increase, including wage inflation	3.50% in the aggregate
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA Benefit Structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	8.10% for 2020, gradually decreasing to 4.50% in 2029
Medicare Part A premiums	3.50% for 2019, gradually rising to 4.50% in 2029
DPS Benefit Structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

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

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

	Cost for Members Without Medicare Part A		
Medicare Plan	**Monthly Cost**	**Monthly Premium**	**Monthly Cost Adjusted to Age 65**
Medicare Advantage/ Self-Insured Prescription	$588	$227	$550
Kaiser Permanente Medicare Advantage HMO	$621	$232	$586

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

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

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

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

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2020	8.10%	3.50%
2021	6.40%	3.75%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	4.00%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4..50%	4.50%

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

Mortality assumptions used in the December 31, 2019 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

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

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

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

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

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

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

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the period January 1, 2012, through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

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

Actuarial cost method	**Entry Age**
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increase, including wage inflation	3.20% - 11.30%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA Benefit Structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	8.10% for 2020, gradually decreasing to 4.50% in 2029
Medicare Part A premiums	3.50% for 2019, gradually rising 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

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

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

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

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

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

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

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

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

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

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

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

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

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

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2020 plan year.

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

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

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

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

[1] The Opportunity Fund's Name changed to Alternatives, effective January 1, 2020

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

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

Sensitivity of the District proportionate share of the net OPEB liability to changes in the 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:

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates			
	1% Decrease	Current Trend Rate	1% Increase
Initial PERACare Medicare trend rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Proportionate share of the net OPEB asset (liability)	$ (220,341)	$ (226,187)	$ (232,993)

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2020, measurement date.

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.

- Benefit payments and contributions were assumed to be made at the middle of the year.

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

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

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate			
	1% Decrease	**Current Discount Rate**	**1% Increase**
Discount Rate	6.25%	7.25%	8.25%
Proportionate share of the net OPEB asset (liability)	$ (259,102)	$ (226,187)	$ (198,065)

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

NOTE 10: RISK MANAGEMENT

Property and Liability Coverage

The District belongs to the Colorado School District Self Insurance Pool ("CSDSIP") that was formed in 1981 to give individual school districts more buying power and financial stability. By partnering with districts across the state, members gain better access to essential coverage at a competitive price, and more control over the entire risk management function. The coverage provided by CSDSIP is property, crime, general liability, auto liability and physical damage, and errors and omissions. CSDSIP became self-administered in 1997. The board of directors is comprised of nine persons who are district school board members, superintendents, or district business officials. Each member's premium contribution is determined by CSDSIP based on factors including, but not limited to, the aggregate CSDSIP claims, the cost of administrative and other operating expenses, the number of participants, operating and reserve fund adequacy, investment income and reinsurance expense and profit sharing. Reporting to the Division of Insurance, as well as an audit and actuarial study is conducted annually. These reports may be obtained by contacting the CSDSIP administrative offices at 6857 South Spruce Street, Centennial, CO 80112.

The District has not materially changed its coverage from previous years. The District has not recorded any liability for unpaid claims at June 30, 2021.

CSDSIP has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. The ultimate liability to the District resulting from claims not covered by the pool is not recently determinable. Management is of the opinion that the final outcome of such claims, of any, will not have a material adverse effect on the District's financial statements.

Workers Compensation

The District carries commercial insurance for worker's compensation coverage. Risk of loss transfers to the carrier.

Health Insurance

The District partially self-insured for employee health coverage in prior years. All potential claims from that coverage have now been settled. The District currently carries commercial insurance for employee health coverage with risk of loss transferred to the carrier. The District funds estimated claims on a monthly basis and receives partial benefit for unused amounts upon year end settlement. The District is not exposed beyond the monthly claims submission.

NOTE 11: 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 and are subject to the various rules and regulations of the grantor agencies. Expenditures financed by grants are subject to audit and adjustment by the appropriate grantor agency. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

TABOR Amendment - In November 1992, Colorado voters passed the TABOR Amendment (Amendment 1) to the State Constitution which limits state and local government tax powers and imposes spending limitations. The District is subject to the TABOR Amendment. In the November 1996 election, the District's electorate allowed the District to collect, retain and expand all revenues collected, notwithstanding the limits of the Amendment. The TABOR Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment. The District has recorded a $122,000 reserve in the General Fund to fully fund its 3% emergency reserve required by TABOR.

The District has either committed or assigned other amounts in the financial statements based on the funds underlying purpose.

NOTE 12: INTERFUND ACTIVITY

The District has recorded the following routine operating transfers through June 30, 2021.

	In (Out)
General Fund	
Transfer to Food Service	$ (41,000)
Transfer Capital Reserve	(65,000)
Transfer to Student Activity	(30,000)
Net General Fund	(136,000)
Food Service Fund	
Transfer from General Fund	41,000
Student Activity Fund	
Transfer from General Fund	30,000
Capital Reserve Fund	
Transfer from General Fund	65,000
Net Transfers	$ -

NOTE 12: INTERFUND ACTIVITY (Continued)

The District has the following internal balances as of the year ended June 30, 2021:

	Receivable	Payable
General Fund	$ 1,927	$ -
Food Service Fund	-	1,927
Balance	$ 1,927	$ 1,927

NOTE 13: BEST GRANT/FACILITY IMPROVEMENTS

The District received a BEST grant through the Colorado Department of Education for facility improvements that commenced during fiscal year 2013 with the District providing an upfront match payment held in escrow of $2,900,663. The State is funding their portion of this program, $23,782,352, through Certificate of Participation issuances. The State will coordinate the payment to the contractors with no funding flowing through the District other than for reimbursable costs that the District incurs. The District will not receive clear title to the improvements until the State has repaid the certificates. At that point, the District will record a capital asset and related accumulated depreciation for the cost of the BEST improvements, along with offsetting reduction of the outstanding long-term grant receivable.

The improvements completed by the BEST grant and local contribution totaled $23,782,352 and have a depreciated value of $19,617,511 as of June 30, 2021. This amount has been recorded as long-term receivable as of June 30, 2021. As part of the BEST grant agreement, the District agreed to fund a capital replacement reserve in the amount of $25,000 per year, beginning with the 2016 fiscal year. CDE subsequently modified this agreement to be $100 per funded pupil based on the annual October student count, for all outstanding BEST grants to provide consistency across districts. The District has chosen to continue funding at the $25,000 per year rate. This reserve balance as of June 30, 2021 was $150,000.

NOTE 14: PRIOR PERIOD RESTATEMENT

As part of the December 31, 2021 fiscal year audit, it was determined that prior year BEST grant balance was overstated by $115,091. This resulted in a restatement that increased governmental activities net position in the amount of $115,091.

REQUIRED SUPPLEMENTARY INFORMATION

Pension and OPEB Schedules (Unaudited)

BIG SANDY SCHOOL DISTRICT 100J
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET (LIABILITY)
PERA Pension Plan
Last 10 Fiscal Years[(1)]

Fiscal Year	District's proportion of the net pension asset (liability)	District's proportionate share of the net pension asset (liability)	Non-employer contributing entity's total proportionate share of the net pension asset (liability)	Total proportionate share associated with District	District's covered payroll	District's proportionate share of the net pension asset (liability) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liabilty
June 30, 2014	0.045355%	$ (5,785,044)	$ -	$ (5,785,044)	$ 1,138,017	508.34%	64.07%
June 30, 2015	0.043284%	$ (5,866,462)	$ -	$ (5,866,462)	$ 1,165,299	503.43%	62.84%
June 30, 2016	0.042421%	$ (6,488,056)	$ -	$ (6,488,056)	$ 1,187,453	546.38%	59.16%
June 30, 2017	0.041880%	$ (12,469,185)	$ -	$ (12,469,185)	$ 1,190,928	1047.01%	43.13%
June 30, 2018	0.041417%	$ (13,392,646)	$ -	$ (13,392,646)	$ 1,910,500	701.00%	43.96%
June 30, 2019	0.035904%	$ (6,357,622)	$ (764,748)	$ (7,122,370)	$ 1,973,865	322.09%	57.01%
June 30, 2020	0.036450%	$ (5,445,484)	$ (612,946)	$ (6,058,430)	$ 2,128,189	255.87%	64.52%
June 30, 2021	0.041149%	$ (6,220,889)	$ -	$ (6,220,889)	$ 2,229,092	279.08%	66.99%

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

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

See the accompanying Independent Auditors' Report.

BIG SANDY SCHOOL DISTRICT 100J
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
PERA Pension Plan
Last 10 Fiscal Years[1]

Fiscal Year	Contractually required contributions	Actual contributions	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
June 30, 2014	$ 176,734	$ (176,734)	$ -	$ 1,138,017	15.53%
June 30, 2015	$ 191,459	$ (191,459)	$ -	$ 1,165,299	16.43%
June 30, 2016	$ 205,786	$ (205,786)	$ -	$ 1,187,453	17.33%
June 30, 2017	$ 215,915	$ (215,915)	$ -	$ 1,190,928	18.13%
June 30, 2018	$ 355,926	$ (355,926)	$ -	$ 1,910,500	18.63%
June 30, 2019	$ 377,600	$ (377,600)	$ -	$ 1,973,865	19.13%
June 30, 2020	$ 412,443	$ (412,443)	$ -	$ 2,128,189	19.38%
June 30, 2021	$ 431,998	$ (431,998)	$ -	$ 2,229,092	19.38%

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

[1] - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

BIG SANDY SCHOOL DISTRICT 100J
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB ASSET (LIABILITY)
PERA Health Care Trust Fund
Last 10 Fiscal Years[1]

Fiscal Year Ended	District's proportion of the net OPEB asset (liability)	District's proportionate share of the net OPEB asset (liability)	District's covered payroll	District's proportionate share of the net OPEB asset (liability) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
June 30, 2017	0.023805%	$ (308,638)	$ 1,190,928	25.92%	16.70%
June 30, 2018	0.023533%	$ (305,831)	$ 1,910,500	16.01%	17.53%
June 30, 2019	0.023338%	$ (317,525)	$ 1,973,865	16.09%	17.03%
June 30, 2020	0.023818%	$ (267,712)	$ 2,128,189	12.58%	24.49%
June 30, 2021	0.023804%	$ (226,187)	$ 2,229,092	10.15%	32.78%

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

[1] - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

BIG SANDY SCHOOL DISTRICT 100J
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - OPEB
PERA Health Care Trust Fund
Last 10 Fiscal Years[1]

Fiscal Year	Contractually required contributions	Actual contributions	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
June 30, 2017	$ 12,147	$ (12,147)	$ -	$ 1,190,928	1.02%
June 30, 2018	$ 19,487	$ (19,487)	$ -	$ 1,910,500	1.02%
June 30, 2019	$ 20,133	$ (20,133)	$ -	$ 1,973,865	1.02%
June 30, 2020	$ 21,708	$ (21,708)	$ -	$ 2,128,189	1.02%
June 30, 2021	$ 22,737	$ (22,737)	$ -	$ 2,229,092	1.02%

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

[1] - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

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BUDGETARY COMPARISON SCHEDULES

(Required Supplementary Information)

BIG SANDY SCHOOL DISTRICT 100J
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021				
	Original Budget	**Final Budget**	**Actual**	**Variance with Final Budget**	**2020 Actual**
REVENUES					
Local Sources					
Property Taxes	$ 598,000	$ 829,102	$ 830,967	$ 1,865	$ 566,081
Specific Ownership Taxes	82,000	82,271	150,772	68,501	122,865
Delinquent Taxes	-	-	3,595	3,595	1,712
Investment Earnings	20,000	6,000	5,475	(525)	27,790
Donations	20,000	20,000	28,967	8,967	55,962
Insurance Proceeds	-	-	-	-	85,562
Other Local	20,000	20,000	20,382	382	72,256
Total Local Sources	740,000	957,373	1,040,158	82,785	932,228
Intermediate Sources					
Mineral Leases	-	-	28	28	63
Payment in Lieu of Taxes	-	-	37	37	20
Total Intermediate Sources	-	-	65	65	83
State Sources					
State Share (Equalization)	2,861,271	2,439,205	2,490,760	51,555	3,050,321
State Transportation	57,081	57,081	63,101	6,020	60,646
State Grants from CDE					
COVID 19 State Share Mitigation Funding	-	-	62,871	62,871	-
State Share - Colorado Preschool Program (CPP)	-	-	-	-	707
State Grants to Libraries	-	-	3,500	3,500	4,500
Small Rural Schools Additional Funding	-	-	181,981	181,981	-
Additional As- Risk Funding	-	-	1,901	1,901	1,927
Kindergarten Facility Grant	-	-	-	-	18,349
READ Act	5,000	5,000	5,128	128	5,114
State Grants from Other Agencies					
State Vocational Education	54,821	54,821	52,921	(1,900)	57,316
State PERA Contribution	-	-	-	-	50,636
State Grants Provided through BOCES	-	-	86,738	86,738	3,358
Total State Sources	2,978,173	2,556,107	2,948,901	392,794	3,252,874
Federal Sources					
Federal Grants from CDE					
NCLB Title I, Part A- Imp Basic Prgrms Oper by Sch	38,288	38,288	38,288	-	35,998
Coronavirus Relief Fund	-	-	298,821	298,821	-
NCLB Title II, Part A- Teacher & Principal Trng	8,115	8,115	9,180	1,065	7,449
ESSER II	-	-	29,015	29,015	-
ESSA, Title IV-A: Stud Supp and Acad Enrich Grants	10,000	10,000	10,000	-	10,000
Ed Stab Fd - Elem Sec Emer Relief Formula	-	-	29,058	29,058	-
Coronaovirus Relief Fund At-Risk	-	-	15,225	15,225	-
Ed Stab Fd - Elem Sec Emer Relief Discretionary	-	-	11,032	11,032	-
CRF Safe School Reopening Grant	-	-	19,000	19,000	-
NCLB, Title VI, Part B, Sub-Part I: REAP: Rural Ed	24,176	24,176	27,756	3,580	27,138
Federal Provided through BOCES	-	-	78,190	78,190	-
Total Federal Sources	80,579	80,579	565,565	484,986	80,585
TOTAL REVENUES	3,798,752	3,594,059	4,554,689	960,630	4,265,770

See the accompanying Independent Auditors' Report

(Continued)

BIG SANDY SCHOOL DISTRICT 100J
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
(Continued)					
EXPENDITURES					
Instruction					
Salaries	1,651,363	1,667,741	1,554,522	113,219	1,720,988
Benefits	530,359	530,359	459,192	71,167	539,397
PS-Professional	39,542	51,892	19,107	32,785	17,540
PS-Property	30,800	30,800	30,588	212	31,053
PS-Other	125,103	125,103	133,114	(8,011)	90,546
Supplies	156,339	151,339	251,617	(100,278)	163,138
Property	45,605	37,339	17,499	19,840	24,334
Other Expenses	2,700	2,700	2,441	259	2,097
Total Instruction	2,581,811	2,597,273	2,468,080	129,193	2,589,093
Supporting Services					
Pupil Support					
Salaries	56,852	56,852	42,585	14,267	54,689
Benefits	18,010	18,010	15,735	2,275	16,837
PS- Professional	11,000	11,000	32,705	(21,705)	8,115
PS-Other	12,000	12,000	6,205	5,795	5,453
Supplies	3,950	3,950	721	3,229	60
Property	400	400	-	400	-
Total Pupil Support	102,212	102,212	97,951	4,261	85,154
Staff Support					
Salaries	35,852	35,852	23,780	12,072	34,849
Benefits	11,567	11,567	10,694	873	11,264
PS- Professional	8,000	8,000	2,608	5,392	7,066
PS- Property	400	400	-	400	356
PS-Other	1,000	1,000	-	1,000	187
Supplies	10,250	10,250	10,576	(326)	9,387
Property	1,000	1,000	-	1,000	-
Total Staff Support	68,069	68,069	47,658	20,411	63,109
General Administration					
Salaries	155,860	155,860	141,277	14,583	141,277
Benefits	43,594	43,594	39,784	3,810	42,384
PS- Professional	6,000	6,000	3,066	2,934	3,290
PS-Other	4,000	4,000	1,169	2,831	1,677
Supplies	3,100	3,100	414	2,686	2,083
Property	100	100	-	100	-
Other Expenses	8,200	8,200	6,895	1,305	11,815
Total General Administration	220,854	220,854	192,605	28,249	202,526
School Administration					
Salaries	147,655	147,655	137,632	10,023	137,632
Benefits	51,015	51,015	41,827	9,188	44,495
PS- Professional	300	300	-	300	-
PS-Other	3,000	3,000	2,091	909	1,149
Supplies	8,000	8,000	7,496	504	8,258
Property	500	500	-	500	-
Other Expenses	2,200	2,200	1,215	985	870
Total School Administration	212,670	212,670	190,261	22,409	192,404

See the accompanying Independent Auditors' Report

(Continued)

BIG SANDY SCHOOL DISTRICT 100J
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
(Continued)					
EXPENDITURES (Continued)					
Supporting Services (Continued)					
Business Services					
Salaries	33,738	33,738	32,254	1,484	32,254
Benefits	11,783	11,783	10,315	1,468	11,649
PS- Professional	12,000	12,000	13,613	(1,613)	13,109
PS-Other	4,900	4,900	2,876	2,024	3,834
Supplies	2,000	2,000	296	1,704	2,330
Property	8,500	8,500	986	7,514	1,448
Total Business Services	72,921	72,921	60,340	12,581	64,624
Operations and Maintenance					
Salaries	165,685	165,685	157,079	8,606	162,117
Benefits	54,869	54,869	46,418	8,451	50,661
PS- Professional	30,000	30,000	27,514	2,486	17,209
PS- Property	40,500	40,500	29,954	10,546	25,729
PS-Other	17,500	17,500	8,243	9,257	11,007
Supplies	140,000	140,000	146,764	(6,764)	118,628
Property	5,000	5,000	-	5,000	7,683
Total Operations and Maintenance	453,554	453,554	415,972	37,582	393,034
Transportation					
Salaries	141,493	141,493	138,945	2,548	138,819
Benefits	49,725	49,725	41,390	8,335	39,479
PS- Professional	5,000	5,000	4,975	25	2,449
PS- Property	3,000	3,000	1,251	1,749	793
PS-Other	19,500	19,500	15,405	4,095	12,356
Supplies	67,000	67,000	54,338	12,662	60,659
Property	5,000	5,000	-	5,000	-
Total Transportation	290,718	290,718	256,304	34,414	254,555
Other Central Support					
PS- Professional	9,000	9,000	8,087	913	15,618
PS-Other	154,000	154,000	120,533	33,467	104,862
Property	-	-	-	-	9,821
Total Other Central Support	163,000	163,000	128,620	34,380	130,301
Food Service					
Salaries	13,488	13,488	28,633	(15,145)	13,633
Benefits	5,314	5,314	3,639	1,675	3,713
PS- Property	1,000	1,000	-	1,000	-
PS-Other	5,000	5,000	3,592	1,408	-
Supplies	1,000	1,000	-	1,000	(16)
Property	2,000	2,000	3,154	(1,154)	-
Total Food Service	27,802	27,802	39,018	(11,216)	17,330
Community Support					
PS- Property	2,500	2,500	-	2,500	-
Total Supporting Services	1,614,300	1,614,300	1,428,729	185,571	1,403,037
Facilities/Capital Outlay					
Non-Capitalized Equipment	2,000	135,204	-	135,204	-
Total Facilities/Capital Outlay	2,000	135,204	-	135,204	-

(Continued)

BIG SANDY SCHOOL DISTRICT 100J
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
(Continued)					
EXPENDITURES (Continued)					
Contingency	1,375,921	1,105,513	-	1,105,513	-
TOTAL EXPENDITURES	5,574,032	5,452,290	3,896,809	1,555,481	3,992,130
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(1,775,280)	(1,858,231)	657,880	2,516,111	273,640
OTHER FINANCING SOURCES (USES)					
Transfers	(155,000)	(155,000)	(136,000)	19,000	(179,500)
CHANGE IN FUND BALANCE	(1,930,280)	(2,013,231)	521,880	2,535,111	94,140
BEGINNING FUND BALANCE	1,930,280	2,013,231	1,618,276	(394,955)	1,524,136
ENDING FUND BALANCE	$ -	$ -	$ 2,140,156	$ 2,140,156	$ 1,618,276

See accompanying Independent Auditors' Report.

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SPECIAL REVENUE FUNDS

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted to expenditures for specified purposes:

The District reports the following Special Revenue Funds:

Food Service Fund – Accounts for District's food service operations

Pupil Activity Fund – Accounts for the District's athletic related pupil activities

Scholarship Fund – Accounts for the District's scholarship activity

BIG SANDY SCHOOL DISTRICT 100J
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Food Service Fund
For the Year Ended June 30, 2021

	2021				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
REVENUES					
Local Sources					
Investment Earnings	$ 100	$ 100	$ 7	$ (93)	$ 24
Food Service Revenue	53,000	23,000	21,278	(1,722)	35,853
Other Local	-	-	818	818	699
Total Local Sources	53,100	23,100	22,103	(997)	36,576
State Sources					
State Grants from CDE					
State Matching Child Nutrition	-	-	1,105	1,105	1,095
School Lunch Protection - Free & Reduced	-	-	416	416	1,046
State Grants from Other Agencies					
State PERA Contribution	-	-	-	-	1,677
Total State Sources	-	-	1,521	1,521	3,818
Federal Sources					
Federal Grants from CDE					
National School Lunch Program	51,000	81,000	14,992	(66,008)	57,197
Special Milk Program for Children	-	-	343	343	370
Summer Food Service Program for Children	-	-	83,250	83,250	-
Federal Grants from Other State Agencies					
National School Lunch Program- Commodities	8,000	8,000	7,156	(844)	7,418
Total Federal Sources	59,000	89,000	105,741	16,741	64,985
TOTAL REVENUES	112,100	112,100	129,365	17,265	105,379
EXPENDITURES					
Supporting Services					
Food Service					
Salaries	100,000	110,000	62,951	47,049	62,059
Benefits	-	-	32,726	(32,726)	19,471
PS- Professional	-	-	802	(802)	52
PS- Property	-	-	-	-	331
PS-Other	-	-	-	-	1,877
Supplies	58,875	55,537	3,803	51,734	1,528
Food	10,000	10,000	61,022	(51,022)	31,398
Commodities	-	-	7,156	(7,156)	7,418
Property	3,000	3,000	-	3,000	162
Other Expenses	10,000	10,000	-	10,000	1,000
TOTAL EXPENDITURES	181,875	188,537	168,460	20,077	125,296
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(69,775)	(76,437)	(39,095)	37,342	(19,917)
OTHER FINANCING SOURCES (USES)					
Transfers	60,000	60,000	41,000	(19,000)	25,000
CHANGE IN FUND BALANCE	(9,775)	(16,437)	1,905	18,342	5,083
BEGINNING FUND BALANCE	9,775	16,437	14,858	(1,579)	9,775
ENDING FUND BALANCE	$ -	$ -	$ 16,763	$ 16,763	$ 14,858

See accompanying Independent Auditors' Report.

BIG SANDY SCHOOL DISTRICT 100J
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Pupil Activity Fund
For the Year Ended June 30, 2021

	2021				
	Original Budget	**Final Budget**	**Actual**	**Variance with Final Budget**	**2020 Actual**
REVENUES					
Local Sources					
Investment Earnings	$ -	$ -	$ 154	$ 154	$ 547
Pupil Activity Revenues	45,000	265,000	143,006	(121,994)	154,564
Total Local Sources	45,000	265,000	143,160	(121,840)	155,111
Federal Sources					
ESSER II Supplemental	-	-	16,000	16,000	-
TOTAL REVENUES	45,000	265,000	159,160	(105,840)	155,111
EXPENDITURES					
Instruction					
PS-Professional	20,000	20,000	11,706	8,294	15,588
PS-Other	20,000	20,000	6,689	13,311	7,759
Supplies	45,029	318,000	16,219	301,781	30,886
Property	8,000	23,320	-	23,320	-
Other Expenses	-	-	132,064	(132,064)	133,992
TOTAL EXPENDITURES	93,029	381,320	166,678	214,642	188,225
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(48,029)	(116,320)	(7,518)	108,802	(33,114)
OTHER FINANCING SOURCES (USES)					
Transfers	30,000	30,000	30,000	-	29,500
CHANGE IN FUND BALANCE	(18,029)	(86,320)	22,482	108,802	(3,614)
BEGINNING FUND BALANCE	18,029	86,320	86,320	-	89,934
ENDING FUND BALANCE	$ -	$ -	$ 108,802	$ 108,802	$ 86,320

See accompanying Independent Auditors' Report.

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OTHER SUPPLEMENTARY INFORMATION

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DEBT SERVICE FUND

Debt Service Funds These funds are used to account for the repayment of the District's general obligation indebtedness.

The District has the following debt service fund:

Bond Redemption Fund

BIG SANDY SCHOOL DISTRICT 100J
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Bond Redemption Fund
For the Year Ended June 30, 2021

	2021			2020
	Final Budget	Actual	Variance with Final Budget	Actual
REVENUES				
Local Sources				
Property Taxes	$ 221,996	$ 220,993	$ (1,003)	$ 220,273
Specific Ownership Taxes	1,000	413	(587)	-
Delinquent Taxes	-	1,399	1,399	200
Investment Earnings	100	14	(86)	1,821
TOTAL REVENUES	223,096	222,819	(277)	222,294
EXPENDITURES				
Supporting Services				
General Administration				
PS- Professional	1,500	750	750	750
Other Expenses	232,483	-	232,483	2,459
Total General Administration	233,983	750	233,233	3,209
Debt Service				
Interest	81,000	79,998	1,002	85,358
Principal	135,000	132,784	2,216	127,531
Total Debt Service	216,000	212,782	3,218	212,889
TOTAL EXPENDITURES	449,983	213,532	236,451	216,098
CHANGE IN FUND BALANCE	(226,887)	9,287	236,174	6,196
BEGINNING FUND BALANCE	226,887	226,887	-	220,691
ENDING FUND BALANCE	$ -	$ 236,174	$ 236,174	$ 226,887

See accompanying Independent Auditors' Report.

CAPITAL PROJECTS FUND

Capital Reserve Project Fund - This fund accounts for the District's routine capital projects.

BIG SANDY SCHOOL DISTRICT 100J
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Capital Reserve Project Fund
For the Year Ended June 30, 2021

	2021			2020
	Final Budget	Actual	Variance with Final Budget	Actual
REVENUES				
Local Sources				
Investment Earnings	$ 3,000	$ 830	$ (2,170)	$ 4,635
Insurance Proceeds	-	881,031	881,031	-
Total Local Sources	3,000	881,861	878,861	4,635
Federal Sources				
ESSER II	-	127,133	127,133	-
TOTAL REVENUES	3,000	1,008,994	1,005,994	4,635
EXPENDITURES				
Supporting Services				
Operations and Maintenance				
PS- Property	-	408,989	(408,989)	20,378
Transportation				
Property	128,218	128,218	-	-
Total Supporting Services	128,218	537,207	(408,989)	20,378
Facilities/Capital Outlay				
Buildings	48,293	38,293	10,000	-
Equipment	26,044	-	26,044	-
Non-Capitalized Equipment	175,000	-	175,000	-
Total Facilities/Capital Outlay	249,337	38,293	211,044	-
TOTAL EXPENDITURES	377,555	575,500	(197,945)	20,378
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(374,555)	433,494	808,049	(15,743)
OTHER FINANCING SOURCES (USES)				
Transfers	40,000	65,000	25,000	125,000
CHANGE IN FUND BALANCE	(334,555)	498,494	833,049	109,257
BEGINNING FUND BALANCE	334,555	309,556	(24,999)	200,299
ENDING FUND BALANCE	$ -	$ 808,050	$ 808,050	$ 309,556

See accompanying Independent Auditors' Report.

STATE COMPLIANCE

This report includes information required by the Colorado Department of Education.

Colorado Department of Education

Auditors Integrity Report
District: 0940 - Big Sandy 100J
Fiscal Year 2020-21
Colorado School District/BOCES

See accompanying Independent Auditors' Report.

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number	Beg Fund Balance & Prior Per Adj (6880*) +	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses -	= 6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental				
10 General Fund	1,600,042	4,350,861	3,810,748	2,140,156
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	18,234	67,828	86,061	0
Sub- Total	**1,618,276**	**4,418,689**	**3,896,809**	**2,140,156**
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	48,199	721	800	48,120
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	14,858	170,363	168,458	16,763
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	86,320	189,160	166,679	108,802
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	226,887	222,819	213,532	236,174
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	309,556	1,073,994	575,500	808,050
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	**2,304,097**	**6,075,746**	**5,021,778**	**3,358,065**
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	**0**	**0**	**0**	**0**
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	**0**	**0**	**0**	**0**

FINAL

Colorado Department of Education

Bolded Balance Sheet Report
District: 0940 - Big Sandy 100J
Fiscal Year 2020-21
Colorado School District/BOCES

	Governmental									Proprietary				Fiduciary		
ASSETS	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Cash and Investments (8100-8104,8111)	2,380,227	0	0	140,922	0	0	7,163	219,008	1,089,906	0	0	0	0	0	0	3,837,225
Cash with Fiscal Agent (8105)	31,521	0	0	0	0	0	0	8,409	0	0	0	0	0	0	0	39,930
Taxes Receivable (8121,8122)	33,170	0	0	0	0	0	0	8,758	0	0	0	0	0	0	0	41,927
Interfund Loans Receivable (8131,8132)	1,927	0	0	16,000	0	0	15,000	0	0	0	0	0	0	0	0	32,927
Grants Accounts Receivable (8142)	69,652	0	0	0	0	0	25	0	127,133	0	0	0	0	0	0	196,811
Other Receivables (8151-8154,8161)	0	0	0	0	0	0	204	0	0	0	0	0	0	0	0	204
Inventories (8171,8172,8173)	0	0	0	0	0	0	1,228	0	0	0	0	0	0	0	0	1,228
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	**2,516,496**	**0**	**0**	**156,922**	**0**	**0**	**23,620**	**236,174**	**1,217,039**	**0**	**0**	**0**	**0**	**0**	**0**	**4,150,252**

See accompanying Independent Auditors' Report.

LIABILITIES & FUND EQUITY	Governmental								Proprietary						Fiduciary		
LIABILITIES	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Interfund Payables (7401,7402)	31,000	0	0	0	0	0	1,927	0	0	0	0	0	0	0	0	32,927
Other Payables (7421-7423)	0	0	0	0	0	0	0	0	388,540	0	0	0	0	0	0	388,540
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	20,449	0	0	0	0	0	0	20,449
Accrued Expenses (7461)	345,341	0	0	0	0	0	2,652	0	0	0	0	0	0	0	0	347,993
Unearned Revenue (7481)	0	0	0	0	0	0	2,278	0	0	0	0	0	0	0	0	2,278
Grants Deferred Revenue (7482)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Liabilities	**376,341**	**0**	**0**	**0**	**0**	**0**	**6,857**	**0**	**408,989**	**0**	**0**	**0**	**0**	**0**	**0**	**792,187**

See accompanying Independent Auditors' Report.

	Governmental								Proprietary					Fiduciary		
FUND EQUITY	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Non-spendable Fund Balance 6710	0	0	0	0	0	0	1,228	0	0	0	0	0	0	0	0	1,228
Restricted Fund Balance 6720	0	0	0	48,120	0	0	0	236,174	0	0	0	0	0	0	0	284,295
TABOR 3% Emergency Reserve 6721	122,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	122,000
TABOR Multi-Year 6722	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
District Emergency Reserve (letter of credit or real estate) 6723	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Colorado Preschool Program (CPP) Reserve 6724	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Full-Day Kindergarten Reserve 6725	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Risk-Related / Restricted Capital Reserve 6726	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BEST Capital Reserve 6727	0	0	0	0	0	0	0	0	150,000	0	0	0	0	0	0	150,000
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	108,802	0	0	15,535	0	658,050	0	0	0	0	0	0	782,387
Assigned Fund Balance 6760	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unassigned Fund Balance 6770	2,018,155	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,018,155
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
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Equity	2,140,156	0	0	156,922	0	0	16,763	236,174	808,050	0	0	0	0	0	0	3,358,065

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Total Liabilities & Fund Equity	2,516,496	0	0	156,922	0	0	23,620	236,174	1,217,039	0	0	0	0	0	0	4,150,252

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