UNIVERSITY SCHOOLS

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

UNIVERSITY SCHOOLS
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YEAR ENDED JUNE 30, 2021

INDEPENDENT AUDITORS' REPORT

Board of Governors
University Schools
Greeley, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of University Schools (the School), a component unit of Weld County School District 6, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School's basic financial statements 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 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 from 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 control. 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.

Opinions

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 University Schools as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

University Schools adopted the provisions of GASB Statement No. 84, Fiduciary Activities. As a result of the implementation of GASB Statement No. 84, the School reported a restatement of beginning net position and fund balance for the change in accounting principle, as described in Note 9 to the financial statements. Our opinion is not modified with respect to the restatement.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 – 7, the budgetary comparison information on pages 47 – 48 and the pension and other post-employment benefit schedules on pages 49 – 52 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The combining balance sheet – nonmajor governmental funds, combining statement of revenues, expenditures, and changes in fund balance – nonmajor governmental funds, and budgetary comparison information for the Student Activity Fund and Capital Projects Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
November 3, 2021

This section of the report provides readers with a narrative overview and analysis of the financial activities of University Schools (the School) for the year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the School's financial performance.

Financial Highlights

The School's liabilities and deferred inflows of resources exceed assets and deferred outflows of resources by $16,225,676 at June 30, 2021. This is largely related to the School's net pension liability of $22,792,230 and deferred inflows of resources relating to pensions of $9,467,646, partially offset by deferred outflows of resources relating to pensions of $8,329,793. See Note 7 for further information. The School has no control over the financial funding of the net pension liability.

The School's General Fund balance reported an ending fund balance of $3,148,637, a decrease of $72,870 from the fund balance for the previous year. The ending General Fund fund balance is 17.4% of the fiscal year 2021 General Fund expenditures.

The School's Capital Projects Fund provides additional transparency into the School's intended future capital projects. The ending fund balance of the Capital Projects Fund increased $758,685 to $3,674,806 as the School deferred certain capital projects into future years.

The University School Building Corporation, a special revenue fund of the School, reported an ending fund balance of $2,756,079, an increase of $54,599. 100% of this balance are reserves required or assigned for debt service, repair and replacement, and capital projects.

Overview of the Financial Statements

This report generally follows the guidelines as set forth by the Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.* This rule was intended to help make reports easier to understand for oversight bodies, in particular the Weld County School District 6 Board of Education, and for the general public. The report consists of three parts: Management's Discussion and Analysis (this section), the Basic Financial Statements, and the Required Supplementary Information. The Basic Financial Statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements, which provide additional and more detailed information. Included as Required Supplementary Information is budget-to-actual information related to the Schools' General Fund and the University Lab School Building Corporation, blended component unit, and pension and OPEB schedules as required under GASB Statement No. 68 and 75, further discussed in Notes 7 and 8.

Government-wide Financial Statements.

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

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

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

The government-wide financial statements can be found on pages 8 – 9 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. University Schools, like other governmental units or charter schools, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The School reports five funds: the general fund, one capital projects fund, and three special revenue funds (University Lab School Building Corporation, University Lab School Foundation, and the Student Activity Fund), which are governmental funds.

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

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

The School adopts an annual appropriated budget for its General Fund, its Capital Projects Fund, the Student Activity Fund and for its University Lab School Building Corporation Fund. Budgetary comparison schedules have been provided for the General Fund, Capital Projects Fund, Student Activity Fund and for the University Lab School Building Corporation Fund to demonstrate compliance with the budgets.

The basic governmental fund financial statements can be found on pages 10 – 13 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 14 of this report.

Government-wide Financial Analysis

Net Position: As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of June 30, 2021, liabilities and deferred inflows of resources exceed assets and deferred outflows of resources by $16,225,676.

The following table provides a summary of the School's net position for 2021 and 2020:

Comparative Summary of Statement of Net Position

	2021	2020
Assets:		
Current Assets	$ 11,276,040	$ 10,107,642
Capital Assets	24,695,024	23,524,883
Total Assets	35,971,064	33,632,525
Deferred Outflows of Resources	9,485,669	3,508,483
Total Deferred Outflows of Resources	9,485,669	3,508,483
Liabilities:		
Current Liabilities	1,330,238	1,167,816
Unearned Revenue	21,574	-
Noncurrent Liabilities	50,596,318	47,202,370
Total Liabilities	51,948,130	48,370,186
Deferred Inflows of Resources	9,734,279	12,482,178
Total Deferred Inflows of Resources	9,734,279	12,482,178
Net Position:		
Net Investment in Capital Assets	658,821	(994,128)
Restricted	4,273,029	5,119,281
Unrestricted	(21,157,526)	(27,836,509)
Total Net Position	$ (16,225,676)	$ (23,711,356)

A significant portion of the School's net position reflects its investment in capital assets. These assets include land, buildings, equipment, and vehicles. These capital assets are used to provide services to students; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Long-term debts include the bonds issued for construction of the school building, pension obligations, and OPEB obligations.

$4,273,029 of the School's net position represents resources that are subject to external restrictions on how they may be used. Included in this category are the Taxpayer's Bill of Rights (TABOR) emergency reserves. The remaining restricted net position is restricted for debt service, repairs and maintenance, educational purposes from mill levy override funding, student activities, and the University Lab School Foundation.

The following table provides a summary of the School's change in net position for 2021 and 2020:

Comparative Schedule of Revenues, Expenses, and Changes in Net Position

	Year Ended June 30, 2021	Year Ended June 30, 2020
Program Revenues:		
Charges for Services	$ 221,435	$ 340,514
Operating Grants	2,465,922	822,423
Capital Grants	526,761	489,661
General Revenues:		
Per Pupil Funding	14,124,306	14,623,646
Mill Levy Override	1,606,123	1,601,530
Interest Income	50,212	122,057
Other Revenue	1,636,893	559,086
Total Revenues	20,631,652	18,558,917
Expenses:		
Instruction	8,429,297	9,026,341
Support Services	3,499,845	3,457,487
Interest on Long-Term Debt	1,410,927	1,432,530
Total Expenses	13,340,069	13,916,358
Change in Net Position	7,291,583	4,642,559
Net Position - Beginning	(23,517,259)	(28,353,915)
Net Position - Ending	$ (16,225,676)	$ (23,711,356)

Governmental-wide activities increased University Schools' net position by $7,291,583 in fiscal year 2021. This is largely due to recording the change in the net pension liability and pension related deferred outflows and deferred inflows of $4,849,808 as required by governmental accounting standards.

General Fund

The General Fund is used to capture all operating activities of the School. As of the end of the current fiscal year, the School's General Fund reported an ending fund balance of 3,148,637, a decrease of $72,870. The decrease is a result of a transfer of $773,800 to the Capital Projects Fund for future capital projects.

General Fund Budgetary Highlights

Fiscal year 2021 actual revenue from per pupil funding is greater than the budgeted revenue based on a conservative estimate of the decrease in per pupil funding due to the financial impact of COVID-19. Budgeted amounts from State and Federal Sources were greater than actual revenues as the School did not recognize all available COVID-19 relief funding, which is expected to be recognized in fiscal year 2022. Student Fees actual revenue is less than budgeted as general fees charges to students were decreased in half, which was offset by mill levy override funding.

Expenditures for the year were lower than budgeted as required by State statute.

Capital Asset and Debt Administration

Capital Assets: The School's investment in capital assets as of June 30, 2021, amounts to $24,695,024. This investment in capital assets includes land, buildings and building improvements, furniture and equipment, and vehicles. Additional information on the School's capital assets can be found in Note 3 of this report.

Long-Term Debt: The Building Corporation carries total bonded debt outstanding of $26,865,000. Additional information on long-term debt and the related facility leases can be found in Notes 4 and 5 of this report.

Economic Factors and Next Year's Budgets

Per pupil revenue and State funding is expected to increase for the 2021-2022 school year as Colorado recovers from the financial impact of the COVID-19 pandemic. The School anticipates continued COVID-19 relief funding in the 2021-2022 fiscal year through the Elementary and Secondary School Emergency Relief Fund (ESSER). The School is anticipating consistent enrollment with increasing costs. The initial General Fund budget for the 2021-2022 fiscal year projects budgeted expenditures exceeding budgeted revenues, resulting in an anticipated decrease in General Fund fund balance for the 2021-2022 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the School's finances for all those with an interest in the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to University Schools, 6525 West 18th Street, Greeley, Colorado 80634.

UNIVERSITY SCHOOLS
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
ASSETS	
Cash	$ 7,706,963
Restricted Cash and Investments	2,657,703
Prepaid Items	154,284
Accounts Receivable	757,090
Capital Assets, Not Being Depreciated	2,163,231
Capital Assets, Depreciated, Net of Accumulated Depreciation	22,531,793
Total Assets	35,971,064
DEFERRED OUTFLOWS OF RESOURCES	
Loss on Refunding	1,029,669
Deferred OPEB Outflows	126,207
Deferred Pension Outflows	8,329,793
Total Deferred Outflows of Resources	9,485,669
LIABILITIES	
Accounts Payable	107,314
Accrued Salaries and Benefits	1,169,178
Accrued Interest	53,746
Unearned Revenue	21,574
Noncurrent Liabilities:	
Due Within One Year	594,966
Due in More than One Year	26,381,139
OPEB Liability	827,983
Net Pension Liability	22,792,230
Total Liabilities	51,948,130
DEFERRED INFLOWS OF RESOURCES	
Deferred OPEB Inflows	266,633
Deferred Pension Inflows	9,467,646
Total Deferred Inflows of Resources	9,734,279
NET POSITION	
Net Investment in Capital Assets	658,821
Restricted for:	
Emergencies	570,000
Educational Purposes - Mill Levy	2,609,373
Debt Service	395,201
Repairs and Replacement	300,003
Student Activities	211,388
Foundation	187,064
Unrestricted	(21,157,526)
Total Net Position	$ (16,225,676)

See accompanying Notes to Basic Financial Statements.

UNIVERSITY SCHOOLS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position
GOVERNMENTAL ACTIVITIES					
Instructional	$ 8,429,297	$ 221,435	$ 2,464,228	$ -	$ (5,743,634)
Support Services	3,499,845	-	1,694	526,761	(2,971,390)
Interest on Long-Term Debt	1,410,927	-	-	-	(1,410,927)
Total Governmental Activities	$ 13,340,069	$ 221,435	$ 2,465,922	$ 526,761	(10,125,951)
GENERAL REVENUES					
Per Pupil Revenue					14,124,306
Mill Levy Override					1,606,123
Interest Income					50,212
Other Income					1,636,893
Total General Revenues					17,417,534
CHANGE IN NET POSITION					7,291,583
Net Position - Beginning of Year, as Restated					(23,517,259)
NET POSITION - END OF YEAR					$ (16,225,676)

See accompanying Notes to Basic Financial Statements.

UNIVERSITY SCHOOLS
BALANCE SHEET — GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	University Lab School Building Corporation	Capital Projects	Nonmajor Special Revenue Funds	Total
ASSETS					
Cash	$ 4,161,941	$ 98,376	$ 3,048,504	$ 398,142	$ 7,706,963
Restricted Cash and Investments	-	2,657,703	-	-	2,657,703
Prepaid Items	154,284	-	-	-	154,284
Due from other funds	-	-	196,779	-	196,779
Accounts Receivable	256,312	-	500,468	310	757,090
Total Assets	$ 4,572,537	$ 2,756,079	$ 3,745,751	$ 398,452	$ 11,472,819
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 36,369	$ -	$ 70,945	$ -	$ 107,314
Unearned Revenue	21,574	-	-	-	21,574
Due to other funds	196,779	-	-	-	196,779
Accrued Salaries and Benefits	1,169,178	-	-	-	1,169,178
Total Liabilities	1,423,900	-	70,945	-	1,494,845
FUND BALANCES					
Nonspendable	154,284	-	-	-	154,284
Restricted					
Foundation	-	-	-	187,064	187,064
Educational - Mill Levy	-	-	2,609,373	-	2,609,373
Emergencies	570,000	-	-	-	570,000
Debt Service	-	2,357,700	-	-	2,357,700
Repairs and Replacement	-	300,003	-	-	300,003
Student Activities	-	-	-	211,388	211,388
Assigned					
Next Year's Budget	391,698	-	-	-	391,698
Capital Projects	-	98,376	1,065,433	-	1,163,809
Unassigned	2,032,655	-	-	-	2,032,655
Total Fund Balances	3,148,637	2,756,079	3,674,806	398,452	9,977,974
Total Liabilities and Fund Balances	$ 4,572,537	$ 2,756,079	$ 3,745,751	$ 398,452	$ 11,472,819

See accompanying Notes to Basic Financial Statements.

UNIVERSITY SCHOOLS
RECONCILIATION OF THE BALANCE SHEET — GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total Fund Balance - Governmental Funds		$ 9,977,974
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is $35,386,721 and accumulated depreciation is $10,691,697		24,695,024
Long-term liabilities and related items, including deferred losses on refundings, are not due and and payable in the current year and, therefore, are not reported in the funds.		
Deferred Loss on Refunding, Net of Accumulated Amortization		1,029,669
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Bonds Payable	(26,865,000)	
Accrued Interest on Bonds Payable	(53,746)	
Bond Premium, Net of Accumulated Amortization	(109,625)	
Compensated Absences	(1,480)	
OPEB Liability	(827,983)	
Net Pension Liability	(22,792,230)	(50,650,064)
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Pension		8,329,793
OPEB		126,207
Deferred inflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Pension		(9,467,646)
OPEB		(266,633)
Total Net Position		$ (16,225,676)

See accompanying Notes to Basic Financial Statements.

UNIVERSITY SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General Fund	University Lab School Building Corporation	Capital Projects	Nonmajor Special Revenue Funds	Total
REVENUES					
Per Pupil Funding	$ 14,124,306	$ -	$ -	$ -	$ 14,124,306
Local Sources	1,675,234	-	1,299,460	178,957	3,153,651
State and Federal Sources	2,663,948	-	250,090	-	2,914,038
Student Fees	194,315	-	-	-	194,315
Interest Income	19,255	2,644	2,331	25,981	50,211
Oil Royalties	-	48,490	-	-	48,490
Rent and Other	134,249	1,898,739	-	-	2,032,988
Total Revenues	18,811,307	1,949,873	1,551,881	204,938	22,517,999
EXPENDITURES					
Current:					
Instruction	12,459,943	-	-	130,653	12,590,596
Support Services	4,950,600	604	-	25,328	4,976,532
Debt Service					
Principal	-	570,000	-	-	570,000
Interest	-	1,324,670	-	-	1,324,670
Capital Outlay	712,226	-	1,566,996	-	2,279,222
Total Expenditures	18,122,769	1,895,274	1,566,996	155,981	21,741,020
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	688,538	54,599	(15,115)	48,957	776,979
OTHER FINANCING SOURCES (USES)					
Insurance Proceeds	12,392	-	-	-	12,392
Transfers in	-	-	773,800	-	773,800
Transfers out	(773,800)	-	-	-	(773,800)
Total Other Financing Source (Uses)	(761,408)	-	773,800	-	12,392
NET CHANGE IN FUND BALANCE	(72,870)	54,599	758,685	48,957	789,371
Fund Balance - Beginning of Year As Restated	3,221,507	2,701,480	2,916,121	349,495	9,188,603
FUND BALANCE - END OF YEAR	$ 3,148,637	$ 2,756,079	$ 3,674,806	$ 398,452	$ 9,977,974

See accompanying Notes to Basic Financial Statements.

UNIVERSITY SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Net Change in Fund Balance - Governmental funds		$ 789,371
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense of $1,099,706 is exceeded by capital outlay of $2,279,222		1,179,516
Net book value of disposal of capital assets		(9,375)
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term debt in the statement of net position.		570,000
Interest is paid when due in the governmental funds but recorded when payable in the statement of activities		934
Governmental funds report the effect of premiums and loss on refundings when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Premium Amortization	9,966	
Loss on Refunding Amortization	(97,157)	(87,191)
Some items reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The (increases) decreases in these activities consist of:		
Compensated Absences	(1,480)	
OPEB Expense	48,004	
Pension Expense	4,801,804	4,848,328
Change in Net Position		$ 7,291,583

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of University Schools (the School) conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The following is a summary of the School's significant accounting policies:

Reporting Entity

GASB has specified the criteria to be used in defining a governmental entity for financial reporting purposes:

> The basic, but not the only, criterion for including a governmental department, agency, institution, commission, public authority or other governmental organization in a governmental unit's reporting entity for general purpose financial reports is the exercise of financial accountability over such agencies by the governmental unit's elected officials. Financial accountability is derived from the governmental unit's power and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. Financial accountability implies that a governmental unit is dependent on another and the dependent unit should be reported as part of the other.

Within a year of its founding, the University of Northern Colorado (UNC) established a "model school" to provide a classroom setting to train Normal School teachers and to provide a laboratory for faculty to experiment with curriculum and classroom teaching methods. The model school was renamed the Training School in 1899, with the first high school commencement held in 1901. College High was adopted in the 1920s and was changed to University High in 1970 with the change to University status for UNC.

On September 30, 1998, the University Schools were chartered by UNC pursuant to the Charter Schools Act (Colorado Revised Statutes §22-30.5-101) with funding through Weld County School District 6 (the District). In 2000, the University relinquished the charter and a nonprofit group began operating the School effective July 1, 2001.

The Charter Schools Act permits school districts to contract with individuals and organizations for the operation of schools within the District. The statutes define these contracted schools as "charter schools." Charter schools are financed from a portion of the school district's School Finance Act revenues and from revenues generated by the charter school within limits established by the Charter School Act. Charter schools have separate governing boards; however, the District's Board of Education must approve all charter school applications and budgets.

The School operates under a charter granted by the District's Board of Education. The School is funded based on the level of per pupil operating revenue (PPR) as defined by the state of Colorado Legislature and the number of full-time equivalent (FTE) students. As of the designated count day (October 1, 2020), there were 1,747 FTE students. The PPR rate for the fiscal year ended June 30, 2021, was approximately $8,000.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The accompanying financial statements present the School and its component units, an entity for which the School is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the School's operations. The University Laboratory School Building Corporation (the Building Corporation) meets the requirements for blending.

The School also includes the University Laboratory School Foundation (the Foundation), within its reporting entity. This is a nonprofit organization formed to bring together the School's parents and staff, as well as the community at large, in support of the School. The Foundation is a blended component unit presented in the School's financial statements. Separate financial statements are not issued.

The School is a component unit of the District and is included in the District's Annual Comprehensive Financial Report.

Government-Wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Revenue from per pupil operating revenue is recognized in the fiscal year for which the funding is provided. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Revenues from donations are recognized when the funds are pledged to the School.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Measurable means that the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Charges for services are considered revenue once the service is rendered, and as such are considered susceptible to accrual.

On-Behalf Payments – GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of Colorado makes direct on-behalf payments for retirement benefits to Colorado PERA. Beginning on July 1, 2018, the State of Colorado is required to make a payment to PERA each year equal to $225 million. PERA allocates the contribution to the trust funds of the State, School, Denver Public Schools, and Judicial Division Trust Funds of PERA, as proportionate to the annual payroll of each division. This annual payment is required on July 1st of each year thereafter until there are no unfunded actuarial accrued liabilities of any division of PERA that receives the direct distribution. The amount of on-behalf payments made for the School by the State of Colorado is recorded in the fund financial statements. Due to the anticipated financial impact of COVID-19, the State suspended the $225 million annual payment for July 2020, therefore the School did not record on-behalf payments for fiscal year 2021.

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

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

Major Governmental Funds

General Fund: The General Fund is the School's primary operating fund. It accounts for all financial resources of the School, except those required legally or by sound financial management to be accounted for in another fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Special Revenue - University Laboratory School Building Corporation: Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes. The School reports a special revenue fund for the Building Corporation.

Capital Projects Fund: This fund is used to account for financial resources to be used for the acquisition, improvement, or construction of major capital facilities and equipment.

The School reports the following non-major funds:

Non-major Governmental Funds

Special Revenue: Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes. The School reports special revenue funds for the Foundation and for the Student Activity Fund.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. The estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

Cash and Investments

Cash and investments may include cash on hand, demand deposits, certificates of deposit, savings accounts, and pooled investment funds. Investments are carried at fair value, except for the School's investment in an external investment pool, which is measured at amortized cost.

Capital Assets

Capital assets, which include land, buildings and building improvements, furniture and equipment, and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the School as assets with an initial individual cost of $5,000 or more and an estimated useful life in excess of one year. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

All reported capital assets, except for land, are depreciated once placed in service. Depreciation on all assets is provided using the straight-line method over estimated useful lives of 3 to 50 years.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows of Resources

The School's governmental activities report a separate section for deferred outflows of resources. This separate financial statement element reflects a decrease in net position that applies to a future period. The School reports deferred outflows of resources relating to its proportionate share of the net pension liability and net OPEB liability. See Notes 7 and 8 for additional information. The School also has a deferred outflow of resources related to a deferred loss on bond refunding.

Accrued Salaries and Benefits

Salaries of teachers and certain other employees are paid over a 12-month period ending July 31. However, most salaries are earned over the traditional school year of September through May. The difference between salary and related benefit amounts earned from July 1 through June 30 and the corresponding amounts paid during this period is shown as a liability for accrued salaries and benefits in the amount of $1,169,178.

Compensated Absences

The School's policy allows employees to accumulate paid time off. Beginning in fiscal year 2021, a portion of this leave may be carried forward to the succeeding year, up to a maximum of 45 days. When terminating employment, employees with over five years of service are eligible for compensation of unused paid time off at a rate of one-half the substitute teacher daily rate.

Long-Term Debt

Long-term debt is reported as liabilities in the statement of net position. Bond premiums and discounts are amortized over the life of debt using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Net Pension Liability

The School's governmental activities report a net pension liability as of June 30, 2021. The School is required to report its proportionate share of PERA's unfunded pension liability. See Note 7 for additional information.

Postemployment Benefits Other Than Pensions (OPEB)

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

The School's governmental activities report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period. The School reports deferred inflows of resources relating to its proportionate share of the net pension liability and net OPEB liability. See Notes 7 and 8 for additional information.

Inter-fund Transfers

Transfers between the General Fund and the Capital Projects Fund are based on funding set aside for future capital purchases. The General Fund transferred $773,800 during the current year for future capital expenditures in the Capital Projects Fund.

Net Position/Fund Balance

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvements of those assets. In the fund financial statements, fund equity of the School's governmental funds are classified as non-spendable, restricted, committed, assigned or unassigned.

Non-spendable fund balances indicate amounts that cannot be spent either a) due to form; for example, inventories and prepaid amounts or b) due to legal or contractual requirements to be maintained intact.

Restricted fund balances indicate amounts constrained for specific purpose by external parties, constitutional provision or enabling legislation. Restrictions on the School's General Fund balance and Building Corporation fund are described in Note 6.

Committed fund balances indicate amounts constrained for a specific purpose by a government using its highest level of decision-making authority. It would require a resolution by the School's board to remove or change the constraints placed on the resources. This action must occur prior to year-end; however, the amount can be determined in the subsequent period.

Assigned fund balances indicate amounts for governmental funds, other than the General Fund, for any remaining positive amounts not classified in the above categories. For the General Fund, amounts constrained for the intent to be used for a specific purpose have been delegated to the business manager. The School has $391,698 in assigned fund balance in the General Fund relating to budgeted expenditures exceeding budgeted revenues for the year ended June 30, 2021. The School has $1,065,433 in assigned fund balance in the Capital Projects Fund for future capital improvements and acquisitions.

Unassigned fund balances indicate amounts in the General Fund that are not classified as non-spendable, restricted, committed, or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. When both unassigned and committed or assigned resources are available for use, it is the School's policy to use committed, then assigned resources first, then unassigned resources as needed.

NOTE 2 CASH AND INVESTMENTS

Colorado statutes govern the School's deposits of cash and investments. The Colorado Public Deposit Protection Act (PDPA) requires that all units of a local government deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2021, the School's carrying amount of deposits was $7,572,637.

University Laboratory School Building Corporation

The bonds require the Building Corporation to maintain certain cash and investment reserve accounts. These accounts are held by a trustee. Monthly payments from the School (Note 4) are deposited in the accounts and the semi-annual bond payments are made from the accounts.

At June 30, 2021, $1,907,167 is held in a reserve account required by the bond agreements which is to be used for the payment of principal and interest on the bond in the event that sufficient funds are not available to make such payments when due. $450,533 is held in reserve accounts required by the bond agreements, which are to be used for the current principal and interest payments on the bonds. In addition, at June 30, 2021, $300,003 is held in a repair and replacement fund. A $10,000 annual deposit into this fund is required until the fund equals or exceeds $300,000. Withdrawals from the fund are allowed for repair and replacement of the school facility.

Investments: The School does not hold investments. The cash and investment reserve accounts owned by the Building Corporation are in the custody of the trustee, these funds are used primarily to make bond principal and interest payments. These funds are invested by the trustee as directed by the Building Corporation; investments are limited to investments as allowed by the state of Colorado. The statutes define the permissible rating, maturity, custodial and concentration risk criteria in which local governments may invest to include:

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

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

At June 30, 2021, the Building Corporation's investments consisted of an external investment pool, the Colorado Surplus Asset Fund Trust (CSAFE). CSAFE is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements creating and operating CSAFE. Investments in the external investment pool are shown at amortized cost for financial reporting purposes. CSAFE is rated AAAm by Standards and Poor's. Investments of CSAFE are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by participating governments. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

Interest Rate Risk: The extent to which changes in interest rates will adversely affect the fair value of an investment is defined as interest rate risk. The School 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. State statutes generally limit the maturity of investment securities to five years from the date of purchase, unless the governing board authorizes the investment for a period in excess of five years.

As of June 30, 2021 the Building Corporation's investment in CSAFE of $2,657,703 has a maturity date of 12 months or less.

Credit Risk: The School has no policy toward credit risk other than to follow State statutes, which limit certain investments to those with specified ratings provided by nationally recognized statistical rating organizations, depending on the type of investment.

Concentration of Credit Risk: State statutes do not limit the amount the School may invest in one issuer, except for corporate securities.

Fair Value: The School categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices; Level 3 inputs are significant unobservable inputs.

The Foundation Fund has the following recurring fair value measurements as of June 30, 2021:

		Fair Value Measurement Using		
	June 30, 2021	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Mutual Funds	$ 134,326	134,326	$ -	$ -
Total Investments by Fair Value Level	$ 134,326	$ 134,326	$ -	$ -

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

The Building Corporation Fund has the following investments measured at amortized cost as of June 30, 2021:

	June 30, 2021
Investments Measured at Amortized Cost:	
CSAFE	$ 2,657,703
Total Investments at Amortized Cost	$ 2,657,703

NOTE 3 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Increases	Decreases	Balance June 30, 2021
Capital Assets, Not Depreciated				
Construction in Progress	$ 257,863	$ -	$ 257,863	-
Land	2,163,231	-	-	2,163,231
Total Capital Assets, Not Being Depreciated	2,421,094	-	257,863	2,163,231
Capital Assets, Being Depreciated:				
Land Improvements	1,140,117	-	-	1,140,117
Buildings and Building Improvements	25,223,218	1,854,001	-	27,077,219
Furniture and Equipment	3,606,805	526,103	-	4,132,908
Vehicles	766,265	156,981	50,000	873,246
Total Capital Assets, Being Depreciated	30,736,405	2,537,085	50,000	33,223,490
Accumulated Depreciation:				
Land Improvements	(323,693)	(38,963)	-	(362,656)
Buildings and Building Improvements	(6,489,499)	(616,873)	-	(7,106,372)
Furniture and Equipment	(2,577,744)	(345,713)	-	(2,923,457)
Vehicles	(241,680)	(98,157)	(40,625)	(299,212)
Total Accumulated Depreciation	(9,632,616)	(1,099,706)	(40,625)	(10,691,697)
Total Capital Assets, Being Depreciated, Net	21,103,789	1,437,379	9,375	22,531,793
Total Capital Assets, Net	$ 23,524,883	$ 1,437,379	$ 267,238	$ 24,695,024

Depreciation expense of $687,029 was charged to instructional activities for the year ended June 30, 2021. Depreciation expense of $412,677 was charged to support services activities for the year ended June 30, 2021.

NOTE 4 BONDS PAYABLE

On March 26, 2015, the Colorado Educational and Cultural Facilities Authority (the Authority) issued its Charter School Revenue Bonds as the University Schools Project, Series 2015, in the amount of $29,630,000. The bonds were issued for the University Laboratory School Building Corporation's use in refinancing certain outstanding debt of the Building Corporation used to finance the acquisition, construction improvement, and equipping of the educational facilities of the Building Corporation, to fund a debt service reserve fund for the Series 2015 bonds, to fund capitalized interest on the Series 2015 bonds, and pay the cost of issuance of the Series 2015 bonds.

The Authority and Building Corporation have entered into a loan agreement wherein the proceeds of the Authority bonds have been loaned to the Building Corporation. The Series 2015 bonds mature in 2045 with a 5% interest rate. The Building Corporation has granted the Authority a mortgage lien on the real estate and a security interest in the lease revenues from the School. The Authority's rights under the agreement have been assigned to the trustee.

The lease revenues, which are the basis of the pledged revenues, are described in Note 5. The lease revenue over the term of the agreement is equal to the expected principal and interest payments to be made over the life of the bonds, $52,542,025. One hundred percent of lease revenues have been pledged under the agreement. Lease revenue was $1,898,739 for the year ended June 30, 2021.

The following schedule represents the School's debt service requirements to maturity for outstanding revenue bonds at June 30, 2021:

Year Ending June 30,	Principal	Interest	Total
2022	$ 585,000	$ 1,299,700	$ 1,884,700
2023	615,000	1,275,700	1,890,700
2024	635,000	1,250,700	1,885,700
2025	660,000	1,224,800	1,884,800
2026	690,000	1,197,800	1,887,800
2027-2031	3,955,000	5,444,375	9,399,375
2032-2036	5,050,000	4,324,000	9,374,000
2037-2041	6,445,000	2,894,625	9,339,625
2042-2046	8,230,000	1,068,750	9,298,750
Total	$ 26,865,000	$ 19,980,450	$ 46,845,450

Changes in long-term liabilities for the year ended June 30, 2021 were as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due Within One Year
Bonds Payable	$ 27,435,000	$ -	$ 570,000	$ 26,865,000	$ 585,000
Bond Premium	119,591	-	9,966	109,625	9,966
Compensated Absences	-	68,200	66,720	1,480	-
	$ 27,554,591	$ 68,200	$ 646,686	$ 26,976,105	$ 594,966

NOTE 5 LEASES

The School leases its building from the Building Corporation. The lease requires monthly payments, which approximate the Building Corporation's required payments on the bonds (Note 4) and may be terminated in any year by non-appropriation of funds. The Facilities Corporation has pledged the lease payments to pay bond principal and interest.

Rent expense was $1,898,739 for the year ended June 30, 2021, and is included in support service expenditures in the General Fund. The School has other leases where payments fluctuate year to year that are also included in expenditures in the General Fund.

The lease between the School (lessee) and the Building Corporation (lessor) includes certain restrictive covenants related to expenditures and unrestricted cash balances. The School believes it is in compliance with the covenants at June 30, 2021.

NOTE 6 RESTRICTION OF NET POSITION/DESIGNATIONS OF FUND BALANCE

On November 3, 1992, the voters of the state approved an amendment to the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR limits the ability of the state and local governments such as the School to increase revenues, debt and spending and restricts property, income, and other taxes. In addition, the amendment requires government entities to create an emergency "reserve" of 3% of annual spending excluding bonded debt service. In November 1998, voter approval was given to Weld County School District 6 to remove the restriction on growth in revenue. The 3% emergency reserve is still required both at the District and the School level. At June 30, 2021, management believes the School has complied with the requirements to include emergency reserves in its budgetary basis fund balance.

The Building Corporation is required to hold funds in accounts related to its bond obligations as identified in Note 2. Net position/fund balance are restricted attributable to the restrictions on its cash and investments.

NOTE 7 DEFINED BENEFIT PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions

The School 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 School 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)

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

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

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

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

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

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

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% 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% or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10% 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)

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 the School 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% 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 %

**Contribution rates for the SCHDTF 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.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the School statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from School were $1,656,515 for the year ended June 30,2021.

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

The net pension liability for the SCHDTF was measured as of December 31, 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 School's proportion of the net pension liability was based on the School's 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.

At June 30, 2021, the School reported a liability of $22,792,230 for its proportionate share of the net pension liability.

At December 31, 2020, the School's proportion was 0.150762373%, which was an increase of 0.025413280% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the School recognized pension expense of $5,617,012 and revenue of $0 for support from the State as a nonemployer contributing entity. At June 30, 2021, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 1,252,320	$ -
Changes of Assumptions or Other Inputs	2,192,542	3,831,181
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	5,017,088
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	4,069,724	619,377
Contributions Subsequent to the Measurement Date	815,207	-
Total	$ 8,329,793	$ 9,467,646

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

$815,207 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 Ending June 30,	Amount
2022	$ (2,923,141)
2023	1,928,310
2024	(166,756)
2025	(791,473)

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:

Actuarial Cost Method	Entry Age
Price Inflation	2.40%
Real Wage Growth	1.10%
Wage Inflation	3.50%
Salary Increases, Including Wage Inflation	3.50 - 9.70%
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate[1]	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007; and DPS Benefit Structure (Automatic)	1.25% Compounded Annually
PERA Benefit Structure hired after December 31, 2006 (Ad Hoc, Substantively Automatic)	Financed by the Annual Increase Reserve

[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.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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% of the RP-2014 Disabled Retiree Mortality Table.

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 Increases, Including Wage Inflation	3.40 - 11.00%
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate[1]	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007; and DPS Benefit Structure (Automatic)	1.25% Compounded Annually
PERA Benefit Structure hired after December 31, 2006 (Ad Hoc, Substantively Automatic)	Financed by the Annual Increase Reserve

[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.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

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

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

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

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

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99 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:

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

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

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

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

Discount Rate

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

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

- 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.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

- 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% 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%. There was no change in the discount rate from the prior measurement date.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionare Share of the Net Pension Liability	$ 31,090,468	$ 22,792,230	$ 15,877,063

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 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Defined Benefit Other Post Employment Benefit (OPEB) Plan

Summary of Significant Accounting Policies

OPEB

The School participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to 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 School 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 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (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.

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.

NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

Contributions

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the School is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the School were $84,992 for the year ended June 30, 2021.

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

At June 30, 2021, the School reported a liability of $827,983 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 School's proportion of the net OPEB liability was based on the School's 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 School's proportion was 0.0871354211%, which was an increase of 0.0053193834% from its proportion measured as of December 31, 2019.

NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

For the year ended June 30, 2021, the School's recognized OPEB expense of ($89,830). At June 30, 2021, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 2,198	$ 182,030
Changes of Assumptions or other Inputs	6,187	50,771
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	33,832
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	75,995	-
Contributions Subsequent to the Measurement Date	41,827	-
Total	$ 126,207	$ 266,633

$41,827 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:

Year Ended June 30,	Amount
2022	$ (42,771)
2023	(38,038)
2024	(44,697)
2025	(45,666)
2026	(10,479)
Thereafter	(602)

NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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 Increases, Including Wage Inflation	3.50 % in the Aggregate
Long-Term Investment Rate of Return, Net of OPEB Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Health Care Cost Trend Rates	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	8.10% in 2020, gradually decreasing to 4.50% in 2029
Medicare Part A Premiums	3.50% for 2020, gradually increasing to 4.50% in 2029

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:

	Initial Costs for Members Without Medicare Part A		
	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.

NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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%

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.

NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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% of the RP-2014 Disabled Retiree Mortality Table.

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.

	Trust Fund			
	State Division	School Division	Local Government Division	Judicial Division
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age
Price Inflation	2.30%	2.30%	2.30%	2.30%
Real Wage Growth	0.70%	0.70%	0.70%	0.70%
Wage Inflation	3.00%	3.00%	3.00%	3.00%
Salary Increases, including wage inflation:				
Members other than State Troopers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
State Troopers	3.20%-12.40%	N/A	3.20%-12.40%	N/A

[1] C.R.S. § 24-51-101 (46), as amended, expanded the definition of "State Troopers" to include certain employees within the Local Government Division, effective January 1, 2020. See Note 4 of the Notes to the Financial Statements in PERA's 2020 Annual Report for more information.

The long-term rate of return, net of OPEB plan investment expenses, including price inflation and discount rate assumptions were 7.25%.

NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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.

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

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

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

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

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

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

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

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

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

NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

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

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

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

The 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:

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

NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

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

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

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

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

NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Current Trend Rates	1% Increase in Trend Rates
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 Liability	$ 806,582	$ 827,983	$ 852,895

Discount Rate

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 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%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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% 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%.

Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, 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%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionare Share of the Net OPEB Liability	$ 948,469	$ 827,983	$ 725,036

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 9 RESTATEMENT OF FUND BALANCE AND NET POSITION

During the year ended June 30, 2021, the School adopted GASB Statement No. 84, *Fiduciary Activities*. As a result of implementing this guidance, the School determined that the previously reported fiduciary fund for student activities does not meet the updated guidance for a fiduciary fund and has been reclassified to a special revenue fund. Beginning fund balance of the Student Activity Fund special revenue fund was restated to $194,097. In addition, Net Position of the School has been restated by $194,097 as a result of the reclassification of the Student Activity Fund from a fiduciary fund to a special revenue fund.

UNIVERSITY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — GENERAL FUND
YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Per Pupil Funding	$ 13,029,982	$ 13,779,909	$ 14,124,306	$ 344,397
Local Sources	1,213,440	1,606,123	1,675,234	69,111
State and Federal Sources	2,343,185	2,855,712	2,663,948	(191,764)
Student Fees	283,556	404,340	194,315	(210,025)
Interest Income	20,000	18,000	19,255	1,255
Rent and Other	96,260	77,200	134,249	57,049
Total Revenues	16,986,423	18,741,284	18,811,307	70,023
EXPENDITURES				
Current:				
Instruction	12,737,982	13,042,045	12,459,943	278,039
Support Services	5,459,135	5,649,151	4,950,600	508,535
Capital Outlay	698,970	658,400	712,226	(53,826)
Total Expenditures	18,896,087	19,349,596	18,122,769	732,748
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,909,664)	(608,312)	688,538	1,296,850
OTHER FINANCING SOURCES (USES)				
Insurance Proceeds	-	-	12,392	12,392
Transfers Out	(750,000)	(750,000)	(773,800)	(23,800)
Total Other Financing Sources (Uses)	(750,000)	(750,000)	(761,408)	(11,408)
NET CHANGE IN FUND BALANCE	(2,659,664)	(1,358,312)	(72,870)	1,285,442
Fund Balance - Beginning of Year	2,224,598	3,221,507	3,221,507	-
FUND BALANCE - END OF YEAR	$ (435,066)	$ 1,863,195	$ 3,148,637	$ 1,285,442

See accompanying Notes to Required Supplementary Information.

UNIVERSITY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — UNIVERSITY LAB SCHOOL BUILDING CORPORATION
YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Income	$ 12,000	$ 2,644	$ (9,356)
Oil & Gas Royalties	52,800	48,490	(4,310)
Rent	1,847,200	1,898,739	51,539
Total Revenues	1,912,000	1,949,873	37,873
EXPENDITURES			
Support Services	-	604	(604)
Debt Service:			
Principal	550,000	570,000	(20,000)
Interest	1,350,000	1,324,670	25,330
Total Expenditures	1,900,000	1,895,274	4,726
NET CHANGE IN FUND BALANCE	12,000	54,599	42,599
Fund Balance - Beginning of Year	2,701,480	2,701,480	-
FUND BALANCE - END OF YEAR	$ 2,713,480	$ 2,756,079	$ 42,599

See accompanying Notes to Required Supplementary Information.

UNIVERSITY SCHOOLS
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS *

Fiscal Year	2021	2020	2019	2018	2017	2016	2015
Plan Measurement Date	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
School's Proportion of the Net Pension Liability	0.150762373%	0.125349093%	0.125869765%	0.139572936%	0.139116913%	0.136258193%	0.136676215%
School's Proportionate Share of the Net Pension Liability	$ 22,792,230	$ 18,726,882	$ 22,287,827	$ 45,132,927	$ 41,420,485	$ 20,839,729	$ 18,524,218
State's Proportionate Share of the Net Pension Liability associated with the School**	-	2,375,267	3,047,551	-	-	-	-
Total	$ 22,792,230	$ 21,102,149	$ 25,335,378	$ 45,132,927	$ 41,420,485	$ 20,839,729	$ 18,524,218
Covered Payroll	8,057,814	7,217,808	6,919,716	6,437,095	6,243,817	5,906,205	5,652,192
School's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	282.9%	259.5%	322.1%	701.1%	663.4%	352.8%	327.7%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.0%	64.5%	57.0%	44.0%	43.1%	59.2%	62.8%

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

** A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018 based on Senate Bill 18-200. This direct distribution provision was suspended for the July 2020 payment as part of the State's response to the potential financial impact of COVID-19.

See accompanying Notes to Required Supplementary Information.

UNIVERSITY SCHOOLS
SCHEDULE OF PENSION CONTRIBUTIONS AND RELATED RATIOS - PENSION
LAST 10 FISCAL YEARS *

Fiscal Year	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 1,656,515	$ 1,447,103	$ 1,459,806	$ 1,250,782	$ 1,168,763	$ 1,081,601	$ 960,138
Contributions in Relation to the Contractually Required Contribution	1,656,515	1,447,103	1,459,806	1,250,782	1,168,763	1,081,601	960,138
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School's Covered Payroll	$ 8,332,575	$ 7,466,984	$ 7,630,990	$ 6,621,776	$ 6,357,093	$ 6,098,457	$ 5,643,347
Contributions as a Percentage of Covered Payroll	19.9%	19.4%	19.1%	18.9%	18.4%	17.7%	17.0%

* The amounts presented for each fiscal year were determined as of June 30. Information earlier than 2015 was not available

See accompanying Notes to Required Supplementary Information.

UNIVERSITY SCHOOLS
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
LAST 10 FISCAL YEARS *

Fiscal Year	2021	2020	2019	2018	2017
Plan Measurement Date	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
School's Proportion (Percentage) of the Collective OPEB Liability	0.0871354211%	0.0819304948%	0.0818160377%	0.0793047827%	0.0790757122%
School's Proportionate Share of the Collective OPEB Liability	$ 827,983	$ 920,897	$ 1,113,142	$ 1,030,645	$ 1,025,243
Covered-Employee Payroll	$ 8,057,814	$ 7,217,808	$ 6,919,716	$ 6,437,095	$ 6,243,817
School's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	10.28%	12.76%	16.09%	16.01%	16.42%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	32.78%	24.49%	17.03%	17.53%	16.72%

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

See accompanying Notes to Required Supplementary Information.

UNIVERSITY SCHOOLS
SCHEDULE OF OPEB CONTRIBUTIONS AND RELATED RATIOS
LAST 10 FISCAL YEARS *

Fiscal Year	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 84,992	$ 76,163	$ 77,836	$ 67,542	$ 64,842	$ 62,204	$ 57,562
Contributions in Relation to the Contractually Required Contribution	84,992	76,163	77,836	67,542	64,842	62,204	57,562
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School's Covered-Employee Payroll	$ 8,332,575	$ 7,446,984	$ 7,630,990	$ 6,621,776	$ 6,357,093	$ 6,098,457	$ 5,643,347
Contribution as a Percentage of Covered-Employee Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

* The amounts presented for each fiscal year were determined as of June 30. Information earlier than 2015 was not available

See accompanying Notes to Required Supplementary Information.

NOTE 1 BUDGETS AND BUDGETARY ACCOUNTING

The School conducts all necessary budgeting procedures maintaining separate budgets for each fund.

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

a) Budgets for all funds are required by the District. During June, the proposed budget is submitted to the board for consideration and approval at a public hearing. The budget includes proposed expenditures and the means of financing them.

b) The public hearings are conducted by the School's board of directors to obtain parents and other members of the public comment and recommendations.

c) Prior to June 30, the budget is adopted by formal resolution.

d) The School's contract with the District requires submission of the approval and amended budgets to the District.

e) Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between funds, reallocation of budget line items and revisions that alter the total appropriations of any fund must be approved by the School's board of directors. Appropriations are based on total funds expected to be available in each budget year, which may include beginning fund balances and reserves as established by the board of directors.

f) Budgets for all fund types are adopted on a basis consistent with U.S. generally accepted accounting principles.

g) Budgeted amounts reported in the accompanying required supplementary information are as originally adopted and as amended by the board of directors throughout the year. Budgeted amounts included in the financial statements are based on the final budget as adopted by the School's board of directors on January 13, 2021. The Capital Project's final budget was approved on June 10, 2020. The Building Corporation's final budget was approved by the Board on June 4, 2020.

h) There was no legally adopted budget for the University Lab School Foundation Fund.

i) All appropriations lapse at the end of each fiscal year.

UNIVERSITY SCHOOLS
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue		
	Student Activity Fund	University Lab School Foundation	Total Nonmajor Governmental Funds
ASSETS			
Cash	$ 211,078	$ 187,064	$ 398,142
Accounts Receivable	310	-	310
Total Assets	$ 211,388	$ 187,064	$ 398,452
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ -	$ -	$ -
Total Liabilities	-	-	-
FUND BALANCES			
Restricted			
Foundation	-	187,064	187,064
Student Activities	211,388	-	211,388
Total Fund Balances	211,388	187,064	398,452
Total Liabilities and Fund Balances	$ 211,388	$ 187,064	$ 398,452

UNIVERSITY SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Special Revenue		
	Student Activity Fund	University Lab School Foundation	Total Nonmajor Governmental Funds
REVENUES			
Local Sources	$ 147,944	$ 31,013	$ 178,957
Interest Income	-	25,981	25,981
Total Revenues	147,944	56,994	204,938
EXPENDITURES			
Current:			
Instruction	130,653	-	130,653
Support Services	-	25,328	25,328
Total Expenditures	130,653	25,328	155,981
NET CHANGE IN FUND BALANCE	17,291	31,666	48,957
Fund Balance - Beginning of Year As Restated	194,097	155,398	349,495
FUND BALANCE - END OF YEAR	$ 211,388	$ 187,064	$ 398,452

UNIVERSITY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —
BUDGET AND ACTUAL — CAPITAL PROJECTS
YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Local Sources	$ -	$ 1,442,350	$ 1,299,460	$ (142,890)
State and Federal Sources	-	250,090	250,090	-
Interest Income	5,000	3,500	2,331	(1,169)
Total Revenues	5,000	1,695,940	1,551,881	(144,059)
EXPENDITURES				
Current:				
Capital Outlay	1,441,000	3,002,000	1,566,996	1,435,004
Total Expenditures	1,441,000	3,002,000	1,566,996	1,435,004
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,436,000)	(1,306,060)	(15,115)	1,290,945
OTHER FINANCING SOURCES (USES)				
Transfers In	750,000	750,000	773,800	23,800
Total Other Financing Sources (Uses)	750,000	750,000	773,800	23,800
NET CHANGE IN FUND BALANCE	(686,000)	(556,060)	758,685	1,314,745
Fund Balance - Beginning of Year	2,192,000	2,916,121	2,916,121	-
FUND BALANCE - END OF YEAR	$ 1,506,000	$ 2,360,061	$ 3,674,806	$ 1,314,745

UNIVERSITY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL — STUDENT ACTIVITY FUND
YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Local Sources	$ 275,000	$ 147,944	$ (127,056)
Total Revenues	275,000	147,944	(127,056)
EXPENDITURES			
Instruction	265,000	130,653	134,347
Total Expenditures	265,000	130,653	134,347
NET CHANGE IN FUND BALANCE	10,000	17,291	7,291
Fund Balance - Beginning of Year	198,360	194,097	(4,263)
FUND BALANCE - END OF YEAR	$ 208,360	$ 211,388	$ 3,028