JAMES IRWIN CHARTER SCHOOLS

FINANCIAL STATEMENTS
With Independent Auditors' Report

For the Year Ended June 30, 2023

JAMES IRWIN CHARTER SCHOOLS
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JUNE 30, 2023

Hoelting & Company, Inc.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
James Irwin Charter Schools

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the James Irwin Charter Schools, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the James Irwin Charter Schools' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the James Irwin Charter Schools, as of June 30, 2023 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the James Irwin Charter Schools and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the James Irwin Charter Schools' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

31 East Platte Avenue, Suite 300 • Colorado Springs, CO 80903 • (719) 630-1091 • Fax (719) 630-0522 • www.hoeltingco.com

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Hoelting & Company Inc.

Colorado Springs, Colorado
September 18, 2023

JAMES IRWIN CHARTER SCHOOLS
MANAGEMENT DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2023

This section of James Irwin Charter School's annual financial report presents our discussion and analysis of the financial performance during the fiscal year ended June 30, 2023. Please read this discussion in conjunction with additional information provided in the accompanying financial statements.

FINANCIAL HIGHLIGHTS

The year ended June 30, 2023, is the eleventh year of operations for the James Irwin Charter Schools, (JICS), established as a Charter Management Organization, it operated as a Charter School Collaborative for four years, and currently is a Colorado Charter School Network as defined in Colorado statute 22-30.5-104.7. Prior to July 1, 2017, one school, (Power Technical Early College), had been part of James Irwin Charter Schools, but the other four schools were separate legal entities. On July 1, 2017, the five separate James Irwin Charter Schools merged with the charter management entity, James Irwin Charter Schools, and became a single legal entity. The Board of Directors approved this action to take advantage of new legislation that allowed organizations with more than one charter school to streamline their operations and governance structures.

The names of the five schools and the number of school years completed on June 30, 2023, are James Irwin Charter High School, twenty-three years; James Irwin Charter Middle School, twenty years; James Irwin Charter Elementary School, eighteen years; James Irwin Charter Academy, ten years; and Power Technical, seven years.

Effective FY22, the James Irwin Educational Foundation was reclassified from an enterprise fund to a special revenue fund. The change came from implementing GASB Statement No. 90 regarding major equity interests. You will see the building corporation listed in the combined statement of revenues, expenditures, and changes in fund balance, but it is no longer reported as a proprietary fund in these financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to JICS's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

The Statement of Net Position presents information on JICS' assets and liabilities, and deferred inflows and outflows, with the difference being reported as net position.

The Statement of Activities presents information showing how James Irwin's net position changed during the most recent fiscal year. Changes to the net position are reported at the primary occurrence, regardless of the timing of related cash flows. Thus, some revenues and expenses are reported in the statement that will only result in cash flows in future periods.

Fund Financial Statements

A fund is a group of accounts used to maintain control of specific activities or objectives. James Irwin uses fund accounting to account for all financial activities and to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements, except that the focus on the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. JICS operates a General Fund, a Building Fund, and Proprietary Fund.

Notes to the financial statements

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

Other Information

In addition to the basic financial statements and accompanying notes, the Required Supplementary Information presents a detailed budgetary comparison schedule to demonstrate compliance with the budget.

FINANCIAL ANALYSIS OF JAMES IRWIN CHARTER SCHOOLS

James Irwin implemented GASB 68 for the 14-15 school year and GASB 75 for the 17-18 school year. This requires James Irwin Charter Schools to recognize its proportionate share of the unfunded liability of the School Division Trust Fund (SCHDTF) defined benefit pension plan and the Health Care Trust Fund postemployment benefit plan administered by the Public Employees' Retirement Association of Colorado ("PERA"). Considering these accounting principles, James Irwin still had assets and deferred outflows that exceeded liabilities and deferred inflows by $9,466,593. Please see Notes 8 and 9.

Total assets increased $23,445,391 to $78,915,949 from June 30, 2022, to June 30, 2023; a 42.26 percent increase. Capital assets increased $8,449,741 from 21-22 as a result of a building acquisition, adding a new campus, Waynoka in Falcon District 49. This will allow our trade school, Power Technical, to increase enrollment by 47%.

This fiscal year, revenue of $28,167,060 exceeded net expenses of $25,325,997 by $2,841,063, resulting in a June 30, 2023, ending net position of $9,466,593.

Total revenue for the 22-23 school year was $28,167,060: an increase of 14.2% from the 21-22 school year. This change in revenue from 21-22 to 22-23 includes an increase of $1,076,570 in per pupil revenue, a increase of $286,159 in mill levy override, and an increase of $415,970 in unrestricted investment earnings.

The two summary statements below report the fiscal year 2023 and the prior year, fiscal year 2022.

Condensed Statement of Net Position

	2023	2022	Change
Assets			
Current and other assets	$ 29,673,697	$ 14,678,047	$ 14,995,650
Capital assets	49,242,252	40,792,511	8,449,741
Total Assets	78,915,949	55,470,558	23,445,391
Deferred Outflows	5,713,776	5,116,233	597,543
Current Liabilities	2,610,356	1,032,776	1,577,580
Noncurrent Liabilities	49,358,434	30,462,131	18,896,303
Net Pension Liability	20,651,662	14,794,600	5,857,062
Total Liabilities	72,620,452	46,289,507	26,330,945
Deferred Inflows	2,542,680	7,671,754	(5,129,074)
Investment in capital assets	3,740,367	11,260,098	(7,519,731)
Restricted Funds	3,494,321	782,232	2,712,089
Unrestricted Funds	2,231,905	(5,416,800)	7,648,705
Total Net Position	$ 9,466,593	$ 6,625,530	$ 2,841,063

Condensed Statement of Activities

Revenues:	2023	2022	Change
Charges for services	$ 3,010,363	$ 2,708,017	$ 302,346
Operating Grants	3,221,752	1,941,182	1,280,570
Capital Grants	734,860	606,177	128,683
Per Pupil Revenue	19,314,674	18,238,104	1,076,570
District Mill Levy	1,110,585	824,426	286,159
Grants and Contributions not Restricted to Specific Programs	80,398	66,435	13,963
Investment Income	442,259	26,289	415,970
Other	252,169	256,797	(4,628)
Total Revenues	28,167,060	24,667,427	3,499,633
Expenses:			
Instruction	12,013,402	8,395,688	3,617,714
Instructional Support Services	10,463,544	5,524,891	4,938,653
Interest Expense	2,849,051	1,099,862	1,749,189
Foundation	0	0	-
Total Expenses	25,325,997	15,020,441	10,305,556
Change in net position	2,841,063	9,646,986	(6,805,923)
Net position, beginning	6,625,530	(3,021,456)	9,646,986
Prior period adjustment	0	0	0
Net position, ending	$ 9,466,593	$ 6,625,530	$ 2,841,063

GOVERNMENTAL FUND ANALYSIS

Revenues: Total revenue for the period of July 1, 2022, through June 30, 2023, was 10.9% more than the year ending June 30, 2022. James Irwin Charter Schools received $27,978,965 in revenues. The primary source of James Irwin's funding is per pupil revenue, (PPR). During the year ending June 30, 2023, a combined total of $19,314,674 in PPR was allocated to the five schools from the State of Colorado through each school's respective charter authorizer. Harrison District 2 is the authorizer for three of the schools: James Irwin Charter High School received PPR of $3,810,599 for enrollment of 403 ($9,455.55 per full-time pupil); James Irwin Charter Middle School received $4,264,468 for enrollment of 451, ($9455.55 per full-time pupil); and James Irwin Charter Elementary School received $5,058,194 for enrollment of 542, (equal to $9,455.55 per full-time pupil). The Charter School Institute authorizes the James Irwin Charter Academy with enrollment of 299 full-time equivalent students, they received $2,787,421 in PPR, or $9,322 per student. Power Technical Early College with enrollment of 368 received $3,393,992, or $9,235 per student, through their authorizer, District 49. The James Irwin Charter Schools also received $734,860 in Capital Construction funding from the State of Colorado that supported the school building lease expenses.

Expenditures: Total expenditures for the period of July 1, 2022, through June 30, 2023, were $33,591,607; a 4.47% decrease from the year ending June 30, 2022. The acquisition of a new property through bond financing that closed September 1, 2022 accounts for $12,105,606 of total expenditures. Please see note 7. Salary and benefits for the year ending June 30, 2023, were $12,956,647 and accounted for 60% of the annual operating expenditures, (and were equal to 67% of annual per-state pupil revenue). The average PERA employer contribution was 21.4% of salary.

Change in Fund Balance: For the year 2022-2023, the fund balance increased by $20,740,209. The June 30, 2023, the fund balance was $27,564,787. The increase is a result of the timing of the property acquisition. The bridge loan closed on June 3, 2022, and the long-term bond financing closed on September 1, 2022, reimbursing the network expenditures. Please see note 7. $690,000 of the fund balance is restricted by statute for emergency reserves, $30,400 is restricted to comply with Charter School Institute's SPED Reserve requirement, and $132,472 is reserved for pre-paid expenditures. The remaining fund balance of $22,738,657 is available to be used to meet future obligations.

ANALYSIS OF BUDGET

James Irwin's 2022-2023 operating budget for the schools was approved by the Board of Directors in February of 2022 and included revenue of $26,420,073 and expenditures of $25,237,259. The budget was amended during the year, with the final version showing revenue of $27,147,019 and expenditures of $26,198,972 ($25,277,382 for operating expenses and $912,590 for the board-approved capital projects). Actual annual school revenue was $25,259,548; $1,887,471 under budget. The primary causes of the difference between budgeted and actual revenue were the timing of the Elementary and Secondary School Emergency Relief funding. These are reimbursable grants, and we were not able to expend the necessary amounts by June 30, 2023. This funding will carry over to FY24. Total operating expenditures for the year ending June 30, 2023, were $21,486,001; $4,703,971 or 18% less than budgeted. Budgeted line items that came in significantly under budget include special education purchased services, administration fees charged by the district authorizers, health insurance, tech equipment, and capital projects.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Assets with a useful life of more than one year and a unit cost of greater than $5,000 are capitalized. Assets are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the assets. On June 30, 2023, James Irwin's net capital assets totaled $49,242,252. The assets include four school campuses and eighteen vehicles. During the year ending June 30, 2023, the installation of new flooring in the middle school was fully completed. Construction was partially completed on the remodel of the Waynoka facility. The first phase of planning was started on the remodel of Canada drive facility into a third elementary school, and a sixth James Irwin school.

The James Irwin Educational Foundation owns the properties where the schools are located. James Irwin Charter Schools pays rent to JIEF for using the property.

On June 30, 2023, the Foundation had outstanding debt of $48,419,491. $22,844,491 of the debt is a loan from Equitable Facilities Fund for the refinance of the three James Irwin Charter School Campuses, and $25,575,000 is the new note used to obtain and remodel the Waynoka property.

James Irwin Educational Foundation purchased a new property located at 2460 Waynoka Place, Colorado Springs, CO 80915 for the purpose of transferring Power Technical from its current facility. This will allow Power Technical to increase enrollment significantly. This will also allow the James Irwin Charter School network to open a new elementary school in the current Power Technical building. This increased enrollment will align the network with its' strategic long-term goals.

Additional information for capital assets, leases, and long-term debt are available in Notes 5, 6, and 7 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The primary factor driving the budget for James Irwin Charter Schools is student enrollment in the charter schools. Budgeted enrollment in the James Irwin Schools for the 2023-24 school year is 2,064 full-time students: a .05% increase over last year's enrollment. Due to an influx of competing charter schools in the area which could impact enrollment so the budget includes more conservative numbers than otherwise might have been used. At the time of this writing, there are 2,061 students enrolled or in the process of being enrolled, (a .4% increase over last year).

The Board of Directors and administration considered many factors when setting the annual budget. The amount of revenue James Irwin receives from operations is dependent upon the state of the economy and current and future legislation. Thus, management practices conservative budgeting and closely monitors the budget in comparison with actual spending, in order to proactively adjust planned spending when necessary.

REQUESTS FOR INFORMATION

This financial report is provided as a general overview of the James Irwin Charter Schools' finances for persons interested in James Irwin schools. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Courtney Kennedy, CFO
James Irwin Charter Schools
5525 Astrozon Blvd., Colorado Springs, CO 80916

BASIC FINANCIAL STATEMENTS

JAMES IRWIN CHARTER SCHOOLS
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
ASSETS	
Cash and investments	$ 23,228,371
Restricted cash and investments	5,814,595
Grants receivable	365,965
Intergovernmental receivables	93,108
Other receivables	39,186
Prepaids	132,472
Capital assets not being depreciated	26,250,578
Capital assets, net of accumulated depreciation/amortization	22,991,674
Total Assets	78,915,949
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charges	815,875
Deferred pension outflows	4,738,646
Deferred OPEB outflows	159,255
Total Deferred Outflows of Resources	5,713,776
LIABILITIES	
Accounts payable and other accrued liabilities	1,389,432
Accrued salaries and benefits	572,994
Unearned revenue	146,484
Accrued interest payable	501,446
Long-term liabilities	
Due within one year	565,068
Due in more than one year	48,793,366
Net pension liability	19,971,214
Net OPEB liability	680,448
Total Liabilities	72,620,452
DEFERRED INFLOWS OF RESOURCES	
Deferred pension inflows	2,283,231
Deferred OPEB inflows	259,449
Total Deferred Inflows of Resources	2,542,680
NET POSITION	
Net investment in capital assets	3,740,367
Restricted for:	
Debt Service	2,773,921
Special education	30,400
Emergencies	690,000
Unrestricted	2,231,905
Total Net Position	$ 9,466,593

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

JAMES IRWIN CHARTER SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

		Program Revenue			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	$ 12,013,402	$ 3,010,363	$ 3,181,907	$ -	$ (5,821,132)
Supporting services	10,463,544	-	39,845	734,860	(9,688,839)
Interest	2,849,051	-	-	-	(2,849,051)
Total governmental activities	$ 25,325,997	$ 3,010,363	$ 3,221,752	$ 734,860	(18,359,022)
	General revenues:				
	Per pupil revenue				19,314,674
	District mill levy				1,110,585
	Grants and contributions not restricted to specific programs				80,398
	Unrestricted investment earnings				442,259
	Miscellaneous				252,169
	Total general revenues				21,200,085
	Change in net position				2,841,063
	Net position - beginning				6,625,530
	Net position - ending				$ 9,466,593

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

JAMES IRWIN CHARTER SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Building Corp Fund	Total
ASSETS			
Cash and investments	$ 23,078,441	$ 149,930	$ 23,228,371
Restricted cash and investments	-	5,814,595	5,814,595
Grants receivable	365,965	-	365,965
Intergovernmental receivables	93,108	-	93,108
Other receivables	39,186	-	39,186
Due from other funds	717,778	-	717,778
Prepaid items	132,472	-	132,472
Total Assets	$ 24,426,950	$ 5,964,525	$ 30,391,475
LIABILITIES			
Accounts payable and other accrued liabilities	$ 115,943	$ 1,273,489	$ 1,389,432
Accrued salaries and benefits	572,994	-	572,994
Unearned revenue	146,484	-	146,484
Due to other funds	-	717,778	717,778
Total Liabilities	835,421	1,991,267	2,826,688
FUND BALANCE			
Non-spendable	132,472	-	132,472
Restricted for:			
Debt service	-	3,973,258	3,973,258
Special Education	30,400	-	30,400
TABOR	690,000	-	690,000
Unassigned	22,738,657	-	22,738,657
Total Fund Balance	23,591,529	3,973,258	27,564,787
Total Liabilities and Fund Balance	$ 24,426,950	$ 5,964,525	$ 30,391,475

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

JAMES IRWIN CHARTER SCHOOLS
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Total Fund Balance of Governmental Funds		$ 27,564,787
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		
Capital assets not being depreciated	$ 26,250,578	
Capital assets, net of accumulated depreciation	22,991,674	49,242,252
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in government funds:		
Long-term debt payable	$ (49,358,434)	
Accrued interest	(501,446)	
Deferred on refunding	815,875	
Net pension liability	(19,971,214)	
Pension outflows	4,738,646	
Pension inflows	(2,283,231)	
Net OPEB liability	(680,448)	
OPEB outflows	159,255	
OPEB inflows	(259,449)	(67,340,446)
Total Net Position of Governmental Activities		$ 9,466,593

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

JAMES IRWIN CHARTER SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Building Corp Fund	Total
REVENUES			
Local sources	$ 3,575,318	$ 2,719,417	$ 6,294,735
State sources	20,750,913	-	20,750,913
Federal sources	933,317	-	933,317
Total revenues	25,259,548	2,719,417	27,978,965
EXPENDITURES			
Instruction	10,747,714	-	10,747,714
Supporting services	10,738,287	-	10,738,287
Debt service			
Interest	-	1,626,598	1,626,598
Principal	-	489,020	489,020
Issuance costs	-	689,198	689,198
Facilities acquisition and construction	-	9,300,790	9,300,790
Total expenditures	21,486,001	12,105,606	33,591,607
Excess (deficiency) of revenues over expenditures	3,773,547	(9,386,189)	(5,612,642)
OTHER FINANCING SOURCES (USES)			
Proceeds from long-term debt	-	25,575,000	25,575,000
Premium (discount) on debt issued	-	777,851	777,851
Total other financing sources (uses)	-	26,352,851	26,352,851
Net change in fund balance	3,773,547	16,966,662	20,740,209
Fund balance - beginning	19,817,982	(12,993,404)	6,824,578
Fund balance, ending	$ 23,591,529	$ 3,973,258	$ 27,564,787

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

JAMES IRWIN CHARTER SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net Change in Fund Balance of Governmental Funds		$ 20,740,209
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.		
Depreciation/amortization expense	$ (1,244,823)	
Capital outlays	9,694,564	8,449,741
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Loan proceeds	$ (25,575,000)	
Premium	(777,851)	
Interest expense	(424,640)	
Loan principal payments	489,021	
Lease principal payments	53,822	(26,234,648)
Some expenses 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.		
Accrued interest on long-term debt	$ 5,227	
Amortization of bond premiums and discounts and deferred amounts on refunding	(102,866)	
Changes in pension related items	(88,832)	
Changes in OPEB related items	72,232	(114,239)
Change in Net Position of Governmental Activities		$ 2,841,063

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of James Irwin Charter Schools (the School) have been prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the School are discussed below.

A. REPORTING ENTITY

James Irwin Charter Schools (JICS) is a federal 501(c)(3) tax-exempt, state nonprofit corporation that was formed pursuant to the Colorado Charter Schools Act. JICS was organized to support high quality education, including support for specific charter schools within the State of Colorado as a charter management organization. JICS began operations in the fall of 2012. Effective July 1, 2017, JICS organized as a charter school network, as defined by State statutes. The network includes five charter schools, James Irwin Charter High School, James Irwin Charter Middle School, James Irwin Charter Elementary School, James Irwin Charter Academy, and Power Technical Early College. JICS is governed by a Board of Directors consisting of at least five members.

The accompanying financial statements present the School and its component units, entities for which the School is considered to be financially accountable. Blended component units are, in substance, part of the School's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the School.

Blended component unit. James Irwin Building Corporation (the Building Corp) was organized for the purpose of acquiring, leasing, constructing, improving, equipping and financing various facilities, land, equipment and other improvements in connection with property intended to be leased to the School. The Building Corp is reported as a special revenue fund and does not issue separate financial statements.

Based on the application of these criteria, the School does not include additional organizations within its reporting entity.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the School and its component units. Any fiduciary activities are reported only in the fund financial statements. *Governmental activities* are supported by per pupil revenue and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses of given functions or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to students or other service users who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as *general revenues* rather than as program revenues.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges for interfund services provided and used, the elimination of which would distort the direct costs and program revenues reported for the various functions.

The emphasis of fund financial statements is on major funds. Major individual funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

The School reports the following major governmental funds:

The *General Fund* is the School's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Building Corp Fund* is used to account for the financial activities of the James Irwin Building Corporation, including facilities acquisition and construction and the accumulation of resources for the related debt service.

During the course of operations, the School has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the School the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Interest and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the School.

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/ FUND BALANCE

Cash and cash equivalents

Cash and cash equivalents include cash on hand and in the bank and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Local government investment pools in Colorado must be organized under Colorado Revised Statutes, which allows certain types of governments within the state to pool their funds for investment purposes. Investments in such pools are reported at net asset value.

Receivables

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital assets

Capital assets include tangible and intangible assets that are reported in the governmental activities column in the government-wide financial statements. Capital assets, except for lease assets, are defined by the School as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. For lease assets, only those intangible lease assets that cost more than $15,000 are reported as capital assets.

As the School constructs or acquires capital assets each period they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in Note 1 D. *Leases* below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. The other tangible and intangible assets of the School are depreciated/amortized using the straight-line method over the following estimated useful lives:

Buildings and improvements	5-40 years
Equipment	5-20 years
Vehicles	6 years

Accrued Salaries and Benefits

Salaries and benefits of teachers and other contracted personnel are paid over a twelve-month period, but are earned during a school year of approximately nine months. The salaries and benefits earned, but unpaid, are reported as a liability in the respective funds and have been fully funded as of the fiscal year end.

Unearned Revenue

Unearned revenue includes resources received by the School before the related revenue can be recognized because the earnings process is not complete.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Leases

<u>Lessee</u>: The School is a lessee for noncancellable leases of equipment. The School recognizes a lease liability and an intangible right-to-use lease assets in the government-wide financial statements. The School recognizes lease liabilities with an initial, individual value of $15,000 or more.

At the commencement of a lease, the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the School determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The School uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the School generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the School is reasonably certain to exercise.

The School monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

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

Other Post Employment Benefit (OPEB) Plan

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

Net position

For government-wide reporting the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the School will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund balance classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the School is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications available to be used in the governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal resolution of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action that was used when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Directors delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for any governmental funds except for the General Fund.

Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The School would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

E. REVENUES AND EXPENDITURES/EXPENSES

Compensated Absences

Employees are allowed to accumulate unused vacation and sick time up to a maximum of five days of vacation time and five days of sick time. Accrued vacation time is paid to certain classified employees upon separation of employment. Accumulated sick leave is not paid upon separation of employment. Accrued vacation time is expensed when paid in the governmental fund. A long-term liability is reported in the government-wide financial statements when earned. However, no liability is reported in the financial statements because the amount is insignificant.

F. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Budgets are required by State law for all funds, except fiduciary funds. The Head of School submits a proposed budget to the Board of Directors for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. It also includes a statement describing the major objectives of the educational program to be undertaken by the School and the manner in which the budget proposes to fulfill such objectives. Public hearings are conducted by the Board of Directors to obtain public comments.

On or before June 30, the budget is adopted by formal resolution. After the adoption of the budget, the board may review and change the budget at any time prior to January 31 of the fiscal year for which the budget was adopted. After January 31, the board may not review or change the budget except where money for a specific purpose from other than ad valorem taxes becomes available which could not have been reasonable foreseen at the time of the adoption of the budget. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between line items within any fund rests with the Head of School. Revisions that alter the total expenditures in any fund must be approved by the Board of Directors. Appropriations are based on total funds expected to be available in each budget year, including beginning fund balances as established by the Board of Directors.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Budgets for all fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). GAAP-basis accounting requires that expenditures of salaries and related benefits be recorded in the fiscal year earned. Thus, the School budgets for all accrued salaries and related benefits earned but unpaid at June 30. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Head of School and/or Board of Directors throughout the year. All appropriations lapse at the end of each fiscal year.

A budget was not adopted for the Building Corp fund.

NOTE 3 – DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of June 30, 2023 is as follows:

Deposits	$ 10,143,705
Investments	18,899,261
Total	$ 29,042,966

Deposits and investments are reported in the financial statements as follows:

Cash and investments	$ 23,228,371
Restricted cash and investments	5,814,595
Total	$ 29,042,966

Cash deposits with financial institutions

Custodial Credit Risk—deposits: Custodial credit risk is the risk that, in the event of a bank failure, the School's deposits might not be recovered. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

The carrying amount of the School's deposits at June 30, 2023 was $10,143,705 and the bank balances were $8,877,137. Of the bank balances, $500,000 were covered by federal deposit insurance, and the remaining balance was uninsured but collateralized in accordance with the provisions of the PDPA.

Investments

The School is authorized by Colorado statutes to invest in the following:

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

At June 30, 2023 the School's investment balances were as follows:

Investment Type	Year-end Balance	Measurement	Maturity	Standard & Poor's Rating
ColoTrust	$ 5,788,904	Net asset value	Less than 90 days	AAAm
Money Markets	13,110,357	Amortized cost	Less than 90 days	AAA
	$ 18,899,261			

Local Government Investment Pools. The Colorado Local Government Liquid Asset Trust (ColoTrust) is an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating the pools, which operate in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended, which includes the maintenance of each share equal in value to $1.00. Investments are limited to those allowed by state statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodians' internal records identify the investments owned by the participating governments. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. As a means of managing its exposure to interest rate risk, the School has a board approved investment policy that limits investment maturities to five years or less. Colorado revised statute 24-75-601 also limits investment maturities to five years or less.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk – Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law and School policy limit investments to those described above.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss that may be caused by the School's investment in a single issuer. The School places no limit on the amount it may invest in any one issuer. More than 20 percent of the School's investments are in ColoTrust and Money Markets. These investments are 30.6% and 69.4%, respectively, of the School's total investments.

Fair value of investments. The School measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1 inputs reflect prices quoted in active markets.
- Level 2 inputs reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 inputs reflect prices based upon unobservable sources.

School investments measured at net asset value or amortized cost fall under the existing exemptions to fair value measurement.

NOTE 4 – INTERFUND RECEIVABLES AND PAYABLES

Receivables and Payables

Interfund receivables and payables are created in conjunction with the School's pooled cash and investment portfolios. Balances are routinely cleared as a matter of practice.

The composition of interfund balances as of June 30, 2023, is as follows:

	Due From Other Funds	Due To Other Funds
General Fund	$ 717,778	$ -
Building Corp Fund	-	717,778
Total	$ 717,778	$ 717,778

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated:				
Land	$ 5,871,456	$ -	$ -	$ 5,871,456
Construction in progress	11,992,717	8,922,679	(536,274)	20,379,122
Total capital assets not being depreciated	17,864,173	8,922,679	(536,274)	26,250,578
Capital assets being depreciated:				
Buildings and improvements	29,929,340	546,774	-	30,476,114
Vehicles	594,416	737,702	-	1,332,118
Equipment	501,252	23,683	-	524,935
Total capital assets being depreciated	31,025,008	1,308,159	-	32,333,167
Less accumulated depreciation for:				
Buildings and improvements	(7,827,303)	(927,869)	-	(8,755,172)
Vehicles	(339,972)	(191,542)	-	(531,514)
Equipment	(155,395)	(68,912)	-	(224,307)
Total accumulated depreciation	(8,322,670)	(1,188,323)	-	(9,510,993)
Total capital assets being depreciated, net	22,702,338	119,836	-	22,822,174
Lease assets being amortized:				
Equipment	282,500	-	-	282,500
Less accumulated amortization for:				
Equipment	(56,500)	(56,500)	-	(113,000)
Total lease assets being amortized, net	226,000	(56,500)	-	169,500
Capital assets, net of accumulated depreciation/amortization	22,928,338	63,336	-	22,991,674
Total governmental activities capital assets	$ 40,792,511	$ 8,986,015	$ (536,274)	$ 49,242,252

Depreciation/amortization expense was charged to the functions/programs of the governmental activities of the School as follows:

Governmental Activities

Instruction	$ 1,244,823

NOTE 6 – LEASES

School as lessee

The School, as a lessee, has entered into lease agreements involving equipment with lease terms of 5 years. The total costs of these right-to-use lease assets are recorded as $282,500, less accumulated amortization of $113,000. The School has determined that as of June 30, 2023, there is no loss associated with an impairment of the right-to-use lease asset.

The future lease payments under lease agreements as of June 30, 2023 are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	$ 56,378	$ 8,422	$ 64,800
2025	59,056	5,744	64,800
2026	61,863	2,937	64,800
Total	$ 177,297	$ 17,103	$ 194,400

NOTE 7 – LONG-TERM LIABILITIES

2019 Revenue Note

On August 1, 2019 the Arizona Industrial Development Authority (AZIDA) issued $24,580,313 of Arizona Industrial Development Authority Charter School Revenue Notes, Series 2019 Note proceeds were loaned to the Foundation for the purpose of paying off the Colorado Educational and Cultural Facilities Authority Charter School Revenue Notes, Series 2015 and 2016. Interest accrues on the outstanding balances of the notes at 3.95% per annum. Monthly principal and interest payments are due beginning September 1, 2019 with a final maturity of August 1, 2045.

2022 Revenue Note

On September 1, 2022 the Colorado Educational and Cultural Facilities Authority (the "Authority") issued $25,575,000 Charter School Revenue Bonds, Series 2022. Note proceeds were loaned to the James Irwin Educational Foundation. Interest accrues on the outstanding balances of the notes at 5.00% per annum. The Series 2022 Bonds bear interest payable semiannually on March 1 and September 1 of each year, commencing March 1, 2023, until maturity of September 1, 2062.

First Interstate Bank Note Payable

On June 3, 2022 the First Interstate Bank issued $6,897,500 in short term financing for the PTEC facility. Interest accrues on the outstanding balances of the notes at 4.00% per annum. The note was paid off during school year 2022-2023.

NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

Annual debt service requirements to maturity for loans payable is as follows:

Fiscal Year Ending June 30	Governmental Activities Principal	Governmental Activities Interest
2024	$ 508,690	$ 2,171,963
2025	529,151	2,151,503
2026	550,435	2,130,218
2027	577,576	2,107,953
2028	600,606	2,084,673
2029 – 2033	3,382,250	10,040,393
2034 –2038	4,128,991	9,301,279
2039 –2043	5,030,220	8,398,050
2044 –2048	6,130,697	7,298,948
2049 –2053	6,235,875	6,029,429
2054 –2058	9,115,000	4,091,375
2059 –2063	11,630,000	1,510,500
Total	$ 48,419,491	$ 57,316,284

Changes in the School's long-term liabilities for the year ended June 30, 2023, are as follows:

	Beginning Balance	Debt Issued And Additions	Reductions	Ending Balance	Due Within One year
Governmental Activities					
Loans payable	$ 30,231,012	$ 25,575,000	$ (7,386,521)	$ 48,419,491	$ 508,690
Loan Premium	-	777,851	(16,205)	761,646	-
Leases	231,119	-	(53,822)	177,297	56,378
Net pension liability	14,111,863	8,174,826	(2,315,475)	19,971,214	-
Net OPEB liability	682,737	114,827	(117,116)	680,448	-
Total Governmental Activities	$ 45,256,731	$ 34,642,504	$ (9,889,139)	$ 70,010,096	$ 565,068

Loans are liquidated in the Building Corp fund. All other long-term liabilities are liquidated in the General fund.

NOTE 8 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

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

Benefits provided as of December 31, 2022. 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.

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

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

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

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

Contributions provisions as of June 30, 2023: Eligible employees of, James Irwin Charter Schools and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq*. and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2022 through June 30, 2023. Employer contribution requirements are summarized in the table below:

	July 1, 2022 Through June 30, 2023
Employer contribution rate	11.40%
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	10.38%
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	20.38%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the James Irwin Charter Schools is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from James Irwin Charter Schools were $1,800,513 for the year ended June 30, 2023.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute $225 million (actual dollars) direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. House Bill (HB) 22-1029, instructed the State treasurer to issue an additional direct distribution to PERA in the amount of $380 million (actual dollars), upon enactment. The July 1, 2023, payment is reduced by $190 million (actual dollars) to $35 million (actual dollars). The July 1, 2024, payment will not be reduced due to PERA's negative investment return in 2022. Senate Bill (SB) 23-056, enacted June 2, 2023, requires an additional direct distribution of approximately $14.5 million (actual dollars), for a total of approximately $49.5 million (actual dollars) to be contributed July 1, 2023.

NOTE 8 – 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, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TPL to December 31, 2022. The James Irwin Charter Schools proportion of the net pension liability was based on James Irwin Charter Schools contributions to the SCHDTF for the calendar year 2022 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2023, the James Irwin Charter Schools reported a liability of $19,971,214 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the James Irwin Charter Schools as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with James Irwin Charter Schools were as follows:

James Irwin Charter Schools proportionate share of the net pension liability	$ 19,971,214
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the James Irwin Charter Schools	5,819,813
Total	$ 25,791,027

At December 31, 2022, the James Irwin Charter Schools proportion was 0.1096749103%, which was a decrease of 0.0115884686% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the James Irwin Charter Schools recognized pension expense of $88,832 and revenue of $684,374 for support from the State as a nonemployer contributing entity. At June 30, 2023, the James Irwin Charter Schools reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 189,006	$ -
Changes of assumptions or other inputs	353,755	-
Net difference between projected and actual earnings on pension plan investments	2,682,870	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	600,178	2,283,231
Contributions subsequent to the measurement date	912,837	N/A
Total	$ 4,738,646	$ 2,283,231

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

$912,837 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	$ (481,481)
2025	(342,351)
2026	805,904
2027	1,560,506
2028	-
Thereafter	-

Actuarial assumptions. The TPL in the December 31, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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

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

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

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

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

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

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

NOTE 8 – 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 actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

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

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

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

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

- 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 and required adjustments resulting from the 2018 and 2020 AAP assessments. 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 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

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

- HB 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the regularly scheduled $225 million (actual dollars) direct distribution, a warrant to PERA in the amount of $380 million (actual dollars). The July 1, 2023, direct distribution is reduced by $190 million (actual dollars) to $35 million (actual dollars). The July 1, 2024, direct distribution will not be reduced from $225 million (actual dollars) due to PERA's negative investment return in 2022.

- 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 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.

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	$ 26,135,451	$ 19,971,214	$ 14,823,447

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

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

General Information about the OPEB Plan

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

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

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

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

PERA Benefit Structure

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

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the James Irwin Charter Schools is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from James Irwin Charter Schools were $90,114 for the year ended June 30, 2023.

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

At June 30, 2023, the James Irwin Charter Schools reported a liability of $680,448 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TOL to December 31, 2022. The James Irwin Charter Schools proportion of the net OPEB liability was based on James Irwin Charter Schools contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the James Irwin Charter Schools proportion was 0.0833393236%, which was an increase of 0.0041634737% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the James Irwin Charter Schools recognized OPEB expense of ($72,232). At June 30, 2023, the James Irwin Charter Schools reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 88	$ 164,555
Changes of assumptions or other inputs	10,937	75,100
Net difference between projected and actual earnings on OPEB plan investments	41,560	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	60,982	19,794
Contributions subsequent to the measurement date	45,688	N/A
Total	$ 159,255	$ 259,449

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

$45,688 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, 2024. 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:	
2024	$ (61,913)
2025	(59,803)
2026	(16,762)
2027	4,591
2028	(9,814)
Thereafter	(2,181)

Actuarial assumptions. The TOL in the December 31, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40% - 11.00%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	6.50% in 2022, gradually decreasing to 4.50% in 2030
Medicare Part A premiums	3.75% in 2022, 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

The TOL for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health Department (TriCounty Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Beginning January 1, 2022, the per capita health care costs are developed by plan option; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-69	3.0%	1.5%
70	2.9%	1.6%
71	1.6%	1.4%
72	1.4%	1.5%
73	1.5%	1.6%
74	1.5%	1.5%
75	1.5%	1.4%
76	1.5%	1.5%
77	1.5%	1.5%
78	1.5%	1.6%
79	1.5%	1.5%
80	1.4%	1.5%
81 and older	0.0%	0.0%

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$1,704	$1,450	$583	$496	$1,923	$1,634
70	$1,976	$1,561	$676	$534	$2,229	$1,761
75	$2,128	$1,681	$728	$575	$2,401	$1,896

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$6,514	$5,542	$4,227	$3,596	$6,752	$5,739
70	$7,553	$5,966	$4,901	$3,872	$7,826	$6,185
75	$8,134	$6,425	$5,278	$4,169	$8,433	$6,657

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

The 2022 Medicare Part A premium is $499 (actual dollars) per month.

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2021, 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 that were used to measure the TOL are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2022	6.50%	3.75%
2023	6.25%	4.00%
2024	6.00%	4.00%
2025	5.75%	4.00%
2026	5.50%	4.25%
2027	5.25%	4.25%
2028	5.00%	4.25%
2029	4.75%	4.50%
2030+	4.50%	4.50%

Mortality assumptions used in the December 31, 2021, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

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

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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 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.

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

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.

- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.

- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

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

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 13, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

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

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

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate[1]	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$ 661,188	$ 680,448	$ 701,405

[1]For the January 1, 2023, plan year.

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2022, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$ 788,841	$ 680,448	$ 587,737

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

NOTE 10 - RISK MANAGEMENT

The School is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The School carries commercial insurance for these risks of loss, including worker's compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the last three fiscal years.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Grants

The School has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement to grantor agencies for expenditures disallowed under terms of the grant. However, in the opinion of the School, any such adjustments will not have a material adverse effect on the financial position of the School.

Legal

The School is involved in pending or threatened lawsuits and claims. The School estimates that potential claims not covered by insurance or accrued for, resulting from such litigation, would not materially affect the financial statements of the School.

NOTE 12 - TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities and other specific requirements of state and local governments.

The amendment requires emergency reserves be established. These reserves must be at least 3% of fiscal year spending. The School is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary and benefit increases. At June 30, 2023 there is a $690,000 reservation of fund balance in the General Fund for the amendment.

The Amendment is complex and subject to judicial interpretation. The School believes it is in compliance with the requirements of the amendment. However, the School has made certain interpretations of the amendment's language in order to determine its compliance.

REQUIRED SUPPLEMENTARY INFORMATION

JAMES IRWIN CHARTER SCHOOLS
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2023

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
School's proportion of the net pension liability (asset)	0.1096749103%	0.1212633789%	0.1359402359%	0.1190475050%	0.1245839625%	0.1408163477%	0.1295406485%	0.1212756605%	0.1195724723%	0.1118196214%
School's proportionate share of the net pension liability (asset)	$ 19,971,214	$ 14,111,863	$ 20,551,422	$ 17,785,439	$ 22,060,150	$ 45,535,002	$ 38,569,260	$ 18,548,256	$ 16,206,086	$ 14,262,563
State's proportionate share of the net pension liability (asset) associated with the School	5,819,813	1,617,745	-	2,255,857	3,016,419	-	-	-	-	-
Total	$ 25,791,027	$ 15,729,608	$ 20,551,422	$ 20,041,296	$ 25,076,569	$ 45,535,002	$ 38,569,260	$ 18,548,256	$ 16,206,086	$ 14,262,563
School's covered payroll	$ 8,456,984	$ 7,578,579	$ 7,270,274	$ 6,995,982	$ 6,849,050	$ 6,495,692	$ 5,814,016	$ 5,285,165	$ 5,009,229	$ 4,507,805
School's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	236.15%	186.21%	282.68%	254.22%	322.09%	701.00%	663.38%	350.95%	323.52%	316.40%
Plan fiduciary net position as a percentage of the total pension liability	61.8%	74.9%	67.0%	64.5%	57.0%	44.0%	43.1%	59.2%	62.8%	64.1%

* The amounts presented for each year were determined as of 12/31.

See the accompanying independent auditors' report.

JAMES IRWIN CHARTER SCHOOLS
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS - PENSION
JUNE 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 1,800,513	$ 1,589,147	$ 1,450,192	$ 1,425,187	$ 1,325,193	$ 1,265,707	$ 1,075,402	$ 970,124	$ 870,404	$ 784,848
Contributions in relation to the contractually required contribution	(1,800,513)	(1,589,147)	(1,450,192)	(1,425,187)	(1,325,193)	(1,265,707)	(1,075,402)	(970,124)	(870,404)	(784,848)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School's covered payroll	$ 8,834,704	$ 7,993,695	$ 7,294,727	$ 7,353,904	$ 6,927,304	$ 6,703,957	$ 5,850,933	$ 5,471,653	$ 5,156,422	$ 4,911,439
Contributions as a percentage of covered payroll	20.38%	19.88%	19.88%	19.38%	19.13%	18.88%	18.38%	17.73%	16.88%	15.98%

* The amounts presented for each fiscal year were determined as of 6/30.

See the accompanying independent auditors' report.

JAMES IRWIN CHARTER SCHOOLS
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
JUNE 30, 2023

	2022	2021	2020	2019	2018	2017
School's proportion of the net OPEB liability (asset)	0.0833393236%	0.0791758499%	0.0786175236%	0.0764588632%	0.0809802499%	0.0800113056%
School's proportionate share of the net OPEB liability (asset)	$ 680,448	$ 682,737	$ 747,043	$ 859,396	$ 1,101,770	$ 1,039,827
School's covered payroll	$ 8,456,984	$ 7,578,579	$ 7,270,274	$ 6,995,982	$ 6,849,050	$ 6,495,692
School's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	8.05%	9.01%	10.28%	12.28%	16.09%	16.01%
Plan fiduciary net position as a percentage of the total OPEB liability	38.6%	39.4%	32.8%	24.5%	17.0%	17.5%

* The amounts presented for each year were determined as of 12/31.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

JAMES IRWIN CHARTER SCHOOLS
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS - OPEB
JUNE 30, 2023

	2023	2022	2021	2020	2019	2018
Contractually required contribution	$ 90,114	$ 81,535	$ 74,565	$ 75,010	$ 70,658	$ 68,378
Contributions in relation to the contractually required contribution	(90,114)	(81,535)	(74,565)	(75,010)	(70,658)	(68,378)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
School's covered payroll	$ 8,834,704	$ 7,993,695	$ 7,294,727	$ 7,353,904	$ 6,927,304	$ 6,703,957
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

* The amounts presented for each fiscal year were determined as of 6/30.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

JAMES IRWIN CHARTER SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Local sources	$ 1,539,205	$ 2,478,905	$ 3,575,318	$ 1,096,413
State sources	21,614,828	21,433,699	20,750,913	(682,786)
Federal sources	3,266,040	3,234,415	933,317	(2,301,098)
Total revenues	26,420,073	27,147,019	25,259,548	(1,887,471)
EXPENDITURES				
Salaries	9,085,925	9,108,413	9,294,814	(186,401)
Benefits	4,599,989	4,629,603	3,661,833	967,770
Purchased services	7,030,360	6,315,067	5,789,837	525,230
Supplies	4,237,735	5,056,868	1,602,502	3,454,366
Property	203,343	799,872	1,087,402	(287,530)
Other	79,900	280,149	49,613	230,536
Total expenditures	25,237,252	26,189,972	21,486,001	4,703,971
Net change in fund balances	1,182,821	957,047	3,773,547	2,816,500
Fund balances - beginning	15,842,256	19,817,982	19,817,982	-
Fund balance - ending	$ 17,025,077	$ 20,775,029	$ 23,591,529	$ 2,816,500

See the accompanying Independent Auditors' Report.

SUPPLEMENTARY INFORMATION

JAMES IRWIN CHARTER SCHOOLS
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2023

	Elementary School	Middle School	High School	JICA	PTEC	Total
ASSETS						
Cash and investments	$ 7,760,473	$ 5,755,659	$ 4,405,123	$ 3,738,355	$ 1,418,831	$ 23,078,441
Grants receivables	104,361	85,512	126,883	47,594	1,615	365,965
Intergovernmental receivables	-	-	-	39,240	53,868	93,108
Other receivables	2,445	2,445	11,637	6,797	15,862	39,186
Due from other funds	-	-	-	-	717,778	717,778
Prepaid items	42,957	34,607	14,694	13,971	26,243	132,472
Total Assets	$ 7,910,236	$ 5,878,223	$ 4,558,337	$ 3,845,957	$ 2,234,197	$ 24,426,950
LIABILITIES						
Accounts payable and other accrued liabilities	$ 25,891	$ 22,441	$ 35,942	$ 14,956	$ 16,713	$ 115,943
Accrued salaries and benefits	162,849	120,851	101,025	86,280	101,989	572,994
Unearned revenue	23,625	34,577	35,812	12,716	39,754	146,484
Total Liabilities	212,365	177,869	172,779	113,952	158,456	835,421
FUND BALANCE						
Non-spendable	42,957	34,607	14,694	13,971	26,243	132,472
Restricted for:						
TABOR	177,000	152,000	140,000	103,000	118,000	690,000
Special education	-	-	-	30,400	-	30,400
Unassigned	7,477,914	5,513,747	4,230,864	3,584,634	1,931,498	22,738,657
Total Fund Balance	7,697,871	5,700,354	4,385,558	3,732,005	2,075,741	23,591,529
Total Liabilities and Fund Balance	$ 7,910,236	$ 5,878,223	$ 4,558,337	$ 3,845,957	$ 2,234,197	$ 24,426,950

See the accompanying independent auditors' report.

JAMES IRWIN CHARTER SCHOOLS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Elementary School	Middle School	High School	JICA	PTEC	Total
REVENUES						
Local sources	$ 615,633	$ 647,840	$ 686,322	$ 716,610	$ 908,913	$ 3,575,318
State sources	5,407,396	4,537,695	4,101,554	3,071,333	3,632,935	20,750,913
Federal sources	273,024	310,460	163,862	124,423	61,548	933,317
Total revenues	6,296,053	5,495,995	4,951,738	3,912,366	4,603,396	25,259,548
EXPENDITURES						
Instruction	2,652,149	2,395,422	2,193,740	1,504,213	2,002,190	10,747,714
Supporting services	2,281,247	2,264,325	2,189,589	1,833,373	2,169,753	10,738,287
Total expenditures	4,933,396	4,659,747	4,383,329	3,337,586	4,171,943	21,486,001
Net change in fund balance	1,362,657	836,248	568,409	574,780	431,453	3,773,547
Fund balance, beginning	6,335,214	4,864,106	3,817,149	3,157,225	1,644,288	19,817,982
Fund balance, ending	$ 7,697,871	$ 5,700,354	$ 4,385,558	$ 3,732,005	$ 2,075,741	$ 23,591,529

See the accompanying independent auditors' report.