ST. VRAIN VALLEY SCHOOLS
academic excellence by design

NOTICE OF REGULAR MEETING AND AGENDA

October 25, 2023

Karen Ragland, President, Board of Education
Dr. Don Haddad, Superintendent of Schools

Educational Services Center
395 South Pratt Parkway
Longmont, Colorado 80501

DISTRICT VISION STATEMENT
To be an exemplary school district which inspires and promotes high standards of learning and student well-being in partnership with parents, guardians and the community.

DISTRICT MISSION STATEMENT
To educate each student in a safe learning environment so that they may develop to their highest potential and become contributing citizens.

ESSENTIAL BOARD ROLES
- *Guide the superintendent*
- *Engage constituents*
- *Ensure alignment of resources*
- *Monitor effectiveness*
- *Model excellence*

BOARD MEMBERS
- *Jim Berthold, Secretary*
- *Meosha Brooks, Member*
- *Chico Garcia, Member*
- *Sarah Hurianek, Member*
- *Dr. Richard Martyr, Treasurer*
- *Karen Ragland, President*
- *Joie Siegrist, Vice President*

PUBLIC COMMENT PROCESS
The Board of Education values community perspectives and the feedback from our parents, teachers, staff and community. During Board Meetings, the Board will hear up to 30 minutes of public comment on non-agenda items and 30 minutes of public comment on agenda-specific items.

- *Each person is limited to three minutes of public comment*
- *The manner of your comments must be appropriate for the business meeting of the board.*
- *If you are speaking to a non-agenda item, you must limit your remarks to matters of public concern about the district.*
- *Concerns about the day-to-day operations of the district should first be referred through the proper administrative channels before it is presented to the board.*

Learn more at http://stvra.in/publiccomment

1. **CALL TO ORDER:**

   6:00 pm Regular Business Meeting

2. **ADDENDUMS/CHANGES TO THE AGENDA:**
3. **VISITORS:**

   Silver Creek High School Feeder Presentation

   Kim Stewart Recognition

   Superintendent's Excellence in Education Award

4. **AUDIENCE PARTICIPATION:**
5. **SUPERINTENDENT'S REPORT:**
6. **REPORTS:**

   6.1. FY23 Annual Comprehensive Financial Report

7. **CONSENT ITEMS:**

   7.1. Approval: Architect Selection for Proposed New K-8 Project

   7.2. Approval: Recommendation to Hire Chief Financial Officer

8. **ACTION ITEMS:**

   8.1. Recommendation: Approval of Request to Grant Exception to Board Policy GBEA - Staff Ethics/Conflict of Interest - Thornton

9. **DISCUSSION ITEMS:**
10. **ADJOURNMENT:**

Karen Ragland, President, Board of Education
Dr. Don Haddad, Superintendent of Schools

Educational Services Center
395 South Pratt Parkway
Longmont, Colorado 80501

Board of Education Meetings: Held at 395 South Pratt Parkway, Board Room, unless otherwise noted:

Wednesday, November 8	6:00 - 8:00 pm Regular Meeting
Wednesday, November 15	6:00 - 8:00 pm Study Session
Wednesday, December 13	6:00 - 8:00 pm Regular Meeting

MEMORANDUM

DATE: October 25, 2023

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: 2023 Fiscal Year Annual Comprehensive Financial Report (ACFR)
Strategic Priority – Strong District Finances

PURPOSE

For the Board of Education to get an update on the draft of the 2023 Fiscal Year Annual Comprehensive Financial Report.

BACKGROUND

The 2023 Fiscal Year Annual Comprehensive Financial Report (ACFR) was audited by the certified public accounting firm of CliftonLarsonAllen (CLA). While the audit is substantially complete, the ACFR still needs to undergo two additional reviews. Attached is a preliminary draft of the ACFR, which contains the basic financial statements, but does not contain the auditors' integrity report nor the auditor's opinions. The Administration is confident in the accuracy of the report; however, it is still subject to change. If additional information can be included in the ACFR prior to the Board meeting, an updated draft will be provided at that time. Paul Niedermuller from CLA will review the 2023 ACFR with the Board in detail at the October 25th study session as well as note any changes from the preliminary draft, discuss a draft Report to Governance, and respond to questions. Administration anticipates issuing a complete, final report for the Board of Education's acceptance at its regular meeting on November 8th.

ST. VRAIN VALLEY SCHOOLS
academic excellence by design

Student Achievement • Well-Being • Partnerships

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2023

395 South Pratt Parkway • Longmont CO • 80501-6499

St. Vrain Valley School District RE-1J

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St. Vrain Valley School District RE-1J

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BASIC FINANCIAL STATEMENTS

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St. Vrain Valley School District RE-1J
Statement of Net Position
June 30, 2023

	Primary Government	Component Units
	Governmental Activities	Charter Schools
Assets		
Cash and investments	$ 254,828,569	
Cash with fiscal agent	1,592,867	
Accounts receivable	5,194,825	
Due from component units	212,683	
Due from primary government	-	
Grants receivable	8,862,338	
Lease receivable	233,219	
Taxes receivable, net	8,752,866	
Prepaid items	425,611	
Deposits	11,115	
Inventories	2,501,262	
Restricted cash and investments for		
Bond Redemption Fund	115,787,941	
Building Corporations	-	
Self Insurance Fund	4,018,398	
Capital assets,		
Non-depreciable	30,411,590	
Depreciable, net	533,415,940	
Total assets	966,249,224	
Deferred outflows of resources		
Related to debt	5,957,543	
Related to pension	124,878,177	
Related to OPEB	3,795,728	
Total deferred outflow of resources	134,631,448	
Liabilities		
Accounts payable	9,992,818	
Due to other funds	-	
Due to component units	329,666	
Due to primary government	-	
Intergovernmental payable	285,674	
Retainage payable	486,434	
Other current liabilities	43,638	
Accrued salaries and benefits	17,564,666	
Payroll withholdings	12,315,129	
Accrued interest payable	756,594	
Claims payable	3,293,477	
Unearned revenues	708,011	
Noncurrent liabilities due within one year	17,056,459	
Noncurrent liabilities due in more than a year		
Leasing liabilities	2,999,665	
General obligation bonds	369,950,000	
Deferred bond premium	21,554,746	
Compensated absences	6,797,401	
Net pension liability	529,557,843	
OPEB liability	18,045,753	
Total liabilities	1,011,737,974	
Deferred inflows of resources		
Related to leases	254,679	
Related to pension	66,650,197	
Related to OPEB	6,376,815	
Total deferred inflow of resources	73,281,691	
Net Position		
Net investment in capital assets	162,364,118	
Restricted for		
TABOR	13,873,426	
Debt service	119,175,716	
Component units' capital projects	-	
Contractual obligations	4,018,398	
Specific federal contract	2,622,832	
Colorado Preschool Fund	773,813	
Extracurricular, community programs	16,006,484	
Unrestricted	(302,973,780)	
Total net position	$ 15,861,007	

The accompanying notes are an integral part of this basic financial statement.

St. Vrain Valley School District RE-1J

Statement of Activities
For the Year Ended June 30, 2023

Functions / Programs	Expenses	Program Revenues: Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental activities				
Instruction	$ 290,090,523	$ 19,481,594	$ 38,143,274	$ -
Supporting services	190,724,428	4,803,292	17,733,794	2,198,142
Interest expense	16,691,736	-	-	-
Total governmental activities	$ 497,506,687	$ 24,284,886	$ 55,877,068	$ 2,198,142
COMPONENT UNITS				
Instruction				
Supporting services				
Interest expense				
Total component units				

General Revenues
- Property taxes
- Specific ownership taxes
- State equalization
- Per pupil revenue
- Mill levy override
- Investment income
- Other
- Special item - gain on sale of asset

Total general revenues

Change in net position

Net position, beginning

Net position, ending

The accompanying notes are an integral part of this basic financial statement.

Net (Expense) Revenue and Changes in Net Position	
Primary Government	Component Units
Governmental Activities	Charter Schools
$ (232,465,655)	$ -
(165,989,200)	-
(16,691,736)	-
(415,146,591)	-
-	
-	
-	
-	
222,220,170	
13,740,169	
154,374,136	
-	
67,201,855	
10,230,880	
20,357,017	
-	
488,124,227	
72,977,636	
(57,116,629)	
$ 15,861,007	

The accompanying notes are an integral part of this basic financial statement.

St. Vrain Valley School District RE-1J

Balance Sheet
Governmental Funds
June 30, 2023

	General	Bond Redemption	Building	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash & investments - unrestricted	$ 193,537,123	$ -	$ 5,326,431	$ 40,529,716	$ 239,393,270
Cash with fiscal agent	1,306,740	286,127	-	-	1,592,867
Cash & investments - restricted	-	115,787,941	-	-	115,787,941
Accounts receivable	2,615,741	1,934,383	-	210,243	4,760,367
Due from other funds	1,840,322	-	-	-	1,840,322
Due from component units	212,683	-	-	-	212,683
Grants receivable	3,971,730	-	-	4,890,608	8,862,338
Lease receivable	233,219	-	-	-	233,219
Taxes receivable, net	5,588,130	1,923,859	-	-	7,511,989
Prepaid items	162,991	-	-	262,620	425,611
Deposits	-	-	-	11,115	11,115
Inventories	1,544,762	-	-	956,500	2,501,262
Total assets	$ 211,013,441	$ 119,932,310	$ 5,326,431	$ 46,860,802	$ 383,132,984
Liabilities					
Accounts payable	$ 3,758,517	$ -	$ 1,795,180	$ 4,157,484	$ 9,711,181
Due to other funds	-	-	-	1,840,322	1,840,322
Due to component units	329,666	-	-	-	329,666
Intergovernmental payable	285,674	-	-	-	285,674
Retainage payable	-	-	242,336	244,098	486,434
Accrued salaries and benefits	16,300,120	-	-	1,264,546	17,564,666
Payroll withholdings	12,315,129	-	-	-	12,315,129
Other current liabilities	43,638	-	-	-	43,638
Claims payable	664,684	-	-	-	664,684
Unearned revenues	132,497	-	-	575,514	708,011
Total liabilities	33,829,925	-	2,037,516	8,081,964	43,949,405
Deferred inflows of resources					
Unavailable property tax revenue	2,704,224	1,175,855	-	-	3,880,079
Unavailable lease revenue	254,679	-	-	-	254,679
Total deferred inflows of resources	2,958,903	1,175,855	-	-	4,134,758
Fund Balances					
Nonspendable:					
deposits, inventories, prepaids	1,707,753	-	-	1,230,235	2,937,988
Restricted: TABOR	13,873,426	-	-	-	13,873,426
Restricted: Colorado Preschool	773,813	-	-	-	773,813
Restricted: debt service	-	118,756,455	-	-	118,756,455
Restricted: special revenue funds	-	-	-	16,006,484	16,006,484
Restricted: specific federal contract	2,622,832	-	-		2,622,832
Restricted: voter approved projects	-	-	3,288,915	-	3,288,915
Committed: capital projects	-	-	-	11,047,018	11,047,018
Committed: contingencies	9,248,950	-	-	-	9,248,950
Committed: Board allocations	14,575,405	-	-	-	14,575,405
Committed: risk management	7,478,554	-	-	-	7,478,554
Committed: special revenue fund	-	-	-	10,495,101	10,495,101
Assigned: Mill Levy Override	56,632,765	-	-	-	56,632,765
Assigned: subsequent year expenditures	24,278,570	-	-	-	24,278,570
Unassigned	43,032,545	-	-	-	43,032,545
Total fund balances	174,224,613	118,756,455	3,288,915	38,778,838	335,048,821
Total liabilities, deferred inflows, and fund balances	$ 211,013,441	$ 119,932,310	$ 5,326,431	$ 46,860,802	$ 383,132,984

The accompanying notes are an integral part of this basic financial statement.

St. Vrain Valley School District RE-1J

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2023

Amounts reported for governmental activities in the statement of net position are different because:		
Governmental funds total fund balances	$	335,048,821
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		563,827,530
Deferred outflows from refunding debt are not considered current financial resources and, therefore, not reported in the governmental funds		5,957,543
Premium on issuance of bonds is recognized as other financing source in the governmental funds but are deferred in the statement of net position.		(21,554,746)
Long-term liabilities, including lease purchases ($1,987,081), leased assets ($2,104,171) and subscriptions ($1,003,872), compensated absences ($7,648,401), bonds payable ($384,060,000), related accrued interest ($756,594), and claims payable ($283,793) are not due and payable in the current period and, therefore, are not reported in the funds.		(397,843,912)
Pension liability ($529,557,843), OPEB liability ($18,045,753), and related deferred inflows ($73,027,012) and deferred outflows $128,673,905 are not considered current and, therefore, not reported in the funds.		(491,956,703)
Deferred property tax inflows $3,880,079 plus the current year's abatements $1,240,877 will be collected but are not available to pay for the current period's expenditures and, therefore, are not recorded as revenue in the funds.		5,120,956
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		17,261,518
Net position of governmental activities	$	15,861,007

The accompanying notes are an integral part of this basic financial statement.

St. Vrain Valley School District RE-1J

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	General	Bond Redemption	Building	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	$ 134,677,952	$ 86,779,859	$ -	$ -	$ 221,457,811
Specific ownership taxes	13,740,169	-	-	-	13,740,169
Mill levy override	67,201,855	-	-	-	67,201,855
Investment income	5,677,958	2,597,244	314,234	1,040,379	9,629,815
Charges for services	5,130,787	-	-	10,895,242	16,026,029
Pupil activities	-	-	-	8,258,857	8,258,857
Other local sources	12,876,312	7,236,480	-	2,835,999	22,948,791
Local intergovernmental	-	-	-	86,000	86,000
State intergovernmental	171,341,047	-	-	19,523,239	190,864,286
Federal intergovernmental	10,399,335	-	-	21,550,867	31,950,202
Total revenues	421,045,415	96,613,583	314,234	64,190,583	582,163,815
Expenditures					
Current					
Instruction	242,324,161	-	-	18,611,141	260,935,302
Supporting services	162,712,655	-	3,964,518	18,695,764	185,372,937
Food service operations	-	-	-	13,452,836	13,452,836
Capital outlay	6,026,673	-	3,238,348	12,124,290	21,389,311
Debt service					
Principal	7,280,222	49,495,000	-	-	56,775,222
Interest	76,266	19,499,110	-	-	19,575,376
Fiscal charges	-	7,150	-	-	7,150
Total expenditures	418,419,977	69,001,260	7,202,866	62,884,031	557,508,134
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	2,625,438	27,612,323	(6,888,632)	1,306,552	24,655,681
Other Financing Sources (Uses)					
Lease & other financing arrangments	3,640,402	-	-	-	3,640,402
Transfers in	54,197	-	-	448,313	502,510
Transfers out	(357,297)	-	-	(145,213)	(502,510)
Total other financing sources (uses)	3,337,302	-	-	303,100	3,640,402
Net change in fund balances	5,962,740	27,612,323	(6,888,632)	1,609,652	28,296,083
Fund balances, beginning	168,261,873	91,144,132	10,177,547	37,169,186	306,752,738
Fund balances, ending	$ 174,224,613	$ 118,756,455	$ 3,288,915	$ 38,778,838	$ 335,048,821

The accompanying notes are an integral part of this basic financial statement.

St. Vrain Valley School District RE-1J

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

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

Net change in fund balances of governmental funds		$ 28,296,083
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Depreciation and amortization expense	(31,794,371)	
Capital outlay - capitalized	21,102,141	
Net effect of disposed capital assets	(11,863)	(10,704,093)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 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 governmental funds.		
Current year amortization of premium on bond issue	4,050,476	
Current year amortization of deferred outflows	(1,258,502)	
Long term portion of claims payable	46,765	
Change in deferred property tax accrual less abatements	762,359	3,601,098
In the statement of activities, certain accrued sick leave and vacation benefits are measured by the amounts earned during the year. However, in the governmental funds, expenditures for this item are measured by the amount actually paid. This year, the amount of accrued sick and vacation leave increased as follows:		
Accrued annual leave earned during the year	(651,617)	
Accrued vacation earned during the year	(932,830)	
Amount paid during the year	764,243	(820,204)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position Repayment of bond and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Following are the net effect of these differences.		
Bond principal payments	49,495,000	
Accrued interest expense on bonds	91,666	
Long-term lease purchase payments	5,401,240	
New leasing arrangements	(3,640,402)	
Current year impact related to GASB 87 and 96	(255,341)	
Long-term lease financing payments	2,991,205	54,083,368
Pension and OPEB expenses related to the cost-sharing multiple-employer defined benefit pension fund, net of contributions, are recognized on a government-wide basis and not included in the fund statements.		
Pension expense	(8,223,922)	
Pension contributions	2,724,563	
OPEB expense	1,958,307	
OPEB contributions	108,776	(3,432,276)
Internal service funds used by management to charge the costs of insurance to individual funds are not reported in the statement of activities. The net revenue (expense) of the liquidated internal service fund is reported with governmental activities.		1,953,660
Change in net position of governmental activities		$ 72,977,636

The accompanying notes are an integral part of this basic financial statement.

St. Vrain Valley School District RE-1J

Statement of Fund Net Position
Proprietary Fund
June 30, 2023

	Governmental Activities Internal Service Fund
Assets	
Current assets	
Cash and cash equivalents	$ 15,435,299
Accounts receivable	434,458
Total current assets	15,869,757
Noncurrent assets	
Restricted cash and cash equivalents	4,018,398
Total assets	19,888,155
Liabilities	
Current liabilities	
Accounts payable	281,637
Claims payable	2,345,000
Total liabilities	2,626,637
Net Position	
Restricted for contractual obligations	4,018,398
Unrestricted	13,243,120
Total net position	$ 17,261,518

The accompanying notes are an integral part of this basic financial statement.

St. Vrain Valley School District RE-1J

Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2023

	Governmental Activities Internal Service Fund
Operating Revenues	
Charges for services	$ 25,626,998
Total operating revenues	25,626,998
Operating Expenses	
Salaries and benefits	318,331
Purchased services	4,803,953
Administrative fees	1,170,757
Claims	18,110,329
Total operating expenses	24,403,370
Operating income	1,223,628
Nonoperating Revenues	
Investment income	601,065
Other local sources	128,967
Total nonoperating revenues	730,032
Change in net position	1,953,660
Net position, beginning	15,307,858
Net position, ending	$ 17,261,518

The accompanying notes are an integral part of this basic financial statement.

St. Vrain Valley School District RE-1J

Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2023

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities	
Cash received from customers	$ 25,790,822
Cash paid to providers	(18,112,162)
Cash paid to other vendors	(6,188,869)
Cash paid to employees	(318,331)
Net cash provided by operating activities	1,171,460
Cash Flows from Noncapital Financing Activities	
Credits/rebates received from insurance companies	128,967
Net cash provided by noncapital financing activities	128,967
Cash Flows from Investing Activities	
Investment income	601,065
Increase in cash, cash equivalents, and restricted cash	1,901,492
Cash, cash equivalents, and restricted cash, beginning of the year	17,552,205
Cash, cash equivalents, and restricted cash, end of the year	$ 19,453,697
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating income	$ 1,223,628
Adjustments to reconcile operating income to	
Net cash provided by operating activities	
Changes in assets and liabilities	
Decrease in accounts receivable	163,824
Decrease in deposits/prepaids	5,167
Decrease in accounts payable	(214,159)
Decrease in claims payable	(7,000)
Net cash provided by operating activities	$ 1,171,460

The accompanying notes are an integral part of this basic financial statement.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of St. Vrain Valley School District RE-1J (the District) in the Counties of Boulder, Larimer, and Weld, and the City and County of Broomfield, have been prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP) as applied to governmental units. The more significant of the District's accounting policies are described below.

Reporting Entity

St. Vrain Valley School District RE-1J, formed in 1961, is a political subdivision and corporate body of the State of Colorado. The District operates under a seven-member publicly elected board of education. Geographically diverse, the 411 square miles served by the District extends from the Continental Divide out into the agriculture plains. Parts of four counties (Boulder, Broomfield, Larimer and Weld) fall within the District's boundaries. The District also serves thirteen different communities: eastern Boulder, Broomfield, Dacono, Erie, Firestone, Frederick, Hygiene, Longmont, Lyons, Mead, Niwot, Peaceful Valley, and Raymond. The District – the seventh largest in the state of Colorado – has 1 standalone early childhood learning center, 25 elementary schools, 2 PK-8, 1 K-8, 8 middle schools, 1 middle/senior, 7 high schools, 1 alternative high, 1 online high, 1 online PK-12, 4 P-TECH programs, 6 charter schools, and programs including the Innovation Center, Main Street Special Education, Career Technology and Elevation Center, and high-quality homeschool enrichment. The District serves more than 33,000 students.

The financial reporting entity consists of the District and organizations for which the District is financially accountable. All organizations that are not legally separate are part of the District. In addition, any legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits to or impose financial burdens on the District, and fiscal dependency.

Discretely Presented Component Units – Charter Schools

The Colorado State Legislature enacted the Charter School Act – Colorado Revised Statutes (C.R.S.) Section 22-30.5-101 in 1993. This Act permits the District to contract with individuals and organizations for the operation of schools within the District. The statutes define these contracted schools as "charter schools". Charter schools are financed from a portion of the District's School Finance Act revenues and from revenues generated by the charter schools, within the limits established by the Charter School Act. Each charter school is a legally separate entity and appoints its own governing board; however, the District's Board of Education must approve all charter school applications.

The charter schools are discretely presented component units because of the significance of their financial accountability to and fiscal dependency on the District. They are all considered nonmajor.

The District's Board of Education has approved six charter school applications, Aspen Ridge Preparatory School, K-8; Carbon Valley Academy, grades K-8; Firestone Charter Academy, grades K-8; Flagstaff Academy, grades K-8; St. Vrain Community Montessori School, K-8; and Twin Peaks Charter Academy, grades K-12. All six charter schools were operational during the fiscal year. No new charter applications have been received.

NOTE 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (Continued)

Discretely Presented Component Units – Charter Schools (Continued)

Separately audited financial reports for Aspen Ridge Preparatory School, Carbon Valley Academy, Firestone Charter Academy, Flagstaff Academy, St. Vrain Community Montessori School, and Twin Peaks Charter Academy are available from the individual charter schools.

Fund Accounting

The District uses funds to report its financial position and changes in financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types".

<u>Governmental funds</u> are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), the servicing of long-term debt (debt service fund), and the construction of new schools (capital projects funds). The following three funds are the District's major governmental funds:

General Fund – The *General Fund* is the District's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include local property taxes, specific ownership (personal property) taxes, and State of Colorado equalization funding, as determined by the School Finance Act of 1994, as amended. The *Colorado Preschool Program (CPP) Fund* and *Risk Management Fund* are reported as sub-funds of the *General Fund*. Moneys allocated to the *CPP Fund* from the *General Fund* are used to pay the costs of providing preschool services directly to qualified at-risk children enrolled in the District's preschool program pursuant to C.R.S. 22-28-102. Moneys allocated to the *Risk Management Fund* from the *General Fund* are used to account for the payment of loss or damage to the property of the District, workers' compensation, property and liability claims, and the payment of related administration expenses.

Expenditures include all costs associated with the daily operation of the schools, except for programs funded by certain grants from federal and state governments, school construction, certain capital outlay expenditures, debt service, food service operations, and extracurricular athletic and other pupil activities.

Bond Redemption Fund – The District has one debt service fund used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs. The fund's primary revenue source is local property taxes levied specifically for debt service.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

Capital Projects Funds – The District has two capital projects funds, the *Building Fund,* a major fund, and the *Capital Reserve Capital Projects Fund*, a nonmajor fund. The *Building Fund* accounts for the proceeds of bond sales and expenditures for capital outlay for land, buildings, improvements of grounds, construction of buildings, additions or remodeling of buildings or initial, additional and replacement equipment.

The remaining nonmajor governmental funds are the *Capital Reserve Capital Projects Fund* and Special Revenue Funds. The *Capital Reserve Capital Projects Fund* is used to account for the District-designated allocation of resources and other revenues for on-going capital outlay needs of the District, such as equipment purchases. Special Revenue Funds account for revenues derived from earmarked revenue sources, charges for supporting educational services, and tuition. Special Revenue Funds consist of *Community Education Fund, Fair Contributions Fund, Government Designated-Purpose Grants Fund, Nutrition Services Fund,* and *Student Activity Fund*.

Proprietary funds focus on the determination of the changes in fund net position, financial position, and cash flows and are classified as either enterprise or internal service.

Enterprise Funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District has no enterprise funds.

Internal Service Funds account for the financing of services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost reimbursement basis. The District's only internal service fund is the *Self Insurance Fund*. This fund accounts for the financial transactions related to specific healthcare and dental plans.

Fiduciary fund reporting focuses on net position and changes in net position. Fiduciary funds are used to report fiduciary activities for pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The three types of trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. Custodial funds are custodial in nature (assets equal liabilities) and use the economic resources measure focus. The District has no trust or custodial funds.

Government-wide and Fund Financial Statements

The District's financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the District and its component units. *Governmental activities* are normally supported by taxes and intergovernmental revenues and are reported as the *primary government*. The legally separate charter schools are reported as *component units* for which the District is financially accountable.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of the given function 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 customers 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. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Governmental fund revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days after year-end. However, for the current fiscal year, the District adopted another one-year policy change for federal pandemic relief revenues only by extending the availability period to 120 days.

Property taxes, specific ownership taxes, grants, and interest 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. All other revenue items are considered to be measurable and available only when cash is received by the District.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Under Colorado law, all property taxes become due and payable on January 1 in the year following that in which they are levied. Property taxes are levied on December 15 based on the assessed value of the property as certified by the county assessor. Payments are due in full on April 30, or in two installments on February 28 and June 15. When taxes become delinquent, the property is sold at the tax sale on September 30. 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.

The effect of interfund activity has been eliminated from the government-wide financial statements. However the process of consolidation does not eliminate the interfund services provided and used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service fund are charges to other funds for insurance premiums. Operating expenses include the cost of services and other administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

Cash and Cash Equivalents – All cash on hand, demand deposits, and highly liquid investments with a maturity of three months or less when purchased are considered to be cash and cash equivalents.

Investments are either measured at amortized cost, net asset value which approximates fair value, or at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, and as amended by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

Restricted Cash – Certain assets of the *Bond Redemption* and *Self Insurance Funds*, as well as component units, are classified as restricted because their use is restricted to liabilities related to debt payments or to requirements of self-insurance trust deposits.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Receivables – All receivables are reported at their gross value since all amounts are considered collectible, except for property taxes receivable which are presented net of an allowance for uncollectable taxes. Transactions between funds that are outstanding at the end of the fiscal year are identified as interfund receivables/payables in the fund financial statements.

Prepaid Items – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method.

Inventories – Inventories are valued at average cost. The costs of inventories are recorded as expenditures when consumed rather than when purchased. The federal government donates surplus commodities to supplement the National School Lunch Program. Such commodities are recorded as non-operating, non-cash revenues when received.

Capital Assets – Capital assets, which include property and equipment, are reported in the governmental activities of the government-wide financial statements. Capital assets are defined by the District as assets with an individual cost of $5,000 or greater, and an estimated useful life in excess of one year. Such assets are recorded at acquisition cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property and equipment is depreciated using the straight-line method over the following estimated useful lives.

Land improvements	20 years
Buildings (including modular buildings)	15-50 years
Building improvements	7-50 years
Equipment	3-20 years

Leases – The District policy for lease asset capitalization is $5,000 (per unit). The District amortization is calculated using straight-line over the useful life of an asset, which is the shorter of the lease term or the useful life of the underlying asset. The lease liability is calculated using future lease payments, discounted the interest rate the lessor charges the lessee. If the interest rate cannot be readily determined by the lessee, the District uses the estimated incremental borrowing rate.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Subscriptions – In May 2020, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, the District is required to recognize a subscription liability and an intangible right-to-use subscription asset.

The District policy for subscription asset capitalization is $5,000 (per unit). The District amortization is calculated using straight-line over the useful life of the software subscription or digital license, which is the shorter of the SBITA term or the useful life of the underlying subscription/license. The SBITA liability is calculated using future lease payments, discounted the interest rate the lessor charges the lessee. If the interest rate cannot be readily determined by the lessee, the District uses the estimated incremental borrowing rate. The District adopted the requirements of the guidance effective July 1, 2022.

Deferred Outflows of Resources (related to debt) – In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. For refunding of debt resulting in defeasance, deferred outflow of resources is the difference where the net carrying value of the old debt is less than the reacquisition price. The District's refundings have resulted in deferred outflows of resources of $5,957,543 at June 30, 2023.

Compensated Absences – Classified employees, who are assigned a 248-day calendar, earn and may accumulate vacation leave up to 240 hours. All outstanding vacation leave for classified employees is payable upon resignation, termination, retirement, or death. Employees will receive pay for unused vacation that was earned, or they are required to pay back used vacation that was unearned. The unpaid liability for earned vacation days is recorded in the government-wide financial statements.

Certified employees may accumulate annual leave. At the end of an academic year, unused annual leave will be added to the individual teacher's accrued sick leave hours, unless a payout option in exercised. Accumulated annual leave is payable, up to 5 days, if certain criteria are met and it is requested at the end of the academic year. Any certified employee who retires with at least 10 years of continuous service or who terminates with 20 years or more of service will be paid $60-$100 per day for accrued sick leave, depending on years of service and number of unused sick leave days, up to a maximum of 125 paid days. Classified employees with 10 or more years of continuous service with the District, who voluntarily separate or are laid off, will have any unused paid time off (PTO) rolled into their accrued sick leave. Upon separation, they will receive 50% of the employee's current daily rate for unused accrued sick leave above 20 days, up to a maximum of 150 paid days. The unpaid liability for vested annual leave is recorded in the government-wide financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Long-Term Debt – In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term obligations related to debt are reported as liabilities in the applicable governmental activities or proprietary funds. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method that recognizes amortization in proportion to bond interest payments. Issuance costs are reported as expenses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources or uses. Issuance costs are reported as debt service expenditures.

Unearned Revenue – consists of unearned tuition, fees, and grant revenues.

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources (related to pensions and OPEBs) – can result from the net difference between expected and actual experience, projected and actual earnings on pension plan investments, changes in the District's proportionate of the net pension liability, changes of assumptions, as well as contributions made by the District to PERA after PERA's measurement date. Generally, deferred inflows are not aggregated with deferred outflows.

On-Behalf Payments – GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. Beginning on July 1, 2018, the State of Colorado is required to make a payment to PERA each year equal to $225 million. PERA allocates the contribution to the trust funds of

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

the State, School, Denver Public Schools, and Judicial Division Trust Funds of PERA, as proportionate to the annual payroll of each division. This annual payment is required on July 1st of each year thereafter until there are no unfunded actuarial accrued liabilities of any division of PERA that receives the direct distribution.

Net Position/Fund Equity – In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. In the fund financial statements, governmental funds report fund balances as nonspendable, restricted, committed, assigned, and unassigned.

- *Nonspendable* balances include deposits, inventories, and prepaid items.
- *Restricted* balances are those imposed by creditors, grantors, contributors, or laws and regulations and include TABOR, the Colorado Preschool Program, debt service, and statute-defined special revenue funds (including student extracurricular/interscholastic fee-based programs and community education programs).
- *Committed balances are those constrained to specific purposes through formal action by the District Board of Education, the highest level of decision-making authority. They include, but are not limited to, capital projects, contingencies, risk management activities, and special revenue funds with intergovernmental agreements. Commitments cannot be used for any other purpose unless the board takes action (e.g. via resolution) to modify or rescind them.*
- *Assigned* balances are amounts that can be used for a specific purpose, but do not meet the criteria of restricted or committed. They include, but are not limited to, instructional supplies and materials; the Superintendent's 12-month employment contract; encumbrances; appropriated fund balances of the subsequent year; and the Mill Levy Override. Per district policy, intended use may be expressed by the District's Board of Education and assigned by authorized individuals including the Superintendent or Chief Financial Officer.
- *Unassigned* balances are those that do not meet the definitions described above. The District reports positive unassigned fund balance only in the General Fund. Negative unassigned balances may be reported in all other governmental funds.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and, lastly, unassigned fund balance.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes

Under Colorado law, all property taxes become due and payable in the calendar year following that in which they are levied. The District's property tax calendar for 2023 is as follows:

Tax Year	
Beginning of fiscal year for taxes	January 1
Assessed valuation initially certified by County Assessors	August 25
Property tax levy by Board of Education for ensuing calendar year	December 10
Tax levy certified to County Commissioners	December 15
County Commissioners certify levy to County Treasurers	January 10
Collection Year	
Mailing of tax bills (lien date)	January 1
First installment due	February 28
Taxes due in full (unless installments elected by taxpayer)	April 30
Second installment due	June 15

Property taxes are recorded initially at the budgeted collection rate as deferred revenue in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected in governmental funds and in the period for which the taxes are levied in the government-wide statements. The District has deferred inflows from property tax collection at June 30, 2023 in the amount of $3,880,079. Property taxes are remitted to the District by the County Treasurers by the tenth of the month following collections by the respective counties, except for the months of March, May, and June in which the District receives an additional remittance from each county for collections through the twentieth of those months. Uncollectible taxes, estimated to be 0.25% of the amount levied or $724,486, are netted against taxes receivable.

A fee of 0.25% on General Fund collections is retained by each County on their respective collections as compensation for collecting the taxes and is reflected as an expenditure in the General Fund.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with US GAAP rather than the budget basis for all funds. Budget basis is similar to cash basis, in that revenues are recognized when cash is received, and expenditures are recorded when payments are made. However, the primary differences in budgeting on a US GAAP basis include accruals for compensation earned but not paid as of fiscal year end, and recognition of deferred revenues. All annual appropriations lapse at fiscal year-end.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgets are required by state law for all funds. Prior to June 1, the Superintendent of Schools submits to the Board of Education a proposed budget for all funds for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the Board of Education to obtain taxpayer comments. Prior to June 30, the budget is adopted by formal resolution.

Total expenditures for each fund and sub-fund may not legally exceed the amount appropriated. Appropriations for a fund may be increased provided they are offset by unanticipated revenues. Authorization to transfer budgeted amounts between departments within any fund and the reallocation of budget line items within any department within any fund rests with the Superintendent of Schools. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.

The Board of Education throughout the fiscal year may amend budgetary amounts within each fund. Individual amendments to the General Fund budget, if material in relation to the original appropriation, are described in the Notes to Required Supplementary Information. All other fund budgets were also amended during the fiscal year. Although not material in relation to the total appropriation, most were significant in relation to the individual fund's original appropriation.

The encumbrance system of accounting is used wherein encumbrances outstanding at year-end are not reported as expenditures in the financial statements for US GAAP purposes, but are reported as assignment of fund balance for subsequent years' expenditures based on the encumbered appropriation authority carried over.

Accountability

For fiscal year 2023, Board policy required a minimum budget of $7,609,734 in the General Fund for instructional supplies, materials, equipment, and activities. The District expended $13,918,634 for instructional purposes during fiscal year ended June 30, 2023.

Board policy also required funding the *Capital Reserve* and *Risk Management Funds* at a combined total of $428 per student, or a minimum of $12,018,326 for the fiscal year, to meet its various capital and risk-related needs, respectively. The District allocated $15,681,394 to *Capital Reserve Fund* and $4,176,932 to *Risk Management Fund* for a total of $19,858,326 during fiscal year ended June 30, 2023.

NOTE 3: DEPOSITS AND INVESTMENTS

At June 30, 2023, the District's and component units' deposits and investments were reported in the financial statements as follows:

	District	Component Units
Cash and investments	$ 254,828,569	
Cash with fiscal agent	1,592,867	
Restricted cash and investments	119,806,339	
Governmental actvities	$ 376,227,775	$ -

At June 30, 2023, the District and component units had cash and investments with the following carrying balances:

	District	Component Units
Cash and deposits	$ 21,208,412	
Cash with fiscal agent	1,592,867	
Investments measured at net asset value	353,426,496	
Investments measured at amortized cost	-	
Investments measured at fair value	-	
	$ 376,227,775	$ -

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. The State regulatory commissioners regulate the eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the 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 fair value of the collateral must be at least equal to 102% of the deposits. The District does not have a deposit policy.

As of June 30, 2023, the District and its component units' deposits are covered by the Federal Deposit Insurance Corporation (FDIC) and PDPA.

Custodial Credit Risk – This is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. State statute requires the District to use eligible public depositories as defined by PDPA. Although the District does not have a formal custodial credit risk policy, its deposits as of June 30, 2023 were held at eligible public depositories.

Cash with Fiscal Agent

Property taxes collected by the counties through June 30, 2023 were not received by the District until 10 days after fiscal year end. These cash collections are reported as cash with fiscal agent.

Restricted Cash and Investments

Bond Redemption Fund's deposits and investments totaling $115,787,941 are restricted for the payment of voter-approved long-term debt principal, interest and related costs. The Self Insurance Fund's deposits and investments of $4,018,398 are restricted for the purposes of the medical and dental self-insurance trust funds. The component units' deposits and investments totaling $X,XXX,XXX are restricted for construction and debt payments.

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments

Colorado statutes specify instruments meeting defined rating and risk criteria in which local governments may invest, which include, but are not limited to, the following:

- Obligations of the United States, certain U.S. Agency securities, and World Bank
- General obligation and revenue bonds of U.S. local government entities
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Local government investment pools

The District's investment policy does not further restrict its investment options.

The District and its component units have investments measured at the following:

- Net Asset Value (NAV) – which approximates fair value, including money market funds, and certain investment pools as defined by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants;*
- Amortized Cost – including bank certificates of deposits and certain other investment pools as defined by GASB Statement No. 79; or
- Fair Value –including money market mutual funds and U.S. securities, notes or bonds in accordance with GASB Statement No. 72, *Fair Value Measurement and Application.*

Local Government Investment Pools – At June 30, 2023, the District and its component units invested in the Colorado Government Liquid Asset Trust (COLOTRUST) and the Colorado Surplus Asset Fund Trust (CSAFE), which are money market investment pools established for local government entities in Colorado to pool surplus funds. The pools are regulated by the Colorado Securities Commissioner. These pools operate similar to a money market fund and each share is equal in value to $1.00. Investments of the pools consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to the pools in connection with the direct investment and withdrawal functions of the pools. Substantially all securities owned by the pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the specific pool. To obtain more information, go to www.colotrust.com and www.csafe.org.

COLOTRUST is valued using the NAV per share (or its equivalent) of the investments. COLOTRUST does not have any unfunded commitments, redemption restrictions or redemption notice periods. At June 30, 2023, the District's investments measured at NAV include $353,426,496 with COLOTRUST, with a rating of AAAm. The component units' investments are $X,XXX,XXX with COLOTRUST.

CSAFE and Colorado Statewide Investment Program (CSIP) are valued at amortized cost. The component units' investments measured at amortized cost include $X,XXX,XXX with CSAFE, with a rating of AAAm, which conforms to C.R.S Section 24-75-601, as well as $XXX,XXX with CSIP as of June 30, 2023.

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The District and its component units categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

At June 30, 2023, the component units had money market funds, rated AAAm and Aaa-mf, of $X,XXX,XXX – all of which are measured at Level 1 inputs.

Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to declines in fair value due to rising interest rates, the Board's investment policy requires that the majority of its investments be in cash and cash equivalents with maturity dates of 90 days or less. Any medium-term investments of between 91 days and three years may be made based on expected use of funds. Funds not needed for the foreseeable future, such as the TABOR reserve, could be invested in long-term securities with maturity dates greater than three years.

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. State statutes limit investments in U.S. Agency Securities to the highest rating issued by nationally recognized statistical rating organizations (NRSROs). The District's investment policy and State statutes limit investments in money market funds to those with the highest rating issued by NRSROs and with a constant share price, or to money market funds that invest only in specified securities.

Concentration of Credit Risk – This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Given the small amount available for investment in securities, and the relative low risk of U.S. agency securities, the District has not established a policy limiting the amount of investment in this type of security and deems it unnecessary at this time.

NOTE 4: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Amounts owed to one fund by another, which are due within one year, are reported as due to other funds. These balances arise during the normal course of business to meet short-term cash flow needs with the District's use of pooled cash. Due to/from other funds as of June 30, 2023 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Governmental Designated-Purpose Grants Fund	$1,840,322

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers during fiscal year 2023 were as follows:

Transfer In	Transfer Out	Amount
General Fund	Student Activity Fund	$ 54,197
Community Education Fund	Student Activity Fund	8,699
Capital Reserve Fund	General Fund	336,372
Capital Reserve Fund	Risk Management Fund (subfund of General Fund)	20,925
Capital Reserve Fund	Student Activity Fund	82,317
		$502,510

During fiscal year June 30, 2023, the above one-time transfers were for the following reasons:

1. $54,197 to fund a purchase of a retrofitted cyber bus;
2. $8,699 to clear deficit balances from each schools' other resources; and,
3. $439,614 to fund special projects that fall outside the normal scope of the Capital Reserve capital needs.

The $XXX,XXX due from component units represents the timing of receipts for services provided to the charter schools during the fiscal year. The $X,XXX,XXX represents the reimbursement due to the charter schools for allowable federal pandemic relief expenditures incurred before fiscal year end.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2023

NOTE 5: CAPITAL ASSETS

The following is a summary of changes in the District's capital assets for the year ended June 30, 2023:

	Balance 7/1/2022	Additions	Deletions, Adjustments & Reclassifications	Transfers	Balance 6/30/2023
Non-Depreciable Assets					
Land	$ 19,419,971	$ 6,100,828	-	-	$ 25,520,799
Projects in progress	3,881,542	7,870,495	-	(7,952,324)	3,799,713
Water Rights	1,091,078	-	-	-	1,091,078
Total non-depreciable assets	24,392,591	13,971,323	-	(7,952,324)	30,411,590
Depreciable Assets					
Land Improvements	34,031,070	-	-	1,187,067	35,218,137
Buildings	440,326,355	-	-	11,356	440,337,711
Building Improvements	309,454,113	-	-	244,632	309,698,745
Leasehold Improvements	1,585,908	-	-	-	1,585,908
Equipment	68,440,194	6,212,056	(599,571)	6,509,269	80,561,948
Total Depreciable Assets	853,837,640	6,212,056	(599,571)	7,952,324	867,402,449
Lease Assets					
Lease Assets - Building	1,919,093	-	-	-	1,919,093
Lease Assets - Equipment	1,935,197	225,073	438,207	-	2,598,477
Lease Assets - Subscriptions	2,077,250	692,189	(1)	-	2,769,438
Total Lease Assets	5,931,540	917,262	438,206	-	7,287,008
Less accumulated depreciation and amortization for					
Land Improvements	22,535,024	1,144,471	-	-	23,679,495
Buildings	122,989,962	7,878,420	-	-	130,868,382
Building Improvements	122,646,066	12,923,242	-	-	135,569,308
Leasehold Improvements	132,159	396,477	-	-	528,636
Equipment	40,266,772	7,946,220	(587,708)	-	47,625,284
Lease assets	1,496,843	1,505,541	28	-	3,002,412
Total Accumulated Depreciation	310,066,826	31,794,371	(587,680)	-	341,273,517
Depreciable Assets, net	549,702,354	(24,665,053)	426,315	7,952,324	533,415,940
Governmental activities					
Total capital activities, net	$ 574,094,945	$ (10,693,730)	$ 426,315	$ -	$ 563,827,530

Note: The July 1, 2022, beginning balance includes subscription-type assets ($1,821,073 net amount) due to the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The accounting standard states that it should be applied retroactively by restating beginning net position. However, due to the implementation's relatively small impact to the District's capital assets and financial statements as a whole, the District flowed the net change through the current year's activities.

NOTE 5: CAPITAL ASSETS (Continued)

Depreciation and amortization expenses were charged to functions/programs of the District, as follows:

		Depreciation / Amortization
Governmental Activities		
Instruction	$	27,352,506
Supporting services		4,441,865
Total	$	31,794,371

Leases. The District leases a building as well as equipment based on various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2028. The District adjusted equipment by a net amount of $438,178, due to a realignment of a lease term subsequent to the GASB 87 implementation; the difference flowed through the current year's activities. At June 30, 2023, the lease building and equipment's depreciable value is $4,517,570 and accumulated amortization is $2,490,122.

Subscriptions. Due to the adoption of GASB 96, *Subscription-Based Information Technology Arrangements*, or SBITAs, effective July 1, 2022, the District elected to apply the provisions of this standard to the beginning of the period of adoption. The District leases 15 different SBITAs with 11 different vendors based on various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2029. At June 30, 2023, the lease subscriptions depreciable value is $2,769,438 and accumulated amortization is $512,290.

NOTE 5: CAPITAL ASSETS (Continued)

Component Units' Capital Assets

The following is a summary of changes in the component units' capital assets for the year ended June 30, 2023:

	Balance 7/1/2022	Additions	Reclassifications & Deletions	Balance 6/30/2023
Component units				
Non-depreciable assets				
Land	$ 3,196,755	$ -	-	$ 3,196,755
Construction in progress	402,620	-	-	402,620
Total non-depreciable assets	3,599,375	-	-	3,599,375
Depreciable assets				
Land improvements	-	-	-	-
Building	61,141,647	-	-	61,141,647
Leasehold improvements	5,822,251	-	-	5,822,251
Furniture & equipment	1,928,451	-	-	1,928,451
Right-to-use lease assets	310,010	-	-	310,010
Total depreciable assets	69,202,359	-	-	69,202,359
Less accumulated depreciation and amortization	16,275,980	-	-	16,275,980
Total depreciable/lease assets, net	52,926,379	-	-	52,926,379
Total capital and lease assets, net	$ 56,525,754	$ -	$ -	$ 56,525,754

Depreciation and amortization have been charged to the supporting services programs of the component units.

NOTE 6: ACCRUED SALARIES AND BENEFITS

Salaries and benefits of certain contractually employed personnel are paid over a twelve-month period from August to July, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid at June 30, 2023 are determined to be as follows:

General Fund	$ 16,300,120
Other funds	1,264,546
Total governmental funds	$ 17,564,666
Component units	$ -

NOTE 7: NON-CURRENT DEBT, FINANCING OBLIGATIONS, AND OTHER LIABILITIES

The District's non-current debt, financing obligations, and other liabilities changed as follows during the year ended June 30, 2023.

Governmental Activities	Balance 7/1/2022	Additions	Payments/ Amortization	Adjustments	Balance 6/30/2023	Due within One Year
General obligation bonds	$ 433,555,000	$ -	$ (49,495,000)	$ -	$ 384,060,000	$ 14,110,000
Deferred bond premium	25,605,222	-	(4,050,476)	-	21,554,746	-
Lease purchases	4,665,815	2,722,506	(5,401,240)		1,987,081	627,722
Building leases	1,581,373	-	(349,512)	(4,926)	1,226,935	362,846
Equipment leases	1,086,887	223,573	(876,127)	442,903	877,236	794,541
Subscriptions	2,077,249	692,189	(1,765,566)	-	1,003,872	310,350
Vacation payable	2,953,712	932,830	(300,815)	-	3,585,727	365,000
Annual leave payable	3,874,485	651,617	(463,428)	-	4,062,674	486,000
Subtotal of debt and financing obligations	475,399,743	5,222,715	(62,702,164)	437,977	418,358,271	17,056,459
Net pension liability	387,072,180	142,485,663	-	-	529,557,843	-
OPEB liability	18,726,677	-	(680,924)	-	18,045,753	-
Subtotal of net pension and OPEB liabilities	405,798,857	142,485,663	(680,924)	-	547,603,596	-
Total	$ 881,198,600	$ 147,708,378	$ (63,383,088)	$ 437,977	$ 965,961,867	$ 17,056,459

General Obligation Bonds

Description, Interest Rates, and Maturity Dates	Balance due at June 30, 2023
Building Bonds (Series 2010B), taxable (Direct Pay Build America Bonds), original amount of $76,410,000, due in varying installments on December 15 from 2026 through 2033, interest from 5.34% to 5.79%.	$ 76,410,000
Refunding Bonds (Series 2014), original amount of $50,355,000, due in varying installments through December 15, 2026, interest at 5.0%. Proceeds used to retire $2,120,000, $5,945,000 and $47,850,000 of outstanding building bonds (Series 2004, 2005A and 2006B, respectively). Premium of $10,821,491 received upon issuance is being amortized on an effective interest method.	44,625,000
Refunding Bonds (Series 2016), original amount of $115,155,000, due in varying installments through December 15, 2033, interest from 2.5% to 5.0%. Proceeds used to retire $13,035,000 and $102,700,000 of outstanding building bonds (Series 2005B and 2009, respectively). Premium of $12,871,395 received upon issuance is being amortized on an effective interest method	92,265,000
Building Bonds (Series 2016C), original amount of $200,000,000, due in varying installments through December 15, 2036, interest from 3.0% to 5.0%. Premium of $23,640,238 received upon issuance is being amortized on an effective interest method.	170,760,000
Total general obligation bonds payable	$ 384,060,000

NOTE 7: NON-CURRENT DEBT, FINANCING OBLIGATIONS, AND OTHER LIABILITIES (Continued)

General Obligation Bonds (Continued)

Bond payments to maturity are as follows:

Year ending	GO Bonds		
June 30	Principal	Interest	Total
2024	$ 14,110,000	$ 18,137,489	$ 32,247,489
2025	15,210,000	17,461,489	32,671,489
2026	22,910,000	16,537,389	39,447,389
2027	27,510,000	15,272,742	42,782,742
2028	28,190,000	13,853,223	42,043,223
2029-2033	174,540,000	45,910,319	220,450,319
2034-2037	101,590,000	8,289,371	109,879,371
	$ 384,060,000	135,462,021	519,522,021

For fiscal year ended June 30, 2023, the District's legal debt limit was $991,562,178 and the legal debt margin was $607,502,178.

Leases and Subscriptions

Technology Lease Purchase. The District entered into lease purchase agreement for technology equipment beginning in 2023. The future minimum lease obligations for the technology equipment and the net present value of the future payments, with an imputed or stated interest rate of 5.42%, at June 30, 2023 are as follows:

Year Ended June 30,	
2024	$ 735,425
2025	735,425
2026	735,425
Total minimum lease payments	2,206,275
Less: amount representing interest	219,194
Present value of minimum lease payments	$ 1,987,081

NOTE 7: NON-CURRENT DEBT, FINANCING OBLIGATIONS, AND OTHER LIABILITIES (Continued)

Leases and Subscriptions (Continued)

Building Lease. On July 1, 2019, the District entered into a lease agreement with GCC Longmont Holdings, LP, for the APEX homeschool program. Fixed monthly payments are due through June 30, 2026. The District's incremental borrowing rate is 3.75%.

Equipment Leases. The District has various equipment leases as follows:

- A cell tower lease with American Tower with fixed monthly payments through 2024 with an additional 3-year extension through 2027.
- A wide area network lease with the City of Longmont with fixed monthly payments through June 2024.
- A wide area network lease with Unite Private Network with fixed monthly payments through April 2024.
- A copier equipment lease extension with All Copy Products with fixed monthly payments through June 2024.
- An equipment lease with Turf Tank One Robot with fixed annual payments through 2028.

The District's incremental borrowing rates range from 1.50% to 5.42% for equipment leases. The District adjusted a lease liability by a net amount of $437,977, due a realignment of a lease term subsequent to the GASB 87 implementation; the difference flowed through the current year's activities.

The future minimum lease obligations and net present value of these minimum lease payments are as follows:

Year ending	Leases		
June 30	Principal	Interest	Total
2024	$ 1,157,387	$ 50,994	$ 1,208,381
2025	451,556	27,288	478,844
2026	459,327	10,552	469,879
2027	19,898	1,022	20,920
2028	16,003	487	16,490
	$ 2,104,171	$ 90,343	$ 2,194,514

NOTE 7: NON-CURRENT DEBT, FINANCING OBLIGATIONS, AND OTHER LIABILITIES (Continued)

Subscriptions. The District has various SBITAs as follows:

- Brightly operations management software with a fixed annual payment through June 2024.
- Three (3) different Carahsoft software packages with fixed annual payments through 2025.
- enVision subscription with an upfront payment and lease expiration of 2029.
- Ekahau Connect software with a fixed annual payment through June 2024.
- FilterED information technology governance software with fixed annual payments through 2025.
- Three (3) different Gale software packages with fixed annual payments through 2026.
- ImmerseMe academic software with fixed annual payments through 2029.
- Kronos software and support with fixed annual payments through 2026.
- Vista Perspectives with an upfront payment and lease expiration of 2029.
- World Language software with an upfront payment and lease expiration of 2029.
- Papercut software with a fixed annual payment through June 2024.

The District's incremental borrowing rates range from 0.5570% to 3.2067% for subscriptions. The future minimum lease obligations and net present value of these minimum lease payments are as follows:

Year ending June 30	Subscriptions Principal	Subscriptions Interest	Subscriptions Total
2024	$ 310,350	$ 16,559	$ 326,909
2025	303,282	13,082	316,364
2026	219,420	7,429	226,849
2027	55,450	4,550	60,000
2028	56,927	3,073	60,000
2029	58,443	1,557	60,000
	$ 1,003,872	$ 46,250	$ 1,050,122

Compensated Absences. Compensated absences include both vacation pay and annual leave. The District allows employees to carryover unused vacation from one fiscal year to the next up to 240 hours.

Unused annual leave is accumulated and rolled over from year to year into accrued sick leave. The amount payable as of June 30, 2023 includes qualified annual leave for all eligible employees as of June 30, 2023.

Unused annual leave greater than 42 hours for certified employees may be paid out upon request at the end of the year in the amount of $60 per each group of 7 hours up to 35 hours. All remaining annual leave hours will be rolled over into accrued sick leave.

The General Fund pays for the accrued sick leave benefit upon employee retirement. Vacation pay is charged to the fund from which an employee's compensation is paid during the year in which it is used. The majority of payroll is incurred by the general fund.

NOTE 7: NON-CURRENT DEBT, FINANCING OBLIGATIONS, AND OTHER LIABILITIES (Continued)

Component Units' Long-Term Liabilities

In June 2015, the Colorado Educational and Cultural Facilities Authority (CECFA) issued $11,235,000 Charter School Revenue Bonds, Series 2015A and 2015B. Bond proceeds were loaned to the Aspen Ridge Preparatory School's Building Corporation to purchase and construct the School's education facilities. The School is obligated under a lease agreement to make monthly lease payments to the Building Corporation for using the facilities. The Building Corporation is required to make equal loan payments to the Trustee, for payment of the bonds. Interest accrues on the bonds at rates ranging from 4.125% to 5.25% and is payable semi-annually on January 1 and July 1. Principal payments are due annually on July 1, through 2047.

In December 2017, CECFA issued $4,375,000 in Charter School Refunding Revenue Notes, Series 2017. Proceeds from the notes were loaned to Carbon Valley Academy under a lease agreement to refund the 2006 Revenue Bonds. The Academy is required to make equal lease payments to the Building Corporation for the use of the building. The Building Corporation is required to make equal lease payments to the Trustee, for payment of the bonds. Interest accrues at a rate of 3.50% per year. The bonds mature in December 2024. This Note was paid in full when the building was sold in June 2022.

In May 2020, CECFA issued $17,695,000 in Charter School Revenue Bonds, Series 2020. Proceeds from the bonds were used to purchase Firestone Charter Academy's existing building. The Academy is obligated to make monthly lease payments to the Building Corporation for the use of the building. The Building Corporation is required to make equal lease payments to the Trustee, for payment of the bonds. Interest accrues at a rate of 4.50% to 6.0% per year. Principal payments are due annually beginning June 2024 with a balloon payment of $16,795,000 due June 2027.

In June 2016, CECFA issued $13,335,000 in Charter School Refunding Revenue Bonds, Series 2016. Proceeds from the bonds were used to advance refund the Flagstaff Academy's 2008 Revenue Bonds. The Academy is required to make equal lease payments to the Building Corporation for the use of the building. The Building Corporation is required to make equal lease payments to the Trustee, for payment of the bonds. Interest accrues at rates ranging from 3.00% to 5.00% per year. The bonds mature in August 2046.

In April 2011, CECFA issued $4,775,000 of Charter School Revenue Bonds, Series 2011A and 2011B. Proceeds of the bonds were used to construct improvements to the Twin Peaks Charter Academy's building. Interest accrues at a rate of 2.0% to 5.0% per year. The bonds matures in March 2043. In August 2014, CECFA issued $21,990,000 of Charter School Refunding Bonds, Series 2014. Proceeds of the bonds were used to refund outstanding Series 2008 Bonds, pay and cancel two promissory notes and a line of credit, purchase land, and construct improvements to the Academy's building and site. Interest accrues at a rate of 6.375% to 7.5% per year. The bonds mature in November 2045. The charter school is required to make equal lease payments to the Building Corporation for use of the building. The Building Corporation is required to make lease payments to the Trustee for payment of the bonds.

NOTE 7: **NON-CURRENT DEBT, FINANCING OBLIGATIONS, AND OTHER LIABILITIES** (Continued)

Component Units' Long-Term Liabilities (Continued)

On August 1, 2021, Carbon Valley Academy entered into a lease agreement with Midwest Bus Sales, Inc. for two buses. The Academy is required to make monthly payments ranging from $1,379 to $1,408 through July 2028. The total lease liability is $153,799 with a stated interest rate of 3.49%.

On September 1, 2021, Flagstaff Academy entered into a lease agreement with Frontier Business Products for a copier. The Academy is required to make monthly lease payments in the amount of $1,268 through August 2024. The total lease liability is $42,467 with an implied interest rate of 5%.

On June 16, 2022, Twin Peaks Charter Academy entered into a lease agreement with Frontier Business Products for a copier. The Academy is required to make monthly lease payments in the amount of $2,609 through May 2026. The total lease liability is $113,744 with an implied interest rate of 5%.

Following is a summary of the component units' long-term liabilities transactions for the year ended June 30, 2023.

Component units	Balance 7/1/2022	Additions	Payments/ Amortization	Balance 6/30/2023	Due within One Year
Revenue bonds	$ 51,095,000	$ -	$ -	$ 51,095,000	$ -
Refunding bonds	12,060,000	-	-	12,060,000	-
Premium	860,094	-	-	860,094	-
Right-to-use lease	269,458	-	-	269,458	-
Subtotal	64,284,552	-	-	64,284,552	-
Net pension liability	31,813,760	(31,813,760)	-		-
OPEB liability	1,539,161	-	(1,539,161)		-
Subtotal	33,352,921	(31,813,760)	(1,539,161)	-	-
Total long term liabilities	$ 97,637,473	$ (31,813,760)	$ (1,539,161)	$ 64,284,552	$ -

Following is a schedule of the debt service requirements for the revenue and refunding bonds as well as the leases:

Year ending	Bonds		Leases & Subscriptions		
June 30	Principal	Interest	Principal	Interest	Total
2024	$ -	$ -	$ -	$ -	$ -
2025	-	-	-	-	-
2026	-	-	-	-	-
2027	-	-	-	-	-
2028	-	-	-	-	-
2029-2033	-	-	-	-	-
2034-2038	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -

NOTE 8: RISK FINANCING

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; natural disasters; and health and dental claims of its employees. The District plans to provide for or restore the economic damages of those losses through risk retention and risk transfer.

Risk Management Fund

The *Risk Management Fund*, a sub-fund of the *General Fund*, is used to account for the payment of loss or damage to the property of the school district, liability claims, workers' compensation claims, and related administrative expenses. The main source of revenue is defined by the School Finance Act and is an allocation from the General Fund. Some of the risk is retained, and insurance is purchased to transfer part of the risk.

Self Insurance Pools – The District is a member of two public entity risk sharing pools. The District's share of each pool varies based on exposures, the contribution paid to each pool, the District's claims experience, each pool's claims experience, and each pool's surplus and dividend policy. The District may be assessed to fund any pool funding deficit.

Since July 1, 2002, the District has been a member of the Colorado School Districts Self Insurance Pool for property and liability insurance. During the fiscal year ended June 30, 2023, the District had insurance deductibles of $50,000 (property), $50,000 (general liability), and $1,000 (vehicle liability) per claim. At June 30, 2023, the District's property and liability claims payable was $2,500.

Prior to July 1, 2002, the District purchased its property insurance from the Northern Colorado School Districts Property Self Insurance Pool, and its liability insurance from the Northern Colorado School Districts Liability Self Insurance Pool, respectively. These two pools have since been dissolved. The property pool funds were distributed to the former members in June 2006. The remaining assets from the liability pool were held in a joint account with the other former members (Park School District and Thompson School District) to meet the run-off obligations as described in the dissolution plan. In February 2010, the three former member districts received a planned distribution. The final distribution was received in January 2018.

Since July 1, 1985, the District has been a member of the Northern Colorado School Districts Workers' Compensation Self Insurance Pool. The other current pool members are Park School District (Estes Park) and Windsor School District. The workers' compensation pool discontinued insurance operations effective July 1, 1998, and resumed insurance operations on July 1, 2003. During the intervening years, insurance coverage was obtained outside the pool. The District's deductible was $50,000 per claim for the year ended June 30, 2023. At June 30, 2023, the District's workers' compensation claims payable was $945,977.

Settled claims resulting from these risks have not exceeded commercial or District coverages in any of the past three years.

NOTE 8: RISK FINANCING (Continued)

Risk Management Fund (Continued)

Claims Liability – The claims liability on a government-wide basis includes losses from currently available funds as well as estimates for claims that have been incurred but not reported. Of the current total claims payable, $664,684 is payable from current resources and reported accordingly on the fund statements. Changes in the reported liability on a government-wide basis for the years ended June 30, 2023 and 2022 were as follows:

	2023	2022
Beginning fiscal year liability	$ 1,107,860	$ 938,110
Current year claims and adjustments	317,341	1,057,427
Claims paid	(476,724)	(887,677)
Ending fiscal year liability	$ 948,477	$ 1,107,860

Self Insurance Fund

In January 2013, the District established a *Self Insurance Fund* to account for dental and certain medical liability claims. Liabilities and related claims expense as reported in the Fund were estimated based on a financial services consultant's analyses of the dental and medical providers' claims data at June 30, 2023. The following is a summary of the changes in claims liability for the Self Insurance Fund for fiscal years ended June 30, 2023 and 2022 were as follows:

	2023	2022
Beginning fiscal year liability	$ 2,352,000	$ 2,040,000
Current year claims and adjustments	18,105,162	18,002,065
Claims paid	(18,112,162)	(17,690,065)
Ending fiscal year liability	$ 2,345,000	$ 2,352,000

NOTE 9: DEFINED BENEFIT PENSION PLAN

Plan Description – Eligible employees of the District are provided with pensions through 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). 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 9: DEFINED BENEFIT PENSION PLAN (Continued)

Benefits Provided (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 the District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq*. and § 24-51-413. Eligible employees are required to contribute 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 District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were $47,881,976 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

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Contributions Provisions (Continued)

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.

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 District's proportion of the net pension liability was based on District 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 District reported a liability of $529,557,843 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's Proportionate Share of the Net Pension Liability	$ 529,557,843
State's Proportionate Share of the Net Pension Liability Associated with the District	154,318,477
Total	$ 683,876,320

At December 31, 2022, the District's proportion was 2.9081460812%, which was a decrease of 0.4179689527% from its proportion measured as of December 31, 2021.

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

For the year ended June 30, 2023, the District recognized pension expense of $30,139,814 and revenue of $13,159,381 for support from the State as a nonemployer contributing entity. At June 30, 2023, the District 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	$ 5,011,695	$ -
Changes of Assumptions or other Inputs	9,380,196	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	71,139,128	-
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	14,706,702	66,650,197
Contributions Subsequent to the Measurement Date	24,640,456	-
Total	$ 124,878,177	$ 66,650,197

$24,640,456 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,	Amount
2024	$ (14,809,584)
2025	(12,649,764)
2026	19,668,403
2027	41,378,469
	$ 33,587,524

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007; and DPS Benefit Structure (compounded annually)	1.00%
PERA Benefit Structure hired after December 31, 2006 [1]	Financed by the Annual Increase Reserve (AIR)

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

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

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

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

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

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

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

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Assumptions (Continued)

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 9: 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 Senate Bill (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 9: DEFINED BENEFIT PENSION PLAN (Continued)

Discount Rate (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 District's proportionate share of the Net Pension Liability to Changes in the Discount Rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 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	$ 693,009,088	$ 529,557,843	$ 393,059,353

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 PENSION PLAN (Continued)

Component Units' Defined Benefit Pension Plan

Contributions – Employer contributions recognized by the SCHDTF from the component units were $X,XXX,XXX for the fiscal year ended June 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2023, the amount recognized by the component units as their proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the component units were as follows:

[INSERT TABLE]

At December 31, 2022, the component units' proportion was a combined 0.XXXXX% which was a net decrease of 0.XXXXX% from their proportion measured as of December 31, 2021. For the year ended June 30, 2023, the component units recognized a combined pension expense of $X,XXX,XXX and revenue of $XXX,XXX for support from the State as a nonemployer contributing entity.

At June 30, 2023, the component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

[INSERT TABLE]

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Component Units' Defined Benefit Pension Plan (Continued)

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

$X,XXX,XXX 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 fiscal 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:

[INSERT TABLE]

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

[INSERT TABLE]

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB)

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

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

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

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.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

PERA Benefit Structure (Continued)

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

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 District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF the District were $2,396,448.25 for the year ended June 30, 2023.

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

At June 30, 2023, the District reported a liability of $18,045,753 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 District's proportion of the net OPEB liability was based on its contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

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At December 31, 2022, the District's proportion was 2.2101918845%, which was an increase of 0.0384919556% from its proportion measured as of December 31, 2021.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

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

For the year ended June 30, 2023, the District recognized an OPEB expense of ($833,850). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 2,343	$ 4,364,068
Changes of Assumptions or other Inputs	290,043	1,991,692
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	1,102,201	-
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share Share of Contributions	1,167,909	21,055
Contributions Subsequent to the Measurement Date	1,233,232	-
Total	$ 3,795,728	$ 6,376,815

$1,233,232 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,	Amount
2024	$ (1,447,543)
2025	(1,402,482)
2026	(584,635)
2027	82,835
2028	(373,131)
Thereafter	(89,363)
	$ (3,814,319)

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

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

	Trust Fund
	School Division
Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	
Members other than State Troopers	3.40%-11.00%
State Troopers	N/A
Long-Term Investment Rate of Return, Net of OPEB Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Health Care Cost Trend Rates	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	6.5% in 2022 gradually decreasing to 4.50% in 2030
Medicare Part A Premiums	3.75% for 2022, gradually increasing to 4.50% in 2029

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.

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.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

Actuarial assumptions (Continued)

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

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.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

Actuarial assumptions (Continued)

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 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+	4.75%	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 on 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 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

Actuarial assumptions (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.

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 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation

The actuarial assumptions used in the December 31, 2021, valuations 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.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

Actuarial assumptions (Continued)

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare Trend Rate	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%
Proportionate Share of the Net OPEB Liability	$ 17,534,977	$ 18,045,753	$ 18,601,527

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) (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 District's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 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	$ 20,920,372	$ 18,045,753	$ 15,587,025

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: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

Component Units' Other Post Employment Benefit (OPEB)

Contributions – Employer contributions recognized by the HCTF from the component units were $XXX,XXX for the year ended June 30, 2023.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs – At June 30, 2023, the component units reported a combined liability of $X,XXX,XXX for their proportionate share of the net OPEB liability. At December 31, 2022, the component units' proportion was a combined 0.XXXXX%, which was a net increase of 0.XXXXX% from their proportion measured as of December 31, 2021. For the year ended June 30, 2023, the component units recognized a combined OPEB expense of $XX,XXX.

At June 30, 2023, the component units reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

[INSERT TABLE]

$XX,XXX reported as deferred outflows of resources related to OPEBs, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

[INSERT TABLE]

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

Component Units' (OPEB) (Continued)

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

Sensitivity of the component units' 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:

[INSERT TABLE]

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

[INSERT TABLE]

NOTE 11: DEFINED CONTRIBUTION PENSION PLANS

Voluntary Investment Program (PERAPlus 401(k) Plan)

Plan Description – Employees of the District that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program (PERAPlus 401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S, as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 401(k) Plan.

That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The PERAPlus 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the Internal Revenue Service as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. There is no employer match. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2023, program members contributed $2,234,900 for the PERAPlus 401(k) Plan

Deferred Compensation Plan (PERAPlus 457 Plan)

Plan Description - Employees of the St. Vrain Valley Schools may voluntarily contribute to the Deferred Compensation Plan (PERAPlus 457 Plan), an Internal Revenue Code Section 457 deferred compensation plan administered by PERA. Title 24, Article 51, Part 16 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 457 Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy - The PERAPlus 457 Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1603 of the C.R.S., as amended. Members are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2023, program members contributed $1,299,580 for the PERAPlus 457 Plan.

NOTE 12: TAX INCREMENT REVENUES

The District has entered into Intergovernmental Agreements with several, local urban renewal authorities (URA) and one downtown development authority (DDA). These governmental entities may enter into tax abatement agreements with individuals or other entities located with their boundaries. The District requested disclosure of any tax abatement agreements made by the URAs and DDA that may reduce the District's tax revenue. As of June 30, 2023, the District was not notified of any such third-party agreements.

NOTE 13: JOINTLY GOVERNED ORGANIZATION

Centennial Board of Cooperative Educational Services

The District, in conjunction with other surrounding districts, created the Centennial Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational and computer services at a shared lower cost per district. The BOCES Board is comprised of one member from each participating district. The District paid the BOCES $253,939 which includes $46,099 for contractual services and $207,840 for tuition during the year ended June 30, 2023. The BOCES financial statements can be obtained at their administrative office located at 2020 Clubhouse Drive, Greeley, Colorado 80634.

NOTE 14: COMMITMENTS AND CONTINGENCIES

Claims and Judgments

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2023, significant amounts of grant expenditures have not been audited by granting agencies, but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

The District is involved in pending litigation. The District anticipates no potential claims resulting from these cases which would further materially affect the financial statements.

Construction Contracts

The District has entered into a number of separate construction projects as of June 30, 2023. Contract commitments at June 30, 2023, as a result of these projects, totaled $3,230,951.

TABOR Amendment

In November 1992, Colorado voters passed Article X, Section 20 (TABOR Amendment) to the State Constitution which limits state and local government tax powers and imposes spending limitations. The District is subject to the TABOR Amendment. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and student enrollment. In November 1998, electors within the District authorized the District to collect, retain and/or expend all revenues lawfully received by the District from any source during fiscal year 1999 and each year thereafter without regard to the limitations and conditions under the TABOR Amendment of the Colorado Constitution or any other law. The Amendment is complex and subject to judicial interpretation. The TABOR Amendment requires the District to establish a reserve for emergencies. At June 30, 2023, the District has complied with the requirements to include emergency reserves in its net position and fund balance.

NOTE 14: COMMITMENTS AND CONTINGENCIES (Continued)

Contingency Reserve

As allowed by state statute, the District Board of Education may provide for an operating reserve in the General Fund. District policy requires that the budget adopted by the Board include an additional appropriated reserve equal to 2% of operating fund expenditures. The District has met the 2% contingency requirement, which is reported in the committed fund balance, as of June 30, 2023.

The contingency reserve may only be used if the following conditions are met:

- There is a rare and extraordinary event (for example, a natural disaster or a large, unanticipated reduction or the elimination of state revenue); or a one-time funding of a significant capital project; or an operating initiative that will result in material, recurring reductions in future operating expenditures or material, recurring increases in operating revenues; and
- The District's administration has made a complete, written analysis – with justifying evidence – including a plan for the replenishment of the contingency reserve; and the District's Board of Education has passed a specific resolution authorizing the expenditure. The replenishment plan shall not exceed two years from the date of the expenditure.

NOTE 15: CAPITAL CONTRIBUTIONS TO COMPONENT UNITS

During fiscal year ended June 30, 2017, the District and each of its component units entered into individual agreements for the funding of capital construction projects. With the successful passage of voter-authorized 2016 building bonds, the District agreed to allocate a portion of the proceeds to pay for various capital improvements and upgrades. As of July 1, 2019, projects for five of the six charter schools were complete. The remaining component unit's reported capital contributions from the District during the fiscal year ended June 30, 2023, was $10,725.

The District records the construction activity as a service provided to the charter school. Depending on the scope of work and organization of the charter school, the component unit may report the construction expenditures as Construction in Progress in its Building Corporation or as Repair and Maintenance in its Statement of Revenues, Expenditures, and Changes in Fund Balances.

NOTE 16: DEFICIT NET POSITION

The component units' net position is a deficit of $XX,XXX,XXX primarily as a result of implementing GASB Statements No. 68 and 75.

REQUIRED SUPPLEMENTARY INFORMATION

General Fund – The *General Fund* is the District's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. The *Colorado Preschool Program* Fund is reported as a sub-fund of the *General Fund*. Moneys allocated to this fund from the *General Fund* are used to pay the costs of providing preschool services directly to qualified at-risk children enrolled in the District's preschool program. The *Risk Management Fund,* also a sub-fund of the *General Fund*, is used to account for the payment of loss or damage to the property of the District, workers' compensation, property and liability claims, and the payment of related administration expenses.

Budget to actual information for the *General Fund* is presented on the following pages.

Pension and OPEB. During fiscal year 2015, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. During fiscal year 2018, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB).*

The primary objectives of these Statements is to improve the accounting and financial reporting by state and local governments for pensions and OPEBs. Required supplementary schedules, *District's Proportionate Share of the Net Pension Liability, Schedule of District Contributions* for the Employee Pension Plan, *District's Proportionate Share of the Net OPEB Liability*, and *Schedule of District Contributions* for the Health Care Trust Fund are presented in this section.

St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General, Colorado Preschool Program, and Risk Management Funds
For the Year Ended June 30, 2023

	General Fund				Colorado Preschool Program (A sub-fund of the General Fund)			
	Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)	Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)
Revenues								
Local								
Property taxes	$ 115,262,492	$ 135,077,137	$ 134,677,952	$ (399,185)	$ -	$ -	$ -	$ -
Specific ownership taxes	10,768,019	12,495,807	13,740,169	1,244,362	-	-	-	-
Mill levy override	55,963,243	67,454,080	67,201,855	(252,225)	-	-	-	-
Investment income	300,000	3,500,000	5,422,972	1,922,972	900	6,200	11,901	5,701
Charges for services	4,243,900	4,586,850	5,130,787	543,937	-	-	-	-
Other local sources	5,092,230	8,634,946	12,828,649	4,193,703	-	-	-	-
Total local revenues	191,629,884	231,748,820	239,002,384	7,253,564	900	6,200	11,901	5,701
State								
Equalization, net	158,501,809	132,291,618	132,290,781	(837)	1,922,467	2,225,029	2,225,029	-
Special Education	11,256,207	11,268,437	11,402,953	134,516	-	-	-	-
Career and Technical Education	875,477	1,250,000	1,358,352	108,352	-	-	-	-
Transportation	2,081,965	2,177,233	2,264,319	87,086	-	-	-	-
Gifted and Talented	318,020	318,240	318,240	-	-	-	-	-
English Language Proficiency Act	813,348	864,659	864,659	-	-	-	-	-
BEST grant	750,000	750,000	696,959	(53,041)	-	-	-	-
PERA: State on Behalf Payment	4,700,000	4,700,000	13,159,381	8,459,381	-	-	-	-
Other state sources	1,498,281	2,579,724	2,583,442	3,718	-	-	-	-
Total state revenues	180,795,107	156,199,911	164,939,086	8,739,175	1,922,467	2,225,029	2,225,029	-
Federal								
Build America Bond rebates	1,435,631	1,435,631	1,435,631	-	-	-	-	-
Medicaid	2,000,000	2,000,000	2,769,362	769,362	-	-	-	-
Pandemic relief funding	1,375,111	4,357,723	4,771,400	413,677	-	-	-	-
Other federal sources	130,500	651,500	1,422,942	771,442	-	-	-	-
Total federal revenues	4,941,242	8,444,854	10,399,335	1,954,481	-	-	-	-
Total revenues	377,366,233	396,393,585	414,340,805	17,947,220	1,923,367	2,231,229	2,236,930	5,701
Expenditures								
Current								
Salaries	229,925,614	231,383,986	225,692,828	5,691,158	244,180	250,119	246,720	3,399
Benefits	81,568,795	80,576,550	87,355,167	(6,778,617)	83,149	87,368	86,748	620
Purchased services	16,291,689	16,840,218	19,638,641	(2,798,423)	1,372,250	1,586,855	1,560,661	26,194
Supplies and materials	30,806,593	34,413,940	24,730,263	9,683,677	112,500	147,500	139,109	8,391
Claims	-	-	-	-	-	-	-	-
Other	2,016,041	2,246,395	2,332,931	(86,536)	20,750	29,500	87,562	(58,062)
Charter schools	37,534,622	38,476,207	38,501,369	(25,162)	-	-	-	-
Capital outlay	1,079,080	3,941,586	6,011,743	(2,070,157)	100,000	700,000	-	700,000
Debt service								
Principal	5,397,075	5,401,240	7,280,222	(1,878,982)	-	-	-	-
Interest	176,620	69,799	76,266	(6,467)	-	-	-	-
Total expenditures, US GAAP basis	404,796,129	413,349,921	411,619,430	1,730,491	1,932,829	2,801,342	2,120,800	680,542
Excess (deficiency) of revenues over (under) expenditures before transfers	(27,429,896)	(16,956,336)	2,721,375	19,677,711	(9,462)	(570,113)	116,130	686,243
Other Financing Sources (Uses)								
Lease purchase, other financing arrangemen	-	2,722,506	3,640,402	917,896	-	-	-	-
Transfers in	-	-	54,197	54,197	-	-	-	-
Transfers out	-	-	(336,372)	(336,372)	-	-	-	-
Total other financing sources (uses)	-	2,722,506	3,358,227	635,721	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures and other financing sources uses	$ (27,429,896)	(14,233,830)	6,079,602	$ 20,313,432	$ (9,462)	(570,113)	116,130	$ 686,243
Fund balance, beginning		159,892,644	159,892,644			657,683	657,683	
Fund balance, ending		$ 145,658,814	$ 165,972,246			$ 87,570	$ 773,813	

See the accompanying Notes to Required Supplementary Information.

Risk Management Fund (A sub-fund of the General Fund)				Total			
Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)	Original Budget	Amended Budget	Actual	Variance to Budget Positive (Negative)
$ -	$ -	$ -	$ -	$ 115,262,492	$ 135,077,137	$ 134,677,952	$ (399,185)
-	-	-	-	10,768,019	12,495,807	13,740,169	1,244,362
-	-	-	-	55,963,243	67,454,080	67,201,855	(252,225)
15,000	145,000	243,085	98,085	315,900	3,651,200	5,677,958	2,026,758
-	-	-	-	4,243,900	4,586,850	5,130,787	543,937
25,000	25,000	47,663	22,663	5,117,230	8,659,946	12,876,312	4,216,366
40,000	170,000	290,748	120,748	191,670,784	231,925,020	239,305,033	7,380,013
4,176,932	4,176,932	4,176,932	-	164,601,208	138,693,579	138,692,742	(837)
-	-	-	-	11,256,207	11,268,437	11,402,953	134,516
-	-	-	-	875,477	1,250,000	1,358,352	108,352
-	-	-	-	2,081,965	2,177,233	2,264,319	87,086
-	-	-	-	318,020	318,240	318,240	-
-	-	-	-	813,348	864,659	864,659	-
-	-	-	-	750,000	750,000	696,959	(53,041)
-	-	-	-	4,700,000	4,700,000	13,159,381	8,459,381
-	-	-	-	1,498,281	2,579,724	2,583,442	3,718
4,176,932	4,176,932	4,176,932	-	186,894,506	162,601,872	171,341,047	8,739,175
-	-	-	-	1,435,631	1,435,631	1,435,631	-
-	-	-	-	2,000,000	2,000,000	2,769,362	769,362
-	-	-	-	1,375,111	4,357,723	4,771,400	413,677
-	-	-	-	130,500	651,500	1,422,942	771,442
-	-	-	-	4,941,242	8,444,854	10,399,335	1,954,481
4,216,932	4,346,932	4,467,680	120,748	383,506,532	402,971,746	421,045,415	18,073,669
354,547	357,037	344,795	12,242	230,524,341	231,991,142	226,284,343	5,706,799
98,580	98,894	98,685	209	81,750,524	80,762,812	87,540,600	(6,777,788)
3,923,985	3,923,985	3,470,898	453,087	21,587,924	22,351,058	24,670,200	(2,319,142)
230,000	250,000	269,026	(19,026)	31,149,093	34,811,440	25,138,398	9,673,042
1,500,000	1,500,000	476,724	1,023,276	1,500,000	1,500,000	476,724	1,023,276
74,700	74,700	4,689	70,011	2,111,491	2,350,595	2,425,182	(74,587)
-	-	-	-	37,534,622	38,476,207	38,501,369	(25,162)
-	-	14,930	(14,930)	1,179,080	4,641,586	6,026,673	(1,385,087)
-	-	-	-	5,397,075	5,401,240	7,280,222	(1,878,982)
-	-	-	-	176,620	69,799	76,266	(6,467)
6,181,812	6,204,616	4,679,747	1,524,869	412,910,770	422,355,879	418,419,977	3,935,902
(1,964,880)	(1,857,684)	(212,067)	1,645,617	(29,404,238)	(19,384,133)	2,625,438	22,009,571
-	-	-	-	-	2,722,506	3,640,402	917,896
-	-	-	-	-	-	54,197	54,197
-	-	(20,925)	(20,925)	-	-	(357,297)	(357,297)
-	-	(20,925)	(20,925)	-	2,722,506	3,337,302	614,796
$ (1,964,880)	(1,857,684)	(232,992)	$ 1,624,692	$ (29,404,238)	(16,661,627)	5,962,740	$ 22,624,367
	7,711,546	7,711,546			168,261,873	168,261,873	
	$ 5,853,862	$ 7,478,554			$ 151,600,246	$ 174,224,613	

See the accompanying Notes to Required Supplementary Information.

St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
Schedule of District's Proportionate Share of the Net Pension Liability
Year Ended December 31, (Plan Measurement Date)
Employee Pension Plan
Year Nine **

	2014	2015	2016	2017
District's proportion of the net pension liability (asset)	3.4574%	3.4942%	3.5445%	3.5931%
District's proportionate share of the net pension liability (asset)	$ 468,595,684	$ 534,414,453	$ 1,055,346,922	$ 1,161,892,447
State's Proportionate Share of Net Pension Liability associated with District (see note below)	-	-	-	-
Total	$ 468,595,684	$ 534,414,453	$ 1,055,346,922	$ 1,161,892,447
District's covered payroll	$ 144,605,343	$ 152,401,888	$ 159,046,911	$ 165,688,597
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	324.05%	350.66%	663.54%	701.25%
Plan fiduciary net position as a percentage of the total pension liability	62.84%	59.20%	43.10%	43.96%

Note: A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018 based on Senate Bill 18-200. However, this was suspended via House Bill 20-1379 for July 2020 as the State's response to the pandemic.

** GASB Statement No. 68 was implemented during fiscal year 2015.
As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

See the accompanying Notes to Required Supplementary Information.

	2018	2019	2020	2021	2022
	3.1847%	3.2296%	3.6437%	3.3261%	2.9081%
	$ 563,918,679	$ 482,494,456	$ 550,847,978	$ 387,072,180	$ 605,667,753
	77,108,048	61,198,284	-	44,372,882	78,208,567
	$ 641,026,727	$ 543,692,740	$ 550,847,978	$ 431,445,062	$ 683,876,320
	$ 175,080,505	$ 189,755,923	$ 194,863,939	$ 207,871,578	$ 224,282,549
	322.09%	254.27%	282.68%	186.21%	270.05%
	57.01%	64.52%	66.99%	74.86%	61.79%

See the accompanying Notes to Required Supplementary Information.

St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
Schedule of District's Pension Contributions
Year Ended June 30, (Fiscal Year End Date)
Employee Pension Plan
Year Nine **

	2015	2016	2017	2018
Contractually required contribution (excluding HTCF)	$ 25,104,314	$ 27,643,539	$ 29,805,956	$ 32,072,868
Contributions in relation to the contractually required contribution	(25,104,314)	(27,643,539)	(29,805,956)	(32,072,868)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 148,684,016	$ 155,886,834	$ 162,112,201	$ 169,798,038
Contributions as a percentage of covered payroll (excluding HTCF)	16.88%	17.73%	18.39%	18.89%

** GASB Statement No. 68 was implemented during fiscal year 2015.
As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

See the accompanying Notes to Required Supplementary Information.

	2019	2020	2021	2022	2023
	$ 34,721,871	$ 37,766,235	$ 39,581,534	$ 43,059,848	$ 47,881,976
	(34,721,871)	(37,766,235)	(39,581,534)	(43,059,848)	(47,881,976)
	$ -	$ -	$ -	$ -	$ -
	$ 181,504,815	$ 194,872,214	$ 199,102,283	$ 216,598,835	$ 234,945,907
	19.13%	19.38%	19.88%	19.88%	20.38%

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See the accompanying Notes to Required Supplementary Information.

St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
Schedule of District's Proportionate Share of the Net OPEB Liability
Year Ended December 31, (Plan Measurement Date)
Health Care Trust Fund
Year Six **

	2017	2018	2019	2020	2021	2022
District's proportion of the net OPEB liability (asset)	2.0416%	2.0701%	2.1104%	2.1072%	2.1717%	2.2102%
District's proportionate share of the net OPEB liability (asset)	$ 26,532,775	$ 28,164,275	$ 23,720,549	$ 20,023,290	$ 18,726,677	$ 18,045,753
District's covered payroll	$ 165,688,597	$ 175,080,505	$ 189,755,923	$ 194,863,939	$ 207,871,578	$ 224,282,549
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	16.01%	16.09%	12.50%	10.28%	9.01%	8.05%
Plan fiduciary net position as a percentage of the total OPEB liability	17.53%	17.03%	24.49%	32.78%	39.40%	38.57%

** GASB Statement No. 75 was implemented during fiscal year 2018.
As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

See the accompanying Notes to Required Supplementary Information.

St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
Schedule of District's OPEB Contributions
Year Ended June 30, (Fiscal Year End Date)
Health Care Trust Fund
Year Six **

	2018	2019	2020	2021	2022	2023
Contractually required contribution	$ 1,732,540	$ 1,851,349	$ 1,987,697	$ 2,030,843	$ 2,209,308	$ 2,396,448
Contributions in relation to the contractually required contribution	(1,732,540)	(1,851,349)	(1,987,697)	(2,030,843)	(2,209,308)	(2,396,448)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 169,798,038	$ 181,504,815	$ 194,872,214	$ 199,102,283	$ 216,598,835	$ 234,945,907
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

** GASB Statement No. 75 was implemented during fiscal year 2018.
As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

See the accompanying Notes to Required Supplementary Information.

St. Vrain Valley School District RE-1J

Notes to Required Supplementary Information
June 30, 2023

NOTE 1: GENERAL FUND BUDGETARY INFORMATION

Prior to July 1, 2015, the *General Fund* annual budget was adopted on a basis consistent with US GAAP. While a budget basis is similar to a cash basis – in that revenues are recognized when cash is received, and expenditures are recorded when payments are made – a US GAAP basis budget, on the other hand, includes, for example, accruals for compensation earned but not paid as of fiscal year end, and recognition of deferred revenues. The District's other funds are also budgeted on a US GAAP basis.

The significant differences between the *General Fund*'s adopted and amended budgets are as follows:

- $19.8 million increase and $11.5 million increase in property taxes and mill levy override, respectively, due to increase assessed valuations;
- $1.7 million increase in specific ownership taxes due to anticipated increased vehicle registrations;
- $3.3 million increase in investment income due to significantly improved rates of return;
- $3.5 million increase in other local sources due to increased urban renewal authority proceeds;
- $25.9 million decrease in state equalization due to the increase local share, noted above;
- $1.1 million increase in other state sources due to the state capital construction grant previously recorded in the grants fund;
- $3.0 million increase in federal pandemic relief funding due to the increased support for summer programming to address learning loss;
- $1.5 million increase in salaries primarily due to increased salaries and FTE;
- $3.7 million increase in supplies due to anticipated purchases for curriculum; and,
- $3.5 million increase in capital outlay due to anticipated purchases for technology.

During the current fiscal year, the District received federal interest income of $1.4 million as a subsidy from issuing Direct Pay Build America Bonds, Series 2010B.

NOTE 2: NET PENSION LIABILITY, ASSUMPTION CHANGE, AND DISTRICT CONTRIBUTIONS

The schedules presented will illustrate a 10-year trend. However, since the District did not implement GASB Statement No. 68 until fiscal year 2015, only nine years are presented in these prior schedules. As information is available, each subsequent year will be added until the full 10-year trend is compiled. 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 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021 actuarial valuation. *The Schedule of the District's Proportionate Share of the Net Pension Liability* presents amounts as determined at December 31st of each fiscal year. *The Schedule of District Contributions* presents amounts based on the District's fiscal year of June 30th.

NOTE 3: NET OPEB LIABILITY AND DISTRICT CONTRIBUTIONS

The schedules presented will illustrate a 10-year trend. However, since the District did not implement GASB Statement No. 75 until fiscal year 2018, only six years are presented in these prior schedules. As information is available, each subsequent year will be added until the full 10-year trend is compiled. *The Schedule of the District's Proportionate Share of the Net OPEB Liability* presents amounts as determined at December 31st of each fiscal year. *The Schedule of District Contributions* presents amounts based on the District's fiscal year of June 30th.

SUPPLEMENTARY SCHEDULES – GOVERNMENTAL FUNDS

Major Governmental Funds

Bond Redemption Fund – The *Bond Redemption Fund* is a debt service fund used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

Building Fund – The *Building Fund* is a capital projects fund that accounts for the proceeds of bond sales and expenditures for capital outlay for land, buildings, improvements of grounds, construction of buildings, additions or remodeling of buildings or initial, additional and replacement equipment. Although bond proceeds are nearly spent in entirety, the District chooses to present this fund as major.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Bond Redemption Fund
For the Year Ended June 30, 2023

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	$ 72,270,413	$ 87,109,573	$ 86,779,859	$ (329,714)
Investment income	120,000	2,000,000	2,597,244	597,244
Other local sources	800,000	5,900,000	7,236,480	1,336,480
Total revenues	73,190,413	95,009,573	96,613,583	1,604,010
Expenditures				
Debt principal	36,795,000	49,495,000	49,495,000	-
Debt interest	19,833,214	19,499,110	19,499,110	-
Fiscal charges	16,000	16,000	7,150	8,850
Total expenditures	56,644,214	69,010,110	69,001,260	8,850
Excess (deficiency) of revenues over (under) expenditures	$ 16,546,199	25,999,463	27,612,323	$ 1,612,860
Fund balance, beginning		91,144,132	91,144,132	
Fund balance, ending		$ 117,143,595	$ 118,756,455	

The notes to financial statements are an integral part of this statement.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Building Fund
For the Year Ended June 30, 2023

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 40,000	$ 186,000	$ 314,234	$ 128,234
Other local sources	5,000	-	-	-
Total revenues	45,000	186,000	314,234	128,234
Expenditures				
Salaries	607,000	543,000	487,670	55,330
Benefits	190,000	171,000	152,145	18,855
Purchased services	1,500,000	2,967,985	3,321,984	(353,999)
Other	5,000	5,000	2,719	2,281
Capital outlay	5,000,000	3,968,002	3,238,348	729,654
Total expenditures	7,302,000	7,654,987	7,202,866	452,121
Excess (deficiency) of revenues over (under) expenditures	$ (7,257,000)	(7,468,987)	(6,888,632)	$ 580,355
Fund balance, beginning		10,177,547	10,177,547	
Fund balance, ending		$ 2,708,560	$ 3,288,915	

The notes to financial statements are an integral part of this statement.

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SUPPLEMENTARY SCHEDULES – GOVERNMENTAL FUNDS

Nonmajor Capital Projects Fund

Capital Reserve Capital Projects Fund – This fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the ongoing capital outlay needs of the District, such as equipment purchases.

Nonmajor Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources including those requiring separate accounting because of legal or regulatory provisions that legally restrict expenditures to specified purposes.

- *Community Education Fund* – This fund is used to record the tuition-based activities including summer school, K-5 child care, PreK child care, and enrichment as well as summer programs, facility use activities, and community-based grants and awards.
- *Fair Contributions Fund* – In accordance with intergovernmental agreements, this fund is used to collect money for the acquisition, development, or expansion of public school sites based on impacts created by residential subdivisions.
- *Governmental Designated-Purpose Grants Fund* – This fund is used to account for restricted state or federal grants that are obtained primarily to provide for specific instructional programs.
- *Nutrition Services Fund* – The *Nutrition Services Fund* accounts for the financial transaction related to the food service operations of the District.
- *Student Activity Fund* – This fund is used to record financial transactions related to school-sponsored pupil intrascholastic and interscholastic athletic and other related activities. Revenues of this fund are primarily from student fees, fundraising, gate receipts, and gifts.

St. Vrain Valley School District RE-1J

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	Capital Reserve Capital Projects Fund
Assets	
Cash and investments	$ 13,998,993
Accounts receivable	5,655
Grants receivable	-
Prepaids	-
Deposits	-
Inventories	-
Total assets	$ 14,004,648
Liabilities	
Accounts payable	$ 2,713,532
Due to other funds	-
Accrued salaries and benefits	-
Construction retainage payable	244,098
Unearned revenues	-
Total liabilities	2,957,630
Fund Balances	
Nonspendable: deposits, inventories, prepaids	-
Restricted: special revenue funds	-
Committed: capital projects	11,047,018
Committed: special revenue fund	-
Total fund balances	11,047,018
Total liabilities and fund balances	$ 14,004,648

The notes to financial statements are an integral part of this statement.

Community Education	Fair Contributions	Governmental Designated-Purpose Grants	Nutrition Services	Student Activity	Total Nonmajor Governmental Funds
Special Revenue Funds					
$ 5,699,060	$ 10,711,678	$ -	$ 3,602,310	$ 6,517,675	$ 40,529,716
134,090	2,978	-	1,307	66,213	210,243
-	-	3,894,446	996,162	-	4,890,608
205,397	-	-	2,850	54,373	262,620
-	-	-	-	11,115	11,115
-	-	-	956,500	-	956,500
$ 6,038,547	$ 10,714,656	$ 3,894,446	$ 5,559,129	$ 6,649,376	$ 46,860,802
$ 76,369	$ 219,555	$ 977,808	$ 36,758	$ 133,462	$ 4,157,484
-	-	1,840,322	-	-	1,840,322
335,751	-	651,240	267,491	10,064	1,264,546
-	-	-	-	-	244,098
85,675	-	425,076	-	64,763	575,514
497,795	219,555	3,894,446	304,249	208,289	8,081,964
205,397	-	-	959,350	65,488	1,230,235
5,335,355	-	-	4,295,530	6,375,599	16,006,484
-	-	-	-	-	11,047,018
-	10,495,101	-	-	-	10,495,101
5,540,752	10,495,101	-	5,254,880	6,441,087	38,778,838
$ 6,038,547	$ 10,714,656	$ 3,894,446	$ 5,559,129	$ 6,649,376	$ 46,860,802

The notes to financial statements are an integral part of this statement.

St. Vrain Valley School District RE-1J

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

	Capital Reserve Capital Projects Fund
Revenues	
Intergovernmental	$ 15,681,394
Investment income	343,475
Charges for services	-
Pupil activities	-
Other local sources	56,563
State intergovernmental	-
Federal intergovernmental	-
Total revenues	16,081,432
Expenditures	
Instruction	9,900
Supporting services	8,343,878
Food service operations	-
Capital outlay	7,655,472
Total expenditures	16,009,250
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	72,182
Other Financing Sources (Uses)	
Transfers in	439,614
Transfers out	-
Total other financing sources (uses)	439,614
Net changes in fund balances	511,796
Fund balances, beginning	10,535,222
Fund balances, ending	$ 11,047,018

The notes to financial statements are an integral part of this statement.

Special Revenue Funds					
Community Education	Fair Contributions	Governmental Designated-Purpose Grants	Nutrition Services	Student Activity	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ 15,681,394
79,978	399,869	-	27,492	189,565	1,040,379
6,091,950	-	-	4,803,292	-	10,895,242
-	-	-	-	8,258,857	8,258,857
1,207,056	1,501,183	86,000	71,197	-	2,921,999
-	-	3,536,845	305,000	-	3,841,845
977,729	-	12,759,111	7,814,027	-	21,550,867
8,356,713	1,901,052	16,381,956	13,021,008	8,448,422	64,190,583
4,254,480	-	7,132,578	-	7,214,183	18,611,141
2,384,736	93,825	7,350,448	-	522,877	18,695,764
-	-	-	13,452,836	-	13,452,836
36,286	2,380,706	1,898,930	61,382	91,514	12,124,290
6,675,502	2,474,531	16,381,956	13,514,218	7,828,574	62,884,031
1,681,211	(573,479)	-	(493,210)	619,848	1,306,552
8,699	-	-	-	-	448,313
-	-	-	-	(145,213)	(145,213)
8,699	-	-	-	(145,213)	303,100
1,689,910	(573,479)	-	(493,210)	474,635	1,609,652
3,850,842	11,068,580	-	5,748,090	5,966,452	37,169,186
$ 5,540,752	$ 10,495,101	$ -	$ 5,254,880	$ 6,441,087	$ 38,778,838

The notes to financial statements are an integral part of this statement.

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St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Reserve Capital Projects Fund
For the Year Ended June 30, 2023

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Allocation from General Fund	$ 7,680,948	$ 15,681,394	$ 15,681,394	$ -
Investment income	2,500	184,500	343,475	158,975
Other local sources	-	27,715	56,563	28,848
Total revenues	7,683,448	15,893,609	16,081,432	187,823
Expenditures				
Capital expenditures	12,350,242	16,650,242	16,009,250	640,992
Total expenditures	12,350,242	16,650,242	16,009,250	640,992
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(4,666,794)	(756,633)	72,182	828,815
Other Financing Sources				
Transfers in	-	-	439,614	439,614
Net change in fund balances	$ (4,666,794)	(756,633)	511,796	$ 1,268,429
Fund balance, beginning		10,535,222	10,535,222	
Fund balance, ending		$ 9,778,589	$ 11,047,018	

The notes to financial statements are an integral part of this statement.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Community Education Fund
For the Year Ended June 30, 2023

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 3,900	$ 36,200	$ 79,978	$ 43,778
Charges for services	5,651,893	5,566,273	6,091,950	525,677
Community grants/awards	405,077	738,918	1,207,056	468,138
Pandemic relief funding	-	1,240,796	977,729	(263,067)
Total revenues	6,060,870	7,582,187	8,356,713	306,388
Expenditures				
Instruction	4,251,800	4,402,614	4,254,480	148,134
Support services	1,743,842	2,234,448	2,384,736	(150,288)
Capital outlay	10,631	250,000	36,286	213,714
Total expenditures	6,006,273	6,887,062	6,675,502	211,560
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	54,597	695,125	1,681,211	517,948
Other Financing Sources				
Transfers in	-	-	8,699	8,699
Net change in fund balances	$ 54,597	695,125	1,689,910	$ 526,647
Fund balance, beginning		3,850,842	3,850,842	
Fund balance, ending		$ 4,545,967	$ 5,540,752	

The notes to financial statements are an integral part of this statement.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Fair Contributions Fund
For the Year Ended June 30, 2023

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 25,000	$ 150,000	$ 399,869	$ 249,869
Cash in lieu	2,050,000	2,100,000	1,501,183	(598,817)
Total revenues	2,075,000	2,250,000	1,901,052	(348,948)
Expenditures				
Purchased services	25,000	85,000	93,825	(8,825)
Capital outlay	1,500,000	1,900,000	2,380,706	(480,706)
Contingency reserve	11,463,922	11,333,580	-	11,333,580
Total expenditures	12,988,922	13,318,580	2,474,531	10,844,049
Excess (deficiency) of revenues over (under) expenditures	(10,913,922)	(11,068,580)	(573,479)	10,495,101
Fund balance, beginning	10,913,922	11,068,580	11,068,580	-
Fund balance, ending	$ -	$ -	$ 10,495,101	$ 10,495,101

The notes to financial statements are an integral part of this statement.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Governmental Designated-Purpose Grants
For the Year Ended June 30, 2023

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Local grants	$ 86,000	$ 86,000	$ 86,000	$ -
State grants	3,349,724	3,064,679	3,536,845	472,166
Federal grants	14,010,246	13,765,825	12,759,111	(1,006,714)
Total revenues	17,445,970	16,916,504	16,381,956	(534,548)
Expenditures				
Salaries	8,747,768	7,977,725	7,676,674	301,051
Benefits	2,578,657	2,585,791	2,462,757	123,034
Purchased services	2,827,778	1,120,736	2,337,576	(1,216,840)
Supplies and materials	2,181,537	3,143,101	1,087,866	2,055,235
Other	1,013,963	618,645	918,153	(299,508)
Capital outlay	96,267	1,470,506	1,898,930	(428,424)
Total expenditures	17,445,970	16,916,504	16,381,956	534,548
Net change in fund balances	$ -	-	-	$ -
Fund balance, beginning		-	-	
Fund balance, ending		$ -	$ -	

The notes to financial statements are an integral part of this statement.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Nutrition Services Fund
For the Year Ended June 30, 2023

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 1,000	$ 8,700	$ 27,492	$ 18,792
Charges for services	5,040,227	2,300,000	4,803,292	2,503,292
Other food service charges	80,000	50,000	71,197	21,197
State grants	85,000	270,000	305,000	35,000
Commodities entitlement	785,000	1,424,183	1,034,566	(389,617)
National School Lunch/Breakfast Program	6,889,363	6,400,000	6,779,461	379,461
Total revenues	12,880,590	10,452,883	13,021,008	2,568,125
Expenditures				
Salaries	4,800,000	5,159,910	5,136,401	23,509
Benefits	2,234,000	1,995,210	1,966,312	28,898
Purchased services	135,000	136,000	181,256	(45,256)
Supplies and materials	6,626,765	5,929,183	6,068,867	(139,684)
Capital outlay	105,000	300,463	61,382	239,081
Other	100,000	100,000	100,000	-
Total expenditures	14,000,765	13,620,766	13,514,218	106,548
Excess (deficiency) of revenues over (under) expenditures	$ (1,120,175)	(3,167,883)	(493,210)	$ 2,674,673
Fund balance, beginning		5,748,090	5,748,090	
Fund balance, ending		$ 2,580,207	$ 5,254,880	

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Student Activity Fund
For the Year Ended June 30, 2023

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 15,600	$ 135,000	$ 189,565	$ 54,565
Athletic activities	3,300,000	3,500,000	3,314,366	(185,634)
Pupil activities	3,150,000	3,700,000	3,948,890	248,890
PTO/Gift activities	630,000	690,000	995,601	305,601
Total revenues	7,095,600	8,025,000	8,448,422	423,422
Expenditures				
Athletic activities	3,100,000	3,300,000	3,629,852	(329,852)
Pupil activities	3,050,000	3,100,000	3,318,164	(218,164)
PTO/Gift activities	675,000	750,000	880,558	(130,558)
Contingency reserve	7,074,948	6,841,452	-	6,841,452
Total expenditures	13,899,948	13,991,452	7,828,574	6,162,878
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(6,804,348)	(5,966,452)	619,848	6,586,300
Other Financing (Uses)				
Transfers out	-	-	(145,213)	(145,213)
Net change in fund balances	(6,804,348)	(5,966,452)	474,635	6,441,087
Fund balance, beginning	6,804,348	5,966,452	5,966,452	-
Fund balance, ending	$ -	$ -	$ 6,441,087	$ 6,441,087

The notes to financial statements are an integral part of this statement.

SUPPLEMENTARY SCHEDULES – PROPRIETARY FUND

Internal Service Fund

Internal Service Funds may be used to accumulate and allocate costs internally among governmental functions. The District's only internal service fund is the *Self Insurance Fund* which accounts for the specific medical and dental health plans of the District.

St. Vrain Valley School District RE-1J

Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual
Self Insurance Fund
For the Year Ended June 30, 2023

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	$ 6,000	$ 120,000	$ 601,065	$ 481,065
Charges for services	25,863,200	24,115,800	25,626,998	1,511,198
Other local sources	100,000	100,000	128,967	28,967
Total revenues	25,969,200	24,335,800	26,357,030	2,021,230
Expenses				
Salaries	238,293	241,569	241,568	1
Benefits	74,394	74,946	76,763	(1,817)
Purchased services	4,863,200	4,863,200	4,803,953	59,247
Supplies and materials	5,400	5,400	-	5,400
Administrative fees	1,164,000	1,164,000	1,170,757	(6,757)
Claims	23,190,000	23,190,000	18,110,329	5,079,671
Total expenses	29,535,287	29,539,115	24,403,370	5,135,745
Excess (deficiency) of revenues over (under) expenses	$ (3,566,087)	(5,203,315)	1,953,660	$ 7,156,975
Net position, beginning		15,307,858	15,307,858	
Net position, ending		$ 10,104,543	$ 17,261,518	

The notes to financial statements are an integral part of this statement.

COMPLIANCE SECTION

St. Vrain Valley School District RE-1J

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor Program Title	Assistance Listing Number	Pass-Through Entity Indentifying Number	Cluster Subtotal	Federal Expenditures	Expenditures to Subrecipients
U.S. DEPARTMENT OF EDUCATION					
Passed through State Department of Education					
Title I Grants to Local Educational Agencies (Title I, Part A of ESEA)	84.010	4010, 92xx		$ 2,783,745	
Special Education - Grants to States (IDEA, Part B)	84.027	4027	$ 6,233,998		
Special Education - Preschool Grants (IDEA Preschool)	84.173	4173	113,033		
Covid 19: Special Education: Grants to States IDEA Part B	84.027X	6027	361,550		
Covid 19: Special Education: Grants to States (IDEA Preschool)	84.173X	6173	8,286		
Total of Special Education Cluster				6,716,867	
Education for Homeless Children and Youth	84.196	5196		48,465	
Individuals with Disabilities Education Act (IDEA), Part D, State Program Improvement Grant	84.323	5323		18,978	
English Language Acquisition State Grants (Title III, Part A of ESEA)	84.365	4365		309,568	
Improving Teacher Quality State Grants (Title II, Part A of ESEA)	84.367	4367		578,907	
Colorado Comprehensive State Literacy	84.371	5371		869,807	
Student Support and Academic Enrichment Grants	84.424	4424		337,861	
COVID 19 - Elementary/Secondary School Emergency Relief (ESSER II)	84.425D	4419,4430, 4437		165,753	
COVID 19 - Elementary/Secondary School Emergency Relief (ESSER III)	84.425U	4414,4418, 4431,4436,4438, 9414,9418		3,931,433	
COVID 19 - Homeless Children and Youth (ARP-HCY)	84.425W	8425,8426		69,963	
Passed through Colorado Community Colleges & Occupational Education System					
Career and Technical Education - Basic Grants to States (Perkins IV)	84.048	4048		149,175	
Passed through The Office of the Governor					
COVID 19 - Governor's Emergency Education Relief (GEER) - Education Stabilization Fund (ESF)	84.425C	6425		185,960	
COVID 19 - Bright Spot Award	84.425C/R	6427		75,981	
TOTAL U.S. DEPARTMENT OF EDUCATION				16,242,463	
NATIONAL SCIENCE FOUNDATION					
Passed through Front Range Community College					
Education and Human Resources	47.076	7076		165,537	
Passed through University of Colorado					
Education and Human Resources	47.076	7076		19,612	
TOTAL NATIONAL SCIENCE FOUNDATION				185,149	
U.S. DEPARTMENT OF THE TREASURY					
Passed through Colorado Bioscience Institute					
Weld County Workforce	21.027	7127 Contract #5947		208,010	
Passed through Colorado Department of Revenue					
Concurrent Enrollment Expansion and Innovation Program	21.027	9017		36,208	
Passed through Boulder County					
Achievement Acceleration Academy Program	21.027	7128		250,000	
TOTAL U.S. DEPARTMENT OF THE TREASURY				494,218	
INSTITUTE OF MUSEUM AND LIBRARY SERVICES					
Passed through State Department of Education					
State Library Program	45.310	7310			
Total of State Library Programs				612	
TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES				612	

Schedule of Expenditures of Federal Awards (Continued)

Federal Grantor/Pass-through Grantor Program Title	Assistance Listing Number	Pass-Through Entity Indentifying Number	Cluster Subtotal	Federal Expenditures	Expenditures to Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Passed through State Dept of Health and Human Services					
CDHS Child Care and Development Block Grant	93.575	7575	1,669,002		
Passed through Early Milestones Colorado					
Circle Grant Program	93.575	8575	209,955		
Total of Child Care Development Cluster				1,878,957	
Passed through State Department of Education					
Cooperative Agreement for Emergency Response: CDC Nursing Workforce	93.354	7354		158,119	
CDC Healthy Schools Grant	93.981	7981		2,000	
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				2,039,076	
U.S. DEPARTMENT OF AGRICULTURE					
Passed through State Department of Public Health & Environment					
Child and Adult Care Food Program	10.558	4558		72,146	
Passed through State Department of Human Services					
Farm to School grant	10.575	4575		727	
National School Lunch Program (non-cash commodities)	10.555	4555	1,004,621		
Summer Food Service Program for Children (commodities)	10.559	4559	29,944		
Passed through State Department of Education					
School Breakfast Program	10.553	4553	1,007,772		
National School Lunch Program	10.555	4555	4,629,206		
Summer Feeding Program	10.559	4559	410,139		
Supply Chain Assistance (SCA)	10.555	6555	646,392		
Total of Child Nutrition Cluster				7,728,074	
Local Food for Schools Cooperative	10.185	4185		13,806	
SNAP: P-EBT Mini Grant	10.649	4649		5,950	
TOTAL U.S. DEPARTMENT OF AGRICULTURE				7,820,703	
TOTAL EXPENDITURES OF FEDERAL AWARDS				$ 26,782,221	$ -

St. Vrain Valley School District RE-1J

Notes to the Schedule of Expenditures of Federal Awards
June 30, 2023

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal award programs of the St. Vrain Valley School District RE-1J (the District) for the fiscal year ended June 30, 2023. The accompanying Schedule is presented on a modified accrual basis of accounting for governmental funds as defined in Note 1 of the District's basic financial statements. The federal financial reports that are submitted to the grantors are prepared on a cash basis and may not agree with this Schedule.

NOTE 2: NONCASH

Commodities donated to the District by the U.S. Department of Agriculture (USDA) of $1,034,565 are valued based on the USDA's Donated Commodity Price List. These are shown as part of the National School Lunch program (Assistance Listing Numbers 10.555 and 10.559).

NOTE 3: INDIRECT COSTS

The District has not elected to use the 10% *de minimis* indirect cost rate as allowed under the Uniform Guidance, Section 414.

NOTE 4: PARTNERSHIPS

Expenditures reflected on the Schedule includes $285,674 that was passed through to partner districts – Las Animas School District, Montezuma Cortez School District RE-1, Cheraw School District, and Estes Park School District R-3.

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ST. VRAIN
academic excellence by design

MEMORANDUM

DATE: October 25, 2023

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Architect Selection for Proposed New K-8 Project
Strategic Priority – Rigorous, Well-Aligned Standards, Curriculum, Instruction and Assessment

RECOMMENDATION

That the Board of Education approve the execution of a formal agreement with Cuningham Group Architecture, Inc. for a maximum amount of $500,000.00, and an initial contract award of $130,000.00, for design of the Proposed New K-8 Project. Further, to authorize Brian Lamer, Assistant Superintendent of Operations, to sign contract documents and initiate scope changes up to the approved amounts in accordance with Board of Education policy.

BACKGROUND

The architect review committee reviewed responses to RFQ 2016-038 "Architectural Services for New Construction K-8 School." Cuningham Group Architecture, Inc., was selected as the most qualified for the project based on their experience, proposed team and availability.

The project design will be used in the proposed 2024 Bond program. Early design will help mitigate market inflation and building capacity issues.

The budget for this project has been established at $500,000. Funding for the project is available from the 2016 Bond savings. This item is being brought forth to comply with Board policy FEG stating any items over $100,000 must have Board approval.

MEMORANDUM

DATE: October 25, 2023

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Recommendation to Hire Chief Financial Officer
Strategic Priority – Strong/Visionary Leadership

RECOMMENDATION

That the Board of Education approve the recommendation to hire Mr. Anthony Whiteley as Chief Financial Officer effective July 1, 2024.

BACKGROUND

Mr. Whiteley received a Bachelor's Degree in Accounting from Brigham Young University. He obtained a Master's Degree in Accountancy focusing on Public Administration from Boise State University and currently holds certified public accounting licensure in Colorado.

From 2007 to 2010, Mr. Whiteley served as the District Accountant for West Ada School District in Idaho. Since 2010, Mr. Whiteley has served as the Executive Director of Budget and Finance for St. Vrain Valley Schools directly overseeing a district-wide budget of more than $600 million. Mr. Whiteley has contributed to all aspects of financial operations for the school district, including accounting and financial reporting, policy issues, compensation, compliance, legislative advocacy, process and efficiency analysis, change management and implementation, personnel matters and long-term planning.

SALARY

Annual salary will be according to schedule.

MEMORANDUM

DATE: October 25, 2023

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Request to Grant an Exception to Board Policy GBEA – Staff Ethics/Conflict of Interest – Brandi Thornton & Brandi Dai Designs
Strategic Priority - Outstanding Communication and Collaboration with Community and Corporate Partners

RECOMMENDATION

That the Board of Education allow an exception to the current Board Policy GBEA -Staff Ethics/Conflict of Interest. This exception would enable Brandi Thornton, Brandi Dai Designs, to sell her products to staff within the District.

BACKGROUND

Board Policy GBEA - Staff Ethics/Conflict of Interest states, "No school district employee or firm owned by a school district employee shall be allowed to sell to the school district or its schools or staff goods or services of any kind without the express prior written consent of the Board of Education."

Brandi Thornton is a registrar & attendance clerk at Red Hawk Elementary. Due to her standing as a District employee, she is requesting a waiver from Board Policy GBEA, so that schools within the District can partner with Brandi Dai Designs for their custom apparel needs.

The administration recommends approval of this exception, with services for the 2023-2024 school year not to exceed $5,000. If the services should exceed $5,000, the exception will be brought back to the Board of Education for additional approval.