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
Longmont, Colorado

City and County of Broomfield,
Boulder, Larimer, and Weld Counties

Annual Comprehensive Financial Report For Fiscal Year Ended June 30, 2023

Don Haddad, Ed.D.
Superintendent of Schools

Prepared by: Financial Services Department

Gregory A. Fieth, Chief Financial Officer

Jane Frederick, CPA, Comptroller

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St. Vrain Valley School District RE-1J

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INTRODUCTORY SECTION

St. Vrain Valley School District RE-1J

OUR VISION

**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**

OUR MISSION

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

St. Vrain Valley School District RE-1J

BOARD OF EDUCATION
2022-2023

Pictured from left to right:

(Row 1) President Karen Ragland, Vice President Joie Siegrist, Secretary Jim Berthold, Treasurer Dr. Richard Martyr,

(Row 2) Members Ms. Meosha Brooks, Mr. Chico Garcia, and Ms. Sarah Hurianek

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November 10, 2023

Board of Education Members
and Citizens of the
St. Vrain Valley School District RE-1J
395 South Pratt Parkway
Longmont, CO 80501

We are pleased to submit to the Board of Education, parents, taxpayers, and community members the Annual Comprehensive Financial Report (ACFR) of the St. Vrain Valley School District RE-1J (the District) for the year ended June 30, 2023. State law requires that the District publish within six months of the close of each fiscal year a complete set of financial statements presented in accordance with accounting principles generally accepted in the United States of America (US GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (US GAAS), by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the accuracy, completeness, and fairness of presentation, including all disclosures, presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the District's financial statements in conformity with US GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and changes in financial position of the District as measured by the financial activity of its various funds, and contains all disclosures necessary to enable the reader to gain an understanding of the District's financial activities for the year ended June 30, 2023.

The District's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the District's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with US GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. This is in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget's Uniform Guidance. Information related to this single audit – including a schedule of expenditures of federal awards, the Independent Auditors' Reports related thereto, and a schedule of findings and questioned costs – are included in this document.

The Annual Comprehensive Financial Report is presented in conformity with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.* This reporting standard is intended to parallel private sector reporting by consolidating governmental activities and business-type activities into a single total column for government-wide activities. GASB Statement No. 34 also requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found in the Financial Section immediately following the Independent Auditors' Report.

<u>PROFILE OF THE GOVERNMENT</u> – The District and Its Services

The St. Vrain Valley School District RE-1J is a body corporate and a political subdivision of the State, governed by an elected seven-member board, and was organized in 1961 for the purpose of operating and maintaining an educational program for the school-age children residing within its boundaries. The District was formed as a result of the consolidation of a number of smaller school districts within its boundaries. The District's boundaries have been substantially stable since the consolidation.

The District provides a full range of educational programs and services authorized by Colorado Statutes. These include pre-K through 14 education in elementary, middle, and high schools; P-TECH programs; special education for students with disabilities; career and technical education; multicultural education; and, numerous other programs.

St. Vrain Valley School District is the educational home of nearly 33,000 of Colorado's students. St. Vrain Valley is the seventh largest school district in the state according to the Colorado Department of Education's 2022-23 District Ranking by Pupil Membership. During the 2022-23 fiscal year, St. Vrain Valley operated 61 schools and programs that are spread over 411 square miles. The makeup includes: 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 K-12, 3 P-TECH programs, 1 Innovation Center program, 1 Main Street Special Education program, 1 Career Elevation and Technology Center, 1 homeschool enrichment school, and 6 charter schools. Located approximately 30 miles north of Denver, the District is geographically diverse. Its physical boundaries extend from the Continental Divide into the plains of Colorado. Adding to its scenic setting are historic downtown Longmont and the backdrop of Rocky Mountain National Park and Longs Peak. The District includes approximately 195,907 residents. There are 13 different communities that make up St. Vrain Valley School District: eastern Boulder, Broomfield, Dacono, Erie, Firestone, Frederick, Hygiene, Longmont, Lyons, Mead, Niwot, Peaceful Valley, and Raymond. Parts of Boulder, Broomfield, Larimer, and Weld Counties fall within its boundaries.

The District's Board of Education is empowered to levy a property tax on both real and personal properties located within its boundaries.

Fiscal year 2023 is Dr. Don Haddad's fourteenth year as the Superintendent of Schools. He has been recognized multiple times on the national level, including the 2013 National Superintendent of the Year award from the National Association of School Superintendents. He continues to develop strong relationships with business, industry, and community leaders throughout the District, state and nation. He is united with his administration, staff, and the Board of Education in the mission and strategic priorities for the District.

The Financial Services department is led by Chief Financial Officer Greg Fieth who has thirteen years of experience with St. Vrain Valley Schools. Other key staff members include Executive Director of Budget and Finance Tony Whiteley who has thirteen years of experience with the District, and Comptroller Jane Frederick who has served the District for twenty years.

The District is the reporting entity for financial reporting purposes and is not included in any other governmental reporting entity. The financial statements of the District include all funds that are controlled by the publicly elected Board of Education. The Board of Education adopts the budget, authorizes expenditures, selects management, significantly influences operations, and is primarily accountable for fiscal matters.

The annual budget serves as the foundation of the District's financial planning and control. The District maintains extensive budgetary controls to ensure compliance with legal requirements, Board of Education policies, and District administration guidelines. The legal level of budgetary control is the fund level. The District's budget must be adopted by June 30 prior to the budget year, but may be revised for any reason prior to January 31st of the budget year. Budgets are developed and monitored for compensation costs, utilities, and other fixed costs at the District level, and for discretionary (site based) spending at the department or school level.

Staffing levels are authorized for each site and are tracked monthly to ensure usage within budgeted limits. On-line budget inquiry access is provided to each site's administrative staff to allow monitoring of their discretionary budgets.

Budgetary control is also maintained through the use of an encumbrance accounting system. Encumbrances outstanding at year-end are not reported as expenditures in the financial statements for US GAAP purposes, but are reported as assignments of fund balance for subsequent years' expenditures based on the encumbered appropriation authority carried over. This system fosters responsible spending and allows site management to develop longer range spending plans. Schools' discretionary budgets also include a share of revenues generated from building rentals, and budgets contingent upon site management's compliance with District accountability policies. Under state law, each school is required to involve each employee group, the Board of Education, and the District Accountability Committee in the budget development process.

As required by accounting principles generally accepted in the United States of America, these financial statements present St. Vrain Valley School District RE-1J (the primary government) and its component units. As of June 30, 2023 there were six component units (Charter Schools). The inclusion or exclusion of component units is based on a determination of the elected official's accountability to their constituents, and whether the financial reporting entity follows the same accountability. Further, the financial statements of the reporting entity should enable the reader to distinguish between the primary government and discretely presented component units. The criteria used for determining whether an entity should be included – either blended or discretely presented – includes, but is not limited to fiscal dependency, imposition of will, legal standing, and the primary recipient of services.

As of June 30, 2023, the District's Board of Education has approved six charter schools. The six charter schools – Aspen Ridge Preparatory School; Carbon Valley Academy; Firestone Charter Academy; Flagstaff Academy; St. Vrain Community Montessori School; and Twin Peaks Charter Academy – were operational during the year ended June 30, 2023. The respective members of the Charter Schools' Governing Boards are appointed separately from the District's Board of Education. The Charter Schools are deemed to be fiscally dependent upon the District since the District provides the majority of support to the Charter Schools in the form of per pupil revenue (PPR); therefore, the Charter Schools' financial information has been reported as discretely presented component units. No new charter applications were received during the fiscal year 2023.

The information included in the financial statements is perhaps best understood when it is considered from a broader perspective of the national, state and local environment within which the District operates.

ECONOMIC CONDITION AND OUTLOOK

National Economy

This summary of national economic conditions is derived from information posted on the Congressional Budget Office (CBO) website at www.cbo.gov. Specific document cited is *An Update to the Budget and Economic Outlook: 2023 to 2033.*

Measured in relation to the size of the economy, next year deficits will grow from 6.0% of gross domestic product (GDP) to 6.9% in 2033 — well above their 50-year average of 3.6% of GDP. One of the main causes of the jump in public debt can be attributed to increased funding of programs and services during the COVID-19 pandemic.

As a result of those deficits, debt held by the public also increases in CBO's projections, from 98% of GDP at the end of the current year to 119% at the end of 2033. At that time, debt measured as a share of GDP would reach the highest level ever recorded in the United States and would be on track to rise even further. Comparing a country's debt to its GDP reveals the country's ability to pay down its debt and shows the burden of debt relative to the country's total economic output and therefore its ability to repay it.

In the agency's updated projections, outlays and revenues measured in relation to the size of the economy equal or exceed their 50-year averages through 2033. The increase in outlays from 23.5% of GDP in 2024 (a high level by historical standards) to 25.3% in 2033 is boosted by rising interest costs and greater spending on programs that provide benefits to older people.

Inflationary pressure is abating. The Fed is expected to slow further interest rate hikes, but not to make rate cuts until inflation approaches its 2% target. The economy remains in a delicate state, and outside shocks due to unforeseen national or international events are more likely than usual to put the economy off its growth trajectory.

State Economy

The *Colorado Economic and Revenue Forecast– September 2023* report by the Colorado Legislative Council Staff includes employment and unemployment, inflation, wages and income, population, and migration. A summary of this information is presented here. The full report can be found at www.colorado.gov.

Prior to the pandemic-induced recession, Colorado had enjoyed more than a decade of strong economic growth, outpacing most other states in the nation across many economic indicators, including employment, personal income, and gross domestic product (GDP) growth. This forecast anticipates that Colorado's economy will modestly outperform the U.S. economy through 2025, with faster income growth and lower unemployment rates balanced against higher inflation.

In Colorado, nonfarm employment grew by 4.1% in 2022. Employment is expected to decelerate throughout the forecast period, with growth of 2.2% in 2023 and 1.3% in 2024. The Colorado unemployment rate is expected to fall from 3.0% in 2022 to 2.96% in 2023, before rising to 3.1% in 2024.

Colorado's labor force participation rate held steady at 68.7% in July, still well above the national rate of 62.63%. Colorado's real average hourly earnings are down 1.9% year-over-year in July 2023. The employment recovery in Colorado continues to hold up, although job gains are slowing, consistent with monetary policy objectives to tame inflation and engineer a soft landing. Sectors with job losses year-over-year in July 2023 were financial activities, construction, information, and trade, transportation, and utilities. These sectors are among the most sensitive to interest rates.

High year-over-year inflation is still driven primarily by rising housing costs. Housing is by far the largest component of the consumer price index (CPI) and currently makes up approximately 44% of the U.S. consumer prices. The housing component includes costs for rent payments (or for homeowners, the cost a homeowner would pay to rent their home), utilities, and other housing-related goods and services. Housing prices are up 8.8% year-over-year, compared to 6.2% for the nation, as the Denver area has a higher percentage of remote workers and tends to have a tighter housing market. Housing inflation is expected to cool slowly throughout the forecast period, but will put upward pressure on inflation in the near term.

Local Economy

The City of Longmont local economic summary was reported in the City's 2022 Annual Comprehensive Financial Report (ACFR). In 2022, despite the continuing worldwide COVID-19 pandemic, the Longmont economy experienced fairly strong growth. City sales and use tax activity increased 9.4% over 2021, with sales tax up 8.0%, and use tax up 16.9%.

The area unemployment rate was reported at 2.3% in December 2022, as compared to 4.0% in December 2021. During 2022, 252 building permits were issued for single-family residences, and 456 permits were issued for multifamily units. The City also issued nonresidential permits for a total of 243,124 square feet with a value of $37.3 million. Through April 2023, new construction permits for 106 single-family homes, 7 multifamily units, and 3 commercial/industrial properties have been issued.

Higher interest rates and tighter credit conditions have already reduced housing demand nationally, as well as supply from both existing homeowners and new construction. High mortgage rates combined with high prices have pushed affordability to 40-year lows, driving a significant reduction of sales of existing homes this year. Zillow's latest forecast expects 18% fewer existing home sales in 2023 compared to last year. The median home price in Longmont, per Zillow.com, is $546,398, down from $573,218 a year ago. Median prices in Longmont far exceed the national average of $351,423.

September 2023 will mark 10 years since the St. Vrain and Left Hand creeks exceeded 500-year flood levels and caused significant damage to City infrastructure and private property. The City secured more than $140 million in federal and state grants for repairs to infrastructure and to support housing efforts. Repair and mitigation efforts remain ongoing. The City's community-based and community-owned fiber-fast gigabit internet service, NextLight, ranked as the second-fasted internet service in the nation this summer, with PC Magazine noting that "NextLight's consistency could put it on top in 2023."

Continued Enrollment Growth

Since fiscal year 2013, enrollment growth has averaged 326 students per year with an annual average growth rate of 1.08%. This totals an increase of 3,257 students in the district over the past ten years. During this period, the district increased in enrollment every year except for fiscal year 2021, which saw an enrollment decrease as a result of the COVID-19 pandemic. Preliminary counts show a <1% decrease in enrollment for the 2023-24 year, but the planning Department projects that enrollment will continue to increase by an average of approximately 245 students per year over the next four years, to 33,439 by the fall of 2027.

School Financial Issues

The primary revenue sources for the District are based on the current provisions of the Colorado Public School Finance Act of 1994, as amended yearly. Funding provided under this Act, which is from local property taxes, specific ownership taxes from vehicle registration, and state equalization, was approximately 61% of the District's Government wide general revenues for fiscal year 2022-2023.

The District received $9,400 per funded pupil count (FPC) for FY23. This compares to $8,820 for FY22, an increase of $580, or 6.6%.

Although Colorado's economic growth is one of the top in the nation, portions of the State constitution are in conflict. These conflicts have the potential to cause issues with the State budget, including funding to school districts. The State of Colorado's ability to increase revenues and provide additional funding to school districts is limited due to the Colorado constitution, article X, section 20 (TABOR). In contrast to that, article IX, section 17 (Amendment 23) guarantees that the base per-pupil funding for school districts will increase by at least the cost of inflation. The impact of these two articles, in addition to the State's increasing burden to fund health care, higher education, transportation, corrections, etc. often cause issues with Colorado's multiple competing priorities jostling for its limited resources.

The 1982 Gallagher Amendment limited increases in Colorado's residential assessed values used to levy taxes for the District. This amendment required that the statewide share of residential assessed valuation be stabilized to generate 45% of statewide property tax revenues. Because residential property values increased faster than other categories, this was accomplished by reducing the residential assessment rate to achieve the required mix. Due to TABOR restrictions, however, this rate could not be increased when needed, causing a "ratcheting down" effect of the residential assessment rate. In addition, by fixing the residential percentage share of assessed valuation, an increasing proportion of taxes levied shifted to commercial and non-residential property owners relative to their property values. This amendment was repealed by Colorado voters in 2020, eliminating this artificial suppression of the residential assessment rate and arrested the increasing imbalance of the property tax burden. At that time, the residential assessment rate was 7.15%.

In 2021, SB21-293 was passed, temporarily reducing certain property tax assessment rates for the 2022 and 2023 property tax years. In addition, in 2022, SB22-238 made further temporary rate adjustments for the 2023 and 2024 tax years. The following table summarizes the anticipated property tax assessment rates through 2025:

	2021	2022	2023	2024	2025
Single Family Residential	7.150	6.950	6.765	6.922	7.150
Multi Family Residential	7.150	6.800	6.765	6.800	7.150
Oil & Gas	87.500	87.500	87.500	87.500	87.500
Agriculture/Energy Prod.	29.000	26.400	26.400	26.400	29.000
Other Non-residential	29.000	29.000	27.900	29.000	29.000

2024 Single Family Residential rate is an estimate acquired from the 22-238 fiscal note.
2024 Rates also exempt the first $15,000 for residential, and $30,000 for certain Other Non-residential properties.
2025 rates represent a return to "normal" with the expiration of temporary rate adjustments.

In 2023, State lawmakers put forward SB23-303, which, if approved by voters, reduces assessment rates further and for a longer period, in exchange for allowing the state to retain a larger amount of TABOR refunds. The following table summarizes the property tax assessment rates through 2033 if Proposition HH were to pass in November of 2023:

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033+
Single Family Residential	6.950	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	7.150
Multi Family Residential	6.800	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	7.150
Lodging and Impr. Commercial	29.000	27.850	27.850	27.850	27.850	27.650	27.650	26.900	26.900	26.900	26.900	29.000
Ag or Renewable Energy	26.400	26.400	26.400	26.400	26.400	26.400	26.400	26.400	26.400	26.400	26.400	29.000
Dual Use Ag and Renewable	26.400	26.400	21.900	21.900	21.900	21.900	21.900	21.900	21.900	21.900	21.900	21.900
Oil & Gas Production	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500
Other Comm., Vacant, Industry	29.000	27.850	27.850	27.850	27.850	27.650	27.650	26.900	26.900	26.900	26.900	26.900

Lodging and Improved Commercial properties receive an exemption of the first $30,000 of actual value in 2023.
Most Owner-Occupied Residential properties will receive an exemption of the first $50,000 of actual value in 2023, and $40,000 in years 2024-2032.
The above exemption is increased to $140,000 for Senior Owner Occupied Residences between 2025-2032.
Lodging and Commercial properties assessment rates may be decreased to 25.9% (instead of 26.9%) in 2031 and 2032 if a growth trigger is met.
2033 rates represent a return to "normal" with the expiration of temporary rate adjustments.

In November 2008, District voters approved a $189 million bond for district-wide capital building repairs, infrastructure upgrades, the construction of a new high school in the Carbon Valley area, and the ability to respond to pockets of overcrowding in the District. Savings in the bond projects because of lower than anticipated construction costs helped the District expand the project scope.

The District voters also approved a $16.5 million mill levy override in 2008. The override was for a fixed mill rate that will grow and fall with the District's assessed valuation. This override has been a significant factor in both mitigating state cuts and improving the District's educational performance. The District passed a second mill levy override in November 2012 to mitigate additional state cuts. The $14.8 million 2012 mill levy request is also set as a fixed mill override.

In November 2016, the Board of Education placed a $260.34 million capital construction question on the ballot. Approximately 69% of the bond funds would go toward providing additional classroom space with the remaining 31% of the funds addressing school safety and security upgrades, repairs and renovations to existing school facilities. The November 2016 bond election passed with over 59% of the voters supporting the initiative. The District has completed approximately 91% of the identified projects. Please refer to the school facilities section for more details.

MAJOR INITIATIVES

In its continued efforts to increase student achievement and success, the District's Board and administrative leadership have developed a comprehensive District-wide plan including a hierarchy designed to ensure the success of every student. The strategic priorities of the hierarchy include strong district finances; a high functioning school board; strong/visionary leadership; outstanding teachers and staff; student and staff well-being; districtwide safety and security; cutting-edge technology and innovation; outstanding communication and collaboration with community and corporate partners; rigorous well-aligned standards, curriculum, instruction and assessment; and a portfolio of 21st century instructional focus schools and robust co-curricular opportunities. These areas of focus (strategic priorities) will support specific, measurable District goals in the areas of 1st grade school readiness, 3rd grade reading proficiency, 5th grade reading proficiency, 8th grade algebra participation and successful completion, PSAT and SAT achievement, enrollment in advanced coursework at the secondary level, and graduation rates.

Further, in order to enhance student achievement and ensure school and District accreditation, there will continue to be an emphasis on attracting and retaining superior teachers, administrators, and staff by offering a competitive compensation package and maintaining a safe, positive, and collaborative working environment. The District and the St. Vrain Valley Education Association agreed to implement a new salary schedule starting in the 2015-16 school year. The new salary schedule increased the base for new teachers, but stabilized the cost of recognizing a year of experience (step) in future years. This enables the

District to increase the base salary of a new teacher more quickly in subsequent years. Beginning in the 2015-2016 school year, the starting base salary of $35,000 has increased annually to $50,250 for the 2022-2023 school year. For 2023-24, the starting base increased to $57,000.

To achieve these goals, the District has made a concerted effort to seek grants, gifts and donations. The District was successful in the 2010 Investing in Innovation (i3) ARRA Grant competition and received $3.6 million over five years, ending in December 2015. Successful preliminary data results helped the District win the Race to the Top District (RTT-D) Grant award. St. Vrain Valley was selected for a Race to the Top District award for $16.6 million in December 2012. This was a four-year grant that ended in July 2017. The District developed a sustainability plan for key personnel and operations to continue the essential aspects upon the conclusion of both the i3 and RTT-D grants. Since 2017, the district has applied for and received more than 150 competitive grants, totaling more than $40 million. Those grants have increased the district's ability to implement or expand programming, improve student achievement, and meet the strategic priorities of the District.

In the 2013-14 school year, the District implemented its Learning Technology Plan (LTP). Through the LTP, students and teachers have the tools they need to **investigate, communicate, collaborate, create, model, and explore** concepts and content in authentic contexts. An essential part of the LTP is providing all students with a take-home device that enabled learning to be extended to the home and potentially include the entire family. The devices were deployed at the secondary level beginning in the 2013-14 school. When the COVID-19 pandemic struck in the spring of 2020, district administration realized that all students needed access to their own device, and that remote synchronous learning would be important to every student. The District placed additional orders for devices during the spring and summer of 2020 to ensure the District moved to a true 1:1 device initiative for all K-14 students. To date, the implementation has been extremely successful, and indicators are positive that the LTP will continue to be a success.

In January 2013, in an attempt to slow rising health care costs, the District moved to a self-funded model. Districts of a similar size have implemented this model and reduced health care costs by retaining the premiums and paying out claims. In this situation, the District assumes some of the risk (although the District maintains both an individual stop loss policy and an overall aggregate stop loss policy), but also retains the premiums not paid out in claims or administrative fees. Generally most insurance companies are looking to achieve a claims loss ratio of 85%. The goal of the District is to retain those premiums to reduce future employee and employer costs.

Since 1997, all Colorado school districts have been required by State law to participate in the Colorado Student Assessment Program (CSAP and TCAP) which has now transitioned to Colorado Measures of Academic Success (CMAS). All public school students are given standardized tests in grades 3-11. The tests are designed to measure student achievement in relation to the Colorado Academic Standards. The standards are expectations specifying what students should know, understand, and be able to do over a given time period. CMAS provides a series of snapshots of student achievement in English Language Arts and mathematics as they move through grades 3-8. A separate grade 5, 8, and 11 science test is given at all schools, and a grade 4 and 7 social studies test is also administered to one-third of schools each year. A college entrance exam (SAT) is administered to all grade 11 students across Colorado, and a college readiness exam (PSAT) is administered to grades 9 and 10 students. CMAS and college entrance and readiness test results are an important part of statewide school accountability and accreditation. These – coupled with 1st grade readiness, 3rd grade reading levels, 5th grade reading levels, successful participation and completion in 8th grade algebra, secondary enrollment in advanced level courses, and the overall graduation rate – are indicators of the District's student achievement goals.

In 2001, the Colorado Department of Education (CDE) began assigning individual schools a rating based upon CSAP scores. The rating system was revised in 2009 for the 2010-11 fiscal year and was revised again for the 2016-17 fiscal year. Under the current plan, the State Board of Education adopts targets related to three key state performance indicators: (1) student achievement, (2) student academic growth, and (3) postsecondary and workforce readiness. Using the three key performance indicators, CDE assigns accreditation levels to districts and recommends school plan (accreditation) levels to districts, and produces a detailed data document for each school and district (School Performance Framework and District Performance Framework).

During the spring of 2021, students in grades three through eight took the Colorado Measures of Academic Success (CMAS) assessments for English Language Arts (ELA) and Mathematics for the sixth time and CMAS Science for the seventh time. Due to COVID 19, state assessment was paused for 2020. In 2021, CMAS test administration was only required for grades 3, 5, 7 in English Language Arts, grades 4, 6, 8 in math, and grade 8 in science. Parents/guardians had the opportunity to opt their student into non-required testing content areas. The typical state assessment administration season was scheduled to resume in Spring 2022 as required by state and federal law. In 2022, CMAS testing resumed for all grades 3 - 8 in math and English Language Arts. Science was administered in grades 5 and 8 as typically scheduled. Social Studies was not administered in 2022 per CDE.

In response to the evolving conditions under the pandemic, District and school plan types continued to implement their 2019 ratings. The pandemic caused the state to pause the calculation and release of performance frameworks for two school years, 2020-2021 and 2021-2022.

During the spring of 2023, the typical state assessment administration resumed. However, Social Studies was not administered per CDE. Colorado schools and districts fully transitioned back to the standard district and school performance rating system that was implemented in 2016-2017 fiscal year.

During the 2018-2019 school year, the District implemented “Project Launch”, a kindergarten through 2nd grade program designed to extend the school year for students who are not reading at grade level proficiency. The goals were to provide targeted instruction during the month of June to increase proficiency, reduce the “summer slide” due to students not being in school, and begin the next school year at a better starting point. Early indications showed the program has been successful, and the District planned to continue the program in the 2019-2020 school year. However, due to the pandemic, the summer program was temporarily suspended. In the 2020-2021 school year, Project Launch was reinstated for all students (K-12) to address learning loss caused by the COVID Pandemic.

In addition, in order to address potential lost learning due to the COVID-19 Pandemic, the District is also implementing the “Achievement Advancement Academy”, a kindergarten through 12th grade after school tutoring program available to all students.

School Facilities

Since fiscal year 2013, enrollment growth has averaged 326 students per year with an annual average growth rate of 1.08%. This totals an increase of 3,257 students in the district over the past ten years. During this period, the district increased in enrollment every year except for fiscal year 2021, which saw an enrollment decrease as a result of the COVID-19 pandemic. Preliminary counts show a <1% decrease in enrollment for the 2023-24 year, but the planning Department projects that enrollment will continue to increase by an average of approximately 245 students per year over the next four years, to 33,439 by the fall of 2027.

The $189 million bond passed in 2008 provided funds for two new schools that included Frederick High School and Red Hawk Elementary School, as well as additions and renovations to existing schools to increase capacity. Reduced costs due to favorable construction market conditions allowed the District to outperform on the 2008 bond initiative by $22 million, and that money was used to fund other projects needed within the District.

With significant growth continuing to occur within the District, facility capacity once again became a priority. The Board of Education, based on recommendations by the Superintendent and a community task force, approved putting a $260.34 million capital construction bond question on the November 2016 election ballot.

After selling $200 million in bonds in December 2016, the District began the construction process on several buildings. The major initiatives derived from the Bond passage were two new elementary schools, a Preschool through 8th grade school, a District-wide Innovation Center, and additions and renovations on other schools. Sixty-nine percent of the total Bond program is directed to relieve growth in the St Vrain area. To date, one elementary school (Grandview), the pre-K through 8th grade school (Soaring Heights), and the Innovation Center opened in the Fall of 2018, and numerous major additions and renovations to many schools have been completed. A second elementary school (Highlands) was completed and opened in the Fall of 2021. With voter-approved capital construction projects going smoothly, there was enough money available from unused contingency funds and bond sale premiums to upgrade Mead Elementary School's renovation budget to a rebuild of the entire older building. The new building opened in the Fall of 2020. The District sold the remaining $60.34 million in the Fall of 2018, allowing the District to begin projects to help enhance safety and security, educational programs, and building preservation. With the accumulation of investment income from bond proceeds, the District constructed a community-wide aquatics center and new school auditorium last year as well as a fieldhouse addition during the current fiscal year.

Approximately 64% of district buildings are 30 years or older.

District Awards and Recognitions

The District has received numerous state, national, and international awards and recognitions. The awards include John Irwin Schools of Excellence Awards for the state's top 8% performing schools, numerous Governor's Distinguished Improvement awards, Colorado Trailblazer 'Schools to Watch' awards, Apple Distinguished School awards, and Colorado Succeeds Prizes for the state's top STEM School and for Transformative Impact in Technology-Enabled Learning. District schools have also received awards for co-curricular activities including fine arts, choir, band, orchestra, and athletics, and students from St. Vrain high schools have received scholarships from prestigious universities, foundations, and corporations, such as Boettcher, Daniels, and National Merit. In addition, St. Vrain has been named by the federal Office of Educational Technology as a Future-Ready district, and has received recent accolades for its robust one-to-one Learning Technology Plan and its commitment to digital curriculum, including the International Society for Technology in Education (ISTE) District of Distinction award, the Consortium for School Networking Team Award, and as a Top 10 Digital District by the Learning Counsel. St. Vrain has also been recognized for its significant impact to the community as the national and international Organization of the Year by the International Association for Public Participation, the Innovative Business of the Year by the Boulder Chamber, the Chair Award by the Longmont Economic Development Partnership, the Project of the Year by the Colorado Technology Association, and Large Business of the Year by both the Longmont Chamber and the Carbon Valley Chamber. St. Vrain Valley was also recognized as one of four school districts in Colorado — and 373 in North America — to make the College Board's Annual AP District Honor Roll.

FINANCIAL INFORMATION

As of June 30, 2023, the District had a fund balance of $174.2 million in the General Fund (including its sub-funds). The increase of $6.0 million is primarily the result of conservative budgeting, improved investment earnings, increased tax abatement revenues from urban renewal authorities, delayed curriculum purchases, and lower-than-anticipated claims. As a result of the various classifications of fund balance, the ending unassigned General Fund balance is $43.0 million.

Accounting Policies: Detailed descriptions of the District's accounting policies are contained in the Notes to Financial Statements on pages 33-82, and they are an integral part of this report. These policies describe the basis of accounting, funds and accounts used, valuation policies for inventories and investments, and other significant accounting information.

Per state statute, the District may amend the adopted budget for any reason prior to January 31. After January 31, the Board may amend the budget only as authorized by state law.

FINANCIAL AWARDS and ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2022. The District has achieved these prestigious awards consecutively since fiscal year ending June 30, 2004. In order to be awarded a Certificate of Achievement and a Certificate of Excellence, the District published an easily readable and efficiently organized annual comprehensive financial report. This report also satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

The Certificate of Achievement and Certificate of Excellence are valid for a period of one year. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement and Certificate of Excellence programs' requirements and we are submitting it to GFOA and ASBO, respectively, to determine its eligibility for another certificate.

The preparation of the Annual Comprehensive Financial Report on a timely basis could not be accomplished without the efficient and dedicated services of the team of professionals in the Financial Services Department, as well as the independent auditors, and other administrative staff called upon to provide information and assistance. We would like to express our appreciation to all staff members who assisted and contributed to its preparation, with special thanks to the Accounting and Reporting Team – Comptroller Jane Frederick, CPA; Assistant Comptroller Mimi Livermore, CFE, SFO; Senior District Accountant Shelly Murphy; Grants Accounting Specialist Lauren Spencer; and, Grants Accounting Technician Stacy Witt – without whom we could not have met our very aggressive timeline.

We would also like to thank the members of the Finance and Audit Committee and the Board of Education of the St. Vrain Valley School District RE-1J for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

(signatures on file)

Don Haddad, Ed.D. Superintendent of Schools	Gregory A. Fieth Chief Financial Officer

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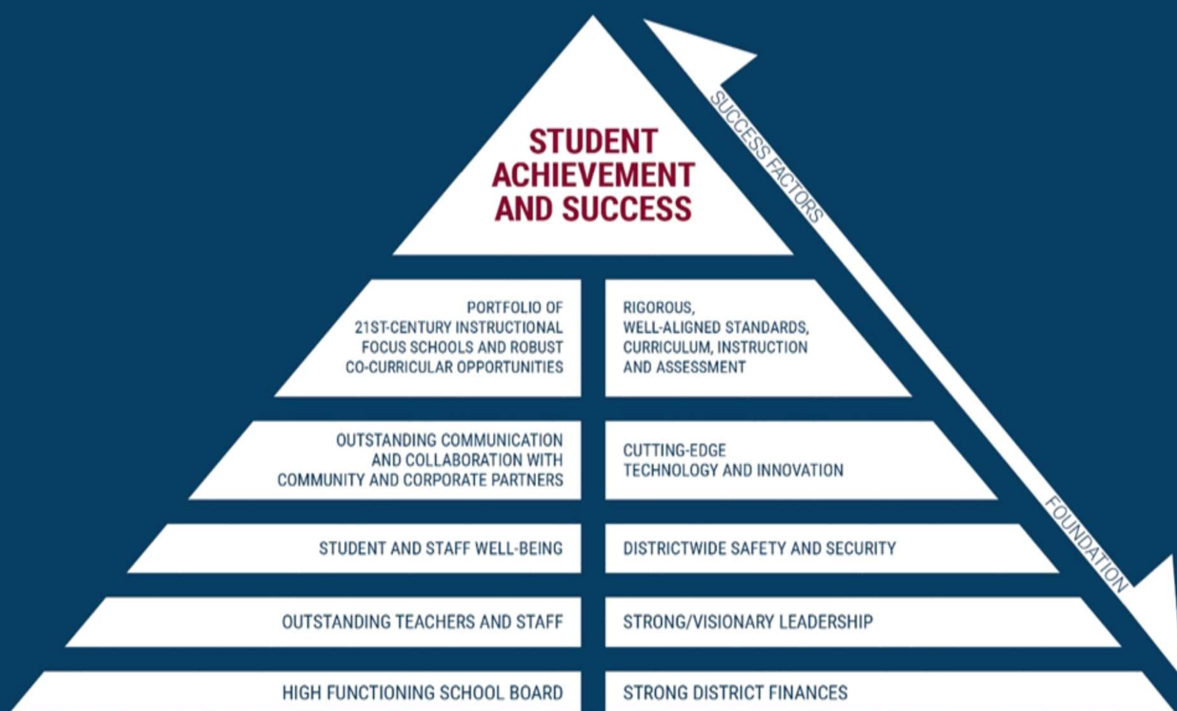
STRATEGIC PRIORITIES FOR STUDENT ACHIEVEMENT AND SUCCESS



ST. VRAIN VALLEY SCHOOLS
academic excellence by design

The Certificate of Excellence in Financial Reporting
is presented to

St. Vrain Valley School District RE-1J

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.

John W. Hutchison
President

Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

St. Vrain Valley School District RE-1J
Colorado

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

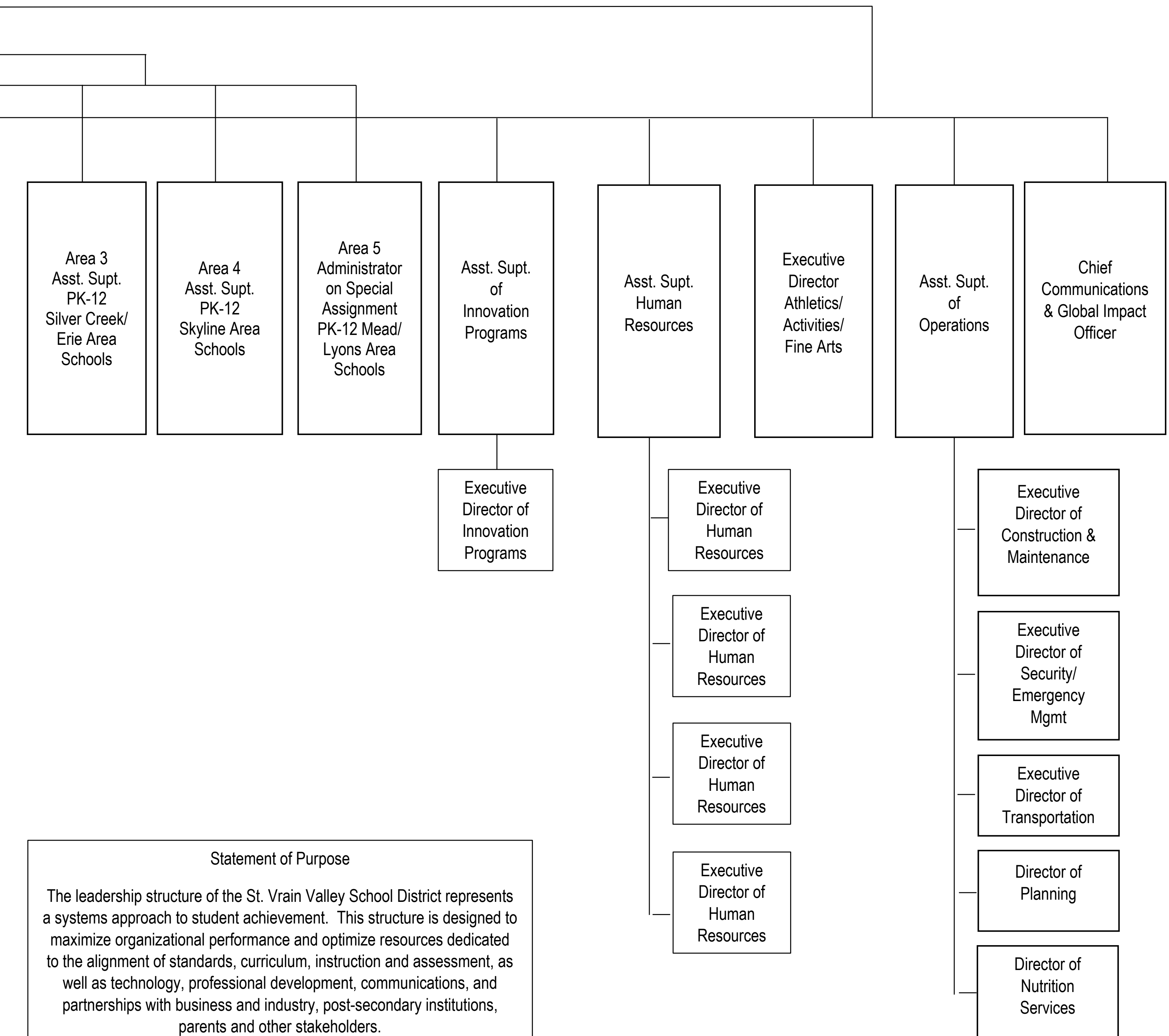
Executive Director/CEO

ST. VRAIN VALLEY SCHOOLS
academic excellence by design

- St. Vrain Valley School's Community
  - Board of Education
    - Superintendent
      - Deputy Superintendent
      - Chief Financial Officer
        - Executive Director Budget & Finance
          - Purchasing Director
      - Executive Director Legal/ Gov. Affairs/ P-TECH
      - Legal Counsel
      - Asst. Supt. Priority Programming & Academic Support PK-12
        - Executive Director Special Education PK-12
      - Asst. Supt. Student Services PK-12
        - Executive Director Community Engagement
      - Executive Director of Advancement & Strategic Partnerships
      - Chief Technology Officer
        - Executive Director of Learning & Business Systems
      - Asst. Supt. Assessment/ Curriculum/ Instruction PK-12
        - Executive Director Assessment PK-12
      - Area 1 Asst. Supt. PK-12 Frederick Area Schools
      - Area 2 Asst. Supt. PK-12 Longmont/ Niwot Area Schools

Revised: September 28, 2022

St. Vrain Valley School's Administrative Organizational Chart



Statement of Purpose

The leadership structure of the St. Vrain Valley School District represents a systems approach to student achievement. This structure is designed to maximize organizational performance and optimize resources dedicated to the alignment of standards, curriculum, instruction and assessment, as well as technology, professional development, communications, and partnerships with business and industry, post-secondary institutions, parents and other stakeholders.

St. Vrain Valley School District RE-1J

As of June 30, 2023

Elected Officials

Board Member	Term of Office
District A, Joie Siegrist, Vice President	2/12 - 11/23 (Appointed 2/12)
District B, Karen Ragland, President	11/17 - 11/25
District C, Jim Berthold, Secretary	11/19 - 11/23
District D, Meosha Brooks, Member	11/21 - 11/25
District E, Dr. Richard Martyr, Treasurer	11/15 - 11/23
District F, Sarah Hurianek, Member	11/21 - 11/25
District G, Chico Garcia, Member	1/19 - 11/23 (Appointed 1/19)

Appointed Officials

District Leadership

Don Haddad, Ed.D. .... Superintendent

Superintendent's Cabinet

Jackie Kapushion, Ed.D.	Deputy Superintendent
Douglas Bissonette	Area 1 Assistant Superintendent PK-12
Kristopher Schuh	Area 2 Assistant Superintendent PK-12
Dina Perfetti-Deany, Ed.D.	Area 3 Assistant Superintendent PK-12
Karla Allenback	Area 4 Assistant Superintendent PK-12
Matt Buchler	Area 5 Administrator on Special Assignment
Greg Fieth	Chief Financial Officer
Diane Lauer, Ed.D.	Asst Supt of Priority Programs & Academic Support
Johnny Terrell	Assistant Superintendent of Student Services
Michelle Bourgeois	Chief Technology Officer
Kahle Charles	Asst Supt of Assessment, Curriculum & Instruction
Joe McBreen	Assistant Superintendent of Innovative Programs
Todd Fukai	Assistant Superintendent of Human Resources
Brian Lamer	Assistant Superintendent of Operations
Kerri McDermid	Chief Communications & Global Impact Officer

FINANCIAL SECTION

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Education
St. Vrain Valley School District RE-1J
Longmont, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of St. Vrain Valley School District RE-1J, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise St. Vrain Valley School District RE-1J's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of St. Vrain Valley School District RE-1J, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Aspen Ridge Preparatory School, Flagstaff Academy, Firestone Charter Academy, St. Vrain Community Montessori School, or Twin Peaks Charter Academy, which are reported as and represent 90 percent, 90 percent, and 92 percent, respectively, of the assets and deferred outflows of resources, net position, and revenues percent of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of St. Vrain Valley School District RE-1J and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about St. Vrain Valley School District RE-1J's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of St. Vrain Valley School District RE-1J's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about St. Vrain Valley School District RE-1J's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Vrain Valley School District RE-1J's basic financial statements. The combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Board of Education
St. Vrain Valley School District

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2023, on our consideration of St. Vrain Valley School District RE-1J's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of St. Vrain Valley School District RE-1J's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering St. Vrain Valley School District RE-1J's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
November 10, 2023

As management of the St. Vrain Valley School District RE-1J, Colorado (the District), we offer readers of the District's Annual Comprehensive Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that can be found in the letter of transmittal and the financial statements of the District.

Financial Highlights

- The District reported a net position of $15.9 million at June 30, 2023, compared to the prior year's deficit net position of $57.2 million. The positive change is primarily due to the increase in assessed valuations and the related property tax collections.

- Total net position of the District increased $73.0 million during the year ended June 30, 2023, in spite of the increase in the net pension liability, a reporting requirement in accordance with Governmental Accounting Standards Board's (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 No. 68.* The net changes of the varying components – such as deferred outflows and inflows of resources – of the pension under GASB Statements No. 68 as well as those under Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB),* exceeded the net increase of the District's proportionate shares of pension and OPEB liabilities. The combined pension and OPEB liabilities were $547.6 million compared to prior year's $405.8 million, an increase of $141.8 million.

- Fund balance of the District's governmental funds increased from an ending fund balance of $306.8 million at June 30, 2022 to $335.0 million for fiscal year ended June 30, 2023. The increase is primarily due to improved investment earnings, the increase in tax increment financing (TIF) from urban renewal authorities, and the supplemental funding from pandemic-related relief resources.

- During the current year, the fund balance in the District's *General Fund* increased by $6.0 million leaving an ending fund balance of $174.2 million. Despite a planned spenddown of fund balance, the increase is primarily due to the outperformance of the budget, attributed to increased revenues mentioned above. A cost savings of salaries was nearly offset by increased benefits, due to the District recognizing its share of the State's on-behalf "catch up" payment to the Colorado pension plan. Federal pandemic relief funding of nearly $5 million offset expenditures including personnel; technology; air quality systems; and, cleaning services and supplies.

- The District's numerous construction projects and major renovations at several school sites – including classroom additions, a fieldhouse addition, safety upgrades, and building improvements – to provide its growing student population with rigorous academics and competitive programs in safe and innovative environments that foster learning and student development.

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements presented on pages 23-82 are comprised of three components: 1.) Government-wide financial statements, 2.) Fund financial statements, and 3.) Notes to financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader of the District's Annual Comprehensive Financial Report a broad overview of the financial activities in a manner similar to a private sector business. The government-wide financial statements include the statement of net position and the statement of activities.

The statement of net position presents information about all of the District's assets, liabilities, and deferred outflows/inflows. The difference between assets plus deferred outflows and liabilities plus deferred inflows is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the net position of the District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flow may be recorded in a future or past period.

The government-wide financial statements distinguish functions of the District that are supported from taxes and intergovernmental revenues (governmental activities) and other functions that are intended to recover all or most of their costs from user fees and charges (business-type activities). Governmental activities consolidate governmental funds including the *General Fund, Bond Redemption Fund, Building Fund,* nonmajor capital projects and special revenue funds, and an internal service fund. The District has no business-types activities.

Also presented on the government-wide financial statements are component units, representing the District's six charter schools. The charter schools are legally separate entities with their own appointed independent governing boards. They are financially dependent on the District for most of their funding, and their applications and budgets must be approved by the District. In addition, because of their potential to provide financial benefit to, or impose financial burden on, the District, accounting principles prescribe a discrete presentation of the component units, meaning separate presentation from the primary government. The government-wide financial statements can be found on pages 23-25 of this report.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements for the District include three fund types. The fund types presented here are governmental, proprietary, and fiduciary.

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The District maintains nine different governmental funds. The major funds as of June 30, 2023 are the *General Fund*, the *Bond Redemption Fund*, and the *Building Fund*. They are presented separately in the fund financial statements with the remaining governmental funds combined into a single aggregated presentation labeled Nonmajor Governmental Funds. Individual fund information for the nonmajor funds is presented as other supplemental information elsewhere in this document. The basic governmental fund financial statements can be found on pages 26-29 of this report.

The District maintained one type of proprietary fund, an internal service fund. Internal service funds are used to accumulate and allocate costs internally among the governmental functions. The District has one internal service fund, the *Self Insurance Fund*, which is used to account for specific medical and dental plans. The basic proprietary fund financial statements are presented on pages 30-32 of this report.

Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District has no fiduciary funds.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found on pages 33-82 of this report.

Other Information

The District adopts an annual appropriated budget for each of the governmental funds. A budgetary comparison schedule for the *General Fund* is included as required supplementary information (RSI) in the financial statements to demonstrate compliance with the adopted budget. Also included in the RSI are the required schedules resulting in the implementation of GASB Statements No. 68 and No. 75. The RSI can be found on pages 83-92. The remaining governmental funds budgetary comparisons are reported as other supplemental information. Combining and individual fund statements and schedules can be found on pages 93-115 of this report.

Government-wide Financial Analysis

The assets of the District are composed of current assets, other noncurrent assets, and capital assets. Cash and investments, receivables, prepaid items, deposits, and inventories are current assets. These assets are available to provide resources for the near-term operations of the District. Ninety percent of the current assets are cash and investments.

Other noncurrent assets include restricted cash and investments. In addition, capital assets are used in the operations of the District. These assets are land, buildings, equipment, right-to-use lease assets, and subscriptions. Capital assets are discussed in greater detail in the section titled, *Capital Assets and Debt Administration,* later in this analysis.

For refunding of debt resulting in defeasance, deferred outflows of resources are the differences where the net carrying value of the old debt is less than the reacquisition price.

Current and noncurrent liabilities are determined based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts and intergovernmental payables, retainage payable, accrued salaries and benefits, payroll withholdings, claims payable, unearned revenues, and current debt- and financing-related obligations. The liquidation of current liabilities is anticipated to be either from current available resources, current assets, or new resources that become available during fiscal year 2024.

Long-term liabilities, such as financing and long-term debt obligations as well as compensated absences, will be liquidated from resources that will become available after fiscal year 2024. Also included in longer term liabilities are the District's proportionate shares of the pension and OPEB liabilities (which are not considered long-term debt but, rather, reporting obligations). Although multiple participating employers are required to report their proportionate shares of these liabilities, Senate Bill 18-200 was enacted in June 2018, restructuring contributions, benefits, and future eligibility requirements which, thereby, will restore the full funding of these plans within 30 years. Also, beginning July 2018, the State of Colorado is required to make annual direct on-behalf payments to the state retirement system. In accordance with accounting principles generally accepted in the United States of America (US GAAP), the District not only recognizes the State's proportionate share of the pension liability associated with the District at the government-wide level, but also recognizes its share of the State's required payment as revenue and expenditures at the fund level.

Due to the implementation of GASB Statements No. 68 and No. 75, deferred outflows of resources and deferred inflows of resources 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 pension and OPEB liabilities, changes of assumptions, as well as contributions made by the District to Colorado Public Employees' Retirement Association's (PERA) after PERA's measurement date.

As of June 30, 2023, the assets plus deferred outflows exceeded liabilities plus deferred inflows of the primary government's governmental activities by $15.9 million, with an unrestricted deficit net position of $303.0 million. For two of the last eleven fiscal years, the District reported positive balances in all three categories of net position. In nine consecutive fiscal years, however – including the current fiscal year – due to the implementation of GASB Statements No. 68 and No. 75, the District has reported a negative unrestricted net position.

Major renovations, additional classrooms, and safety upgrades, as well as the inclusion of right-to-use assets and subscriptions, contributed to the $39.2 million increase in "net investment in capital assets" – from $123.2 million to $162.4 million – for the primary government's governmental activities. The net decrease of related liabilities ($58.0 million, including the $12.7 million early payoff and $27.7 million maturities of debt) exceeded the decrease in capital assets ($8.5 million), decreased deferred outflow of resources related to debt ($1.3 million), and the decrease of *Building Fund's* cash and investments ($9.0 million). Refer to Note 5 (Capital Assets) and Note 7 (Non-Current Debt, Financing Obligations, and Other Liabilities) for detailed information.

Colorado Constitution, Article X, Section 20 (Taxpayer Bill of Rights (TABOR)) requires the District to establish reserves. The net position restricted for TABOR, as required by statute, increased $1.6 million to $13.9 million as of June 30, 2023. Net position restricted for debt service increased $27.9 million resulting in a total of $119.2 million.

The $86.0 million increase in liabilities (and related $120.7 million decrease in deferred inflows) is attributable to the District recognizing its increased proportionate share of a pension liability of $529.6 million offset by the early call and maturities of general obligation bonds. Refer to Note 7 (Non-Current Debt), Note 9 (Defined Benefit Pension Plan), and Note 10 (Defined Benefit OPEB Plan).

Table 1 provides a summary of the District's net position as of June 30, 2023 compared to June 30, 2022.

Table 1
Comparative Summary of Net Position
As of June 30, 2023 and 2022
(in Thousands)

	Governmental Activities		Total Dollar Change	Total Percentage Change
	2023	2022	2022 - 2023	2022 - 2023
Assets				
Current assets	$ 282,615	$ 279,392	$ 3,223	1.2%
Restricted cash and investments	119,806	92,880	26,926	29.0%
Capital assets	563,828	572,274	(8,446)	-1.5%
Total assets	966,249	944,546	21,703	2.3%
Deferred outflows of resources	134,631	118,161	16,470	13.9%
Liabilities				
Current liabilities	45,776	46,672	(896)	-1.9%
Long-term liabilities	418,358	473,323	(54,965)	-11.6%
Pension liability	529,558	387,072	142,486	36.8%
OPEB liability	18,046	18,727	(681)	-3.6%
Total liabilities	1,011,738	925,794	85,944	9.3%
Deferred inflows of resources	73,282	194,030	(120,748)	-62.2%
Net Position				
Net investment in capital assets	162,364	123,173	39,191	31.8%
Restricted for				
TABOR	13,873	12,307	1,566	12.7%
Debt service	119,176	91,313	27,863	30.5%
Contractual, federal grant obligations	6,641	6,500	141	2.2%
Colorado Preschool	774	658	116	17.6%
Other	16,006	14,782	1,224	8.3%
Unrestricted	(302,973)	(305,850)	2,877	0.9%
Total net position	$ 15,861	$ (57,117)	$ 72,978	127.8%

Government-wide Activities

Governmental activities increased the net position of the District $73.0 million during the year ended June 30, 2023. General revenues increased $67.0 million primarily due to the increase in assessed property values (AV), increase in tax increment financing (TIF) from urban renewal authorities, and improved investment earnings. Program revenues decreased $7.5 million overall primarily due to sunsetting pandemic relief dollars. As activities returned to pre-pandemic levels, charges for services increased $7.1 million. However, expenses – primarily due to the current year increase in pension expense, in addition to salaries and benefits, supplies, allocations to charter schools – outpaced prior year expenses by $179.4 million. Table 2 provides a summary of the District's change in net position for 2023 compared to 2022.

Table 2
Comparative Schedule of Changes in Net Position
For the Years Ended June 30, 2023 and 2022
(in Thousands)

	Governmental Activities		Total Dollar Change	Total Percentage Change
	2023	2022	2022 - 2023	2022 - 2023
Revenues				
Program revenues				
Charges for services	$24,285	$ 17,158	$ 7,127	41.5%
Grants & contributions				
Operating	55,877	68,881	(13,004)	-18.9%
Capital	2,198	3,821	(1,623)	-42.5%
General revenues				
Property, specific ownership, and mill levy override taxes	303,162	246,738	56,424	22.9%
State equalization	154,374	162,874	(8,500)	-5.2%
Other	30,588	11,715	18,873	161.1%
Total revenues	570,484	511,187	59,297	11.6%
Expenses				
Instruction	290,090	138,733	151,357	109.1%
Supporting services	190,724	161,236	29,488	18.3%
Interest expense	16,692	18,093	(1,401)	-7.7%
Total expenses	497,506	318,062	179,444	56.4%
Increase (decrease) in net position	72,978	193,125	(120,147)	-62.2%
Net position - 7/1	(57,117)	(250,242)	193,125	77.2%
Net position - 6/30	$15,861	$(57,117)	$ 72,978	127.8%

The governmental activities' total assets increased by $21.7 million and deferred outflows of resources increased $16.5 million attributed to the following elements:

Table 3
Comparative Schedule of Assets & Deferred Outflows of Resources
of Governmental Activities
As of June 30, 2023 and 2022

	2023	2022	Increase (Decrease)
Cash and investments	$ 374,634,908	$ 332,086,888	$ 42,548,020
Cash with fiscal agent	1,592,867	3,956,644	(2,363,777)
Accounts receivable	5,194,827	3,393,981	1,800,846
Due from component units	212,681	295,031	(82,350)
Grants receivable	8,862,338	20,378,669	(11,516,331)
Lease receivable	233,219	340,028	(106,809)
Taxes receivable, net	8,752,866	8,793,063	(40,197)
Prepaid items	425,611	796,083	(370,472)
Deposits	11,115	42,857	(31,742)
Inventories	2,501,262	2,188,739	312,523
Capital assets			-
Non-depreciable	30,411,590	24,392,591	6,018,999
Depreciable, net	533,415,940	547,881,281	(14,465,341)
Total assets	$ 966,249,224	$ 944,545,855	$ 21,703,369
Deferred outflows of resources			
Related to debt	$ 5,957,543	$ 7,216,045	$ (1,258,502)
Related to pension	124,878,177	108,268,939	16,609,238
Related to OPEB	3,795,728	2,675,992	1,119,736
Total deferred outflows	$ 134,631,448	$ 118,160,976	$ 16,470,472

The $42.5 million increase in cash and investments (which includes unrestricted and restricted cash and investments) is primarily due to the cash inflow from net revenues. The $2.4 million decrease in cash with fiscal agent is due to decreased property taxes collected by the county treasurers during June.

The $1.8 million increase in accounts receivable is primarily due to the increased tax abatement revenues from local urban renewal authorities received after June. The $82 thousand decrease of due from component units is based on timing of receipts for services provided. The $11.5 million decrease in grant activity is primarily due to sunsetting federal pandemic relief funds and requests of those approved dollars after June. As a result, the District adopted another one-year policy change to extend the period from 60- to 120-days after fiscal year end for federal grant revenue recognition. The $107 thousand decrease in lease receivable relates to the recognition of lease revenue, per GASB 87, *Leases*, as a lessor. Taxes receivable, net of estimated uncollectible taxes, decreased $40 thousand, due to comparable collections despite increased assessed property values. The $371 thousand decrease in prepaid items is primarily the result of prior year purchases of software prior to the commencement of licensing terms. The $32 thousand decrease in deposits relates to the timing of up-front funding for near-term transactions. The $313 thousand increase in inventories is primarily due to the expansion of Nutrition Services commodities inventory, which helped address the supply chain crisis. The $6.0 million increase in non-depreciable capital assets reflects the purchase of land to address future school site needs. Depreciable capital assets decreased $14.5 million primarily due to slowing of capitalized construction projects during the year as bond proceeds are nearing exhaustion.

Deferred outflows of resources are due to two factors: debt defeasance and the pension and OPEB liabilities. The $1.3 million decrease is the current year amortization, on an effective interest method, related to debt. The difference between expected and actual experience, changes in assumptions, the net difference between projected and actual earnings on pension and OPEB plan investments, changes in proportion and differences between contributions recognized and proportionate share of contributions, as well as contributions made by the District after the plan's measurement date, resulted in the combined net increase of deferred outflows of $17.7 million.

The governmental activities' total liabilities increased by $86.0 million and deferred inflows of resources decreased $120.7 million as follows:

Table 4
Comparative Schedule of Liabilities & Deferred Inflows of Resources of Governmental Activities
As of June 30, 2023 and 2022

	2023	2022	Increase (Decrease)
Accounts payable	$ 9,992,818	$ 10,427,627	$ (434,809)
Due to component units	329,666	1,392,078	(1,062,412)
Intergovernmental payable	285,674	292,082	(6,408)
Retainage payable	486,434	673,412	(186,978)
Other current liabilities	43,638	-	43,638
Accrued salaries, benefits withholdings	29,879,795	27,259,941	2,619,854
Accrued interest payable	756,594	848,260	(91,666)
Claims payable	3,293,477	3,459,860	(166,383)
Unearned revenues	708,011	2,318,975	(1,610,964)
Noncurrent liabilities			
Due within one year	17,056,459	43,316,938	(26,260,479)
Due in more than one year	401,301,812	430,005,556	(28,703,744)
Net pension liability	529,557,843	387,072,180	142,485,663
OPEB liability	18,045,753	18,726,677	(680,924)
Total liabilities	$ 1,011,737,974	$ 925,793,586	$ 85,944,388
Deferred inflows of resources			
Related to leases	$ 254,679	$ 359,373	$ (104,694)
Related to pension	66,650,197	187,027,263	(120,377,066)
Related to OPEB	6,376,815	6,643,238	(266,423)
Total deferred inflows	$ 73,281,691	$ 194,029,874	$ (120,748,183)

Accounts payable combined with retainage payable decreased $622 thousand million, primarily due to the continuing spend down of 2016 voter approved bond proceeds for community-wide improvements and capital construction projects. Amounts due to component units decreased $1.1 million as pandemic relief reimbursements for allowable costs incurred by the charter schools before fiscal year end, but not yet reimbursed by the District (the fiscal agent), are sunsetting. The $6 thousand decrease in intergovernmental payable relates to the amounts owed to partner school districts for allowable Expanded Learning Opportunities (ELO) expenditures incurred, but not paid, before fiscal year end. Other current liabilities of $44 thousand is a current year deposit payable. Accrued salaries, benefits, and payroll withholdings increased $2.6 million, primarily due to increased wages and number of employees. The $92 thousand decrease in accrued interest reflects the decreased bond interest due by the District because of the pay down of debt. The $166 thousand decrease in claims payable is due to similar levels in workers' compensation, medical, and dental claim costs. Refer to Note 8 (Risk Financing). The $1.6 million decrease in unearned revenues is primarily due to recognition of Connecting Colorado Students grant activities in the current year that were previously delayed. The net decrease of $55.0 million in noncurrent liabilities due within one year and due in more than one year are primarily due to the early call, maturities, and payments of bonds as well as financing obligations, in addition to the amortization of the deferred bond premium. Refer to Note 7 (Non-Current Debt, Financing Obligations, and Other Liabilities). The combined net decrease of $141.8 million in pension and OPEB liabilities is due to recognizing the District's declining proportionate share of the pension and OPEB liabilities. Refer to Note 9 (Defined Benefit Pension Plan) and Note 10 (Defined Benefit Other Post Employment Benefit (OPEB)).

Deferred inflows of resources related to leases $105 thousand increase are the result of GASB 87 lessor current year revenue recognition. Deferred inflows of resources related to pensions and OPEBs net decrease of $120.6 million are primarily due to the changes in assumptions or other inputs under GASB Statements No. 68 and No. 75.

The primary source of operating revenue for school districts comes from the School Finance Act of 1994 (SFA). Under the SFA, after the budget stabilization 'negative' factor was applied and CDE's administrative fee was withheld, the District received $9,400 per funded pupil. For the fiscal year ended June 30, 2023, the funded pupil count was 31,269.2, an increase of 0.64% from the prior fiscal year. Funding for the SFA comes from real estate property taxes, specific ownership personal property tax, and state equalization. For fiscal year 2023, SFA per pupil funding increased by $580 per student.

The statement of activities shows the cost of program services and the charges for services, grants, and contributions offsetting those services. Table 5 shows the total cost of services and the net cost of services for governmental activities.

Table 5
Comparative Schedule of Governmental Activities
For the Years Ended June 30, 2023 and 2022
(in Thousands)

	Total Cost of Services		Net Cost of Services	
	2023	2022	2023	2022
Instruction	$ 290,091	$ 138,733	$ 232,466	$ 79,378
Supporting services	190,724	161,236	165,989	130,731
Interest expense	16,692	18,093	16,692	18,093
	$ 497,507	$ 318,062	$ 415,147	$ 228,202

Key elements of the governmental activities are as follows:

- The cost of all governmental activities this year was $497.5 million compared to $318.1 million last year. Interest expense decreased by $1.4 million due to the amortization of the bond interest premiums on an effective interest method.

- About $24.3 million of the cost of services was financed by the users of the District's programs in the form of charges for services, an increase of $7.1 million from 2022. The increase is primarily due to returning to pre-pandemic levels of activity for tuition and fee-based programs as well as student activities.

- The federal and state governments subsidized certain programs with grants and contributions in the amount of $58.1 million, a decrease of $14.6 million from fiscal year 2022. The decline in federal pandemic relief funding – dollars that are sunsetting – contributed to the decrease.

- The majority of the District's net cost of services, $415.1 million, was financed by State and District taxpayers.

- General revenues accounted for $488.1 million in revenue, which was 85.6% of all revenues. Program specific revenues in the form of charges for services and sales, grants, and contributions, accounted for $82.4 million or 14.4% of total revenues of $570.5 million. These percentages reflect a shift of 3.1% of total revenue from program specific to general revenues.

- The one-year policy change related to federal pandemic relief revenue recognition, the net effects of all the variable components of the pension and OPEB liabilities, and the outperformance in the areas of revenues, salaries, and supplies contributed to the increase of net position for governmental activities.

Financial Analysis of the District's Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus on the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported a combined ending fund balance of $335.0 million, an increase from the prior year's ending balance of $306.8 million. As noted earlier, the fund balance increase was primarily due to increased general revenues (from increased assessed property values, improved investment earnings, and increased tax increment financing (TIF) from urban renewal authorities), and the increase in charges for services, which together outpaced the increased expenditures.

Among major funds, the *General Fund* is the chief operating fund of the District. The *General Fund* had $421.0 million in revenues, $418.4 million in expenditures, and $3.3 million net other financing uses. The *General Fund*'s fund balance increased $6.0 million to $174.2 million. The increase is partly due to the District's conservative budgeting and outperformance. Property tax collections continued as normal, investment earnings improved, and the District realized increased tax abatement revenues from urban renewal authorities located in the District boundaries. Student programs and activities returned to pre-pandemic levels. An early child care and development grant and the State's on-behalf "catch up" PERA payment also contributed to the overall increased revenues. A few factors resulted in expenditures being lower than budgeted. Not all job vacancies were filled, purchases of curriculum were delayed, and claims were lower than anticipated. Staffing challenges in the areas of transportation and custodial caused some services to be out-sourced. The summer Project Launch program – suspended in 2020 and reintroduced in 2021 – was an ideal strategy to continue to address the lost learning, an initiative of the ESSER III federally funded program.

Significant differences between the *General Fund*'s adopted and amended budgets are due to the following:

- $19.8 million increase and $11.5 million increase in property taxes and mill levy override, respectively, due to increase assessed valuations;
- $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;
- $3.0 million increase in federal pandemic relief funding due to the increased support for summer programming to address learning loss;
- $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.

The fund balance of the *Bond Redemption Fund* had an increase of $27.6 million, resulting in a balance of $118.8 million as of June 30, 2023. Increased assessed values of property taxes, improved investment earnings, and larger than anticipated tax abatement revenues from local urban renewal authorities contributed to the increase as well as the board-approved early call of 2012 series general obligation bonds. The *Bond Redemption Fund* has adequate resources accumulated to make the December 2023 principal and interest payments. The mill levy to accumulate resources for the June 2024 interest payment will be certified in December 2023.

The *Building Fund* record the proceeds, interest revenue, and corresponding construction expenditures for bonds. The fund balance decreased $6.9 million due to the completion of capital construction projects. Projects included major renovations, additional classrooms, safety upgrades, and HVAC improvements.

Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2023 is $563.8 million (net of accumulated depreciation and amortization). Capital assets include land and improvements, buildings and improvements, water rights, projects in progress, and equipment as well as right-to-use assets, including subscriptions. The District's investment in capital assets, net of accumulated depreciation, decreased for the current fiscal year by $8.4 million as bond proceeds were spent down and projects were completed and amortized. Major capital events during the year included major renovations, additional classrooms and learning spaces, safety upgrades, and HVAC improvements. Table 6 shows fiscal year 2023 capital assets compared to 2022.

Table 6
Comparative Schedule of Capital Assets
As of June 30, 2023 and 2022
(Net of Deprecation/Amortization, in Thousands)

	Governmental Activities		Total Dollar Change	Total Percentage Change
	2023	2022	2022 - 2023	2022 - 2023
Land	$ 25,521	$ 19,420	$ 6,101	31.4%
Water rights	1,091	1,091	-	0.0%
Projects in progress	3,800	3,882	(82)	-2.1%
Land improvements	11,538	11,496	42	0.4%
Buildings	309,470	317,336	(7,866)	-2.5%
Building improvements	174,129	186,808	(12,679)	-6.8%
Leasehold improvements	1,057	1,454	(397)	-27.3%
Equipment	32,937	28,173	4,764	16.9%
Lease assets	4,285	2,613	1,672	64.0%
Total	$ 563,828	$ 572,273	$ (8,445)	-1.5%

Due to the July 1, 2022 implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, the District recognized software subscriptions and digital licenses. These SBITAs are included in Table 6 above.

Additional information on the District's total capital assets can be found in Note 5 beginning on page 48.

Debt Administration. The District was assigned an underlying rating of AA+ from Standard & Poor's Financial Services, Aa2 as a bond issuer from Moody's Investors Service, and Aa1 from Moody's for its general obligation refunding bond issues as of January 2021. The custodian and paying agent for all of the District's bond debt is UMB Bank in Denver, Colorado. Total non-current debt outstanding and other financing obligations as of June 30, 2023 as compared to June 30, 2022 are shown in Table 7. State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was $992 million and the legal debt margin was $608 million.

Table 7
Comparative Schedule of Non-Current Debt & Financing Obligations
As of June 30, 2023 and 2022
(in Thousands)

	2023	2022	Increase (Decrease)
General obligation bonds	$ 384,060	$ 433,555	$ (49,495)
Deferred bond premium	21,555	25,605	(4,050)
Lease purchases	1,987	4,666	(2,679)
Building lease	1,227	1,581	(354)
Equipment leases	877	1,087	(210)
Subscriptions	1,004	-	1,004
Benefits payable	7,648	6,828	820
Total assets	$ 418,358	$ 473,322	$ (54,964)

Additional information on the District's total bonded debt can be found in Note 7 beginning on page 51 of this report.

Factors Bearing on the District's Future

The District continues to receive strong community support. It has strong ties to the municipalities, businesses, and industry. In November 2008, the Board referred ballot questions to District voters for both a mill levy override (MLO) increase of $16.5 million and a capital construction bond issue of $189 million. The voters approved both measures by a strong margin. The additional MLO funding came at the time of the country's Great Recession. The 2008 bond revenues were efficiently managed to accomplish the stated improvements and additions, as well as provide additional renovations to District facilities.

In November 2012, the Board referred a $14.8 million mill levy override ballot question to District voters. This override helped the District continue the gains realized from the 2008 MLO and avoid large class size increases and program cuts despite cuts in state per pupil funding since 2010. The voters approved the 2012 MLO measure by a strong margin notwithstanding the fact that the economy was just coming out of a multiyear recession.

The two mill levy overrides are fixed mills so the revenues grow as assessed valuation increases. In addition, the mill levy overrides do not sunset. These mill levy overrides are projected to generate about $85.25 million in fiscal year 2023-2024. This amounts to about $2,773 per student.

With significant growth occurring within the District, facility capacity once again became a priority. The Board of Education, based on recommendations by the Superintendent and a community task force, approved putting a $260.34 million capital construction bond question on the November 2016 election ballot. Voters once again showed their support by passing the measure. Approximately 69% of these funds will go toward providing additional classroom space with the remaining 31% of the funds addressing school safety and security upgrades as well as repairs and renovations to existing school facilities. In December of 2016, the District issued an initial $200 million of general obligation debt pursuant to the 2016 authorization, and realized another $23.6 million in premium. Based on the District's current spend down plan on the 2016 constructions projects, and the need for additional funding, the District sold the remaining $60.34 million on September 19, 2018. The 2018 sale was for a 5-year bond maturity, shortened from what was initially planned to be a 14-year schedule. The Series 2018 bonds carried yields of 1.72% to 2.21% which, combined with the rates locked in at the time of the sale of the initial $200 million in December 2016, provided a net interest cost of 3.57% for the full issue. The final piece of the 2016 bond authorization has been sold and, compared to the ballot numbers that voters approved, the total amount of principal and interest to be repaid on these bonds is over $21 million less than voters approved in 2016.

In 2015, the District was one of four in the state to apply for and receive approval to provide a P-TECH (Pathways in Technology) program. The initial program allows Skyline High School students the opportunity to take college coursework and achieve an associate's degree in a Computer Information Systems discipline. There is no cost to the student and they can earn up to 62 college credits through the program. The District has subsequently added a P-TECH program at Frederick High School for students to achieve an associate's degree in Biomedical Sciences and a Cybersecurity P-TECH program at Silver Creek High School. The District is opening its fourth P-TECH program at Longmont High School in Business for the 2023-24 school year.

In addition, the District also added a P-TEACH program. This program is designed to provide post-secondary opportunities to students who are interested in a career in the education field. The coursework is designed to introduce students to the teaching profession both in the classroom and through internships. Many students in the first cohort of students have received their college degrees in Education with several returning to the District as teachers.

During the 2018-2019 school year, the District also implemented "Project Launch", a kindergarten through 2nd grade program designed to extend the school year for students who are not reading at grade level proficiency. The goals were to provide targeted instructional during the month of June to increase proficiency, reduce the "summer slide" due to students not being in school, and begin the next school year at a better starting point. Early indications show the program has been successful, and the District planned to continue the program in the 2019-2020 school year. However, due to the pandemic, the summer program was temporarily suspended. In the 2020-2021 school year, Project Launch was reinstated for all students (K-12) to address learning loss caused by the COVID Pandemic. The results were significant, so the District continued Project Launch, leveraging federal relief funding to support the program in the summer of 2022. For the summer of 2023, Project Launch continued to leverage federal relief funding, but also was funded by local and county grants as well as the General Fund. The District is planning to continue the program in the summer of 2024, relying more on the General Fund and less on grant funding.

Since fiscal year 2013, enrollment growth has averaged 326 students per year with an annual average growth rate of 1.08%. This totals an increase of 3,257 students in the district over the past ten years. During this period, the district increased in enrollment every year except for fiscal year 2021, which saw an enrollment decrease as a result of the COVID-19 pandemic. Preliminary counts show a <1% decrease in enrollment for the 2023-24 year, but the Planning Department projects that enrollment will continue to increase by an average of approximately 245 students per year over the next four years, to 33,439 by the fall of 2027.

The District has provided increases in employee compensation for each of the 2005 through 2023 budget years. The mill levy overrides passed by the community, along with the operating efficiencies implemented by the District have improved the District's starting and average teacher salaries. The District and its Education Association agreed to a new salary schedule concept for certified personnel for the 2015-2016 fiscal year. The salary schedule increased the base salary, but also stabilized the cost of providing an experience step for teachers. The concept of the new salary schedule is to increase the base salary of a new teacher more quickly than the previous salary schedule. Beginning in the 2015-2016 school year, the starting base salary of $35,000 has increased annually to $57,000 for the 2023-2024 school year. In combination with test score improvements, national recognition, and a stable, supportive School Board, the District continues to receive a strong response of qualified applicants for open positions.

Strong administrative leadership, a stable and supportive School Board, the vibrant and growing District population, an emphasis on positive relationships with businesses and stakeholders, and conservative financial management have combined to make St. Vrain Valley Schools one of the top achieving Districts in Colorado. Evidence in support of this claim include John Irwin Schools of Excellence Awards for state's top 8% performing schools as well as numerous Governor's Distinguished Improvement Awards and Colorado Trailblazer 'Schools to Watch' Awards

To enhance learning opportunities for our students, the District started an in-District K-12 online school, an in-District 9-12 online school, and opened a homeschool program. For 2022-23, enrollment in these three programs is estimated to be 1,152 students. In addition, the District has applied for and received numerous grants and continues to actively seek grants and corporate sponsorships. In 2010, the District received a $3.6 million STEM grant, for at-risk students, under the 2010 Investing in Innovation Fund (i3) competition from the U.S. Department of Education. Out of 1,700 applicants, the District received the highest score nationwide on its application and was one of 49 chosen to receive grant funds. In November 2012, the District also received one of the first round of district Race to the Top grants from the federal government. This grant provided $16.5 million dollars over four years. It was developed to create and implement more STEM curricula into the lower socio-economic schools within the District. Those grants have ended but the District has developed and expanded a sustainability plan for key personnel and operations. Since 2018, the district has received over 150 competitive grants totaling more than $42.5 million to expand programs in many different schools and programs. For the majority of the grants, the district has continued to develop sustainability plans for successful aspects of the programs. The largest, recent award is the Opportunity Now grant through the Colorado Office of Economic Development and International Trade. The District was awarded $7.0 million to develop work-based learning programs and relevant career components as part of the educational experience of students within the district and some surrounding school districts.

Although Colorado's economic growth is one of the top in the nation, portions of the State constitution are in conflict. These conflicts have the potential to cause issues with the State budget, including funding to school districts. The State of Colorado's ability to increase revenues and provide additional funding to school districts is limited due to the Colorado constitution, article X, section 20 (TABOR). In contrast to that, article IX, section 17 (Amendment 23) guarantees that the base per-pupil funding for school districts will increase by at least the cost of inflation. The impact of these two articles, in addition to the State's increasing burden to fund health care, higher education, transportation, corrections, etc., often cause issues with Colorado's multiple competing priorities jostling for its limited resources.

The 1982 Gallagher Amendment limited increases in Colorado’s residential assessed values used to levy taxes for the District. This amendment required that the statewide share of residential assessed valuation be stabilized to generate 45% of statewide property tax revenues. Because residential property values increased faster than other categories, this was accomplished by reducing the residential assessment rate to achieve the required mix. Due to TABOR restrictions, however, this rate could not be increased when needed, causing a “ratcheting down” effect of the residential assessment rate. In addition, by fixing the residential percentage share of assessed valuation, an increasing proportion of taxes levied shifted to commercial and non-residential property owners relative to their property values. This amendment was repealed by Colorado voters in 2020, eliminating this artificial suppression of the residential assessment rate and arrested the increasing imbalance of the property tax burden. At that time, the residential assessment rate was 7.15%.

In 2021, SB21-293 was passed, temporarily reducing certain property tax assessment rates for the 2022 and 2023 property tax years. In addition, in 2022, SB22-238 made further temporary rate adjustments for the 2023 and 2024 tax years. The following table summarizes the anticipated property tax assessment rates through 2025:

	2021	2022	2023	2024	2025
Single Family Residential	7.150	6.950	6.765	6.922	7.150
Multi Family Residential	7.150	6.800	6.765	6.800	7.150
Oil & Gas	87.500	87.500	87.500	87.500	87.500
Agriculture/Energy Prod.	29.000	26.400	26.400	26.400	29.000
Other Non-residential	29.000	29.000	27.900	29.000	29.000

2024 Single Family Residential rate is an estimate acquired from the 22-238 fiscal note.
2024 rates also exempt the first $15,000 for residential, and $30,000 for certain other Non-residential properties.
2025 rates represent a return to "normal" with the expiration of temporary rate adjustments.

In 2023, State lawmakers put forward SB23-303, which, if approved by voters, reduces assessment rates further and for a longer period, in exchange for allowing the state to retain a larger amount of TABOR refunds. The following table summarizes the property tax assessment rates through 2033 if Proposition HH were to pass in November of 2023:

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033+
Single Family Residential	6.950	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	7.150
Multi Family Residential	6.800	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	6.700	7.150
Lodging and Impr. Commercial	29.000	27.850	27.850	27.850	27.850	27.650	27.650	26.900	26.900	26.900	26.900	29.000
Ag or Renewable Energy	26.400	26.400	26.400	26.400	26.400	26.400	26.400	26.400	26.400	26.400	26.400	29.000
Dual Use Ag and Renewable	26.400	26.400	21.900	21.900	21.900	21.900	21.900	21.900	21.900	21.900	21.900	21.900
Oil & Gas Production	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500	87.500
Other Comm., Vacant, Industry	29.000	27.850	27.850	27.850	27.850	27.650	27.650	26.900	26.900	26.900	26.900	26.900

Lodging and Improved Commercial properties receive an exemption of the first $30,000 of actual value in 2023.
Most Owner-Occupied Residential properties will receive an exemption of the first $50,000 of actual value in 2023, and $40,000 in years 2024-2032.
The above exemption is increased to $140,000 for Senior Owner Occupied Residences between 2025-2032.
Lodging and Commercial properties assessment rates may be decreased to 25.9% (instead of 26.9%) in 2031 and 2032 if a growth trigger is met.
2033 rates represent a return to "normal" with the expiration of temporary rate adjustments

In 2009, Dr. Don Haddad became the Superintendent of Schools. He has been recognized multiple times on the national level, including the 2013 National Superintendent of the Year award from the National Association of School Superintendents. He continues to develop strong relationships with business, industry, and community leaders throughout the District. He is united with his administration, staff, and the Board of Education in the mission and strategic priorities for the District.

Since 2008, the District has operated Leadership St. Vrain, a formal training program providing community members an opportunity to obtain a foundation in district operations, finances, and governance and to become more effective participants in school district affairs. Each cohort of Leadership St. Vrain has approximately 100 parents, guardians, and community members participating.

The Effects of the Pandemic

On March 13, 2020, the Superintendent signed a Declaration of Local Disaster Emergency due to the COVID-19 pandemic. The District employed remote learning from after Spring Break 2020 to the end of the school year.

Although the District already had a 1:1 device initiative for grades 6-12 in place prior to the pandemic, an order of 1,000 iPads was immediately approved to ensure that more students had access to a device for remote instruction.

As the pandemic continued to surge in the spring, district administration realized that remote instruction would likely continue into the next school year. Understanding that not all students had access to their own device, and that remote synchronous learning would be important to every student, the District placed additional iPad orders of 500 devices in March and 4,100 devices in June to ensure the District moved to a true 1:1 device initiative for all students, including preschool students. In addition to the iPads, the District went through a process to determine the best synchronous learning technology for its teaching staff. This included looking at specialized lenses for the teachers' iPads, a stand for the teachers' iPads, and microphones that allowed the teacher to speak and be heard effectively. The district solidified its synchronous remote learning technology, and placed orders for that equipment – far ahead of most districts. In addition, the District realized that some families and their students would want to return to their schools when it was reasonably safe to do so, other families would want to stay in remote learning for a longer period. To ensure students and families had options, the District performed an evaluation of on-line learning platforms and determined that the current on-line program in use was effective and could be adapted to a new platform that would include using current district teaching staff to provide instruction.

In May 2020, the District learned that it would receive approximately $15.75 million in CARES Act Coronavirus Relief Fund (CRF) funding and an additional $2.5 million in CARES Act Elementary and Secondary School Emergency Relief (ESSER I) funding. The CRF funding was required to be spent by December 30, 2020, with the ESSER I funding having a longer timeframe for expenses.

In June 2020, the state legislation enacted the fiscal year 2022 School Finance Act, and the District's per pupil revenue (PPR) was reduced by 4.11%, or nearly $10.7 million, a decrease of $340.79 per funded pupil. Another area that the legislation enacted was a waiver of the late interest fees on unpaid property taxes until October 1, 2020 (normally property taxes are due June 30 of each year). Due to this waiver, the District saw a very large unpaid portion of property taxes until October. In October, the District did receive the majority of the unpaid property taxes and only recorded a $4.6 million deferred inflows of unavailable property taxes. Although the District usually only recognizes payments through August 31, it was able to recognize all property taxes collected by the counties in September and received by the District prior to October 13, 2020 due to GASB guidance allowing school districts to adopt a one-year policy change for such recognition during extenuating circumstances.

The District began the 2020-21 school year in a remote learning environment and moved into a hybrid learning model on October 5, 2020. The hybrid model had students in their school two days a week, working remotely (synchronous and asynchronous) the remainder of the week. This was designed to encourage students to return to the physical classroom while maintaining social distancing guidelines. The District also offered LaunchED Virtual Academy, a full-time online instruction program for students and families who were reluctant to return to a physical classroom environment during this time. For the first half of the school year, enrollment in LaunchED approximated 3,500 students.

Due to an upsurge in COVID cases and the quarantine protocols required by the state and local public health officials, the District returned to remote learning between Thanksgiving Break and the Winter Break. Upon returning from Winter Break, the District was able to return to in-person learning four days per week with Friday being a synchronous/asynchronous learning day with teacher office hours to provide support to students who needed additional help. With masks mandated, the elementary schools went to in-person learning first with middle and high schools following shortly thereafter. The district was able to return to four day per week in person due to the fact that although it had 1,100 fewer students (due to the pandemic), the administration and school board had made a conscious decision to keep all employees and not reduce staff or programs even with the loss of student funding. This, combined with the large enrollment in LaunchED, allowed students to return to in-person learning while still maintaining small class sizes and social distancing requirements. The District continued this learning model throughout the remainder of the 2020-21 school year. The District was back to in-person learning five days a week during the 2021-22 school year.

COVID-19 had a definite financial impact on the 2020-21 school year, and it will continue to impact the District financially for years to come. The reduction of per pupil revenue impacted the total program revenue in the adopted budget (if enrollment would have been level with FY20) by $14.3 million. The decline in student funded pupil count would have impacted the total program revenue in the amended budget by an additional $8.6 million, except that the District was able to use the state's declining enrollment averaging methodology. This averaging methodology allowed the District to only see a reduction of $4.4 million in total programming in the amended budget. Also, because the state's economy recovered quicker than projections in June 2020, the state legislature was able to appropriate additional funding to school districts in the spring of 2021. This allowed the District to recognize an increase of $133 per funded pupil count (approximately $4.1 million) for fiscal year 2021. For fiscal year 2022, per pupil revenue increased significantly and was higher than pre-pandemic levels primarily due to Colorado's economic growth.

COVID-19 impacted the District's budget to actual financial performance in several ways. From a budget perspective, the district recognized savings compared to the budget primarily due to salaries, benefits, and supplies and materials. Although the District continued to pay all of its employees up to their normal assigned hours for the entire FY21 school year, significant savings were realized in salaries and benefits as non-essential positions that were open, or became open, were not filled. Many employees who were not needed in their normal position because of remote or hybrid learning modes were used in other areas to support district goals and programs. For example, transportation and nutrition services workers were used for additional sanitizing or full day child care for staff and parents. In addition, the District realized savings in other areas. Busses were not used every day, utility costs were reduced, and textbook adoptions were delayed. The District continued to outperform its budget in fiscal year 2022 with significant savings in salaries and benefits, federal relief offset costs, and URA TIF revenue.

In addition to the CRF and ESSER I funding the District was awarded in fiscal year 2020, subsequent awards in fiscal year 2021 for ESSER II and ESSER III has helped and continues to help the district address COVID- 19 expenses. ESSER II funding was awarded in the amount of $9.3 million, and ESSER III resulted in $20.8 million funding.

During the 2019-20 school year, the District spent approximately $1.7 million of the $15.75 million in CRF funds on facilitating distance learning, personal protection equipment (PPE), sanitization and cleaning, and salary and benefits for employees providing COVID-19 response duties. For the 2020-21 school year, the District spent the remaining $14 million in CRF funds on similar activities with the majority of the expenses being spent on facilitating distance learning (including technology, professional development, on-line costs) or returning to a physical classroom setting (including increased cleaning, instructional time and social distancing) with $800 thousand used to offset costs to provide full day child care to staff and parents and $1.5 million allocated to charter schools for responding to the pandemic. The District has worked well with charter schools to ensure that purchases are necessary, allocable and allowable under all of the federal relief funding requirements.

The majority of the $2.5 million in ESSER I funds were spent in the 2020-21 school year. ESSER I funds were spent primarily for on-line costs and an afterschool tutoring program, with $220 thousand allocated to charter schools. The remaining ESSER I funds were spent in the 2021-22 school year.

The majority of the $9.3 million in ESSER II funding were also spent in the 2020-21 school year. ESSER II funds were spent primarily for technology; increased instructional time; sanitization; COVID testing, nurses and epidemiologist services; with $800 thousand allocated to charter schools. The remaining ESSER II funds were spent in the 2021-22 school year.

Of the $20.8 million in ESSER III funding, $2.1 million has been allocated to the charter schools. The District spent approximately $5.4 million in the 2020-21 school year and $13.2 million in the 2021-22 school year. Expenditures were related to summer programming to address learning loss, social distancing, and on-line programs and support. The District proposed expenditures related to the remaining funds, posted those proposed expenditures to the website, held numerous stakeholder meetings, and solicited input and feedback from students, parents, staff, community members and other key stakeholders. The District reviewed the input and feedback and developed an on-going plan related to the use of ESSER III funding. This plan has been posted to the District's website. The remaining $2.2 million in ESSER III funds were expended in the 2022-23 school year. Those expenditures were primarily related to the District's after school tutoring program (AAA) to address learning loss, replacing ventilation systems that were impacted by needing to refresh air in schools during the pandemic, and charter school needs. At least 20% of the ESSER III funding must be used to address learning loss due to the pandemic. The actual expenditures for ESSER III to address learning loss through summer programming and after school tutoring was 31.77%.

For the 2023-24 fiscal year, the District has seen a large increase in per pupil revenue as the state's economy continues to grow and more funding is available. Initial indications are that the District will also recognize a slight decrease in total program revenues in Funded Pupil Count (FPC) as enrollment is slightly down from the 2022-23 fiscal year. The preliminary assessed valuations provided by the counties indicate a large increase in assessed valuation, primarily due to large property value increases in the reassessment year and oil and gas pricing and production in Weld County. The final assessed valuations are not certified until December 2023.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances, and to demonstrate the District's accountability for the money it receives and spends. If you have questions about this report or need additional information, please contact the Financial Services Department, St. Vrain Valley School District, 395 South Pratt Parkway, Longmont, Colorado 80501. Additional information is available at www.svvsd.org.

Additionally, readers may also wish to review separately issued audit reports of each of the component units to gather additional information related to the charter schools. Those requests should be made directly to the charter schools.

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	$ 19,957,610
Cash with fiscal agent	1,592,867	-
Accounts receivable	5,194,827	42,688
Due from component units	212,681	-
Due from primary government	-	329,666
Grants receivable	8,862,338	-
Lease receivable	233,219	-
Taxes receivable, net	8,752,866	-
Prepaid items	425,611	292,258
Deposits	11,115	141,523
Inventories	2,501,262	-
Restricted cash and investments for		
Bond Redemption Fund	115,787,941	-
Building Corporations	-	6,155,738
Self Insurance Fund	4,018,398	-
Capital assets,		
Non-depreciable	30,411,590	3,409,355
Depreciable, net	533,415,940	60,070,390
Total assets	966,249,224	90,399,228
Deferred outflows of resources		
Related to debt	5,957,543	3,446,081
Related to pension	124,878,177	10,229,318
Related to OPEB	3,795,728	366,641
Total deferred outflow of resources	134,631,448	14,042,040
Liabilities		
Accounts payable	9,992,818	341,918
Due to other funds	-	-
Due to component units	329,666	-
Due to primary government	-	212,681
Intergovernmental payable	285,674	-
Retainage payable	486,434	-
Other current liabilities	43,638	89,386
Accrued salaries and benefits	17,564,666	1,524,091
Payroll withholdings	12,315,129	-
Accrued interest payable	756,594	670,072
Claims payable	3,293,477	-
Unearned revenues	708,011	350,086
Noncurrent liabilities due within one year	17,056,459	1,648,905
Noncurrent liabilities due in more than a year		70,031,684
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	43,420,082
OPEB liability	18,045,753	1,479,469
Total liabilities	1,011,737,974	119,768,374
Deferred inflows of resources		
Related to leases	254,679	-
Related to pension	66,650,197	4,635,079
Related to OPEB	6,376,815	667,181
Total deferred inflow of resources	73,281,691	5,302,260
Net Position		
Net investment in capital assets	162,364,118	(3,229,584)
Restricted for		
TABOR	13,873,426	1,291,994
Debt service	119,175,716	3,680,102
Component units' capital projects	-	1,163,938
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)	(23,535,816)
Total net position	$ 15,861,007	$ (20,629,366)

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

		Program Revenues		
Functions / Programs	Expenses	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	$ 25,082,939	$ 2,466,750	$ 3,392,780	$ -
Supporting services	16,482,283	-	-	1,257,306
Interest expense	2,944,738	-	-	-
Total component units	$ 44,509,960	$ 2,466,750	$ 3,392,780	$ 1,257,306
			General Revenues	
			Property taxes	
			Specific ownership taxes	
			State equalization	
			Per pupil revenue	
			Mill levy override	
			Investment income	
			Other	
			Special item - insurance proceeds	
			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)	-
-	(19,223,409)
-	(15,224,977)
-	(2,944,738)
-	(37,393,124)
222,220,170	-
13,740,169	-
154,374,136	-
-	29,976,154
67,201,855	6,535,361
10,230,880	224,509
20,357,017	1,253,446
-	341,221
488,124,227	38,330,691
72,977,636	937,567
(57,116,629)	(21,566,933)
$ 15,861,007	$ (20,629,366)

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	2,615,743	1,934,383	-	210,243	4,760,369
Due from other funds	1,840,322	-	-	-	1,840,322
Due from component units	212,681	-	-	-	212,681
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 arrangements	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, 3 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: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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".

Governmental funds 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: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (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	$ 19,957,610
Cash with fiscal agent	1,592,867	-
Restricted cash and investments	119,806,339	6,155,738
Governmental actvities	$ 376,227,775	$ 26,113,348

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	$ 13,395,904
Cash with fiscal agent	1,592,867	-
Investments measured at net asset value	353,426,496	4,280,727
Investments measured at amortized cost	-	3,036,495
Investments measured at fair value	-	5,400,222
	$ 376,227,775	$ 26,113,348

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 $6,155,738 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), the Colorado Surplus Asset Fund Trust (CSAFE), and the Colorado Statewide Investment Program (CSIP), 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, www.csafe.org, and www.csipinvest.com.

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 $4,280,727 with COLOTRUST.

CSAFE and Colorado Statewide Investment Program (CSIP) are valued at amortized cost. The component units' investments measured at amortized cost include $2,153,954 with CSAFE, with a rating of AAAm, which conforms to C.R.S Section 24-75-601, as well as $882,541 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 $5,400,222 – 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 $212,681 due from component units represents the timing of receipts for services provided to the charter schools during the fiscal year. The $329,666 represents the reimbursement due to the charter schools for allowable federal pandemic relief expenditures incurred before fiscal year end.

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	111,227	(301,247)	212,600
Total non-depreciable assets	3,599,375	111,227	(301,247)	3,409,355
Depreciable assets				
Land improvements	-	-	-	-
Building	61,141,647	698,186	95,876	61,935,709
Leasehold improvements	5,822,251	146,816	(84,806)	5,884,261
Furniture & equipment	1,928,451	420,455	(81,696)	2,267,210
Right-to-use lease assets	310,010	8,627,967	-	8,937,977
Total depreciable assets	69,202,359	9,893,424	(70,626)	79,025,157
Less accumulated depreciation and amortization	16,275,980	2,678,787	-	18,954,767
Total depreciable/lease assets, net	52,926,379	7,214,637	(70,626)	60,070,390
Total capital and lease assets, net	$ 56,525,754	$ 7,325,864	$ (371,873)	$ 63,479,745

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	$ 1,524,091

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 June 30	GO Bonds 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

Revenue Bonds.

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 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. Proceeds of the bonds were used to purchase the Academy's 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 mature in March 2043. In August 2014, CECFA issued $21,990,000 of Charter School Refunding and Improvement Revenue 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.

Leases and Subscriptions.

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 $2,457 to $2,960 through July 2026. The total lease liability is $153,799 with a stated interest rate of 3.49%.

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

Component Units' Long-Term Liabilities (Continued)

Leases and Subscriptions (Continued)

On June 17, 2022, Carbon Valley Academy entered into a lease agreement for the school's building. The Academy is required to make monthly payments ranging from $24,169 to $62,019 through June 2047. The total lease liability is $8,552,183 with an escalated, imputed interest rate of 3.55%.

On August 25, 2022, Carbon Valley Academy entered into a lease agreement for two copiers. The Academy is required to make monthly payments of $1,340 through September 2027. The total lease liability is $75,784 with an imputed interest rate of 4.86%.

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 was $42,467 with an implied interest rate of 5%. The outstanding lease balance at June 30, 2023 is $17,203.

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 was $113,744 with an implied interest rate of 5%. The outstanding lease balance at June 30, 2023 is $84,791.

The component units evaluated existing subscription-based information technology arrangements and determined that no changes to their financial statements were necessary.

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	$ -	$ (800,000)	$ 50,295,000	$ 1,185,000
Refunding bonds	12,060,000	-	(275,000)	11,785,000	285,000
Premium	860,094	-	(48,806)	811,288	-
Right-to-use lease	269,458	8,627,967	(108,124)	8,789,301	178,905
Subtotal	64,284,552	8,627,967	(1,231,930)	71,680,589	1,648,905
Net pension liability	31,813,760	11,606,322	-	43,420,082	-
OPEB liability	1,539,161	7,890	(67,582)	1,479,469	-
Subtotal	33,352,921	11,614,212	(67,582)	44,899,551	-
Total long term liabilities	$ 97,637,473	$ 20,242,179	$ (1,299,512)	$ 116,580,140	$ 1,648,905

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

Component Units' Long-Term Liabilities (Continued)

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

Year ending	Bonds		Leases		
June 30	Principal	Interest	Principal	Interest	Total
2024	$ 1,470,000	$ 2,789,848	$ 178,905	$ 311,006	$ 4,749,759
2025	1,435,000	2,721,704	185,762	303,786	4,646,252
2026	1,500,000	2,652,120	203,151	296,353	4,651,624
2027	18,060,000	2,590,326	169,899	289,278	21,109,503
2028	1,330,000	1,770,485	175,244	282,952	3,558,681
2029-2033	7,755,000	7,715,071	1,141,270	1,305,720	17,917,061
2034-2038	9,890,000	5,580,891	1,713,257	1,055,286	18,239,434
2039-2043	12,755,000	3,146,852	2,442,241	690,110	19,034,203
2044-2047	7,885,000	584,108	2,579,572	220,173	11,268,853
	$ 62,080,000	$ 29,551,405	$ 8,789,301	$ 4,754,664	$ 105,175,370

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

NOTE 8: RISK FINANCING (Continued)

Risk Management Fund (Continued)

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.

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 $3,846,579 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:

Component Units' Proportionate Share of the Net Pension Liability	$ 43,420,082
State's Proportionate Share of the Net Pension Liability Associated with the Component Units	12,384,859
Total	$ 55,804,941

At December 31, 2022, the component units' proportion was a combined 0.23845% which was a net decrease of 0.03493% 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 $3,573459 and revenue of $1,148,505 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 414,133	$ -
Changes of Assumptions or other Inputs	769,111	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	5,832,918	-
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	1,225,528	4,635,079
Contributions Subsequent to the Measurement Date	1,987,628	-
Total	$ 10,229,318	$ 4,635,079

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)

$1,987,628 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:

Year Ended June 30,	Amount
2024	$ (757,727)
2025	(707,965)
2026	1,366,953
2027	3,003,149
2028	702,201
	$ 3,606,611

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:

Component Units' Proportionate Share	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
of the Net Pension Liability	$ 56,821,953	$ 43,420,082	$ 32,228,150

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 $192,493 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 $1,479,469 for their proportionate share of the net OPEB liability. At December 31, 2022, the component units' proportion was a combined 0.18120%, which was a net increase of 0.00271% 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 $122,601.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 192	$ 357,786
Changes of Assumptions or other Inputs	23,779	163,287
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	90,364	86,803
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share Share of Contributions	152,827	59,305
Contributions Subsequent to the Measurement Date	99,479	-
Total	$ 366,641	$ 667,181

$99,479 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:

Year Ended June 30,	Amount
2024	$ (105,201)
2025	(142,394)
2026	(69,006)
2027	(17,339)
2028	(52,307)
Thereafter	(13,772)
	$ (400,019)

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:

	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	$ 1,437,593	$ 1,479,469	$ 1,525,034

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.

Component Units' Proportionate Share	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
of the Net OPEB Liability	$ 1,715,142	$ 1,479,469	$ 1,277,892

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 $20,629,366 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 arrangement	-	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%

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.

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	

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
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.

SUPPLEMENTARY SCHEDULES – COMPONENT UNITS

Charter Schools

Aspen Ridge Preparatory School began operations in the fall of fiscal year 2012 to serve students in grades K through 5. In October 2014, the charter was renewed to serve grades K through 8. The school is located in Erie (Weld County).

Carbon Valley Academy, located in Frederick (Weld County), began operations in the fall of fiscal year 2006 to serve students in grades K through 8. In 2009 the school opened a secondary academy with grade 9 and planned to add a grade each year until 12th grade. However, the secondary academy was closed in December 2010.

Firestone Charter Academy, located in Firestone (Weld County), began operations in the fall of fiscal year 2009 to serve students grades K through 8.

Flagstaff Academy began operations in the fall of fiscal year 2006 serving students in grades K through 8. The school is located in Longmont (Boulder County).

St. Vrain Community Montessori School began operations in the fall of fiscal year 2009 serving students in grades K through 2. The school, currently located in Longmont (Boulder County), added a grade each year until 6th grade. In October 2013, the charter was renewed to serve grades K through 8, adding grade 7 in fiscal year 2015 and grade 8 in fiscal year 2016.

Twin Peaks Charter Academy, located in Longmont (Boulder County), began operations in the fall of fiscal year 1998 to serve students in grades K through 8. In 2012, the school opened a secondary academy with grades 9 and 10 and added a grade each year until 12th grade.

St. Vrain Valley School District RE-1J

Combining Statement of Net Position
Component Units
June 30, 2023

	Aspen Ridge Preparatory School	Carbon Valley Academy	Firestone Charter Academy
Assets			
Cash and investments	$ 3,998,463	$ 1,248,705	$ 4,964,492
Accounts receivable	713	12,124	12,627
Due from primary government	121,135	23,877	-
Prepaid items	56,484	38,636	33,405
Deposits	-	-	-
Restricted cash and investments	1,421,555	-	846,633
Capital assets,			
Non-depreciable	682,150	-	99,677
Depreciable, net	11,164,978	8,506,047	15,204,224
Total assets	17,445,478	9,829,389	21,161,058
Deferred outflows of resources			
Related to debt	-	-	-
Related to pension	1,596,891	691,848	1,748,669
Related to OPEB	96,431	5,818	57,498
Total deferred outflows of resources	1,693,322	697,666	1,806,167
Liabilities			
Accounts payable	41,383	37,797	40,176
Due to primary government	58,820	27,083	12,221
Accrued expenses	-	54,991	-
Accrued salaries and benefits	321,676	121,628	255,902
Accrued interest payable	219,883	-	66,750
Unearned revenue	2,550	-	104,714
Noncurrent liabilities			
Due within one year	230,000	136,530	350,000
Due in more than one year	9,795,000	8,550,777	17,345,000
Net pension liability	6,652,083	3,263,274	7,233,791
OPEB liability	226,482	111,135	246,458
Total liabilities	17,547,877	12,303,215	25,655,012
Deferred inflows of resources			
Related to pension	520,532	237,710	830,625
Related to OPEB	83,351	24,842	175,707
Total deferred inflows of resources	603,883	262,552	1,006,332
Net Position			
Net investment in capital assets	1,822,128	(181,260)	(1,194,466)
Restricted for			
Emergencies	223,671	105,536	233,200
Debt service	1,099,873	-	-
Capital projects	101,799	-	-
Unrestricted	(2,260,431)	(1,962,988)	(2,732,853)
Total net position	$ 987,040	$ (2,038,712)	$ (3,694,119)

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

Flagstaff Academy	St Vrain Community Montessori School	Twin Peaks Charter Academy	Component Units Total Charter Schools
$ 5,217,289	$ 1,330,140	$ 3,198,521	$ 19,957,610
11,766	5,458	-	42,688
383	38,818	145,453	329,666
102,272	48,319	13,142	292,258
79,128	14,434	47,961	141,523
1,307,321	-	2,580,229	6,155,738
-	112,923	2,514,605	3,409,355
8,182,221	65,797	16,947,123	60,070,390
14,900,380	1,615,889	25,447,034	90,399,228
1,147,155	-	2,298,926	3,446,081
2,626,592	964,159	2,601,159	10,229,318
70,215	36,419	100,260	366,641
3,843,962	1,000,578	5,000,345	14,042,040
87,590	59,950	75,022	341,918
61,108	2,827	50,622	212,681
34,395	-	-	89,386
499,012	23,406	302,467	1,524,091
203,870	-	179,569	670,072
32,107	141,090	69,625	350,086
299,683	-	632,692	1,648,905
12,048,235	-	22,292,672	70,031,684
11,404,213	4,078,462	10,788,259	43,420,082
388,748	138,948	367,698	1,479,469
25,058,961	4,444,683	34,758,626	119,768,374
2,119,100	452,095	475,017	4,635,079
175,589	50,268	157,424	667,181
2,294,689	502,363	632,441	5,302,260
(2,858,376)	65,797	(883,407)	(3,229,584)
320,639	103,000	305,948	1,291,994
-	-	2,580,229	3,680,102
-	-	1,062,139	1,163,938
(6,071,571)	(2,499,376)	(8,008,597)	(23,535,816)
$ (8,609,308)	$ (2,330,579)	$ (4,943,688)	$ (20,629,366)

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

St. Vrain Valley School District RE-1J

Combining Statement of Activities
Component Units
For the Year Ended June 30, 2023

	Aspen Ridge Preparatory School	Carbon Valley Academy	Firestone Charter Academy
Expenses			
Instruction	$ 5,514,466	$ 1,554,548	$ 4,097,402
Supporting services	2,279,482	1,913,929	2,574,960
Interest expense	471,041	-	785,173
Total expenses	8,264,989	3,468,477	7,457,535
Program Revenues			
Charges for Services	318,472	-	631,640
Operating Grants and Contributions	450,968	212,389	346,137
Capital Grants and Contributions	180,398	207,737	222,000
Total program revenues	949,838	420,126	1,199,777
General Revenues			
Per pupil revenue	5,132,324	2,490,963	5,809,113
Mill levy override	1,118,942	543,076	1,266,495
Interest income	49,203	-	-
Other	303,307	215,557	203,521
Special item - insurance proceeds	-	-	-
Total general revenues	6,603,776	3,249,596	7,279,129
Change in net position	(711,375)	201,245	1,021,371
Net position, beginning	1,698,415	(2,239,957)	(4,715,490)
Net position, ending	$ 987,040	$ (2,038,712)	$ (3,694,119)

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

	Flagstaff Academy	St Vrain Community Montessori School	Twin Peaks Charter Academy	Component Units Total Charter Schools
	$ 6,306,489	$ 2,215,325	$ 5,394,709	$ 25,082,939
	4,017,960	1,537,142	4,158,810	16,482,283
	504,942	-	1,183,582	2,944,738
	10,829,391	3,752,467	10,737,101	44,509,960
	922,997	258,609	335,032	2,466,750
	877,293	378,020	1,127,973	3,392,780
	268,086	81,770	297,315	1,257,306
	2,068,376	718,399	1,760,320	7,116,836
	6,843,098	2,124,369	7,576,287	29,976,154
	1,491,924	463,152	1,651,772	6,535,361
	85,983	31,047	58,276	224,509
	25,582	455,479	50,000	1,253,446
	341,221	-	-	341,221
	8,787,808	3,074,047	9,336,335	38,330,691
	26,793	39,979	359,554	937,567
	(8,636,101)	(2,370,558)	(5,303,242)	(21,566,933)
	$ (8,609,308)	$ (2,330,579)	$ (4,943,688)	$ (20,629,366)

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


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STATISTICAL SECTION
(UNAUDITED)

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St. Vrain Valley School District RE-1J
STATISTICAL SECTION

This section of the District's comprehensive annual financial report presents detailed information to provide readers of the financial statements, note disclosures, and required supplementary schedules an additional understanding with regard to the District's overall financial health.

<u>**Contents**</u> <u>**Pages**</u>

Sources: Unless otherwise noted, the information in the schedules is derived from the comprehensive annual financial reports for the relevant year.

St. Vrain Valley School District RE-1J
Financial Trends
Net Position by Component
Accrual Basis of Accounting
Last Ten Fiscal Years
(Unaudited)

	2014	2015 (2)	2016	2017
Governmental activities				
Net investment in capital assets	$ 4,819,681	$ 4,340,004	$ 6,071,204	$ 11,775,724
Restricted	47,616,074	50,736,515	62,443,429	281,601,451
Unrestricted	75,262,484	(355,968,501)	(365,795,314)	(733,090,324)
Total governmental net position	127,698,239	(300,891,982)	(297,280,681)	(439,713,149)
Business-type activities (1)				
Net investment in capital assets	1,046,337	-	-	-
Restricted	-	-	-	-
Unrestricted	2,226,743	-	-	-
Total business-type net position	3,273,080	-	-	-
Primary government				
Net investment in capital assets	5,866,018	4,340,004	6,071,204	11,775,724
Restricted	47,616,074	50,736,515	62,443,429	281,601,451
Unrestricted	77,489,227	(355,968,501)	(365,795,314)	(733,090,324)
Total primary government net position	$ 130,971,319	$ (300,891,982)	$ (297,280,681)	$ (439,713,149)

Note 1: Due to change in accounting effective July 1, 2014, Nutrition Services was no longer reported as a business-type activity but, rather, included in governmental activities.
Note 2: Due to the implementation of GASB Statements No. 68 and 71 in FY15, the District recognized its share of the net pension liability, resulting in a deficit net position.
Note 3: Due to the implementation of GASB Statement No. 75 in FY18, the District also recognized its share of the net OPEB liability, further adding to the deficit net position.

2018 (3)	2019	2020	2021	2022	2023
$ 23,251,521	$ 58,385,613	$ 83,396,755	$ 111,622,821	$ 123,173,167	$ 162,364,118
88,422,987	79,323,629	97,263,552	101,487,851	125,560,388	156,470,669
(766,165,267)	(701,743,649)	(607,620,534)	(463,352,747)	(305,850,184)	(302,973,780)
(654,490,759)	(564,034,407)	(426,960,227)	(250,242,075)	(57,116,629)	15,861,007
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
23,251,521	58,385,613	83,396,755	111,622,821	123,173,167	162,364,118
88,422,987	79,323,629	97,263,552	101,487,851	125,560,388	156,470,669
(766,165,267)	(701,743,649)	(607,620,534)	(463,352,747)	(305,850,184)	(302,973,780)
$ (654,490,759)	$ (564,034,407)	$ (426,960,227)	$ (250,242,075)	$ (57,116,629)	$ 15,861,007

St. Vrain Valley School District RE-1J
Financial Trends
Changes in Net Position
Accrual Basis of Accounting
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017
Expenses				
Governmental activities:				
Instruction	$ 178,639,344	$ 201,741,825	$ 218,636,924	$ 347,824,746
Supporting services	102,775,349	122,353,964	122,197,878	158,628,561
Interest	19,739,295	13,866,228	14,561,966	20,528,709
Total governmental activities expenses	301,153,988	337,962,017	355,396,768	526,982,016
Business-type activities:				
Food services	8,878,049	-	-	-
Total primary government expenses	$ 310,032,037	$ 337,962,017	$ 355,396,768	$ 526,982,016
Program Revenues				
Governmental activities:				
Charges for services				
Tuition and fees	$ 15,704,630	$ 19,348,384	$ 20,154,234	$ 21,956,420
Internal charges	1,517,636	1,469,687	1,438,908	1,520,960
Operating grants and contributions	25,359,439	34,241,186	33,671,661	34,163,283
Capital grants and contributions	1,022,765	1,078,391	1,302,197	1,157,140
Total governmental activities program revenues	43,604,470	56,137,648	56,567,000	58,797,803
Business-type activities: (1)				
Charges for services	3,879,122	-	-	-
Operating grants and contributions	5,052,608	-	-	-
Capital grants and contributions	15,396	-	-	-
Total business-type activities program revenues	8,947,126	-	-	-
Total primary government program revenues	$ 52,551,596	$ 56,137,648	$ 56,567,000	$ 58,797,803
Net (expense) / revenue				
Governmental activities	$ (257,549,518)	$ (281,824,369)	$ (298,829,768)	$ (468,184,213)
Business-type activities	69,077	-	-	-
Total primary government net expense	$ (257,480,441)	$ (281,824,369)	$ (298,829,768)	$ (468,184,213)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes	$ 96,794,464	$ 97,352,334	$ 117,616,184	$ 130,381,255
Specific ownership taxes	8,241,096	8,253,685	7,938,746	9,904,649
Mill levy override	32,675,735	31,932,829	38,998,710	40,087,329
State equalization	119,131,699	133,584,264	132,980,049	137,977,278
Investment income	447,054	370,277	537,862	2,192,308
Other	6,677,328	4,889,519	4,369,518	5,208,926
Total governmental activities	263,967,376	276,382,908	302,441,069	325,751,745
Business-type activities:				
Investment income	1,157	-	-	-
Total primary government	$ 263,968,533	$ 276,382,908	$ 302,441,069	$ 325,751,745
Change in Net Position				
Governmental activities	$ 6,417,858	$ (5,441,461)	$ 3,611,301	$ (142,432,468)
Business-type activities	70,234	-	-	-
Total primary government	$ 6,488,092	$ (5,441,461)	$ 3,611,301	$ (142,432,468)

Note 1: Due to change in accounting effective July 1, 2014, Nutrition Services was no longer reported as a business-type activity but, rather, included in governmental activities.

2018	2019	2020	2021	2022	2023
$ 397,860,921	$ 169,531,944	$ 158,922,491	$ 102,275,201	$ 138,732,514	$ 290,090,523
169,476,857	152,783,575	153,452,472	173,088,791	161,236,419	190,724,428
24,293,242	13,515,669	20,811,078	19,114,183	18,093,401	16,691,736
591,631,020	335,831,188	333,186,041	294,478,175	318,062,334	497,506,687
-	-	-	-	-	-
$ 591,631,020	$ 335,831,188	$ 333,186,041	$ 294,478,175	$ 318,062,334	$ 497,506,687
$ 22,860,452	$ 23,944,204	$ 17,612,682	$ 8,279,883	$ 15,741,555	$ 22,259,658
1,465,093	1,564,115	1,009,470	729,413	1,416,494	2,025,228
30,979,447	32,630,274	35,143,741	71,056,254	68,881,235	55,877,068
1,600,684	3,494,645	2,900,745	2,092,018	3,820,731	2,198,142
56,905,676	61,633,238	56,666,638	82,157,568	89,860,015	82,360,096
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 56,905,676	$ 61,633,238	$ 56,666,638	$ 82,157,568	$ 89,860,015	$ 82,360,096
$ (534,725,344)	$ (274,197,950)	$ (276,519,403)	$ (212,320,607)	$ (228,202,319)	$ (415,146,591)
-	-	-	-	-	-
$ (534,725,344)	$ (274,197,950)	$ (276,519,403)	$ (212,320,607)	$ (228,202,319)	$ (415,146,591)
$ 139,219,380	$ 144,616,943	$ 179,117,322	$ 176,521,065	$ 178,583,023	$ 222,220,170
11,588,740	11,830,477	14,981,378	10,022,994	12,504,664	13,740,169
43,332,885	44,545,572	56,829,800	55,800,190	55,650,534	67,201,855
139,726,941	147,896,140	149,676,569	135,022,653	162,873,663	154,374,136
4,866,216	7,598,755	4,980,121	393,875	609,871	10,230,880
6,503,076	8,166,415	8,008,393	11,277,982	11,106,010	20,357,017
345,237,238	364,654,302	413,593,583	389,038,759	421,327,765	488,124,227
-	-	-	-	-	-
$ 345,237,238	$ 364,654,302	$ 413,593,583	$ 389,038,759	$ 421,327,765	$ 488,124,227
$ (189,488,106)	$ 90,456,352	$ 137,074,180	$ 176,718,152	$ 193,125,446	$ 72,977,636
-	-	-	-	-	-
$ (189,488,106)	$ 90,456,352	$ 137,074,180	$ 176,718,152	$ 193,125,446	$ 72,977,636

St. Vrain Valley School District RE-1J
Financial Trends
Governmental Activities
Colorado Public School Finance Act Revenues by Source
Accrual Basis of Accounting
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017
Governmental activities:				
Property taxes	$ 96,794,464	$ 97,352,334	$ 117,616,184	$ 130,381,255
Specific ownership taxes	8,241,096	8,253,685	7,938,746	9,904,649
State equalization	119,131,699	133,584,264	132,980,049	137,977,278
Total finance act revenues	$ 224,167,259	$ 239,190,283	$ 258,534,979	$ 278,263,182
Total governmental activities revenues (1)	$ 307,571,846	$ 332,520,556	$ 359,008,069	$ 384,549,548
Public School Finance Act revenues as percentage of total governmental activities revenues	72.9%	71.9%	72.0%	72.4%

Note 1: Governmental activities revenues are a combination of program revenues and general revenues as shown on page 122-123.

2018	2019	2020	2021	2022	2023
$ 139,219,380	$ 144,616,943	$ 179,117,322	$ 176,521,065	$ 178,583,023	$ 222,220,170
11,588,740	11,830,477	14,981,378	10,022,994	12,504,664	13,740,169
139,726,941	147,896,140	149,676,569	135,022,653	162,873,663	154,374,136
$ 290,535,061	$ 304,343,560	$ 343,775,269	$ 321,566,712	$ 353,961,350	$ 390,334,475
$ 402,142,914	$ 426,287,540	$ 470,260,221	$ 471,196,327	$ 511,187,780	$ 570,484,323
72.2%	71.4%	73.1%	68.2%	69.2%	68.4%

St. Vrain Valley School District RE-1J
Financial Trends

Fund Balances of Governmental Funds

Modified Accrual Basis of Accounting
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017
General Fund				
Nonspendable	$ 550,152	$ 564,695	$ 602,083	$ 635,580
Restricted	8,255,777	8,581,421	9,102,103	12,208,279
Committed	16,712,437	17,356,755	19,457,385	18,671,797
Assigned	29,144,534	30,313,348	38,441,989	48,397,718
Unassigned	11,494,113	22,041,660	28,127,324	30,688,810
Total General Fund	$ 66,157,013	$ 78,857,879	$ 95,730,884	$ 110,602,184
All Other Governmental Funds				
Nonspendable	$ 606,233	$ 886,069	$ 500,271	$ 533,832
Restricted	39,360,297	42,155,094	51,997,880	267,784,641
Committed	38,120,748	26,529,450	21,133,257	13,903,920
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	$ 78,087,278	$ 69,570,613	$ 73,631,408	$ 282,222,393

	2018	2019	2020	2021	2022	2023
	$ 1,418,518	$ 1,680,314	$ 1,552,573	$ 1,818,922	$ 2,214,462	$ 1,707,753
	13,730,473	14,410,652	14,849,944	15,120,400	15,602,320	17,270,071
	23,135,360	25,816,425	22,174,053	30,649,908	28,565,572	31,302,909
	54,751,578	59,163,644	68,076,581	81,638,461	87,627,872	80,911,335
	27,529,981	23,177,907	42,310,014	33,267,667	34,251,647	43,032,545
	$ 120,565,910	$ 124,248,942	$ 148,963,165	$ 162,495,358	$ 168,261,873	$ 174,224,613
	$ 536,550	$ 645,461	$ 663,345	$ 653,759	$ 808,050	$ 1,230,235
	174,361,833	188,545,862	157,786,181	110,195,376	116,104,013	138,051,854
	13,092,625	16,897,236	15,452,563	13,715,721	21,578,802	21,542,119
	-	-	-	-	-	-
	-	-	-	-	-	-
	$ 187,991,008	$ 206,088,559	$ 173,902,089	$ 124,564,856	$ 138,490,865	$ 160,824,208

St. Vrain Valley School District RE-1J
Financial Trends

Changes in Fund Balances of Governmental Funds

Modified Accrual Basis of Accounting
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017
Revenues				
Property taxes	$ 97,868,432	$ 95,556,636	$ 117,473,228	$ 130,020,812
Specific ownership taxes	8,241,096	8,253,685	7,938,746	9,904,649
Mill levy override	32,675,735	31,932,829	38,998,710	40,087,329
Investment income	441,771	364,441	518,599	2,146,529
Charges for service	11,233,462	13,976,867	15,193,163	16,250,156
Student activities	5,988,804	6,841,204	6,399,979	7,227,224
Other local sources	7,684,697	5,815,650	5,671,715	6,137,826
Local intergovernmental	-	152,260	-	-
State intergovernmental	129,412,975	145,784,457	144,672,380	150,399,060
Federal intergovernmental	15,078,163	22,040,993	21,979,330	21,741,501
Total revenues	$ 308,625,135	$ 330,719,022	$ 358,845,850	$ 383,915,086
Expenditures				
Instruction	$ 155,545,205	$ 160,954,003	$ 175,857,230	$ 179,215,964
Supporting services	100,099,062	103,793,219	105,198,115	119,633,203
Student activities	5,737,781	6,416,414	5,969,981	6,694,866
Food service operations (1)	-	8,960,303	9,184,944	9,447,360
Capital outlay	16,466,640	14,786,624	8,167,677	28,619,854
Debt service				
Principal	13,360,000	14,205,000	15,225,000	18,145,000
Interest, bond issuance costs, fiscal charges	20,513,917	19,139,633	17,946,933	22,124,449
Toal expenditures	$ 311,722,605	$ 328,255,196	$ 337,549,880	$ 383,880,696
Excess of revenues over (under) expenditures	(3,097,470)	2,463,826	21,295,970	34,390
Other financing sources (uses)				
Issuance of bonds, coupons	$ -	$ 50,355,000	$ 115,155,000	$ 214,390,000
Premium on issuance of bonds	-	10,821,491	12,871,395	26,070,242
Paid to bond agent	-	(61,682,860)	(128,498,887)	(17,032,347)
Capital lease | Lease purchase, oth arrangements	-	-	110,322	-
Transfers in (2)	50,123	6,669	7,620	2,340
Transfers out (2)	(50,123)	(6,669)	(7,620)	(2,340)
Total other financing sources (uses)	$ -	$ (506,369)	$ (362,170)	$ 223,427,895
Net change in fund balances	$ (3,097,470)	$ 1,957,457	$ 20,933,800	$ 223,462,285
Debt service as percentage of noncapital expenditures	11.2%	10.3%	9.8%	11.3%

Note 1: Due to change in accounting effective July 1, 2014, Nutrition Services was no longer reported as a business-type activity but, rather, included in governmental activities.

Note 2: Transfers in may not equal transfers out due to transfers between governmental funds and other fund types.

2018	2019	2020	2021	2022	2023
$ 138,986,222	$ 141,207,583	$ 183,571,015	$ 176,242,938	$ 179,063,666	$ 221,457,811
11,588,740	11,830,477	14,981,378	10,022,994	12,504,664	13,740,169
43,332,885	44,545,572	56,829,800	55,800,190	55,650,534	67,201,855
4,784,368	7,467,291	4,881,841	382,635	575,090	9,629,815
16,844,541	17,979,260	12,282,835	5,572,288	9,724,532	16,026,029
7,481,004	7,529,059	6,339,317	3,437,008	7,433,517	8,258,857
7,997,715	10,832,136	9,124,409	16,359,879	17,303,395	22,948,791
-	-	-	9,850	63,000	86,000
152,620,247	167,516,676	172,869,840	152,017,446	188,126,427	190,864,286
18,086,141	18,100,812	20,244,031	53,582,413	48,385,652	31,950,202
$ 401,721,863	$ 427,008,866	$ 481,124,466	$ 473,427,641	$ 518,830,477	$ 582,163,815
$ 185,265,606	$ 198,038,352	$ 210,433,951	$ 194,061,283	$ 225,209,234	$ 253,721,119
128,750,175	141,894,744	147,861,167	173,715,233	174,121,576	184,850,060
7,015,509	7,371,001	6,064,464	2,953,046	6,622,078	7,737,060
9,774,731	10,273,923	10,290,973	8,908,862	13,324,636	13,452,836
111,786,879	40,638,822	50,798,684	69,275,525	16,711,465	21,389,311
28,238,714	46,690,949	37,726,533	50,675,296	41,487,165	56,775,222
25,506,559	26,819,103	25,432,514	23,629,462	21,661,799	19,582,526
$ 496,338,173	$ 471,726,894	$ 488,608,286	$ 523,218,707	$ 499,137,953	$ 557,508,134
(94,616,310)	(44,718,028)	(7,483,820)	(49,791,066)	19,692,524	24,655,681
$ -	$ 60,340,000	$ -	$ -	$ -	$ -
-	3,415,401	-	-	-	-
-	-	-	-	-	-
10,348,651	2,743,210	11,573	13,986,026	-	3,640,402
63,365	11,020	1,313,290	2,189,978	344,664	502,510
(63,365)	(11,020)	(1,313,290)	(2,189,978)	(344,664)	(502,510)
$ 10,348,651	$ 66,498,611	$ 11,573	$ 13,986,026	$ -	$ 3,640,402
$ (84,267,659)	$ 21,780,583	$ (7,472,247)	$ (35,805,040)	$ 19,692,524	$ 28,296,083
13.9%	16.9%	14.5%	16.4%	13.1%	14.2%

St. Vrain Valley School District RE-1J
Financial Trends
Governmental Activities
Colorado Public School Finance Act Revenues by Source
Modified Accrual Basis of Accounting
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017
Governmental activities:				
Property taxes	$ 97,868,432	$ 95,556,636	$ 117,473,228	$ 130,020,812
Specific ownership taxes	8,241,096	8,253,685	7,938,746	9,904,649
State equalization	119,131,699	133,584,264	132,980,049	137,977,278
Total finance act revenues	$ 225,241,227	$ 237,394,585	$ 258,392,023	$ 277,902,739
Total revenues (1)	$ 308,625,135	$ 330,719,022	$ 358,845,850	$ 383,915,086
Public School Finance Act revenues as percentage of total governmental funds revenues	73.0%	71.8%	72.0%	72.4%

Note 1: As shown on the Changes in Fund Balances of Governmental Funds schedule, pages 128-129.

2018	2019	2020	2021	2022	2023
$ 138,986,222	$ 141,207,583	$ 183,571,015	$ 176,242,938	$ 179,063,666	$ 221,457,811
11,588,740	11,830,477	14,981,378	10,022,994	12,504,664	13,740,169
139,726,941	147,896,140	149,676,569	135,022,653	162,873,663	154,374,136
$ 290,301,903	$ 300,934,200	$ 348,228,962	$ 321,288,585	$ 354,441,993	$ 389,572,116
$ 401,721,863	$ 427,008,866	$ 481,124,466	$ 473,427,641	$ 518,830,477	$ 582,163,815
72.3%	70.5%	72.4%	67.9%	68.3%	66.9%

St. Vrain Valley School District RE-1J
Revenue Capacity
Assessed Value and Estimated Actual Value of Taxable Property
(in thousands)
Last Ten Fiscal Years
(Unaudited)

Levy Year	Collection Year	Residential Property	Commercial Property	Industrial Property	Vacant Property	Oil & Gas	Public Utilities
2013	2014	$ 1,158,066	$ 557,650	$ 209,886	$ 69,100	$ 359,581	$ 54,164
2014	2015	957,810	537,785	174,325	48,086	547,850	122,912
2015	2016	1,411,528	619,463	209,403	100,063	481,547	81,294
2016	2017	1,209,020	594,681	297,679	58,793	683,730	163,107
2017	2018	1,322,718	690,343	336,823	64,555	690,836	167,430
2018	2019	1,372,835	701,637	345,853	63,293	867,218	161,003
2019	2020	1,960,879	867,250	317,271	110,009	924,568	100,109
2020	2021	2,026,582	880,006	359,016	93,531	779,684	117,387
2021	2022	2,281,138	949,909	374,201	113,568	536,921	137,301
2022	2023	2,279,100	968,525	376,204	113,908	1,481,681	177,197

Note 1: Includes the override mill levy approved by voters at the 2008 Election.
Note 2: Includes the override mill levy approved by voters at the 2008 and 2012 Elections.
Note 3: Due to passage of House Bill 21-1312, the District must begin eliminating its Total Program Mill Levy credit of 2.005 by 1.000 mill per year until it reaches 27.000.

Source: Assessors' Offices of Boulder, Larimer, and Weld Counties, and City and County of Broomfield

Agriculture	Natural Resources	Total Taxable Assessed Value	Total Direct Tax Rate		Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
$ 21,464	$ 5,035	$ 2,434,946	53.679	(2)	$ 18,177,477	13.40%
18,342	8,272	2,415,382	53.673	(2)	18,333,472	13.17%
29,086	5,112	2,937,496	53.887	(2)	21,989,300	13.36%
30,392	4,676	3,042,078	56.945	(2)	22,561,109	13.48%
30,686	4,959	3,308,350	56.394	(2)	27,512,870	12.02%
32,294	6,095	3,550,228	56.385	(2)	28,521,756	12.45%
32,222	3,333	4,315,641	57.559	(2)	33,547,527	12.86%
30,730	3,514	4,290,450	56.542	(2)	34,520,425	12.43%
29,993	3,979	4,427,010	57.358	(2), (3)	38,317,254	11.55%
28,109	3,389	5,428,113	58.385	(2), (3)	40,472,074	13.41%

St. Vrain Valley School District RE-1J
Revenue Capacity
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
(Unaudited)

Levy Year	Collection Year	General Operating Millage	Debt Service Millage	Total School District Millage	Boulder County Millage	Weld County Millage	Larimer County Millage	Broomfield County Millage	Total County Millage	City of Longmont Millage
2013	2014	38.879	14.800	53.679	25.120	16.804	22.424	28.968	93.316	13.420
2014	2015	38.873	14.800	53.673	24.794	15.800	22.459	28.968	92.021	13.420
2015	2016	39.087	14.800	53.887	22.624	15.800	21.882	28.968	89.274	13.420
2016	2017	39.395	17.550	56.945	24.064	15.800	22.521	28.968	91.353	13.420
2017	2018	38.844	17.550	56.394	22.726	15.800	22.092	28.968	89.586	13.420
2018	2019	38.835	17.550	56.385	24.026	15.038	22.403	28.968	90.435	13.420
2019	2020	40.009	17.550	57.559	23.473	15.038	21.863	28.968	89.342	13.420
2020	2021	38.992	17.550	56.542	24.771	15.038	22.458	28.968	91.235	13.420
2021	2022	39.808	17.550	57.358	24.250	15.038	22.425	28.968	90.681	13.420
2022	2023	40.835	17.550	58.385	24.746	15.038	22.436	28.968	91.188	13.420

Source: Assessors' Offices of Boulder, Larimer, and Weld Counties, and Central Records Office of the City and County of Broomfield

St. Vrain Valley School District RE-1J
Revenue Capacity
Principal Taxpayers of the Boulder/Longmont Area
Current Year and Nine Years Ago
(Unaudited)

Taxpayer	2014: 2013 Taxable Assessed Valuation	2014: Rank	2014: Percent of Total District Taxable Assessed Value (2)	2023: 2022 Taxable Assessed Valuation	2023: Rank	2023: Percent of Total District Taxable Assessed Value (2)
Kerr-McGee Oil & Gas Onshore LP				$ 741,345,140	1	14.95%
Crestone Peak Resources				366,295,610	2	7.39%
Kerr-McGee Rocky Mtn. Corp.	$ 192,417,396	1	7.96%			
Great Western Oil & Gas				142,179,810	3	2.87%
Extraction Oil & Gas LLC				122,788,990	4	2.48%
Encana Oil & Gas (USA) Inc.	92,554,383	2	3.83%			
Kerr-McGee Gathering LLC				79,554,120	5	1.60%
Cub Creek Energy LLC				76,065,120	6	1.53%
JM Smucker LLC				49,200,110	7	0.99%
Noble Energy, Inc.	30,321,781	3	1.25%			
Agilent Technologoes Inc				30,095,250	8	0.61%
Amgen Inc.	27,185,705	4	1.12%			
Public Service Co. nka Xcel Energy	17,286,204	7	0.71%	25,464,255	9	0.51%
Seagate Technology LLC	20,828,596	5	0.86%			
United Power Inc				19,803,850	10	0.40%
Longmont Diagonal Investments LP	19,208,441	6	0.79%			
Xilinx Inc.	15,398,012	8	0.64%			
Hub Properties Trust	11,233,615	9	0.46%			
Ramco-Gershenson Properties LP	9,655,458	10	0.40%			
Subtotal of largest taxpayers	$ 436,089,591		18.02%	$ 1,652,792,255		33.33%
Assessed value of other taxpayers	1,981,616,243		81.98%	3,305,018,633		66.67%
Total Assessed Value	$ 2,417,705,834		100.00%	$ 4,957,810,888		100.00%

Note 1: Based on a 2013 certified net assessed valuation of $2,417,705,834

Note 2: Based on a 2022 certified net assessed valuation of $4,957,810,888, before the application of HB21-1312.

Source: Assessors' Offices of Boulder, Larimer, and Weld Counties, and Central Records Office of the City and County of Broomfield

St. Vrain Valley School District RE-1J
Revenue Capacity
Property Tax Levied and Collected - All Funds
Last Ten Fiscal Years
(Unaudited)

Levy Year	Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collection to Levy	Outstanding Delinquent Taxes (1), (2)
2013	2014	$ 129,922,153	$ 125,627,203	96.69%	$ 2,459,347	$ 128,086,550	98.59%	$ 4,294,950
2014	2015	128,222,707	123,353,818	96.20%	1,600,853	124,954,671	97.45%	4,868,889
2015	2016	156,721,715	151,709,870	96.80%	1,889,241	153,599,111	98.01%	5,011,845
2016	2017	170,078,874	164,706,586	96.84%	1,720,288	166,426,874	97.85%	5,372,288
2017	2018	182,150,457	176,545,011	96.92%	1,727,654	178,272,665	97.87%	5,605,446
2018	2019	193,967,267	183,982,625	94.85%	1,419,585	185,402,210	95.58%	9,984,642
2019	2020 (3)	240,383,609	235,221,537	97.85%	4,923,903	240,145,440	99.90%	5,162,072
2020	2021	231,660,304	227,909,448	98.38%	1,798,672	229,708,120	99.16%	3,750,856
2021	2022	236,198,654	232,167,867	98.29%	2,943,388	235,111,255	99.54%	4,030,786
2022	2023	289,794,441	285,189,876	98.41%	2,980,659	288,170,535	99.44%	4,604,565

Note 1: Outstanding delinquent taxes are considered relatively minor and are not obtainable from the country treasurers.
Note 2: These outstanding delinquent taxes are included in property taxes receivable.
Note 3: Due to a one-year property tax revenue recognition policy change in FY20, the District's collections include a period of 90-days after fiscal year end, due to Colorado Legislture granting County Treasurers the authority to waive delinquent interest until October 1, 2020.

Source: Assessors' Offices of Boulder, Weld and Larimer Counties, Central Records Office of the City and County of Broomfield, and St. Vrain Valley School District RE-1J

St. Vrain Valley School District RE-1J
Debt Capacity
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

	Governmental Activities							
Fiscal Year	General Obligation Bonds	Deferred Bond Premium	Registered Coupons & Related Discount	Other Financing Obligations		Total	Percentage of Average Personal Income (2)	Per Capita (2)
2014	$ 411,565,000	$ 22,771,053	$ 280,437	$ 736,161		$ 435,352,651	3.6%	$ 2,664
2015	391,800,000	28,337,919	280,437	548,205		420,966,561	3.3%	2,564
2016	375,995,000	37,988,881	280,437	463,558		414,727,876	3.1%	2,481
2017	555,565,000	60,893,703	-	240,084		616,698,787	4.3%	3,638
2018	531,080,000	58,009,761	-	6,835,021		595,924,782	3.8%	3,452
2019	548,690,000	41,787,573	-	5,617,288		596,094,861	3.6%	3,399
2020	514,915,000	35,886,710	-	1,677,322		552,479,032	3.2%	3,052
2021	469,740,000	30,245,768	-	10,163,052		510,148,820	2.6%	2,726
2022	433,555,000	25,605,222	-	7,334,075	(3)	466,494,297	(1)	2,438
2023	384,060,000	21,554,746	-	5,095,124	(4)	410,709,870	(1)	2,096

Note 1: Personal income data for 2022 and 2023 not available.

Note 2: Personal Income and Per Capita data from the Demographic and Economic Information on pages 142-143.

Note 3: The District implemented GASB 87 July 1, 2021. Lease purchases (formerly known as capital leases) as well as building and equipment leases are grouped in a single column as "other financing obligations" for fiscal year-end.

Note 4: The District implemented GASB 96 July 1, 2022. Subscription-Based Information Technology Arrangements (SBITAs) are grouped in a single column as "other financing obligations" for fiscal year-end.

Source: District's financial records

St. Vrain Valley School District RE-1J
Debt Capacity

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years
(Unaudited)

Levy Year	Collection Year	General Obligation Bonds	Deferred Bond Premium	Registered Coupons & Related Discount	Less Debt Service Funds	Net Bonded Debt	Percentage of Estimated Actual Taxable Value (1) of Property	Per Capita (2)
2013	2014	$ 411,565,000	$ 22,771,053	$ 280,437	$ 32,700,504	$ 401,915,986	2.21%	2,460
2014	2015	391,800,000	28,337,919	280,437	34,035,743	386,382,613	2.11%	2,353
2015	2016	375,995,000	37,988,881	280,437	43,375,929	370,888,389	1.69%	2,218
2016	2017	555,565,000	60,893,703	-	55,195,386	561,263,317	2.49%	3,311
2017	2018	531,080,000	58,009,761	-	62,572,848	526,516,913	1.91%	3,050
2018	2019	548,690,000	41,787,573	-	52,775,237	537,702,336	1.89%	3,066
2019	2020	514,915,000	35,886,710	-	68,800,628	482,001,082	1.44%	2,662
2020	2021	469,740,000	30,245,768	-	74,011,587	425,974,181	1.23%	2,276
2021	2022	433,555,000	25,605,222	-	91,144,132	368,016,090	0.96%	1,923
2022	2023	384,060,000	21,554,746	-	118,756,455	286,858,291	0.71%	1,464

Note 1: Refer to Assessed and Estimated Actual Values of Taxable Property schedule on page 132-133.
Note 2: Population data is in the Demographic and Economic Information on page 142-143.

Source: District's financial records

St. Vrain Valley School District RE-1J
Debt Capacity
Direct and Overlapping Governmental Activities Debt
As of June 30, 2023
(Unaudited)

Name of Overlapping Entity	2022 Assessed Valuation	Outstanding General Obligation Debt	Outstanding General Obligation Debt Attributable to the District	
			Percent	Amount
City of Boulder	$ 4,227,301,563	$ 6,570,000	1.29%	$ 84,753
Brennan Metropolitan District	4,350,474	3,010,941	100.00%	3,010,941
Carriage Hills Metropolitan District	6,638,280	7,392,488	100.00%	7,392,488
Central Colorado Water Conservancy	5,410,756,760	7,675,000	0.03%	2,303
Central Colorado Water Conservancy-Groundwater Mgnt Subdistrict	3,965,974,250	27,728,391	0.05%	13,864
Central Colorado Water Conservancy-Well Augmentation Subdistrict	277,828,580	6,052,593	0.05%	3,026
Colliers Hill Metro District No. 1	30,089,950	30,812,869	100.00%	30,812,869
Colliers Hill Metro District No. 2	24,565,760	36,067,000	100.00%	36,067,000
Colliers Hill Metro District No. 3	758,630	28,763,000	100.00%	28,763,000
City of Dacono	388,250,370	619,702	76.01%	471,035
Town of Erie	604,373,752	10,900,000	78.91%	8,601,190
Erie Highlands Metro District No. 1	14,509,480	8,682,581	100.00%	8,682,581
Frederick-Firestone Fire Protection Dist.	1,044,826,210	19,680,000	91.43%	17,993,424
Greens Metropolitan District	4,886,480	3,760,000	100.00%	3,760,000
Harvest Junction Metropolitan District	33,947,655	7,173,452	100.00%	7,173,452
Liberty Ranch Metropolitan District	8,372,140	13,421,035	100.00%	13,421,035
City of Longmont	1,750,995,878	79,632,899	100.00%	79,632,899
Lost Creek Farms Metropolitan Dist.	2,412,968	1,804,000	100.00%	1,804,000
Mead Western Meadows Metro District	5,823,560	2,725,000	100.00%	2,725,000
Mountain Shadows Metropolitan Dist.	4,454,760	2,715,000	100.00%	2,715,000
North Metro Fire Rescue Authority	1,785,267,863	7,290,000	0.12%	8,748
NP125 Metropolitan District	5,235,450	3,445,000	100.00%	3,445,000
Palisade Metropolitan District No. 2	154,761	28,531,897	100.00%	28,531,897
Palisade Park North Metro. Dist. No. 1	84,287	8,596,324	100.00%	8,596,324
Palisade Park North Metro. Dist. No. 2	67,240	4,370,457	100.00%	4,370,457
St. Vrain Lakes Metro. District No. 2	25,387,360	47,378,758	100.00%	47,378,758
Stoneridge Metropolitan District	10,955,250	3,334,888	99.33%	3,312,544
Sweetgrass Metropolitan District No. 2	12,249,970	91,453,803	0.05%	45,727
Vista Ridge Metropolitan District	96,322,690	33,536,882	100.00%	33,536,882
Wyndham Hill Metropolitan District No. 2	29,467,910	30,091,051	100.00%	30,091,051
Total overlapping debt				412,447,248
Direct debt of the District				410,709,870
Total direct and overlapping debt				$ 823,157,118

This chart includes a summary of the estimated overlapping general obligation debt, as of December 31, 2022, of those entities with the authority to levy property taxes which are located wholly or partially within the District. Also, shown is the percentage and amount of the total estimated outstanding general obligation debt of these entities, inclusive and exclusive of estimated general obligation under debt, which is chargeable to property located within the District's boundaries. Because no single parcel of property located within the District's boundaries is located within every entity shown on the chart, the chart is not indicative of the actual or potential tax burden upon any single parcel of property located within the District's boundaries. The District is not financially or legally obligated with regard to any of the indebtedness shown on the chart.

Source: Individual governmental entities

St. Vrain Valley School District RE-1J
Debt Capacity
Legal Debt Margin
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017
Debt Limit	$ 484,070,694	$ 477,792,210	$ 727,084,991	$ 597,344,359
Total net debt applicable to limit	411,565,000	391,800,000	375,995,000	555,565,000
Legal debt margin	$ 72,505,694	$ 85,992,210	$ 351,089,991	$ 41,779,359
Total net debt applicable to the limit as a percentage of debt limit	85.0%	82.0%	51.7%	93.0%

Fiscal Year 2023 Calculation

Under the Colorado Public School Finance Act of 1994, per Colorado Revised Statute 22-42-104, the limitation on bonded indebtedness is the greater of 20 percent** of assessed value or 6 percent of actual value.

	Assessed Value		Actual Value
Assessed or Estimated Actual Value	$ 4,957,810,888	(1)	$ 40,472,073,539
Debt Limit Percentage **	20.00%	(2)	6.00%
Legal debt limit	991,562,178		2,428,324,412
Amount of debt applicable to debt limit: Total bonded debt as of June 30, 2023	384,060,000		384,060,000
Legal debt margin	$ 607,502,178		$ 2,044,264,412

** Per section 1.3, in years of high growth as defined in the statute, the debt limit can be raised to 25%

Note 1: The assessed valuation shown here includes $470,302,110 of assessed valuation attributable to tax increment financing districts (including, but not limited to, Longmont Downtown Development Authority, Broomfield URA, Erie URA, Firestone URA and Mead URA) located within the District. An additional slight difference is due to adjustment to the various County Assessors' compilations of the above information.

Note 2: Although the District has qualified for the legal debt margin based on 6% of the actual value, it has taken a conservative posture by limiting its debt based on 20% (or 25% as applicable) of the assessed value.

Source: Assessors' Offices of Boulder, Larimer, and Weld Counties, City and County of Broomfield, and St. Vrain Valley School District RE-1J

2018	2019	2020	2021	2022	2023
$ 645,992,330	$ 688,010,167	$ 835,259,848	$ 819,427,343	$ 822,423,226	$ 991,562,178
531,080,000	548,690,000	514,915,000	469,740,000	433,555,000	384,060,000
$ 114,912,330	$ 139,320,167	$ 320,344,848	$ 349,687,343	$ 388,868,226	$ 607,502,178
82.2%	79.8%	61.6%	57.3%	52.7%	38.7%

St. Vrain Valley School District RE-1J
Demographic and Economic Information
Last Ten Years (as available)
(Unaudited)

Population District-wide

	2014	2015	2016	2017
	163,400	164,205	167,182	169,500

Source: Estimates compiled by District Planning Office using data from the Colorado Department of Local Affairs, Denver Regional Council of Governments, US Census Bureau, and various local governments.

Personal Income (expressed in thousands) by County

	2014	2015	2016	2017
Boulder	$ 18,369,741	$ 19,232,516	$ 20,528,122	$ 21,939,604
Broomfield	4,786,503	4,756,725	4,865,203	4,346,242
Larimer	14,126,667	15,116,879	16,019,414	17,384,075
Weld	10,735,917	12,201,617	12,593,779	13,428,252
Average	$ 12,004,707	$ 12,826,934	$ 13,501,630	$ 14,274,543

Source: United States Department of Commerce, Bureau of Economic Analysis
Data subject to revision; not available for 2022 and beyond.

Annual Per Capita Personal Income by County

	2014	2015	2016	2017
Boulder	$ 58,627	$ 60,220	$ 63,707	$ 68,027
Broomfield	77,030	73,107	73,129	63,596
Larimer	43,584	45,318	47,117	50,539
Weld	38,664	42,787	42,701	44,080
Average	$ 54,476	$ 55,358	$ 56,664	$ 56,561

Source: United States Department of Commerce, Bureau of Economic Analysis
Data subject to revision; not available for 2022 and beyond.

Note: Prior years' income has been modified by the Bureau based on updated information and can substantially change from one year to the next. However, data above is shown as it was reported in previous annual comprehensive financial reports.

2018	2019	2020	2021	2022	2023
172,614	175,366	181,048	187,139	191,329	195,907

2018	2019	2020	2021
$ 23,932,182	$ 24,962,717	$ 26,058,704	$ 29,524,725
4,600,020	5,002,714	4,875,573	5,549,760
18,993,920	19,944,871	21,166,052	23,295,659
14,512,128	16,288,858	17,385,172	19,230,197
$ 15,509,563	$ 16,549,790	$ 17,371,375	$ 19,400,085

2018	2019	2020	2021
$ 73,394	$ 76,527	$ 79,649	$ 89,593
66,410	70,996	67,594	73,678
54,188	55,884	58,725	64,258
46,172	50,198	52,054	56,553
$ 60,041	$ 63,401	$ 64,506	$ 71,021

St. Vrain Valley School District RE-1J
Demographic and Economic Information (continued)
Last Ten Years
(Unaudited)

Median Age by County

	2014	2015	2016	2017	2018
Boulder	37.2	37.5	37.7	38.0	38.3
Broomfield	37.3	37.5	37.6	37.4	37.4
Larimer	36.4	36.8	36.8	36.9	37.1
Weld	33.9	34.0	33.8	33.9	33.9

Source: Colorado Department of Local Affairs, Division of Local Government

Annual Unemployment Rate by County (1)

		2014	2015	2016 (6)	2017 (6)	2018 (6)
Boulder	(2)	4.1%	3.2%	3.4%	2.3%	2.7%
Broomfield	(3)	4.3%	3.3%	3.6%	2.4%	2.7%
Larimer	(4)	4.3%	3.3%	3.4%	2.1%	2.5%
Weld	(5)	4.5%	3.8%	4.2%	2.5%	2.8%

Note 1: Figures for the Counties are not seasonally adjusted.
Note 2: Boulder County includes Boulder-Longmont Metropolitan Statistical Area (MSA).
Note 3: Broomfield County, which was formed in November 2001, includes City of Broomfield.
Note 4: Larimer County includes the Ft Collins/Loveland MSA.
Note 5: Weld County includes the Greeley MSA.
Note 6: Information is based on mid-calendar year calculation, not annual averages.

Source: U.S. or Colorado Department of Labor & Employment, Labor Force Averages

2019	2020	2021	2022	2023
38.5	38.2	38.3	38.5	38.6
37.5	36.7	36.7	36.6	36.5
37.2	37.8	38.0	38.1	38.1
33.9	34.1	34.3	34.4	34.6

2019 (6)	2020 (6)	2021 (6)	2022 (6)	2023 (6)
2.8%	2.3%	5.5%	2.8%	3.3%
2.9%	2.4%	5.5%	2.7%	3.5%
2.8%	2.2%	5.5%	2.9%	3.2%
3.0%	2.6%	6.5%	3.5%	3.7%

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St. Vrain Valley School District RE-1J
Demographic and Economic Information
Major Private and Public Employers (1)
Northern Colorado
Current Year and Nine Years Ago
(Unaudited)

		2014			2023		
Employer	Product of Service	Estimated Number of Employees (2)	Rank	Percentage of Total Employment (3)	Estimated Number of Employees (2)	Rank	Percentage of Total Employment (3)
University of Colorado, Boulder	Public university				6,200	1	2.8%
Boulder Valley School District	Public education				3,832	2	1.7%
St. Vrain Valley School District	Public education				3,718	3	1.7%
IBM Corp.	Computer systems and services	2,800	1	1.5%			
Vestas	Wind turbine manufacturing				2,710	4	1.2%
Level 3 Communications Inc.	Communication/fiber optic network	2,370	2	1.3%			
Boulder Community Hospital	Healthcare	2,260	3	1.2%	2,360	5	1.1%
Boulder County	County government				2,040	6	0.9%
Covidien (parent of Valleylab)	Surgical solution products	1,760	5	1.0%			
City of Longmont	City Government				1,751	7	0.8%
CenturyLink	Communication and Internet Systems				1,800	8	0.8%
Ball Aerospace & Technologies Corp.	Aerospace instruments and data systems	1,440	7	0.8%	1,650	9	0.7%
Oracle Corp.	Network computer systems/software	1,980	4	1.1%	1,650	9	0.7%
Exempla Good Samaritan Medical	Healthcare	1,480	6	0.8%			
Urban Lending Solutions	Mortgage industry professional services	1,390	8	0.8%			
Seagate Technology	Computer hard disc drives	1,370	9	0.8%			
Centura Health: Longmont United and Avist Adventist Hospitals	Healthcare	1,250	10	0.7%			
		18,100		9.9%	27,711		12.5%

Note 1: Data in prior year represents how it was presented at that time.
Note 2: Figures reflect early or mid-year calendar year employment data and may not be restricted to full-time employees only.
Note 3: Percentage of the employment is based on 182,200 and 221,409 employees in 2014 and 2023, respectively.

Source: 2023 data from Cities of Longmont, Boulder, Broomfield, and Weld County 2022 ACFRs & Longmont Economic Development Partnership
2014 figures as of May 2014 from the Development Research Partners as posted by Metro Denver Economic Development Corp; and Longmont Area Economic Council

St. Vrain Valley School District RE-1J
Operating Information
Full-Time Equivalent (FTE) District Employees by Function (1)
Last Ten Fiscal Years
(Unaudited)

Function	Description	2014	2015	2016
Direct Instruction	Classroom teachers, special education and English as a Second Language teachers, teachers' aides, librarians, counselors	1,813	1,844	1,892
Classroom Support	Librarians, counselors, school principals and assistant principals, support staff including speech services, attendance, extra-curricular activities	401	430	444
Building Support	Student transportation, utilities, maintenance, custodial services, printing, purchasing, technology services, etc.	386	398	416
Central Support/ Administration	Human resources, finance, payroll, budgeting, legal, clerical support, supervision of instruction, public information, superintendent's office, etc.	36	38	38
Subtotal, General Fund FTE		2,636	2,710	2,790
Subtotal, federal grants & other funds FTE (2)		364	399	427
Total FTE		3,000	3,109	3,217

Note 1: Numbers above are from the Employee Management System for the General Fund as of January, a mid-year approach which is deemed more accurate and stable than a year-end calculation.

Note 2: Federal grants in addition to certain other funds support FTE as shown above.

Source: District's Human Resouces Department

2017	2018	2019	2020	2021	2022	2023
1,927	1,993	2,083	2,130	2,146	2,145	2,183
474	500	522	531	513	540	580
432	442	478	496	495	501	517
38	41	46	47	45	49	47
2,871	2,976	3,129	3,204	3,199	3,235	3,327
401	378	385	399	371	404	391
3,272	3,354	3,514	3,603	3,570	3,639	3,718

St. Vrain Valley School District RE-1J
Operating Information
Student Count
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Student Membership/ Enrollment (1)	Student Funded Pupil Count (FPC) As of October 1 (2)
2014	30,195.0	28,011.8
2015	31,076.0	28,740.5
2016	31,777.0	29,373.5
2017	32,171.0	29,821.6
2018	32,421.0	30,032.3
2019	32,639.0	30,188.5
2020	32,855.0	31,300.8
2021	31,312.0	30,736.7
2022	32,406.0	31,069.2
2023	32,639.0	31,269.2

Note 1: Student membership/enrollment represents the actual number of students attending St. Vrain Valley School District RE-1J.

Note 2: Student Funded Pupil Count (FPC) represents the eligibility of funding based on students' individual academic schedules. For example, students considered part time are 0.5 FPC and full time are 1.0 FPC.

Note 3: Beginning FY20, kindergarten was funded at 1.0 FPC, instead of 0.58.

Source: District's Records Management

St. Vrain Valley School District RE-1J
Operating Information
Other Student Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Expenses (1)	Enrollment (2)	Cost per Pupil	Standard Pupil Teacher Ratio (3,5)	Number of Free and Reduced Students (4)	Percent of Free and Reduced Students in Lunch Program
2014	$ 301,153,988	30,195.0	$ 9,974	25.4:1	10,879	36.0%
2015	337,962,017	31,076.0	10,875	25.4:1	8,937	28.8%
2016	355,396,768	31,777.0	11,184	25.4:1	9,701	30.5%
2017	526,982,016	32,171.0	16,381	25.4:1	9,651	30.0%
2018	591,631,020	32,421.0	18,248	25.4:1	9,484	29.3%
2019	335,831,188	32,639.0	10,289	25.4:1	8,429	25.8%
2020	333,186,041	32,855.0	10,141	25.3:1	8,829	26.9%
2021	294,478,175	31,312.0	9,405	25.3:1	9,518	30.4%
2022	318,062,334	32,406.0	9,815	25.3:1	8,684	26.8%
2023	497,506,687	32,639.0	15,243	25.3:1	10,404	31.9%

Note 1: Expenses for governmental activities from Changes in Net Position schedule.
Note 2: Enrollment (total membership) from the Student Count schedule.
Note 3: Standard ratio provided by the Human Resources Department.
Note 4: Provided by Nutrition Services / Student Count schedule.
Note 5: Actual ratio based on an average standard which can be further impacted by other variables including the number of free & reduced students, literacy programs, focus programs, academic assistance, and Title schools.

Source: District's financial records

St. Vrain Valley School District RE-1J
Operating Information
District Buildings
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017	2018
Elementary schools (2,4)	23	23	23	23	24
Total square feet	1,227,732	1,240,032	1,238,072	1,238,072	1,320,197
Total program capacity	11,068	11,068	11,068	11,277	11,577
Enrollment	11,335	11,507	11,693	11,662	11,489
Percent capacity	102%	104%	106%	103%	99%
(P)K-8 schools (3,4)	2	2	2	2	2
Total square feet	284,649	284,649	284,649	284,649	284,649
Total program capacity	2,150	2,150	2,150	2,150	2,150
Enrollment	1,760	1,810	1,844	1,829	1,859
Percent capacity	82%	84%	86%	85%	86%
Middle schools	8	8	8	8	8
Total square feet	828,025	828,025	831,766	830,846	835,166
Total program capacity	5,558	5,640	5,640	5,640	5,640
Enrollment	5,075	5,241	5,453	5,514	5,746
Percent capacity	91%	93%	97%	98%	102%
High schools	8	8	8	8	8
Total square feet	1,379,891	1,379,891	1,381,331	1,382,771	1,477,331
Total program capacity	8,834	8,890	8,890	8,890	8,890
Enrollment	7,929	8,169	8,381	8,790	8,895
Percent capacity	90%	92%	94%	99%	100%
Alternative schools (1,7)	1	3	3	3	3
Total square feet	81,600	81,600	81,600	81,600	81,600
Enrollment	678	864	1,009	1,011	1,029
Charter schools	6	6	6	6	6
Enrollment	3,418	3,485	3,397	3,365	3,403
Other District Facilities (4)					
Total square feet	271,318	272,482	272,482	271,042	271,042

Note 1: Includes alternative programs in addition to alternative schools.
Note 2 : Elementary school square feet include a standalone preschool which opened during fiscal year 2014.
Note 3 : A PreK-8 school and a K-8 school were operational as of July 1, 2013 and converted from existing elementary and middle schools.
Note 4 : Construction of an elementary school was completed by June 30, 2018, and included in the total number and square footage in FY18. A PK-8 and Innovation Center were completed after June 30, 2018, and were added in FY19. Construction of another new elementary was completed after June 30, 2019 and included in FY20.
Note 5: In FY20, the square footage for the new Grandview Elementary school was added to the square feet total, however, the building was not added to the school count. This was corrected for FY21.
Note 6: In FY22, Operations Dept used a Revit program to calculate/update square footage.
Note 7: In FY23, added enrollment of the LaunchED Virtual School.

Source: District's Planning, Operations & Maintenance, and Records Management Departments

2019	2020	2021 (5)	2022 (6)	2023
24	25	26	26	26
1,323,521	1,352,492	1,353,789	1,362,893	1,362,893
12,501	12,634	12,315	12,648	12,501
10,963	10,972	9,662	10,161	10,539
88%	87%	78%	80%	84%
3	3	3	3	3
417,649	417,649	419,089	420,130	420,130
3,250	3,250	3,375	3,375	3,350
2,897	2,936	2,841	2,854	2,865
89%	90%	84%	85%	86%
8	8	8	8	8
836,606	840,212	840,212	836,917	836,917
5,850	5,880	5,880	5,880	5,880
5,322	5,261	5,060	4,912	4,812
91%	89%	86%	84%	82%
8	8	8	8	8
1,474,451	1,479,427	1,480,039	1,506,693	1,506,693
11,306	11,166	11,502	11,502	11,502
9,318	9,461	9,592	9,816	9,888
82%	85%	83%	85%	86%
3	3	3	3	4
81,600	81,600	81,600	81,600	81,600
945	1,046	1,002	1,461	1,251
6	6	6	6	6
3,194	3,179	3,155	3,202	3,284
322,248	323,688	323,688	326,390	326,390

St. Vrain Valley School District RE-1J
Operating Information
Capital Assets by Type
Last Ten Fiscal Years
(Unaudited)

	2014	2015 (1)	2016	2017
Governmental Activities				
Land/Sites	$ 20,053,379	$ 20,053,379	$ 20,846,495	$ 20,846,495
Projects in progress	6,542,968	12,080,092	554,037	24,831,369
Water rights	1,083,578	1,083,578	1,083,578	1,083,578
Capital assets not depreciated	27,679,925	33,217,049	22,484,110	46,761,442
Land Improvements	24,106,959	24,106,959	24,106,959	24,217,045
Buildings	301,936,554	302,473,799	303,749,153	304,012,383
Building Improvements	183,639,236	185,061,854	198,300,747	198,300,747
Leasehold improvements	-	-	-	-
Equipment	27,311,492	32,364,256	34,863,265	40,602,430
Capital assets depreciated	536,994,241	544,006,868	561,020,124	567,132,605
Lease Building	-	-	-	-
Lease Equipment	-	-	-	-
Lease Subscriptions	-	-	-	-
Lease assets amortized	-	-	-	-
Less: accumulated depreciation and amortization				
Land Improvements	13,412,046	14,460,119	15,501,629	16,544,368
Buildings	71,843,136	77,325,154	83,118,454	88,610,850
Building Improvements	54,690,125	61,727,094	68,838,373	76,468,106
Leasehold improvements	-	-	-	-
Equipment	19,292,822	22,781,556	24,558,788	26,272,425
Lease assets	-	-	-	-
Total accumulated depreciation and amortization	159,238,129	176,293,923	192,017,244	207,895,749
Capital assets depreciated and amortized, net	377,756,112	367,712,945	369,002,880	359,236,856
Total capital assets, Governmental Activities	$ 405,436,037	$ 400,929,994	$ 391,486,990	$ 405,998,298
Enterprise Fund / Business-type Activities				
Equipment	$ 3,402,259	$ -	$ -	$ -
Less: accumulated depreciation	2,355,922	-	-	-
Total	$ 1,046,337	$ -	$ -	$ -

Note 1: Due to change in accounting effective July 1, 2014, Nutrition Services was no longer reported as a business-type activity but, rather, included in governmental activities.

Note 2: The District implemented GASB Statement No. 87, *Leases* , effective July 1, 2021.

Note 3: The District implemented GASB Statement No. 96, *SBITAs* , effective July 1, 2022.

Source: District's financial records

2018	2019	2020	2021	2022 (2)	2023 (3)
$ 20,846,495	$ 20,846,495	$ 20,846,495	$ 20,846,495	$ 19,419,971	$ 25,520,799
87,477,669	31,016,164	58,178,686	33,550,600	3,881,542	3,799,713
1,083,578	1,091,078	1,091,078	1,091,078	1,091,078	1,091,078
109,407,742	52,953,737	80,116,259	55,488,173	24,392,591	30,411,590
28,667,562	29,300,771	30,100,063	33,531,089	34,031,070	35,218,137
326,780,045	388,186,141	389,752,790	439,764,056	440,326,355	440,337,711
205,261,080	231,543,514	249,990,722	268,737,537	309,454,113	309,698,745
-	-	-	-	1,585,908	1,585,908
53,819,973	61,160,619	60,106,762	69,552,292	68,440,194	80,561,948
614,528,660	710,191,045	729,950,337	811,584,974	853,837,640	867,402,449
-	-	-	-	1,919,093	1,919,093
-	-	-	-	1,935,197	2,598,477
-	-	-	-	-	2,769,438
-	-	-	-	3,854,290	7,287,008
17,644,786	18,866,625	20,018,883	21,292,178	22,535,024	23,679,495
94,209,877	101,179,304	108,231,782	115,096,694	122,989,962	130,868,382
84,380,456	93,378,945	102,687,133	110,814,474	122,646,066	135,569,308
-	-	-	-	132,159	528,636
27,602,918	31,511,302	32,390,563	34,150,263	40,266,772	47,625,284
-	-	-	-	1,240,666	3,002,412
223,838,037	244,936,176	263,328,361	281,353,609	309,810,649	341,273,517
390,690,623	465,254,869	466,621,976	530,231,365	547,881,281	533,415,940
$ 500,098,365	$ 518,208,606	$ 546,738,235	$ 585,719,538	$ 572,273,872	$ 563,827,530
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -


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COMPLIANCE SECTION

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Education
St. Vrain Valley School District RE-1J
Longmont, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of St. Vrain Valley School District RE-1J, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the St. Vrain Valley School District RE-1J's basic financial statements, and have issued our report thereon dated November 10, 2023. Our report includes a reference to other auditors who audited the financial statements of Aspen Ridge Preparatory School, Flagstaff Academy, Firestone Charter Academy, St. Vrain Community Montessori School, and Twin Peaks Charter Academy, as described in our report on St. Vrain Valley School District RE-1J's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Aspen Ridge Preparatory School, Flagstaff Academy, Firestone Charter Academy, St. Vrain Community Montessori School, and Twin Peaks Charter Academy were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with Aspen Ridge Preparatory School, Flagstaff Academy, Firestone Charter Academy, St. Vrain Community Montessori School, and Twin Peaks Charter Academy or that are reported on separately by those auditors who audited the financial statements of Aspen Ridge Preparatory School, Flagstaff Academy, Firestone Charter Academy, St. Vrain Community Montessori School, and Twin Peaks Charter Academy.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered St. Vrain Valley School District RE-1J's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of St. Vrain Valley School District RE-1J's internal control. Accordingly, we do not express an opinion on the effectiveness of St. Vrain Valley School District RE-1J's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether St. Vrain Valley School District RE-1J's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
November 10, 2023

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
St. Vrain Valley School District RE-1J
Longmont, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited St. Vrain Valley School District RE-1J's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of St. Vrain Valley School District RE-1J's major federal programs for the year ended June 30, 2023. St. Vrain Valley School District RE-1J's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, St. Vrain Valley School District RE-1J complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative* Requirements*, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of St. Vrain Valley School District RE-1J and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of St. Vrain Valley School District RE-1J's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to St. Vrain Valley School District RE-1J's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on St. Vrain Valley School District RE-1J's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about St. Vrain Valley School District RE-1J's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding St. Vrain Valley School District RE-1J's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of St. Vrain Valley School District RE-1J's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of St. Vrain Valley School District RE-1J's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
November 10, 2023

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.

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
   - Material weakness(es) identified? ____ yes __x__ no
   - Significant deficiency(ies) identified? ____ yes __x__ none reported
3. Noncompliance material to financial statements noted? ____ yes __x__ no

Federal Awards

1. Internal control over major federal programs:
   - Material weakness(es) identified? ____ yes __x__ no
   - Significant deficiency(ies) identified? ____ yes __x__ none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ____ yes __x__ no

Identification of Major Federal Programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
84.010	Title 1 Grants to Local Educational Agencies
84.371	Comprehensive Literacy Development
84.425U, 84.425C 84.425 C/R 84.425W, 84.425D	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs: $ 803,467

Auditee qualified as low-risk auditee? __x__ yes ____ no

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

St. Vrain Valley School District RE-1J

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2023

To: Colorado Department of Education

St. Vrain Valley School District RE-1J respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2023.

Audit period: June 30, 2023

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings, if any, are numbered consistently with the numbers assigned in the prior year.

FINDINGS – FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS – FEDERAL AWARD PROGRAMS AUDIT

There were no federal award programs audit findings in the prior year.

If the Colorado Department of Education has questions regarding this schedule, please call Chief Financial Officer Greg Fieth at (303) 682-7203.

Colorado Department of Education

Auditors Integrity Report

District: 0470 - St Vrain Valley RE1J
Fiscal Year 2022-23
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number		Beg Fund Balance & Prior Per Adj (6880*) +	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses -	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance =
	Governmental				
10	General Fund	159,892,644	385,697,651	379,618,049	165,972,246
18	Risk Mgmt Sub-Fund of General Fund	7,711,546	4,446,755	4,679,747	7,478,554
19	Colorado Preschool Program Fund	657,683	2,236,930	2,120,800	773,813
Sub- Total		**168,261,873**	**392,381,336**	**386,418,596**	**174,224,613**
11	Charter School Fund	16,382,434	52,211,064	50,347,915	18,245,583
20,26-29	Special Revenue Fund	21,736,217	13,829,000	13,373,626	22,191,591
06	Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07	Total Program Reserve Fund	0	0	0	0
21	Food Service Spec Revenue Fund	5,748,090	13,021,008	13,514,218	5,254,880
22	Govt Designated-Purpose Grants Fund	0	16,630,905	16,630,905	0
23	Pupil Activity Special Revenue Fund	5,966,452	9,437,842	8,963,207	6,441,087
25	Transportation Fund	0	0	0	0
31	Bond Redemption Fund	91,144,132	96,613,583	69,001,260	118,756,455
39	Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41	Building Fund	10,177,547	314,234	7,202,866	3,288,915
42	Special Building Fund	0	0	0	0
43	Capital Reserve Capital Projects Fund	10,535,222	16,521,046	16,009,250	11,047,018
46	Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals		**329,951,968**	**610,960,017**	**581,461,843**	**359,450,141**
	Proprietary				
50	Other Enterprise Funds	0	0	0	0
64 (63)	Risk-Related Activity Fund	0	0	0	0
60,65-69	Other Internal Service Funds	15,307,858	730,032	-1,223,628	17,261,518
Totals		**15,307,858**	**730,032**	**-1,223,628**	**17,261,518**
	Fiduciary				
70	Other Trust and Agency Funds	0	0	0	0
72	Private Purpose Trust Fund	0	0	0	0
73	Agency Fund	0	0	0	0
74	Pupil Activity Agency Fund	0	0	0	0
79	GASB 34:Permanent Fund	0	0	0	0
85	Foundations	0	0	0	0
Totals		**0**	**0**	**0**	**0**

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*If you have a prior period adjustment in any fund (Balance Sheet 6880), the amount of your priorperiod adjustment is added into both your ending and beginning fund balances on this report.

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