MONUMENT ACADEMY CHARTER SCHOOL

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

MONUMENT ACADEMY CHARTER SCHOOL
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YEAR ENDED JUNE 30, 2021

INDEPENDENT AUDITORS' REPORT

Board of Directors
Monument Academy Charter School
Monument, 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 Monument Academy Charter School (the School), a component unit of Lewis-Palmer School District #38, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the entity'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 Monument Academy Charter School 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

Monument Academy Charter School 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 12 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, budgetary comparison information, pension information and other post-employment penefits (OPEB) information on pages 4 - 9 and 48 - 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 Monument Academy Charter School's basic financial statements. The combining schedules of nonmajor funds, the budgetary comparison of the Preschool Fund, the budgetary comparison schedule of the Pupil Activity Fund, the General Fund balance sheet by location, and General Fund statement of revenues, expenditures, and changes in fund balance by location (the supplementary information) are presented for purposes of additional analysis and is not a required part of the basic financial statements.

Board of Directors
Monument Academy Charter School

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

Denver, Colorado
December 14, 2021

As management of the Monument Academy Charter School, we offer readers of the Monument Academy Charter School's (the School) financial statements this narrative overview and analysis of the financial activities of Monument Academy Charter School for the fiscal year ended June 30, 2021.

Financial Highlights

The assets and deferred outflows of resources of the Monument Academy Charter School were less than its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $15,311,927 (deficit in net position). Due to the requirement that charter schools and districts report their proportionate share of PERA's pension liability, and OPEB liability, liabilities include $11,751,395 of net pension liability and $427,034 of net OPEB liabilities.

At the close of the fiscal year, Monument Academy Charter School's governmental funds reported a combined ending fund balance of $6,156,089.

Overview of Financial Statements

This discussion and analysis are intended to serve as an introduction to Monument Academy Charter School's basic financial statements. Monument Academy Charter School's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

The statement of net position presents information on all of the Monument Academy Charter School's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Also, due to the requirement that charter schools and districts report their proportionate share of PERA's pension liability, $11,751,395, and OPEB liability, $427,034.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Monument Academy Charter School is improving or deteriorating. The net position is, however, negatively impacted by the net pension liability and depreciation.

The statement of activities presents information showing how the Monument Academy Charter 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 (e.g. uncollected grant revenues and earned but unpaid salaries and benefits).

The government-wide statement of activities distinguishes functions/programs of the Monument Academy Charter School supported primarily by per pupil revenue (PPR). The governmental activities of the Monument Academy Charter School include instruction, supporting services expense, and interest on long-term debt.

The government-wide financial statements can be found on pages 10-11 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. Monument Academy Charter School, like other governmental units or charter schools, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of Monument Academy Charter School are reported as 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 Monument Academy Charter 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 Monument Academy Charter School'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.

Monument Academy Charter School maintains four individual governmental funds, the General Fund, Special Revenue Fund, Preschool Fund, and Foundation Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Revenue Fund, Preschool Fund, and Foundation Fund as they are considered major funds.

Monument Academy Charter School adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the General Fund, Building Corporation, Foundation Fund, Preschool Fund and Pupil Activity Fund, to demonstrate compliance with the budget.

Building Corporation Fund**:** The Monument Academy Building Corporation (the Corporation) is a nonprofit finance organization whose sole purpose is to acquire and lease facilities to Monument Academy Charter School for governmental use. The Corporation provides services entirely to Monument Academy Charter School. Due to this relationship, the Corporation is reported as if it were part of or blended with Monument Academy Charter School's operations as a Special Revenue Fund.

Foundation Fund: The Foundation fund is a nonprofit finance organization whose sole purpose is to acquire and lease facilities to Monument Academy Charter School for governmental use. This fund is currently used to account for the transactions relating to construction of a new high school. The Foundation provides services entirely to Monument Academy Charter School. Due to this relationship, the Foundation is reported as if it were part of or blended with Monument Academy Charter School's operations as a Special Revenue Fund.

Pupil Activities Fund: The Pupil Activities accounts for School-sponsored organizations and student activities

Preschool Fund: The Preschool Fund accounts for preschool tuition revenue and preschool instruction expenditures.

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. This information is provided in pages 16-47.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Monument Academy Charter School, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $15,439,751 at the close of the most recent fiscal year. The overall impact of the inclusion of the net pension liability, net OPEB liability, and related deferred outflows and deferred inflows is a reduction of net position of $13,912,710.

Monument Academy Charter School's Net Position

	Governmental Activities	
	2021	2020
Assets:		
Current and Other Assets	$ 6,990,634	$ 14,633,447
Capital Assets	32,457,359	29,552,328
Total Assets	39,447,993	44,185,775
Deferred Outflows of Resources Related to Refunding	1,595,299	1,681,666
Deferred Outflows of Resources Related to Pension	3,963,490	1,359,260
Deferred Outflows of Resources Related to OPEB	56,056	49,434
Total Deferred Outflows of Resources	5,614,845	3,090,360
Liabilities:		
Current	1,524,103	3,987,457
Long-term Liabilities	53,096,835	51,853,577
Total Liabilities	54,620,938	55,841,034
Deferred Inflows of Resources Related to Pension	5,577,701	8,033,864
Deferred Inflows of Resources Related to OPEB	176,126	140,412
Total Deferred Inflows of Resources	5,753,827	8,174,276
Net Position:		
Net Investment in Capital Assets	(8,599,417)	(3,629,919)
Restricted	3,572,758	8,451,201
Unrestricted	(10,285,268)	(21,560,457)
Total Net Position (Restated)	$ (15,311,927)	$ (16,739,175)

The largest portion of the School's assets is capital assets (82%), less accumulated depreciation.The School's overall net position increased by $1,345,771 during the fiscal year, this includes current year depreciation expense of $1,018,068 and reduction of estimated long-term pension expense of $3,306,344 based on changes in the actuarial calculation of the net pension liability.

Monument Academy Charter School's Change in Net Position

	Governmental Activities	
	2021	2020
Revenues:		
Program Revenues:		
Charges for Service	$ 495,237	$ 400,565
Operating Grant and Contributions	537,039	185,840
Capital Grant and Contributions	287,283	247,758
General Revenue:		
Per Pupil Revenue	7,333,679	7,178,120
Mill Levy Override	578,894	499,748
Interest Earnings	25,774	382,471
Other	97,031	1,382
Total Revenues	9,354,937	8,895,884
Expenses:		
Governmental Activities:		
Instruction	3,114,090	2,822,359
Supporting Services	2,872,611	2,470,936
Interest Expense	2,022,465	2,750,257
Total Expenses	8,009,166	8,043,552
Total Change in Net Position	1,345,771	852,332
Net Position - Beginning of Year (Restated)	(16,657,698)	(17,591,507)
Net Position - End of Year	$ (15,311,927)	$ (16,739,175)

Per pupil funding passed through to the School by the District increased despite a decrease in State funding received per student due to an increase in student enrollment compared to the previous year. Instruction expenses increased based on an increase in payroll costs and depreciation costs, partially offset by a decrease in the deferred inflows of resources relating to net pension liability from the previous year. Interest expense decreased based on interest and fiscal charges relating to the issuance of debt in the Foundation Fund during the previous year.

General Fund

Unassigned fund balance for the General Fund at the end of the fiscal year is $2,243,858; total fund balance for the General Fund is $2,513,993. Total revenues in the General Fund during fiscal year 2020-2021 were $8,948,230 with $7,333,679 (78%) related to Per Pupil Revenue (PPR). Expenditures were $9,251,769 in fiscal year 2020-2021 compared to expenditures and transfers out of $7,671,987 in fiscal year 2019-2020. The increase in expenditures is primarily due to increased administrative charges from the District, increase in building repair and maintenance costs for the new high school building, and increased payroll costs.

General Fund Budgetary Highlights

The School approves a preliminary budget no later than April 15th based on enrollment projections for the following year. Adjustments are made to the original budget after the official student count of October 1st. The School approves an amended and/or supplemental budget during the year to true up the beginning fund balance and reflect adjustment, including the adjustment to the actual student count.

Actual revenues were below final budgeted revenues by $72,596. Actual expenditures, including transfers out, were below the appropriated amount by $449,708.

Capital Asset and Debt Administration

Capital Assets: Including the building and land of the School, capital assets net of accumulated depreciation was $32,457,359 in fiscal year 2020-2021 compared to $29,552,328 in fiscal year 2019-2020. The increase is primarily related to $3,896,489 in construction in process relating to construction of a new high school. See Note 3 for additional information.

Long-term Lease: During December 2014, the School entered into a refunding transaction whereby the Colorado Educational and Cultural Facilities Authority (CECFA) issued $14,265,000 Charter School Revenue Bonds. Proceeds of the bonds were loaned to the School to construct the education facilities used by the School. The School is obligated under a lease agreement to make monthly payments to the Corporation for the use of the facilities. The School is required to make loan payments to the Trustee, for the payment of the bonds. The bonds accrue interest at rates ranging from 2% to 5% per annum. Interest payments are due semi-annually on April 1st and October 1st. Principal payments are due annually on October 1st.

During July 2019, the Public Finance Authority issued its Education Revenue Bonds (Monument Academy Foundation Project) as Series 2019A and 2019B, in the amount of $28,950,000. The bonds were used for the Foundation Fund's capital expenditures relating to the construction of a new high school and to fund a debt reserve fund, to pay the initial interest payments of the Series 2019A and 2019B bonds, and to pay for the cost of issuance of the Series 2019A and 2019B bonds. The Public Finance Authority and Foundation have entered into a loan agreement wherein the proceeds of the Public Finance Authority bonds have been loaned to the Foundation. The bonds accrue interest at rates ranging from 5% to 6.75% per annum. Interest payments are due semi-annually on June 1st and December 1st. Principal payments are due annually beginning on June 1, 2023 with the final payment due on June 1, 2026.

See Note 5 and 6 for additional information on the School's long-term liabilities.

Economic Factors and Next Year's Budget

Monument Academy's budget for Fiscal Year 2021-2022 (FY22) is primarily driven by student enrollment. Budgeted enrollment for FY22 is 1083 full time equivalent (FTE) students, an increase of 14% from the prior fiscal year. Colorado's economic conditions and current and future legislation impact the Per Pupil Revenue (PPR) received as state funding. State funding for FY22 increased by 12% from the prior fiscal year, due to a stronger than anticipated Colorado economy. The School planned and budgeted for increases to salary and benefit costs along with increases to supplies, equipment and professional service costs. All will impact FY22 fiscal plans and operations.

The Board of Directors and administration take a conservative approach to financial budgeting to maximize the potential of a net income. This approach allows for financial flexibility if or when unanticipated events occur.

Coronavirus (COVID-19) continues to significantly effect global markets, supply chains, businesses, and communities. COVID-19 may impact various parts of Monument Academy's operations and financial results including, but not limited to, cleaning supplies and educational equipment purchases, and increasing substitute teacher costs. Management believes the School is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 remains to be seen and cannot be reasonably estimated while events continue to change regularly.

Requests for Information

This financial report is designed to provide a general overview of Monument Academy Charter 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 the:Marc Brocklehurst, Chief Financial Officer, Monument Academy Charter School, 1150 Village Ridge Pt., Monument, CO 80132.

MONUMENT ACADEMY CHARTER SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
ASSETS	
Cash and Investments	$ 3,312,485
Restricted Cash and Investments:	3,456,268
Accounts Receivable	221,881
Capital Assets, Nondepreciable	2,265,187
Capital Assets, Net of Accumulated Depreciation	30,192,172
Total Assets	39,447,993
DEFERRED OUTFLOWS OF RESOURCES	
Related to Refunding	1,595,299
Related to Pension	3,963,490
Related to OPEB	56,056
Total Deferred Outflows of Resources	5,614,845
LIABILITIES	
Accounts Payable	101,134
Accrued Salaries and Benefits	682,031
Accrued Interest Payable	238,831
Unearned Revenue	51,380
Noncurrent Liabilities:	
Due in Less Than One Year	450,727
Due in More Than One Year	40,918,406
Net Pension Liability	11,751,395
Net OPEB Liability	427,034
Total Liabilities	54,620,938
DEFERRED INFLOWS OF RESOURCES	
Related to Pension	5,577,701
Related to OPEB	176,126
Total Deferred Inflows of Resources	5,753,827
NET POSITION	
Net Investment in Capital Assets	(8,599,417)
Restricted for:	
TABOR	270,135
Capital Projects	6,485
Debt Service	3,090,950
Repairs and Replacement	120,002
Preschool	85,186
Unrestricted	(10,285,268)
Total Net Position	$ (15,311,927)

See accompanying Notes to Financial Statements.

MONUMENT ACADEMY CHARTER SCHOOL
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction	$ 3,114,090	$ 495,237	$ 537,039	$ 287,283	$ (1,794,531)
Supporting Services	2,872,611	-	-	-	(2,872,611)
Interest on Long-Term Debt	2,022,465	-	-	-	(2,022,465)
Total Governmental Activities	$ 8,009,166	$ 495,237	$ 537,039	$ 287,283	(6,689,607)
	GENERAL REVENUES				
	Per Pupil Revenue				7,333,679
	Mill Levy Override				578,894
	Investment Earnings				25,774
	Other				97,031
	Total General Revenues				8,035,378
	CHANGE IN NET POSITION				1,345,771
	Net Position - Beginning of Year (Restated)				(16,657,698)
	NET POSITION - END OF YEAR				$ (15,311,927)

See accompanying Notes to Financial Statements.

MONUMENT ACADEMY CHARTER SCHOOL
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Building Corporation	Foundation Fund	Nonmajor Special Revenue Funds	Total
ASSETS					
Cash and Investments	$ 3,211,843	$ -	$ 1,760	$ 98,882	$ 3,312,485
Restricted Cash and Investments	-	1,554,167	1,902,101	-	3,456,268
Accounts Receivable	221,881	-	-	-	221,881
Due from Other Funds	-	-	-	153,462	153,462
Total Assets	$ 3,433,724	$ 1,554,167	$ 1,903,861	$ 252,344	$ 7,144,096
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 101,134	$ -	$ -	$ -	$ 101,134
Accrued Salaries and Benefits	645,003	-	-	37,028	682,031
Unearned Revenues	20,132	-	-	31,248	51,380
Due to Other Funds	153,462	-	-	-	153,462
Total Liabilities	919,731	-	-	68,276	988,007
FUND BALANCES					
Restricted for:					
TABOR	270,135	-	-	-	270,135
Capital Projects	-	-	6,485	-	6,485
Debt Service	-	1,434,165	1,895,616	-	3,329,781
Repairs and Replacement	-	120,002	-	-	120,002
Preschool	-	-	-	85,186	85,186
Assigned for:					
Capital Projects	-	-	1,760	-	1,760
Student Activities	-	-	-	98,882	98,882
Unassigned	2,243,858	-	-	-	2,243,858
Total Fund Balances	2,513,993	1,554,167	1,903,861	184,068	6,156,089
Total Liabilities and Fund Balances	$ 3,433,724	$ 1,554,167	$ 1,903,861	$ 252,344	$ 7,144,096

See accompanying Notes to Financial Statements.

MONUMENT ACADEMY CHARTER SCHOOL
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Fund Balances - Total Governmental Funds	$ 6,156,089
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	32,457,359
Long-term liabilities, including capital leases and loans payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Building Loans	(41,045,000)
Premium on Loan Payable	(290,939)
Accrued interest payable is recognized in the statement of net position but is not due and payable in the current period.	(238,831)
Net Pension Liability	(11,751,395)
Net OPEB Liability	(427,034)
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Pension Related Items	3,963,490
OPEB Related Items	56,056
Deferred Loss on Bond Refunding	1,595,299
Deferred inflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Pension Related Items	(5,577,701)
OPEB Related Items	(176,126)
Accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(33,194)
Net Position in Governmental Activities	$ (15,311,927)

See accompanying Notes to Financial Statements.

MONUMENT ACADEMY CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General	Building Corporation	Foundation Fund	Nonmajor Special Revenue Funds	Total
REVENUES					
Per Pupil Revenue	$ 7,333,679	$ -	$ -	$ -	$ 7,333,679
Local Sources	786,278	-	-	-	786,278
State Sources	455,774	-	-	18,100	473,874
Federal Sources	343,106	-	-	-	343,106
Investment Income	20,645	140	4,989	-	25,774
Other	8,748	930,488	-	383,478	1,322,714
Total Revenues	8,948,230	930,628	4,989	401,578	10,285,425
EXPENDITURES					
Current:					
Instruction	4,113,711	-	-	321,582	4,435,293
Support Services	4,791,258	-	392	31,983	4,823,633
Capital Outlay	346,800	-	3,553,810	-	3,900,610
Debt Service:					
Principal Payments	-	415,000	-	-	415,000
Interest and Fiscal Charges	-	504,638	1,451,437	-	1,956,075
Total Expenditures	9,251,769	919,638	5,005,639	353,565	15,530,611
NET CHANGE IN FUND BALANCES	(303,539)	10,990	(5,000,650)	48,013	(5,245,186)
Fund Balances - Beginning of Year As Restated	2,817,532	1,543,177	6,904,511	136,055	11,401,275
FUND BALANCES - END OF YEAR	$ 2,513,993	$ 1,554,167	$ 1,903,861	$ 184,068	$ 6,156,089

See accompanying Notes to Financial Statements.

MONUMENT ACADEMY CHARTER SCHOOL
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Net Change in Fund Balances - Total Governmental Funds	$ (5,245,186)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which	
Capital Outlay	3,923,099
Depreciation Expense	(1,018,068)
The issuance of long-term debt provides current financial resources to funds but increases long-term liabilities in the statement of net position. Repayment of the principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position	
Principal Payments	415,000
Amortization of Premiums	15,727
Amortization Loss on Refunding	(86,367)
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:	
Accrued Interest Payable	4,250
Compensated Absences	(4,500)
Pension Expense	3,306,344
OPEB Expense	35,472
Governmental Activities Change in Net Position	$ 1,345,771

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable to governmental units. A summary of Monument Academy Charter School's (the School) significant accounting policies consistently applied in the preparation of these financial statements follows:

Financial Reporting Entity

The Governmental Accounting Standards Board (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.

The School has been determined to be a component unit of Lewis-Palmer #38 School District (the District).

For financial reporting purposes, in conformance with GASB, the School includes all funds, agencies, boards, and commissions that are controlled by or dependent on its Board of Directors. Control by or dependence on the School was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the School, obligation of the School to finance any debts that may occur, or receipt of significant subsidies from the School.

The School has two affiliated finance corporations that were formed to provide facilities, equipment, and other support to the School.

Blended Component Units

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the School. For the most part, the effect of interfund activity has been removed from these statements.

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

Fund Financial Statements

The accounts of the School are organized on the basis of funds, each of which is considered 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. 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 general operating fund of the School. It is used to account for all financial resources except those required to be accounted for in another fund.

Building Corporation – The Building Corporation is a Special Revenue Fund which accounts for the debt payments, interest revenue, and repair and maintenance expenditures for the building.

Foundation Fund – The Foundation Fund is the fund which accounts for the debt payments, interest revenue, and expenditures incurred for the construction and maintenance of a new high school.

The School reports the following nonmajor funds:

Preschool Fund – The Preschool Fund is the fund, which accounts for preschool tuition revenue and preschool instruction expenditures.

Pupil Activity Fund – The Pupil Activity Fund is used to record financial transactions related to School-sponsored organizations and student activities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Revenues are recognized as soon as they are both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end. For this purpose, the School considers grant revenues and other revenues to be available if they are collected within 60 days of year-end.

Grants and entitlement revenues are recognized when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue receipts and a deferred inflows of resources account is established when receipts exceed the related expenditures.

Expenditures are recorded when incurred with the exception of the loan payables and certain accrued sick and personal pay, which are accounted for as expenditures when due.

The School’s agency fund applies the accrual basis of accounting, but does not have a measurement focus.

Investments

Investments in money markets and an external investment pool are reported at amortized cost.

Capital Assets

Capital assets, which include property and equipment, are utilized for general School operations and are capitalized at actual or estimated cost. Donations of such assets are recorded at estimated acquisition cost at the time of donation. Capital assets are reported in the governmental activities column in the government-wide financial statements.

Maintenance, repairs, and minor renovations are recorded as expenditures when incurred. Major additions and improvements are capitalized. When assets used in the operation of the governmental funds are sold, the proceeds of the sale are recorded as revenues in the appropriate fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The monetary threshold for capitalization of assets is $5,000. The School's capital assets are depreciated using the straight-line method over the estimated useful lives of the capital assets.

Depreciation of all capital assets is charged as an expense against operations.

Estimated useful lives are:

Buildings and improvements	10 - 40 years
Equipment	10 years

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 loss on bond refunding. See Note 5 for additional information on outstanding principal relating to defeased bonds. The school also reports deferred outflows of resources relating to its proportionate share of the net pension liability and OPEB liability. See Note 7 and 8 for additional information.

Premiums

Premiums are being amortized over the terms of the loan using the straight-line method.

Compensated Absences

School policy allows eligible employees to carry forward a maximum number of unused temporary leave days to be used in the following year. Twelve-month administrative and salaried employees, employed by the School for at least five years, may carry forward 60 vacation days. The School policy states that it will pay up to 10 days of unused leave in excess of the 60 days at the following rates: Exempt employees at $50 per day; Nonexempt employees at 25% of their current hourly rate.

Upon resignation, departing employees with 10 continuous years of full-time service will be paid for up to 30 days of accrued vacation at the rates outlined above. Departing employees with 15 years of continuous full-time service will be paid for up to 60 days of accrued vacation at the rates outlined above.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net OPEB Liability

The School's governmental activities report a net OPEB liability as of June 30, 2021. The School is required to report its proportionate share of PERA's unfunded OPEB liability. See Note 8 for additional information.

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 relation to its proportionate share of the net pension liability and OPEB liability. See Note 7 and 8 for additional information.

Net Position/Fund Balance

Fund balances are reported in classifications based on the extent to which the School is bound to honor constraints for the specific purposes on which amounts in the fund can be spent. Fund balances are classified in one of five categories: 1) nonspendable, 2) restricted, 3) committed, 4) assigned, and 5) unassigned. Nonspendable fund balance represents assets that will never be converted to cash. Restricted fund balances reflect resources that are subject to externally enforceable legal restrictions. Committed fund balance is the portion that is limited in use by the Board of Directors. Formal Board action is required to remove or adjust this limitation. Assigned fund balances include amounts that are subject to a purpose constraint that represents an intended use, but does not meet the criteria to be classified as restricted or committed. Unassigned fund balance for the general fund represents the net resources in excess of the prior classifications. For all classifications of fund balance, the School considers the amount spent when an expenditure is incurred when fund balance is available and can be used.

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

Net Position is classified in the accompanying financial statements as follows:

> *Net investment in capital assets* represents the total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such as amounts are not included as a component of net investment in capital assets
>
> *Restricted Net Position* reflects resources that are subject to externally enforceable legal restrictions.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Emergency Reserves have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 9). $270,135 of the fund balance and net position have been restricted in compliance with this requirement. Debt service, additional capital projects, repairs and replacement restrictions have been provided for as required by the building loan agreements (see Note 2 for restricted cash and Note 5 for the building loan). As of June 30, 2021, $3,456,268 of fund balance have been restricted relating to these items. As of June 30, 2021, $85,186 is restricted relating to funding requirements in the Preschool Fund.

Interfund Activity

Receivables and payables between individual funds are classified in the fund financial statements as *due to* and *due from*. These items result from reimbursements required relating to one fund paying for expenditures of another fund for administrative convenience.

Budgets and Budgetary Accounting

Budgets are legally adopted for the General and Special Revenue Funds of the School on a basis consistent with generally accepted accounting principles (GAAP).

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

- By April 13, management submits to the Board of Directors a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- By April 14, the budget is adopted by the Board of Directors.
- By April 15, the adopted budget is submitted to the District.
- Expenditures may not legally exceed appropriations at the fund level. Revisions that alter the total expenditures of any fund must be approved by the Board of Directors
- All budgets lapse at fiscal year-end

Colorado Budget Law requires that all funds have legally adopted budgets and appropriations. The total expenditures for each fund may not exceed the amount appropriated. Appropriations for a fund may be increased if unanticipated revenues offset them.

NOTE 2 CASH DEPOSITS AND INVESTMENTS

Cash and investments are reflected on the June 30, 2021 statement of net position as the following:

Cash and Investments per the Government-wide Statement of Net Position		
Cash and Investments	$	3,312,485
Restricted Cash and Investments		3,456,268
	$	6,768,753
Cash Deposits	$	3,312,485
Investments		3,456,268
	$	6,768,753

Cash Deposits

The School's deposits are governed by Colorado statute. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all uninsured public deposits as a group is to be maintained by another institution or held in trust. The fair value of the collateral must be at least equal to the aggregate uninsured deposits.

The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At June 30, 2021, the School had deposits with financial institutions with a carrying amount of $3,312,485.

Investments

Colorado statutes specify in which investment instruments meeting defined rating and risk criteria in which local governments may invest which 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' acceptances of certain banks
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Colorado revised statutes, generally limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. Revenue bonds of U.S. local governments, corporate and bank securities, and guaranteed investment contracts not purchased with bond proceeds are limited to maturities of three years or less.

As of June 30, 2021, the School had the following investments:

Investment	Maturity Less Than One Year	Maturity 1 - 5 Years	Maturity 6-10 Years	Standard & Poor's Rating	Total	Concentration
CSAFE	$ 1,902,101	$ -	$ -	AAAm	$ 1,902,101	55.0%
Cavanal Hill Money Market	1,554,167	-	-	AAAm	1,554,167	45.0%
Total	$ 3,456,268	$ -	$ -		$ 3,456,268	100.0%

At June 30, 2021, the School had $1,902,101 invested in 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 of creating and operating CSAFE. CSAFE is rated AAAm by Standard & Poor’s. Investments of CSAFE are limited to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value of $1.00. 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 the participating governments. CSAFE records investments at amortized cost. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

The School had invested $1,554,167 in money market accounts. A designated custodial bank provides safekeeping and depository services in connection with these money market accounts. Money market investments are measured at amortized cost.

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.

Credit Risk

State law does not limit investment to U.S. Treasury issues, other federally backed notes and credits, and other agency offerings. Other investment instruments including bank obligation, general obligation bonds, and commercial paper are limited to at least one of the highest rating categories of at least one nationally recognized rating agency. State law further limits investments in money market funds that are organized according to the Federal Investment Company Act of 1940, as specified in rule 2a-7, as amended, as long as such rule does not increase remaining maturities beyond a maximum of three years. Investments in these funds require that the institutions have assets in excess of $1 billion or the highest credit rating from one or more of a nationally recognized rating agency.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Restricted Cash and Investments

Cash and investments in the amount of $1,554,167 is restricted in the Building Corporation Fund for debt service requirements. This balance is made up of accounts set up for the payment of principal and interest with a balance of $502,012. An account for a bond reserve requirement has a balance of $932,153. An account for a reserve for repairs and maintenance has a balance of $120,002.

Cash and investments in the amount of $1,902,101 is restricted in the Foundation Fund for capital project expenditures and debt service requirements. The remaining debt proceeds available for future capital project expenditures total $6,485. An account for the bond reserve requirement has a balance of $916,951. An account for future interest payments has a balance of $978,665

NOTE 3 CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities	Balance June 30, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Non-Depreciable Assets					
Construction in Process	$ 18,738,504	$ 3,896,489	$ -	$ (22,634,993)	$ -
Land	2,265,187	-	-	-	2,265,187
Total Non-Depreciable Assets	21,003,691	3,896,489	-	(22,634,993)	2,265,187
Depreciable Assets					
Buildings and Improvements	12,293,513	-	-	21,732,224	34,025,737
Equipment	21,319	26,610	(21,319)	902,769	929,379
Total Depreciable Assets	12,314,832	26,610	(21,319)	22,634,993	34,955,116
Less Accumulated Depreciation					
Buildings and Improvements	(3,744,222)	(940,896)	-	-	(4,685,118)
Equipment	(21,973)	(77,172)	21,319	-	(77,826)
Total Accumulated Depreciation	(3,766,195)	(1,018,068)	21,319	-	(4,762,944)
Total Capital Assets, Net	$ 29,552,328	$ 2,905,031	$ -	$ -	$ 32,457,359

Depreciation expense in the amount of $1,018,068 was charged to instructional expense.

NOTE 4 ACCRUED SALARIES AND BENEFITS

Salaries and benefits of certain contractually employed personnel are paid over a 12-month period from September to August, but are earned during a School year of approximately 10 to 11 months. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements.

NOTE 5 LONG-TERM LIABILITIES

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

	Balance at June 30, 2020	Additions	Retirements	Balance at June 30, 2021	Due Within One Year
Governmental Activities					
Compensated Absences	$ 28,694	$ 48,193	$ 43,693	$ 33,194	$ -
Building Loans - Series 2014	12,510,000	-	415,000	12,095,000	435,000
Series 2014 Premium	306,666	-	15,727	290,939	15,727
Building Loans - Series 2019	28,950,000	-	-	28,950,000	-
Total	$ 41,795,360	$ 48,193	$ 474,420	$ 41,369,133	$ 450,727

During December 2014, the School entered into a refunding transaction whereby the Colorado Educational and Cultural Facilities Authority (CECFA) issued $14,265,000 Charter School Revenue Bonds Series 2014. The School is obligated under a lease agreement to make monthly payments to the Corporation for the use of the facilities. The School is required to make loan payments to the Trustee, for the payment of the bonds. The bonds accrue interest at rates ranging from 3.625% to 5.00% per annum. Interest payments are due semi-annually on April 1st and October 1st. Principal payments are due annually on October 1.

The lease revenues, which are the basis of the pledged revenues, are described in Note 6. The lease revenue over the remaining term of the agreement is equal to the expected principal and interest payments to be made over the life of the bonds, $19,525,799. One hundred percent of lease revenues have been pledged under the agreement. Lease revenue was $930,488 for the year ended June 30, 2021.

The following schedule reflects the debt service requirements to maturity of the Series 2014 debt as of June 30, 2021:

Year Ended June 30,	Principal	Interest	Total
2022	$ 435,000	$ 487,638	$ 922,638
2023	450,000	469,938	919,938
2024	470,000	451,538	921,538
2025	490,000	432,338	922,338
2026	505,000	409,912	914,912
2027-2031	2,850,000	1,744,968	4,594,968
2032-2036	3,520,000	1,052,725	4,572,725
2037-2040	3,375,000	276,700	3,651,700
Total	$ 12,095,000	$ 5,325,757	$ 17,420,757

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

During July 2019, the Public Finance Authority issued its Education Revenue Bonds (Monument Academy Foundation Project) as Series 2019A and 2019B, in the amount of $28,950,000. The bonds were used for the Foundation Fund's capital expenditures relating to the construction of a new high school and to fund a debt reserve fund, to pay the initial interest payments of the Series 2019A and 2019B bonds, and to pay for the cost of issuance of the Series 2019A and 2019B bonds. The Public Finance Authority and Foundation have entered into a loan agreement wherein the proceeds of the Public Finance Authority bonds have been loaned to the Foundation. The bonds accrue interest at rates ranging from 5% to 6.75% per annum. Interest payments are due semi-annually on June 1st and December 1st. Principal payments are due annually beginning on June 1, 2023 with the final payment due on June 1, 2026.

The lease revenues, which are the basis of the pledged revenues, are described in Note 6. The lease revenue over the remaining term of the agreement is equal to the expected principal and interest payments to be made over the life of the bonds, $28,950,000. One hundred percent of lease revenues have been pledged under the agreement. No lease revenues were required during the year ended June 30, 2021. Interest payments of $1,451,438 were made during the year ended June 30, 2021 using initial debt proceeds.

The following schedule reflects the debt service requirements to maturity of the Series 2019 debt as of June 30, 2021

Year Ended June 30,	Principal	Interest	Total
2022	-	1,451,438	1,451,438
2023	380,000	1,451,438	1,831,438
2024	405,000	1,428,500	1,833,500
2025	425,000	1,408,250	1,833,250
2026	27,740,000	1,387,000	29,127,000
Total	$ 28,950,000	$ 7,126,626	$ 36,076,626

NOTE 6 LEASES

The School leases its buildings from the Building Corporation and Foundation. The lease requires payments, which approximate the Building Corporation's required payments on the bonds and may be terminated in any year by non-appropriation of funds. The Building Corporation and Foundation have pledged the lease payments to pay bond principal and interest.

Lease expense was $930,488 for the year ended June 30, 2021, and is shown as expenditures in the General Fund and revenues in the Building Corporation fund. There were no lease payments required under the Foundation lease agreement during the year ended June 30, 2021.

The leases between the School (lessee) and Building Corporation and Foundation (lessors) includes certain restrictive covenants related to expenditures and unrestricted cash balances. Management believes the School complies with the covenants.

NOTE 7 DEFINED BENEFIT PENSION PLAN

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.

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.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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% based on the parameters specified in C.R.S. § 24-51-413.

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

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

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 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 20-1379 suspended the $225 million direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the School is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the School were $879,221 for the year ended June 30, 2021.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 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 $11,751,395 for its proportionate share of the net pension liability. At December 31, 2020, the School's proportion was 0.0777312356%, which was an increase of 0.0108136233% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the School recognized pension expense of ($3,761,994). 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	$ 645,681	$ -
Changes of Assumptions or Other Inputs	1,130,448	1,975,310
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	2,586,749
Changes in Proportion	1,731,711	1,015,642
Contributions Subsequent to the Measurement Date	455,650	-
Total	$ 3,963,490	$ 5,577,701

$455,650 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, amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2022	$ (2,226,125)
2023	731,621
2024	(167,283)
2025	(408,074)

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007;	1.25% Compounded Annually
and DPS Benefit Structure (Automatic)	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.

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

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

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

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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	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.

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.

NOTE 7 DEFINED BENEFIT PENSION PLAN (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 were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The 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.

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.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

- 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.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225 million, 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 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.

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%)
Proportionate Share of the Net Pension Liability	$ 16,029,865	$ 11,751,395	$ 8,186,019

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 HEALTHCARE BENEFITS

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.

Benefits Provided

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

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

NOTE 8 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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

PERA Benefit Structure

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

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

DPS Benefit Structure

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

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

NOTE 8 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Contributions

Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% 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 $45,111 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 a liability of $427,034 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 0.044940265%, which was an increase of 0.001203684% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the School recognized OPEB expense of ($58,851). 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	$ 1,133	$ 93,882
Changes of Assumptions or Other Inputs	3,191	26,185
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	-	17,449
Changes in Proportion	28,353	38,610
Contributions Subsequent to the Measurement Date	23,379	-
Total	$ 56,056	$ 176,126

$23,379 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022.

NOTE 8 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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	$ (32,245)
2023	(29,804)
2024	(39,583)
2025	(32,346)
2026	(8,935)
Thereafter	(536)

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
DPS benefit structure	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	N/A
Medicare Part A Premiums	N/A

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2019, valuation, the following monthly costs/premiums 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

NOTE 8 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

The 2020 Medicare Part A premium is $458 per month.

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

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

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

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

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

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.

NOTE 8 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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

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

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

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

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

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

The mortality assumption for disabled retirees was based on 90% 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.

NOTE 8 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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

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%.

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:

NOTE 8 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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

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

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

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

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

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

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

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

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

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

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

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

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

NOTE 8 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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.

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.

NOTE 8 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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

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

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 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	$ 415,996	$ 427,034	$ 439,883

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.

NOTE 8 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

- 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.

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%)
Proportionate Share of the Net OPEB Liability	$ 489,175	$ 427,034	$ 373,939

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 COMMITMENTS AND CONTINGENCIES

Claims and Judgments

The School participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School may be required to reimburse the grantor government.

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

NOTE 11 RISK MANAGEMENT

The School is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God. The School maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 12 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 pupil 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 Pupil Activity Fund special revenue fund was restated to $81,477. In addition, beginning net position of the School has been restated by $81,477 as a result of the reclassification of the Pupil Activity Fund from a fiduciary fund to a special revenue fund.

MONUMENT ACADEMY CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUE				
Local Sources				
Per Pupil Funding	$ 7,323,004	$ 7,208,042	$ 7,333,679	$ 125,637
Mill Levy Override	539,242	550,246	578,894	28,648
Tuition	239,050	240,475	200,042	(40,433)
Contributions	-	-	7,342	7,342
State Sources				
Capital Construction	269,621	273,937	287,283	13,346
Grants	378,640	356,932	168,491	(188,441)
Federal Sources	19,569	349,039	343,106	(5,933)
Investment Income	29,722	37,755	20,645	(17,110)
Other	4,400	4,400	8,748	4,348
Total Revenue	8,803,248	9,020,826	8,948,230	(72,596)
EXPENDITURES				
Salaries	4,222,472	4,446,407	4,353,112	93,295
Employee Benefits	1,417,343	1,477,524	1,388,287	89,237
Purchased Services	1,534,349	1,694,699	1,564,704	129,995
Supplies and Materials	925,095	736,920	454,772	282,148
Capital Outlay	65,500	384,791	522,076	(137,285)
Other	966,136	961,136	968,818	(7,682)
Total Expenditures	9,130,895	9,701,477	9,251,769	449,708
NET CHANGE IN FUND BALANCE	(327,647)	(680,651)	(303,539)	377,112
Fund Balance - Beginning of Year	2,505,834	2,817,532	2,817,532	-
FUND BALANCE - END OF YEAR	$ 2,178,187	$ 2,136,881	$ 2,513,993	$ 377,112

MONUMENT ACADEMY CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
BUILDING CORPORATION
YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUE			
Rent Income	$ 930,488	$ 930,488	$ -
Investment Income	12,000	140	(11,860)
Total Revenue	942,488	930,628	(11,860)
EXPENDITURES			
Debt Services			
Principal Retirements	415,000	415,000	-
Interest and Fiscal Charges	504,638	504,638	-
Total Expenditures	919,638	919,638	-
NET CHANGE IN FUND BALANCE	22,850	10,990	(11,860)
Fund Balance - Beginning of Year	1,543,177	1,543,177	-
FUND BALANCE - END OF YEAR	$ 1,566,027	$ 1,554,167	$ (11,860)

MONUMENT ACADEMY CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOUNDATION FUND
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUE				
Interest Income	$ 50,000	$ 50,000	$ 4,989	$ (45,011)
Total Revenue	50,000	50,000	4,989	(45,011)
EXPENDITURES				
Current:				
Purchased services	25,000	30,000	392	29,608
Capital Outlay	-	3,750,000	3,553,810	196,190
Debt Service				
Interest and Fiscal Charges	1,776,811	1,451,437	1,451,437	-
Total Expenditures	1,801,811	5,231,437	5,005,639	225,798
NET CHANGE IN FUND BALANCE	(1,751,811)	(5,181,437)	(5,000,650)	180,787
Fund Balance - Beginning of Year	28,384,942	6,904,511	6,904,511	-
FUND BALANCE - END OF YEAR	$ 26,633,131	$ 1,723,074	$ 1,903,861	$ 180,787

MONUMENT ACADEMY CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
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	2014
Plan Measurement Date	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
School's Proportion (Percentage) of the Collective Net Pension Liability	0.0777312356%	0.0669176123%	0.0708326746%	0.0857934456%	0.0797921055%	0.0740429498%	0.0674786414%	0.0688235119%
School's Proportionate Share of the Collective Pension Liability	$ 11,751,395	$ 9,997,346	$ 12,542,380	$ 27,742,551	$ 23,757,195	$ 11,324,346	$ 9,145,623	$ 8,778,420
State's Proportionate Share of the Net Pension Liability Associated with the School**	-	1,268,036	1,714,996	-	-	-	-	-
	$ 11,751,395	$ 11,265,382	$ 14,257,376	$ 27,742,551	$ 23,757,195	$ 11,324,346	$ 9,145,623	$ 8,778,420
Covered Payroll	$ 4,155,833	$ 3,925,770	$ 3,894,051	$ 3,957,479	$ 3,585,550	$ 3,232,068	$ 2,757,747	$ 2,827,012
School's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	282.8%	254.7%	322.1%	701.0%	662.6%	350.4%	331.6%	310.5%
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%	64.1%

* The amounts presented for each fiscal year were determined as of December 31.

** 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. House Bill 20-1379 suspended the $225 million direct distribution payable July 1, 2020 for the 2020-2021 fiscal year.

MONUMENT ACADEMY CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS AND RELATED RATIOS
LAST 10 FISCAL YEARS

As of June 30,	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Statutorily Required Contributions	$ 879,221	$ 771,883	$ 743,599	$ 741,522	$ 718,085	$ 571,064	$ 524,873	$ 464,443	$ 441,195	$ 381,958
Contributions in Relation to the Statutorily Required Contributions	879,221	771,883	743,599	741,522	718,085	571,064	524,873	464,443	441,195	381,958
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 4,422,643	$ 3,982,884	$ 3,887,085	$ 3,927,176	$ 3,905,371	$ 3,217,293	$ 3,069,119	$ 2,812,543	$ 2,827,012	$ 2,616,938
Contribution as a Percentage of Covered Payroll	19.88%	19.38%	19.13%	18.88%	18.39%	17.75%	17.10%	16.51%	15.61%	14.60%

* The amounts presented for each fiscal year were determined as of June 30.

MONUMENT ACADEMY CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL’S PROPORTIONATE SHARE
OF THE NET 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 Net OPEB Liability	0.044940265%	0.043736581%	0.047046491%	0.048747469%	0.453547526%
School's Proportionate Share of the Collective OPEB Liability	$ 427,034	$ 491,598	$ 626,415	$ 633,522	$ 588,040
Covered-Employee Payroll	4,155,833	3,925,770	3,894,051	3,957,479	3,585,550
School's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	10.28%	12.52%	16.09%	16.01%	16.40%
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.

MONUMENT ACADEMY CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB CONTRIBUTIONS AND RELATED RATIOS
LAST 10 FISCAL YEARS

As of June 30,	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Statutorily Required Contributions	$ 45,111	$ 40,625	$ 39,491	$ 40,057	$ 39,835	$ 32,816	$ 31,305	$ 28,781	$ 28,831	$ 26,693
Contributions in Relation to the Statutorily Required Contributions	45,111	40,625	39,491	40,057	39,835	32,816	31,305	28,781	28,831	26,693
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-Employee Payroll	$ 4,422,643	$ 3,982,884	$ 3,887,085	$ 3,927,176	$ 3,905,371	$ 3,217,293	$ 3,069,119	$ 2,812,543	$ 2,827,012	$ 2,616,938
Contribution as a Percentage of Covered-Employee Payroll	1.02%	1.02%	1.02%	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.

NOTE 1 BUDGETARY BASIS OF ACCOUNTING

Budgets for all governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (U.S. GAAP). The School adopts a legal budget for all funds. All appropriations lapse at year-end.

The level on which expenditures may not legally exceed appropriations is the fund level. Expenditures may not exceed the appropriation levels for legally adopted budgets. Revisions to an appropriation require approval by the Board at a public meeting, with prior published notice of the proposed change.

MONUMENT ACADEMY CHARTER SCHOOL
SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Preschool Fund	Pupil Activity Fund	Total Nonmajor Special Revenue Funds
ASSETS			
Cash and Investments	$ -	$ 98,882	$ 98,882
Due from Other Funds	153,462	-	153,462
Total Assets	$ 153,462	$ 98,882	$ 252,344
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accrued Salaries and Benefits	$ 37,028	$ -	$ 37,028
Unearned Revenues	31,248	-	31,248
Total Liabilities	68,276	-	68,276
FUND BALANCES			
Restricted for:			
Preschool	85,186	-	85,186
Assigned for:			
Student Activities	-	98,882	98,882
Total Fund Balances	85,186	98,882	184,068
Total Liabilities and Fund Balances	$ 153,462	$ 98,882	$ 252,344

MONUMENT ACADEMY CHARTER SCHOOL
SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Preschool Fund	Pupil Activity Fund	Total Nonmajor Special Revenue Funds
REVENUES			
State Sources	$ 18,100	$ -	$ 18,100
Other	295,195	88,283	383,478
Total Revenues	313,295	88,283	401,578
EXPENDITURES			
Current:			
Instruction	250,704	70,878	321,582
Support Services	31,983	-	31,983
Total Expenditures	282,687	70,878	353,565
NET CHANGE IN FUND BALANCES	30,608	17,405	48,013
Fund Balances - Beginning of Year (Restated)	54,578	81,477	136,055
FUND BALANCES - END OF YEAR	$ 85,186	$ 98,882	$ 184,068

MONUMENT ACADEMY CHARTER SCHOOL
SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
PRESCHOOL FUND
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUE				
Preschool Tuition & Fees	$ 252,900	$ 285,500	$ 295,195	$ 9,695
State Sources	-	-	18,100	(18,100)
Total Revenue	252,900	285,500	313,295	(8,405)
EXPENDITURES				
Salaries	154,891	187,864	190,030	(2,166)
Employee Benefits	53,602	67,300	60,674	6,626
Supplies and Materials	44,407	37,813	31,983	5,830
Total Expenditures	252,900	292,977	282,687	10,290
NET CHANGE IN FUND BALANCE	-	(7,477)	30,608	1,885
Fund Balance - Beginning of Year	54,578	54,578	54,578	-
FUND BALANCE - END OF YEAR	$ 54,578	$ 47,101	$ 85,186	$ 1,885

MONUMENT ACADEMY CHARTER SCHOOL
SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
PUPIL ACTIVITY FUND
YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUE			
Other Revenue	$ 240,000	88,283	$ (151,717)
Total Revenue	240,000	88,283	(151,717)
EXPENDITURES			
Instruction	240,000	70,878	169,122
Total Expenditures	240,000	70,878	169,122
NET CHANGE IN FUND BALANCE	-	17,405	17,405
Fund Balance - Beginning of Year (Restated)	-	81,477	81,477
FUND BALANCE - END OF YEAR	$ -	$ 98,882	$ 98,882

MONUMENT ACADEMY CHARTER SCHOOL
SUPPLEMENTARY INFORMATION
BALANCE SHEET – GENERAL FUND BY LOCATION
JUNE 30, 2021

	Monument Academy Elementary School	Monument Academy Secondary School	General Fund Total
ASSETS			
Cash and Investments	$ 1,908,418	$ 1,303,425	$ 3,211,843
Accounts Receivable	131,838	90,043	221,881
Total Assets	$ 2,040,256	$ 1,393,468	$ 3,433,724
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 60,092	$ 41,042	$ 101,134
Accrued Salaries and Benefits	383,249	261,754	645,003
Unearned Revenues	13,260	6,872	20,132
Due to Other Funds	153,462	-	153,462
Total Liabilities	610,063	309,668	919,731
FUND BALANCES			
Restricted for:			
TABOR	155,509	114,626	270,135
Unassigned	1,274,684	969,174	2,243,858
Total Fund Balances	1,430,193	1,083,800	2,513,993
Total Liabilities and Fund Balances	$ 2,040,256	$ 1,393,468	$ 3,433,724

MONUMENT ACADEMY CHARTER SCHOOL
SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GENERAL FUND BY LOCATION
YEAR ENDED JUNE 30, 2021

	Monument Academy Elementary School	Monument Academy Secondary School	General Fund Total
REVENUES			
Per Pupil Revenue	$ 4,448,512	$ 2,885,167	$ 7,333,679
Local Sources	458,353	327,925	786,278
State Sources	339,466	116,308	455,774
Federal Sources	211,318	131,788	343,106
Investment Income	12,440	8,205	20,645
Other	2,997	5,751	8,748
Total Revenues	5,473,086	3,475,144	8,948,230
EXPENDITURES			
Current:			
Instruction	2,370,197	1,743,514	4,113,711
Support Services	3,165,982	1,625,276	4,791,258
Capital Outlay	15,991	330,809	346,800
Total Expenditures	5,552,170	3,699,599	9,251,769
NET CHANGE IN FUND BALANCES	(79,084)	(224,455)	(303,539)
Fund Balances - Beginning of Year	1,509,277	1,308,255	2,817,532
FUND BALANCES - END OF YEAR	$ 1,430,193	$ 1,083,800	$ 2,513,993