

**CONEJOS SCHOOL DISTRICT NO. 6J
SANFORD, COLORADO**

FINANCIAL STATEMENTS

June 30, 2023



Wall,
Smith,
Bateman Inc.
Certified Public Accountants

CONEJOS SCHOOL DISTRICT NO. 6J

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Conejos School District No. 6J
Sanford, Colorado



Wall,
Smith,
Bateman Inc.

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Conejos School District No. 6J (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material

Certified Public Accountants

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District'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 the District'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 and budgetary comparison, pension, and other postemployment benefits information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining and individual nonmajor fund financial schedules and the Colorado School District Auditor's Integrity Report 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial schedules and the Colorado School District Auditor's Integrity Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

December 11, 2023

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

FINANCIAL HIGHLIGHTS

Key financial highlights for the District in FY 2023 are as follows:

- Net position for governmental activities decreased by \$52,368.
- Revenue for all governmental activities was \$5,747,656.
- The District incurred \$5,800,024 in expenses related to governmental activities.

Key financial highlights for the District in FY 2022 were as follows:

- Net position for governmental activities increased by \$1,483,310.
- Revenue for all governmental activities was \$5,616,771.
- The District incurred \$4,133,461 in expenses related to governmental activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as instruction were financed in the short-term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplemental information that further explains and supports the financial statements with a comparison of the District's budget for the year.

District-wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's net position and how it has changed. Net position (the difference between the District's assets and liabilities) is one way to measure the District's financial position.

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating.
- To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school facilities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required to be established by state law. However, the District establishes many other funds to help it manage and control its finances to achieve certain results.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Total assets for the District were \$22,934,067 in 2022 and \$22,809,789 in 2023. Cash and investments were \$5,589,273 in 2022 and \$5,808,826 in 2023. Property tax receivable was \$6,170 in 2022 and \$24,392 in 2023. Receivables from other governmental entities were \$81,617 in 2022 and \$108,203 in 2023. Capital assets were in the amount of \$17,234,310 in 2022 and \$16,854,018 in 2023. Current liabilities were \$607,489 in 2022 and \$623,490 in 2023.

The effect of the PERA pension and OPEB expense on the District's total net position for Fiscal Year 2023 and 2022 is summarized below:

	FY 2023	FY 2022
Net position (GAAP Basis)	\$ 15,943,520	\$ 15,995,888
GASB 68 - Pension	\$ 5,143,070	\$ 5,179,245
GASB75 - OPEB	\$ 230,450	\$ 256,260
Net position excluding Pension and OPEB	<u>\$ 21,317,040</u>	<u>\$ 21,431,393</u>

The effect of the PERA pension and OPEB expense on the District's unrestricted net position is summarized below:

	FY 2023	FY 2022
Unrestricted - Net position (GAAP Basis)	\$ (930,182)	\$ (1,148,207)
GASB 68 - Pension	\$ 5,143,070	\$ 5,179,245
GASB 75 - OPEB	\$ 230,450	\$ 256,260
Net position excluding Pension and OPEB	<u>\$ 4,443,338</u>	<u>\$ 4,287,298</u>

In addition to the \$225 million (actual dollars) direct distribution due on July 1, 2022. House Bill HB 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of \$380 million (actual dollars), upon enactment, with reduction to future direct distributions scheduled to occur July 1, 2023, and July 1, 2024.

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

Table 1 provides a summary of the District's net position for fiscal year 2022 & 2023:

Table 1

Condensed Statement of Net Position

		Governmental Activities	Governmental Activities	Total Percent Change
		2022	2023	2022-2023
Assets				
	Current Assets	\$ 5,699,757	\$ 5,955,771	4.49%
	Capital Assets	\$ 17,234,310	\$ 16,854,018	-2.21%
Total Assets		\$ 22,934,067	\$ 22,809,789	-0.54%
Deferred Outflows of Resources		\$ 1,151,504	\$ 1,328,843	15.40%
Liabilities				
	Current liabilities	\$ 607,489	\$ 623,490	2.63%
	Long-term liabilities	\$ 5,415,253	\$ 6,588,061	21.66%
Total Liabilities		\$ 6,022,742	\$ 7,211,551	19.74%
Deferred Inflow of Resources				
	Pension	\$ 1,981,987	\$ 879,612	-55.62%
	OPEB	\$ 78,784	\$ 79,557	0.98%
	Property Taxes	\$ 6,170	\$ 24,392	295.33%
Net Position				
	Net Investment in Capital Assets	\$ 16,516,998	\$ 16,196,124	-1.94%
	Restricted for:			
	Tabor	\$ 145,000	\$ 155,000	6.90%
	Debt Service	\$ 191,697	\$ 194,928	1.69%
	BEST Capital Renewal Reserve	\$ 290,400	\$ 327,650	12.83%
	Unrestricted	\$ (1,148,207)	\$ (930,182)	-18.99%
Total Net Position		\$ 15,995,888	\$ 15,943,520	-0.33%

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

Table 2 shows the changes in net position for fiscal year 2022 & 2023:

Table 2

Changes in Net Position

	Governmental Activities	Governmental Activities	Total Percentage Change
	2022	2023	2022-2023
Revenues			
Program Revenues			
Charges for Services	\$ 18,865	\$ 46,294	145.40%
Operating Grants & Contributions	\$ 1,502,986	\$ 1,302,925	-13.31%
Property Taxes	\$ 369,146	\$ 376,400	1.97%
State Equalization	\$ 3,623,030	\$ 3,916,202	8.09%
Other	\$ 102,744	\$ 105,835	3.01%
Total Revenues	\$ 5,616,771	\$ 5,747,656	2.33%
Expenses			
Instruction	\$ 2,609,829	\$ 3,768,246	44.39%
Pupil & Instructional Services	\$ 130,581	\$ 233,727	78.99%
Admin & Business	\$ 338,884	\$ 609,334	79.81%
Maintenance & Operations	\$ 378,485	\$ 510,497	34.88%
Transportation	\$ 156,069	\$ 209,720	34.38%
Other	\$ 519,613	\$ 468,500	-9.84%
Total Expenses	\$ 4,133,461	\$ 5,800,024	40.32%
Increase(Decrease) in Net Position	\$ 1,483,310	\$ (52,368)	-103.53%
Net Position- Beginning of the year	\$ 14,512,578	\$ 15,995,888	10.22%
Net Position- End of year	\$ 15,995,888	\$ 15,943,520	-0.33%

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

State equalization accounted for a major portion of the District's total revenue, contributing 68.1 percent of total revenue. Another 22.7 percent came from state and federal grants, 6.6 percent came from property taxes, and the remainder from charges for services and miscellaneous sources.

The District's expenses are predominately related to instruction, (64.9 percent). The District's administrative and business activities accounted for 10.5 percent of total costs.

Governmental Activities

The primary source of operating revenue for school districts comes from the School Finance Act of 1994 (SFA). Under the SFA the District received \$11,093.67 for 2022 and \$11,692.11 in 2023 per funded student. In fiscal year 2022 the funded pupil count was 356.0 and in fiscal year 2023 the pupil count was 359.0. Funding for the SFA comes from property taxes, specific ownership taxes, and state equalization. The District receives approximately 90 percent of this funding from state equalization while the remaining amounts come from property and specific ownership taxes.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those service costs. Table 3 shows, for governmental activities, the total cost of services and net cost of services. That is, it identifies the cost of these services supported by unrestricted state equalization and property taxes.

Table 3

Government Activities

	Total Cost of Services	Total Cost of Services	Percentage Change	Net Cost of Services	Net Cost of Services	Percentage Change
	2022	2023	2022-2023	2022	2023	2022-2023
Instruction	\$ 2,609,829	\$ 3,768,246	44%	\$ 1,335,595	\$ 2,666,518	99.65%
Pupil & instructional services	\$ 130,581	\$ 233,727	79%	\$ 100,974	\$ 207,671	105.67%
Administration and business	\$ 338,884	\$ 609,334	80%	\$ 338,884	\$ 609,334	79.81%
Maintenance and operations	\$ 378,485	\$ 510,497	35%	\$ 378,485	\$ 510,497	34.88%
Transportation	\$ 156,069	\$ 209,720	34%	\$ 131,832	\$ 183,689	39.34%
Food Services	\$ 207,697	\$ 297,123	43%	\$ 13,924	\$ 101,719	630.53%
Other	\$ 311,916	\$ 171,377	-45%	\$ 311,916	\$ 171,377	-45.06%
Total	\$ 4,133,461	\$ 5,800,024	40%	\$ 2,611,610	\$ 4,450,805	70.42%

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

- The cost of all governmental activities during the year 2022 was \$4,133,461. During the year 2023 it was \$5,800,024.
- Federal and state government subsidized certain programs with grants and contributions in the amount of \$1,502,986 in 2022 and \$1,302,925 in 2023.
- Most of the District's costs were financed by State and District taxpayers. This portion of governmental activities was financed with \$3,623,030 for 2022 and \$3,916,202 in 2023 in state equalization from the School Finance Act of 1994 (SFA) and \$436,504 in property and specific ownership taxes for 2022 and \$442,544 in 2023.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

The governmental funds provide information on inflows, outflows, and balances of spendable resources. This information is helpful in assessing the District's financial responsibilities. One element that may be valuable in determining the net resources at the end of the fiscal year is the unassigned fund balance.

The following table shows the fund balance and total changes in fund balances for major fund and other governmental funds. At the end of FY 2023 the collective ending fund balances total \$5,403,687, an increase of \$229,038 from FY 2022.

Table 4

Fund Balance

	Fund Balance	Fund Balance	Increase (Decrease)	Percentage Change
	2022	2023	2022-2023	2022-2023
Major Governmental Funds:				
General Fund	\$ 4,419,969	\$ 4,721,681	\$ 301,712	6.8%
GDPG Fund	\$ -	\$ -	\$ -	0.0%
Nonmajor Governmental Funds	\$ 754,680	\$ 682,006	\$ (72,674)	-9.6%
Total Fund Balance	\$ 5,174,649	\$ 5,403,687	\$ 229,038	4.4%

General Fund

The primary operating fund of the District is the General Fund. The unassigned fund balance for the General Fund for FY 2023 was \$2,666,681 and the total fund balance was \$4,721,681. To determine the liquidity of the General Fund you could compare both unassigned fund balance and total fund balance to total expenditures. Unassigned fund balance represents 64.9 percent of the total General Fund expenditures, the total fund balance represents 115.0 percent of that same amount. In FY 2023 the fund balance of the General funds increased by \$301,712. This increase was mostly due to regulating expenditures within the available revenues.

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

General Fund Budgetary Highlights

The District's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the General Fund.

The District's board of education receives monthly financial packets and quarterly financial statements. These reports are reviewed and approved by the board of education. The preliminary budget is reviewed and approved by the board; the final budget is approved in January. If necessary, the board will amend the budget for unseen encumbrances, projects, or adjustments such as grants after the budget approval.

General Fund revenues are under budget by \$207,918 of which \$167,323 was from state sources 80 percent and the remaining \$40,595 was from local and federal sources making up the last 20 percent. General Fund expenditures are under budget by \$147,794 of which \$86,141 were in supporting services with 58 percent \$61,653 was from our instructional program with 42 percent and the remaining \$0 in reserves with 0 percent.

CAPITAL ASSET ADMINISTRATION

By the end of 2023, the District has invested \$16,854,018 in land, buildings, and equipment (including vehicles). By the end of 2022, the District had invested \$17,234,310 in land, buildings, and equipment (including vehicles).

Table 5 shows capital assets for FY 2022-2023:

Table 5

Capital Assets at June 30

	Governmental Activities	Governmental Activities	Total Percentage Change
	2022	2023	2022-2023
Land	\$ 43,969	\$ 43,969	0.00%
Construction in progress	\$ -	\$ 2,000	100.00%
Land Improvements	\$ 83,881	\$ 120,414	43.55%
Buildings	\$ 20,350,720	\$ 20,595,005	1.20%
Equipment	\$ 2,140,778	\$ 2,176,149	1.65%
Buses & Vehicles	\$ 757,030	\$ 750,419	-0.87%
Total	\$ 23,376,378	\$ 23,687,956	1.33%
Accumulated Depreciation			
Buildings	\$ 4,229,807	\$ 4,743,699	12.15%
Land Improvements	\$ 26,061	\$ 34,680	33.07%
Equipment	\$ 1,275,532	\$ 1,431,247	12.21%
Vehicles	\$ 610,668	\$ 624,312	2.23%
Total	\$ 6,142,068	\$ 6,833,938	11.26%
Gov Activities Cap Assets, Net	\$ 17,234,310	\$ 16,854,018	-2.21%

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

LONG-TERM LIABILITY ADMINISTRATION

The largest long-term liabilities of the District is the Series 2011 General Obligation Bonds that were issued to fund the District's portion of the construction and renovation of the school buildings. Payments will continue through 2032. The other long-term liabilities relate to the retirement benefit and compensated absences. The retirement benefit activity consists of current year accrual for eligible employees and payout of previous balances. Compensated absences change from year to year depending on the leave days that have been given to employees, but remain unused at year end.

Table 6

Long-term Liabilities at June 30

	Beginning Balance 6/30/2022	Additions	Deletions	Ending Balance 6/30/2023	Due Within One Year
Governmental Activities					
G.O. Bonds Payable-Series 2011	\$ 717,312	\$ -	\$ (59,418)	\$ 657,894	\$ 61,865
Retirement Benefit	\$ 162,000	\$ 42,700	\$ (11,900)	\$ 192,800	\$ 16,700
Compensated Absences	\$ 81,021	\$ -	\$ (8,283)	\$ 72,738	\$ -
Total	\$ 960,333	\$ 42,700	\$ (79,601)	\$ 923,432	\$ 78,565

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was not aware of any existing circumstances that could significantly affect its financial health in the future.

Additional funding to the District came through the Coronavirus Aid, Relief, and Economic Security (CARES) Act which was enacted on March 27, 2021 - a \$2 trillion package of assistance measures that include direct payment to families, loans for small businesses, and support for businesses and funding for education. Four education funding streams from the CARES Act were the Coronavirus Relief Fund, the Elementary and Secondary School Emergency Relief (ESSER) Fund, Governor's Emergency Education Relief (GEER) Fund, and nutrition. In May 2021, the School received \$278,060.93 through the Coronavirus Relief Fund. These funding sources are to address the impact COVID-19 has had and continues to have on elementary and secondary schools. No adjustments have been made to these financial statements as the potential impact is unknown at this time. The District has been awarded \$302,207 in ESSER II funds. At the end of FY21 \$4,691 was expended.. At the end of FY22 \$267,515 was expended. At the end of FY23 30,001 had been expended. Exhausting all of the ESSER II funds before the deadline of September 2023. The District has been awarded \$679,194 in ESSER III funds. In FY21 \$142,840 was expended, in FY22 \$95,344 was expended, in FY23 \$213,064 was expended leaving \$227,946 to be expended by the end of September 2024.

Upcoming in FY24 and FY25 we are planning a construction project of a couple classroom additions to our current building to allow for smaller class sizes and to have sufficient space for our classes offered. Depending on bids and timing this project will be spread over a couple of fiscal years.

In recent years our student count has held fairly consistent, and we have not seen a decline in enrollment as most districts have. However, we are aware that we will probably see a dip at some point as this has been our trend in the past. For FY22 we had 356.0, FY23 was 359.0, and our projected pupil count for FY24 is 366.0.

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, parents, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jared Morgan, Superintendent of Sanford School District 6-J, at 755 Second Street, Sanford, CO 81151.

CONEJOS SCHOOL DISTRICT NO. 6J

BASIC FINANCIAL STATEMENTS

CONEJOS SCHOOL DISTRICT NO. 6J**STATEMENT OF NET POSITION****June 30, 2023**

	Primary Government Governmental Activities
ASSETS	
Current Assets	
Cash and Investments	\$ 5,808,826
Accounts Receivable	13,103
Due from Other Governments	108,203
Property Tax Receivable	24,392
Inventories	1,247
Capital Assets	
Capital Assets Not Being Depreciated	45,969
Capital Assets, Net of Accumulated Depreciation	16,808,049
TOTAL ASSETS	22,809,789
DEFERRED OUTFLOWS OF RESOURCES	
Pension	1,290,409
OPEB	38,434
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,328,843
LIABILITIES	
Current Liabilities	
Accounts Payable	17,347
Accrued Salaries and Benefits	435,651
Unearned Grant Revenue	74,694
Accrued Interest Payable	17,233
General Obligation Bonds	61,865
Retirement Benefit	16,700
Long-term Liabilities	
General Obligation Bonds	596,029
Retirement Benefit	176,100
Compensated Absences	72,738
Net Pension Liability	5,553,867
Net OPEB Liability	189,327
TOTAL LIABILITIES	7,211,551
DEFERRED INFLOWS OF RESOURCES	
Pension	879,612
OPEB	79,557
Unavailable Revenue - Property Tax	24,392
TOTAL DEFERRED INFLOWS OF RESOURCES	983,561
NET POSITION	
Net Investment in Capital Assets	16,196,124
Restricted for	
TABOR	155,000
Debt Service	194,928
BEST Capital Reserve	327,650
Unrestricted	(930,182)
TOTAL NET POSITION	\$ 15,943,520

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

CONEJOS SCHOOL DISTRICT NO. 6J

STATEMENT OF ACTIVITIES

Fiscal Year Ended June 30, 2023

					Net (Expense) Revenue and Changes in Net Position
		Program Revenues			
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government
Functions/Programs	Expenses				
Primary Government:					
Governmental Activities:					
Instructional Program	\$ 3,768,246	\$ -	\$ 1,101,728	\$ -	\$ (2,666,518)
Student Supporting Services	185,845	-	14,500	-	(171,345)
Instructional Staff Supporting Services	47,882	-	11,556	-	(36,326)
General Administration Supporting Services	281,504	-	-	-	(281,504)
School Administration Supporting Services	210,512	-	-	-	(210,512)
Business Supporting Services	117,318	-	-	-	(117,318)
Operations & Maintenance of Plant Services	510,497	-	-	-	(510,497)
Student Transportation Services	209,720	-	26,031	-	(183,689)
Central Supporting Services	92,971	-	-	-	(92,971)
Other Supporting Services	13,410	-	-	-	(13,410)
Food Services	297,123	46,294	149,110	-	(101,719)
Facilities Acquisition and Construction Services	5,897	-	-	-	(5,897)
Interest on Long-term Debt	59,099	-	-	-	(59,099)
Total Governmental Activities	5,800,024	46,294	1,302,925	-	(4,450,805)
Total Primary Government	\$ 5,800,024	\$ 46,294	\$ 1,302,925	\$ -	(4,450,805)
General Revenues:					
Taxes:					
General Property Taxes - Net					376,400
Specific Ownership Taxes					65,329
Other Taxes					815
State Equalization					3,916,202
Interest on Investments					31,497
Miscellaneous					8,194
Total General Revenues:					4,398,437
Change in Net Position					(52,368)
Net Position - Beginning of Year					15,995,888
Net Position - End of Year					\$ 15,943,520

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

CONEJOS SCHOOL DISTRICT NO. 6J**GOVERNMENTAL FUNDS****BALANCE SHEET****June 30, 2023**

	GENERAL FUND	GOVERNMENTAL DESIGNATED PURPOSE GRANTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Investments	\$ 5,084,422	\$ 37,843	\$ 686,561	\$ 5,808,826
Accounts Receivable	10,250	-	2,853	13,103
Property Tax Receivable	18,616	-	5,776	24,392
Due from Other Governments	9,454	84,619	14,130	108,203
Inventories	-	-	1,247	1,247
TOTAL ASSETS	\$ 5,122,742	\$ 122,462	\$ 710,567	\$ 5,955,771
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 8,217	\$ 8,229	\$ 901	\$ 17,347
Accrued Salaries and Benefits	356,771	58,511	20,369	435,651
Unearned Grant Revenue	17,457	55,722	1,515	74,694
TOTAL LIABILITIES	382,445	122,462	22,785	527,692
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Tax	18,616	-	5,776	24,392
FUND BALANCE				
Nonspendable	-	-	1,247	1,247
Restricted	155,000	-	522,578	677,578
Committed	1,900,000	-	158,181	2,058,181
Assigned	-	-	-	-
Unassigned	2,666,681	-	-	2,666,681
TOTAL FUND BALANCE	4,721,681	-	682,006	5,403,687
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 5,122,742	\$ 122,462	\$ 710,567	\$ 5,955,771

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

CONEJOS SCHOOL DISTRICT NO. 6J
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
June 30, 2023

Total governmental fund balances	\$	5,403,687
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		16,854,018
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Deferred results and contributions to pension and OPEB plans made after the measurement date are recorded as expenditures in the governmental funds but must be deferred in the statement of net position.		1,328,843
--	--	-----------

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

General Obligation Refunding Bonds	\$	(657,894)	
Accrued Interest Payable		(17,233)	
Retirement Benefit		(192,800)	
Compensated Absences		(72,738)	
			(940,665)

Net pension and OPEB liabilities are not due and payable in the current period and are not reported in the funds.		(5,743,194)
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Certain amounts related to the net pension and OPEB liabilities are deferred and amortized over time. These are not reported in the funds.		(959,169)
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Net position of governmental activities	\$	15,943,520
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CONEJOS SCHOOL DISTRICT NO. 6J
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2023

	GENERAL FUND	GOVERNMENTAL DESIGNATED PURPOSE GRANTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Local Sources	\$ 391,287	\$ -	\$ 303,226	\$ 694,513
State Sources	4,300,823	103,413	3,875	4,408,111
Federal Sources	88,663	411,134	145,235	645,032
TOTAL REVENUES	4,780,773	514,547	452,336	5,747,656
EXPENDITURES				
Instructional Program	2,595,602	372,754	235,569	3,203,925
Student Supporting Services	83,912	105,018	-	188,930
Instructional Staff Supporting Services	45,184	3,257	-	48,441
General Administration Supporting Services	279,254	6,329	-	285,583
School Administration Supporting Services	212,718	1,249	-	213,967
Business Supporting Services	119,183	-	-	119,183
Operations and Maintenance of Plant Services	502,466	3,490	45,659	551,615
Student Transportation Services	181,181	-	-	181,181
Central Supporting Services	66,166	22,450	-	88,616
Other Supporting Services	13,410	-	-	13,410
Food Services	5,985	-	271,731	277,716
Facilities Acquisition and Construction Services	-	-	258,334	258,334
Debt Service	-	-	87,717	87,717
TOTAL EXPENDITURES	4,105,061	514,547	899,010	5,518,618
Excess (Deficiency) of Revenues Over Expenditures	675,712	-	(446,674)	229,038
OTHER FINANCING SOURCES (USES)				
Transfers (to)/from Other Funds	(374,000)	-	374,000	-
TOTAL OTHER FINANCING SOURCES (USES)	(374,000)	-	374,000	-
Net Change in Fund Balance	301,712	-	(72,674)	229,038
Fund Balance at Beginning of Year	4,419,969	-	754,680	5,174,649
Fund Balance at End of Year	\$ 4,721,681	\$ -	\$ 682,006	\$ 5,403,687

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

CONEJOS SCHOOL DISTRICT NO. 6J
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

Net change in fund balances - total governmental funds	\$	229,038
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the activity in the capital assets in the current period.

Capital asset additions	\$ 326,981	
Depreciation expense	(707,273)	
		(380,292)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal Payments on General Obligation Bonds	59,418	
Change in accrued interest payable	-	
		59,418

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.

Compensated Absences	8,283	
Retirement Benefit	(30,800)	
		(22,517)

Certain items reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. This item consists of the change in pension and OPEB expense.

		61,985
Change in net position of governmental activities	\$	(52,368)

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the District reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*.

REPORTING ENTITY

Primary Government

Conejos School District No. 6J is a public school as established by Colorado State Statute. The District is declared to be a corporate body with perpetual existence and in its name may hold property, sue and be sued, and be a party to contracts for any purpose authorized by law. Members of the school board are voted on at large by the registered, qualified electors of the District. Taxes are levied upon all taxable property within the District's boundaries by the County Commissioners. The County Treasurer collects the taxes and remits them to the District. The District also receives State and Federal funds. The school board has the authority to issue bonds up to 20% of the latest assessed valuation of the taxable property in the District. The board also has authority to select the depository of school funds and acquire short-term loans.

Component Units

The District's combined financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The District holds the corporate powers of the organization
- The District appoints a voting majority of the organization's board
- The District is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the District
- There is fiscal dependency by the organization on the District
- The organization is financially accountable to the District
- The organization receives or holds funds that are for the benefit of the District; and the District has access to a majority of the funds held; and the funds that are accessible are also significant to the District.

Based on the aforementioned criteria, the Conejos School District No. 6J has no component units.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. Government-wide statements report information on all of the activities of the District. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

The Statement of Activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from services, or privileges provided by a given function or segment and
- 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 in program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds. The emphasis of fund financial statements is on major governmental funds, each reported as a separate column.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible 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 of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The District reports the following major governmental funds:

- The **General Fund** is the general operating fund of the District. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The **Governmental Designated Purpose Grants Fund** is used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes other than debt service or capital projects. The federal, state and local grants account for revenue and expenses specifically related to grants which have various restrictions based on the specific grant.

Certain eliminations have been made as prescribed in GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

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

Cash

The District's cash and cash equivalents are considered to be cash in bank, certificates of deposit, and liquid investments with initial maturity of three months or less.

Investments

All investments, if any, are recorded at fair market value.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The District's property taxes are collected by the County Treasurer who remits monthly receipts to the District. Property tax revenue is recognized when received by the County Treasurer.

Uncollected property taxes that became an enforceable lien January 1, 2023 have been recorded in the financial statements as an asset and a corresponding deferred inflow of resources.

Receivables/Payables From Other District Funds

Balances that originate from current lending/borrowing arrangements between funds are referred to as "Due To/From Other Funds".

Inventories

Purchased inventories are stated at cost and consist of supplies and food to be used within one year. Donated inventory is priced at the U.S. Department of Agriculture established values.

USDA Commodities

The Food Service Fund receives donated commodities to use in meal preparation from the U.S. Department of Agriculture. The value of these commodities received during the year is shown as income, and the value of commodities used is shown as expense.

Capital Assets

Capital assets, which include land, buildings, equipment, vehicles, and construction in progress are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Equipment	4-20
Vehicles	7-20

Long-Term Obligations

Long-term debt and other long-term obligations are recorded as liabilities in the government-wide financial statements. In the fund financial statements for governmental fund types, debt proceeds are reported as an other financing source and debt payments are reported as debt service expenditures.

Compensated Absences

Employees of the District receive from 4.5 to 6 days each term for sick leave. At the end of each term, an employee has the option to either accumulate unused sick leave or be paid for the unused sick leave of that term provided they have 20 days or more of accumulated sick leave. Employees of the District shall receive reimbursement at the rate of \$100 per day for certified employees and \$96 per day for non-certified employees for unused sick leave, up to a

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

maximum of 30 days, upon separation from the District. A liability for accrued personal leave is accrued in the government-wide financial statements.

Unearned Grant Revenue

Revenues on grants, which are restricted by the grant document for specific purposes, are recognized as revenue only after eligible grant costs have been incurred. Grant funds received in excess of grant expenditures are recorded as unearned revenues.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (as either an expense or expenditure) until that period.

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

Certain amounts related to pensions must be deferred.

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.

Other Postemployment Benefits (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 fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position should be displayed in the following three components:

- *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.
- *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through the

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

- *Unrestricted* – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund Balance

Fund balances are reported by classification based on the extent to which the District is bound to honor constraints for the specific purposes on which amounts in the fund can be spent. Fund balances are classified in one of the following five categories:

- *Nonspendable Fund Balance* – amounts that cannot be spent because they are not in spendable form – such as inventory and prepaid expenditures.
- *Restricted Fund Balance* – amounts restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed Fund Balance* – amounts that can only be used for specific purposes as a result of constraints imposed through adopted resolution by the Board of Education, the highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- *Assigned Fund Balance* – amounts a government intends to use for a specific purpose; intent is expressed by the Board of Education.
- *Unassigned Fund Balance* – amounts that are available for any purpose; these amounts are reported only in the General Fund.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

As of June 30, 2023, fund balances are composed of the following:

	General Fund	Governmental Designated Purpose Grants Fund	Total Nonmajor Funds	Total Governmental Funds
Nonspendable				
Inventory	\$ -	\$ -	\$ 1,247	\$ 1,247
Restricted				
TABOR 3% Reserve	155,000	-	-	155,000
Preschool	-	-	-	-
Debt Service	-	-	194,928	194,928
BEST Capital Reserve	-	-	327,650	327,650
	<u>155,000</u>	<u>-</u>	<u>522,578</u>	<u>677,578</u>
Committed				
Early Retirement of Bonds	900,000	-	-	900,000
Emergency Reserves	1,000,000	-	-	1,000,000
Food Services	-	-	354	354
Student Activities	-	-	155,982	155,982
Capital Projects	-	-	1,845	1,845
	<u>1,900,000</u>	<u>-</u>	<u>158,181</u>	<u>2,058,181</u>
Unassigned	<u>2,666,681</u>	<u>-</u>	<u>-</u>	<u>2,666,681</u>
Total Fund Balance	<u>\$ 4,721,681</u>	<u>\$ -</u>	<u>\$ 682,006</u>	<u>\$ 5,403,687</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted net position/fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions.

Encumbrances

The District does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are rebudgeted in the succeeding year. End of the year fund balance intended to be used in the succeeding year is reported as designated fund balance.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

New Accounting Pronouncements

During fiscal year 2023, the District adopted the provisions of GASB Statement No. 96, Subscription-Based Information Technology Arrangement (SBITA), that establishes that a SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. This standard requires governmental entities to record a subscription liability and an intangible right-to-use subscription asset for those contracts for the subscription term. This standard does not have a material effect on the financial statements of the District.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

Conejos School District No. 6J follows the procedures set forth in the Colorado School District Budget Law when preparing annual budgets for each fund. Budget procedures include:

- 1) Preparation of budget documents by administrative staff shall be submitted to the Board no later than June 1 of each year.
- 2) Publication of a notice stating that the budget is available for public inspection.
- 3) Discussion of the budget in a meeting open to the public.
- 4) Adoption of the budget in a public meeting by appropriate resolution.

Formal budgetary integration is employed as a management control device for all funds of the District. All fund budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP).

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The Board of Education adopted supplemental appropriations during fiscal year 2023.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget, if applicable.

NOTE 3 CASH, DEPOSITS, AND INVESTMENTS

A summary of Cash, Deposits, and Investments for the District are as follows:

Cash in Banks and on Hand	\$ 5,325,118
COLOTRUST Investments	<u>483,708</u>
Total cash, deposits, and investments on the Statement of Net Position	<u><u>\$ 5,808,826</u></u>

Cash and Deposits

Colorado State Statutes govern the District's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories, determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does have a deposit policy for custodial credit risk. As of year-end, \$4,278,736 of the District's bank balance of \$5,188,458 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institution through PDPA.

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest. They include the following:

- Obligations of the United States and certain U.S. governments agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Banker's acceptance of certain banks
- Commercial paper holding the highest credit rating category and with a maturity within 180 days
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Corporate or bank debt issued by eligible corporations or banks

COLOTRUST is a money market investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. The pool operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned 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 entities. COLOTRUST is rated AAAM by Standard and Poors, and maintains a constant net asset value of \$1 per share. Financial statements for COLOTRUST are available at www.colotrust.com. The total COLOTRUST investment was valued at \$483,708 at June 30, 2023 with a credit rating of AAAM by Standard & Poors.

Interest Rate Risk – The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – 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).

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

Concentration of Credit Risk – The risk of loss attributed to the magnitude of a government’s investment in a single issuer. The District has not established a policy limiting the investment in any type of security and deems it unnecessary at this time.

NOTE 4 PROPERTY TAXES RECEIVABLE

At June 30, 2023, the District’s General Fund and Bond Redemption Fund had an estimated property tax receivable of \$18,616 and \$5,776, respectively.

NOTE 5 DUE FROM OTHER GOVERNMENTS

Intergovernmental receivables include amounts due from grantors for specific program grants. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

As of June 30, 2023, the District had \$108,203 due from Federal, State, and Local governments, reflected as intergovernmental receivables in the accompanying basic financial statements.

NOTE 6 INTERFUND RECEIVABLES, PAYABLE, AND TRANSFERS

Interfund Transfers

Interfund transfers for the year ended June 30, 2023, were as follows:

Transfers In	Transfer Out	Total
Capital Reserve Capital Projects Fund	General Fund	\$ 202,000
Food Service Fund	General Fund	72,000
Student Activity Fund	General Fund	100,000
	Total	<u>\$ 374,000</u>

These transfers were made to set aside funds for capital projects and subsidize the Food Service and Student Activity Funds.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 7 CAPITAL ASSETS

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

	Balance 06/30/2022	Additions	Deletions	Balance 06/30/2023
<i>Governmental Activities:</i>				
Capital assets not being depreciated				
Land	\$ 43,969	\$ -	\$ -	\$ 43,969
Construction in Progress	-	2,000	-	2,000
Total capital assets not being depreciated	43,969	2,000	-	45,969
Capital assets being depreciated				
Land Improvements	83,881	36,533	-	120,414
Buildings	20,350,720	244,285	-	20,595,005
Equipment	2,140,778	35,371	-	2,176,149
Vehicles	757,030	8,792	15,403	750,419
Total capital assets being depreciated	23,332,409	324,981	15,403	23,641,987
Less accumulated depreciation for:				
Land Improvements	26,061	8,619	-	34,680
Buildings	4,229,807	513,892	-	4,743,699
Equipment	1,275,532	155,715	-	1,431,247
Vehicles	610,668	29,047	15,403	624,312
Total accumulated depreciation	6,142,068	707,273	15,403	6,833,938
Total Capital Assets being depreciated, net	17,190,341	(382,292)	-	16,808,049
Governmental Activities Capital Assets, net	<u>\$ 17,234,310</u>	<u>\$ (380,292)</u>	<u>\$ -</u>	<u>\$ 16,854,018</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

Instructional Program	\$ 644,108
Operations and Maintenance	5,932
Student Transportation Services	30,783
Food Services	22,095
Central Supporting Services	4,355
Total depreciation expense – governmental activities	<u>\$ 707,273</u>

NOTE 8 ACCRUED SALARIES AND BENEFITS

The teachers, administrators, and the administrative staff are employed under nine, ten, and eleven month contracts. All District employees are paid on a twelve-month basis and, therefore, a difference exists between the actual amount

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of salaries earned under the contract and the amount paid. The difference between salaries earned and paid, including the District's share of benefits, has been accrued in the financial statements in the amount of \$435,651.

NOTE 9 LONG-TERM DEBT

Changes in Long-Term Debt

Long-term liability balances for the year ended June 30, 2023, were as follows:

	Beginning Balance 06/30/2022	Additions	Deletions	Ending Balance 06/30/2023	Due Within One Year
<i>Governmental Activities:</i>					
G.O. Bonds Payable-Series 2011	\$ 717,312	\$ -	\$ (59,418)	\$ 657,894	\$ 61,865
Retirement Benefit	162,000	42,700	(11,900)	192,800	16,700
Compensated Absences	81,021	-	(8,283)	72,738	-
Total	<u>\$ 960,333</u>	<u>\$ 42,700</u>	<u>\$ (79,601)</u>	<u>\$ 923,432</u>	<u>\$ 78,565</u>

General Obligation Bonds Payable

On December 8, 2011, the District issued general obligation bonds series 2011 in the amount of \$1,197,335 with an interest rate of 4.12% to be paid in full on December 1, 2031. The District issued the bonds to fulfill the required match of the Building Excellent Schools Today Act (BEST). The bond proceeds were used for the construction and renovation of schools within the District. The bonds are subject to redemption prior to maturity at the option of the District, in whole, but not in part at a redemption price equal to the principal amount thereof and a redemption premium of 3% of the principal amount redeemed, plus accrued interest to the redemption date.

The annual debt service for the General Obligation Bonds Payable is as follows:

	Principal	Interest	Totals
FY 2024	\$ 61,865	\$ 27,095	\$ 88,960
FY 2025	64,413	24,547	88,960
FY 2026	67,066	21,895	88,961
FY 2027	69,828	19,132	88,960
FY 2028	72,704	16,257	88,961
FY 2029 - FY 2032	<u>322,018</u>	<u>33,825</u>	<u>355,843</u>
	<u>\$ 657,894</u>	<u>\$ 142,750</u>	<u>\$ 800,644</u>

Retirement Benefit

The District offers a retirement benefit for eligible staff. The amount of the benefit is based on the length of employment by the District. Part time employees will be eligible for one-half of this benefit if the length of their employment meets the requirements noted in the policy. The retirement benefit will be paid to the employee, or the designated beneficiary after retirement in five equal yearly payments.

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NOTE 10 DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

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

Benefits provided as of December 31, 2022. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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

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

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

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.

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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	<u>20.38%</u>

*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 \$489,169, for the year ended June 30, 2023.

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

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

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the net pension liability was based on the 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 \$5,553,867 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:

Conejos School District's proportionate share of the net position liability	\$	5,553,867
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Conejos School District		1,618,453
Total	\$	<u>7,172,320</u>

At December 31, 2022, the District's proportion was 0.030%, which was a decrease of 0.007% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the District recognized pension expense of (\$36,175) and revenue of \$138,012 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	\$ 52,561	\$ -
Changes of assumptions or other inputs	98,377	-
Net difference between projected and actual earnings on pension plan investments	746,089	-
Changes in proportion share and differences between contributions recognized and proportionate share of contributions	141,156	879,612
Contributions subsequent to the measurement date	252,226	-
Total	<u>\$ 1,290,409</u>	<u>\$ 879,612</u>

\$252,226 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2024	\$ (229,547)
2025	(218,181)
2026	172,334
2027	433,967
2028	-
Thereafter	-

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

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

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

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

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

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

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

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

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

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

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

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

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for

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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
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%.

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 assessment. Employer contributions also include the 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), which commenced 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.

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- 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 fiduciary net position, 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 fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the SCHDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal index bond 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	<u>\$ 7,268,101</u>	<u>\$ 5,553,867</u>	<u>\$ 4,122,306</u>

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

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan description. Eligible employees of the District are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, 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.

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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 are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

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

PERA Benefit Structure

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

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF 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 percent 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 from the District were \$24,482 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 \$189,327 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)

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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 the District's contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the District proportion was 0.023%, which was a decrease of 0.001% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the District recognized OPEB expense of (\$25,810). At June 30, 2023, 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	\$ 24	\$ 45,785
Net difference between projected and actual earnings on OPEB plan investments	11,563	-
Changes of assumptions or other inputs	3,043	20,896
Changes in proportion and differences between contributions recognized and proportionate share of contributions	11,180	12,876
Contributions subsequent to the measurement date	12,624	-
Total	<u>\$ 38,434</u>	<u>\$ 79,557</u>

\$12,624 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2024	(18,339)
2025	(18,061)
2026	(8,598)
2027	(791)
2028	(6,383)
Thereafter	(1,575)

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40%-11.00%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	

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PERA benefit structure:

Service-based premium subsidy
 PERACare Medicare plans

0.00 %

6.50% in 2022

gradually decreasing to 4.50% in 2030

Medicare Part A premiums

3.75% in 2022, gradually increasing to

4.50% in 2029

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.

Age-Related Morbidity Assumptions		
	Annual Increase	Annual Increase
Participant Age	(Male)	(Female)
65-69	3.00%	1.50%
70	2.90%	1.60%
71	1.60%	1.40%
72	1.40%	1.50%
73	1.50%	1.60%
74	1.50%	1.50%
75	1.50%	1.40%
76	1.50%	1.50%
77	1.50%	1.50%
78	1.50%	1.60%
79	1.50%	1.50%
80	1.40%	1.50%
81 and older	0.00%	0.00%

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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 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	\$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.

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

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

The PERA benefit structure health care cost trend rates that were used to measure the TOL are summarized in the table below:

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

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

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

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

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

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

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

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

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

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

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.
- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

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

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

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

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

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

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

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

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

Sensitivity of the 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 Part A trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 183,968	\$ 189,327	\$ 195,157

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.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

- 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 year, 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	<u>\$ 219,486</u>	<u>\$ 189,327</u>	<u>\$ 163,531</u>

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

NOTE 12 DEFINED CONTRIBUTION PENSION PLAN

Plan Description - Employees of the District that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, 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 Voluntary Investment Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The Voluntary Investment Program 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 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions, and investment earnings. For the year ended June 30, 2023, program members contributed \$5,348 for the Voluntary Investment Program. The District does not make matching contributions to this plan.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 13 JOINT VENTURES AND RELATED PARTIES

The District participates in the following entity. This joint venture and related party does not meet the criteria for inclusion within the reporting entity because the following entity:

- is financially independent and responsible for its own financing deficits and entitled to its own surpluses,
- has a separate governing board from that of the District,
- has a separate management which is responsible for day-to-day operations and is accountable to the separate governing board,
- has governing boards and management with the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome for disposition of matters affecting the recipients of services provided, and
- has absolute authority over all funds and fiscal responsibility including budgetary responsibility and reporting to state agencies and controls fiscal management.

San Luis Valley Board of Cooperative Educational Services (BOCES)

The BOCES is an organization that provides member districts educational services at a shared lower cost per district. The Board of the BOCES is selected from the elected members of the District Boards. The District has one member on the Board. This Board has final authority for all budgeting and financing of the joint venture. The District's share of the joint venture is approximately 7% at June 30, 2023. Complete separate financial statements may be obtained from BOCES.

NOTE 14 COMMITMENTS AND CONTINGENCIES

The District participates in federal grant programs subject to program compliance audits by the grantors or their representatives. The amount, if any, of expenses which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

NOTE 15 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the current year or the three prior years.

Self Insurance Program

Health Insurance

Effective July 1, 2014, the District began a level-funding self-insurance program, accounted for in the General Fund, to internally provide services previously purchased through a third party contract. The purpose of the program is to pay medical and prescription claims of the District employees and minimize annual medical insurance costs to the District. Medical claims exceeding \$20,000 per covered individual claim liability is covered by a private insurance carrier. The District does not report a liability based on the requirements of Governmental Accounting Standards Board No. 10, as the plan is a level-funding health plan in which monthly payments to the Third Party Administrator are fixed.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 16 TABOR EMERGENCY RESERVE

Colorado voters passed an amendment to the State constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment.

Fiscal year spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

In November 1996, voters approved a ballot which stated that the District is authorized to collect, retain and expend all revenues including grants and other funds collected during 1996-97 budget year and each subsequent year from any source, notwithstanding the limitations of Article X, Section 20 of the Colorado constitution, provided, however, that no property tax mill levy be increased at any time nor shall any new tax be imposed without the prior approval of the voters.

The amendment also requires that Emergency Reserves be established. These reserves must be at least three percent of fiscal year spending. This Emergency Reserve is accounted for as a restricted fund balance in the General Fund balance sheet and a restricted net position in the government-wide statement of net position. The entity is not allowed to use the Emergency Reserve to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

CONEJOS SCHOOL DISTRICT NO. 6J

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and each of the District's major special revenue funds. In addition, pension and OPEB plan contributions and the District's proportionate share of the net pension and OPEB liabilities is required to supplement the basic financial statements.

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2023

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Local Sources	\$ 397,000	\$ 404,355	\$ 391,287	\$ (13,068)
State Sources	4,133,500	4,133,500	4,300,823	167,323
Federal Sources	35,000	35,000	88,663	53,663
TOTAL REVENUES	4,565,500	4,572,855	4,780,773	207,918
EXPENDITURES				
Instructional Program	2,649,900	2,657,255	2,595,602	61,653
Student Supporting Services	113,000	113,000	83,912	29,088
Instructional Staff Supporting Services	51,800	51,800	45,184	6,616
General Administration Supporting Services	302,750	302,750	279,254	23,496
School Administration Supporting Services	211,450	211,450	212,718	(1,268)
Business Supporting Services	119,000	119,000	119,183	(183)
Operations and Maintenance of Plant Services	513,300	513,300	502,466	10,834
Student Transportation Services	199,800	199,800	181,181	18,619
Central Supporting Services	70,500	70,500	66,166	4,334
Other Supporting Services	14,000	14,000	13,410	590
Food Services	-	-	5,985	(5,985)
Reserves	-	-	-	-
TOTAL EXPENDITURES	4,245,500	4,252,855	4,105,061	147,794
Excess (Deficiency) of Revenues Over Expenditures	320,000	320,000	675,712	355,712
OTHER FINANCING SOURCES (USES)				
Transfer to Other Funds	(320,000)	(320,000)	(374,000)	(54,000)
TOTAL OTHER FINANCING SOURCES (USES)	(320,000)	(320,000)	(374,000)	(54,000)
Net Change in Fund Balance	-	-	301,712	301,712
Fund Balance at Beginning of Year	-	-	4,419,969	4,419,969
Fund Balance at End of Year	\$ -	\$ -	\$ 4,721,681	\$ 4,721,681

Notes to the Required Supplementary Information

The basis of budgeting is the same as GAAP.

This schedule is presented on the GAAP basis.

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GOVERNMENTAL DESIGNATED PURPOSE GRANTS FUND
For the Year Ended June 30, 2023

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
State Sources	\$ 161,097	\$ 161,097	\$ 103,413	\$ (57,684)
Federal Sources	417,000	417,000	411,134	(5,866)
TOTAL REVENUES	578,097	578,097	514,547	(63,550)
EXPENDITURES				
Instructional Program	450,097	450,097	372,754	77,343
Student Supporting Services	94,000	94,000	105,018	(11,018)
Instructional Staff Supporting Services	34,000	34,000	3,257	30,743
General Administration Supporting Services	-	-	6,329	(6,329)
School Administration Supporting Services	-	-	1,249	(1,249)
Business Supporting Services	-	-	-	-
Operations and Maintenance of Plant Services	-	-	3,490	(3,490)
Student Transportation Services	-	-	-	-
Central Supporting Services	-	-	22,450	(22,450)
Food Services	-	-	-	-
TOTAL EXPENDITURES	578,097	578,097	514,547	63,550
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
PERA SCHDTF PENSION PLAN
For the Years Ended June 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.03049989%	0.03709914%	0.03979531%	0.03582259%	0.03602819%	0.04037638%	0.04139756%	0.04261888%	0.04381618%	0.04136535%
District's proportionate share of the net pension liability (asset)	\$ 5,553,867	\$ 4,317,363	\$ 6,016,248	\$ 5,351,817	\$ 6,379,531	\$ 13,056,284	\$ 12,325,653	\$ 6,518,257	\$ 5,938,564	\$ 5,276,139
State's proportionate share of the net pension liability (asset) associated with the District	1,618,453	494,931	-	678,810	872,312	-	-	-	-	-
Total	<u>\$ 7,172,320</u>	<u>\$ 4,812,294</u>	<u>\$ 6,016,248</u>	<u>\$ 6,030,627</u>	<u>\$ 7,251,843</u>	<u>\$ 13,056,284</u>	<u>\$ 12,325,653</u>	<u>\$ 6,518,257</u>	<u>\$ 5,938,564</u>	<u>\$ 5,276,139</u>
District's covered payroll	\$ 2,351,871	\$ 2,318,579	\$ 2,128,495	\$ 2,099,576	\$ 1,980,663	\$ 1,865,776	\$ 1,858,496	\$ 1,857,318	\$ 1,834,005	\$ 1,667,568
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	236%	186%	283%	255%	322%	700%	663%	351%	324%	316%
Plan fiduciary net position as a percentage of the total pension liability	61.79%	74.86%	66.99%	64.52%	57.01%	43.96%	43.1%	59.2%	62.8%	64.1%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

See Notes to Required Supplementary Information

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF DISTRICT CONTRIBUTIONS
PERA SCHDTF PENSION PLAN
For the Years Ended June 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 489,169	\$ 459,222	\$ 448,263	\$ 408,965	\$ 391,352	\$ 361,636	\$ 340,754	\$ 328,964	\$ 314,426	\$ 283,681
Contributions in relation to the contractually required contribution	<u>(489,169)</u>	<u>(459,222)</u>	<u>(448,263)</u>	<u>(408,965)</u>	<u>(391,352)</u>	<u>(361,636)</u>	<u>(340,754)</u>	<u>(328,964)</u>	<u>(314,426)</u>	<u>(283,681)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 2,400,238	\$ 2,309,965	\$ 2,254,839	\$ 2,110,250	\$ 2,045,758	\$ 1,914,423	\$ 1,853,383	\$ 1,854,277	\$ 1,861,402	\$ 1,772,892
Contributions as a percentage of covered payroll	20.38%	19.88%	19.88%	19.38%	19.13%	18.89%	18.39%	17.74%	16.89%	16.00%

See Notes to Required Supplementary Information

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
COLORADO PERA HEALTH CARE TRUST FUND
For the Years Ended June 30,

	2023	2022	2021	2020	2019	2018	2017
District's proportion of the net OPEB liability	0.0231881743%	0.0242229200%	0.0230170767%	0.0234147097%	0.0234185276%	0.0229416933%	0.0235308493%
District's proportionate share of the net OPEB liability	\$ 189,327	\$ 208,875	\$ 218,714	\$ 263,181	\$ 318,619	\$ 298,201	\$ 305,085
District's covered payroll	\$ 2,351,871	\$ 2,318,579	\$ 2,128,495	\$ 2,099,576	\$ 1,980,663	\$ 1,865,776	\$ 1,858,496
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	8%	9%	10%	13%	16%	16%	16%
Plan fiduciary net position as a percentage of the total OPEB liability	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	20.07%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

** This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the District presents information for those years for which information is available.

See Notes to Required Supplementary Information

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
COLORADO PERA HEALTH CARE TRUST FUND
For the Years Ended June 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 24,482	\$ 23,562	\$ 22,999	\$ 21,525	\$ 20,867	\$ 19,527	\$ 18,905	\$ 18,914	\$ 18,986	\$ 18,083
Contributions in relation to the contractually required contribution	(24,482)	(23,562)	(22,999)	(21,525)	(20,867)	(19,527)	(18,905)	(18,914)	(18,986)	(18,083)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 2,400,238	\$ 2,309,965	\$ 2,254,839	\$ 2,110,250	\$ 2,045,758	\$ 1,914,423	\$ 1,853,383	\$ 1,854,277	\$ 1,861,402	\$ 1,772,892
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

See Notes to Required Supplementary Information

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
CHANGES IN BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS
For the Year Ended June 30, 2023

NOTE 1 NET PENSION LIABILITY

Changes in assumptions or other inputs effective for the December 31 measurement period for the following years ended:

2022

- Required contribution increased from 10.50% to 11.00% for eligible employees.

2021

- Required contribution increased from 10.00% to 10.50% for eligible employees.
- AI cap decreased from 1.25% to 1.00%

2020

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.
- Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumptions were changed to the PubT-2010 Employee Table with generational projection using scale MP-2019.
- Post-retirement non-disabled mortality assumptions were changed to the PubT-2010 Healthy Retiree Table, adjusted as follows:
 - Males: 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
 - Females: 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Post-retirement non-disabled beneficiary mortality assumptions were changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:
 - Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
 - Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.
- Disabled mortality assumptions were changed to the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

2019 The post-retirement benefit increases to the PERA benefit structure for those hired prior to 1/1/07 was changed from 0% through 2019 and 1.5% compounded annually thereafter, to 1.25%.

2018 The assumed investment rate of return of 7.25% was used as the discount rate, rather than using the blended rate of 4.78%

2017 The discount rate was lowered from 5.26% to 4.78%.

2016

- The price inflation assumption was lowered from 2.80% to 2.40%.
- The long-term expected rate of return assumption was lowered from 7.50% to 7.25% per year.
- The wage inflation assumption was lowered from 3.90% to 3.50%.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
CHANGES IN BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS
For the Year Ended June 30, 2023

- The mortality tables were changed from RP-2000 Combined Mortality Table for Males and Females, as appropriate, with adjustments for mortality improvements based on a projection scale of Scale AA to 2020 to RP-2014 White Collar Employee Mortality for actively working people, RP-2014 Healthy Annuitant Mortality Table projected to 2020 using the MP-2015 projection scale for retirees, or RP-2014 Disabled Retiree Mortality Table for disabled retirees.
- The discount rate was lowered from 7.50% to 5.26%.

2015 There were no changes in assumptions or other inputs this measurement period compared to the prior year.

NOTE 2 OTHER POSTEMPLOYMENT BENEFITS LIABILITY

Changes in assumptions or other inputs effective for the December 31st measurement period for the following years ended:

2022

- The Medicare Part A premium increased from \$471 to \$499 per month.
- 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.
- 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 total OPEB liability.

2021

- The Medicare Part A premium increased from \$458 to \$471 per month.
- The health care cost trend rates from Medicare Part A premiums were revised to reflect the then current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

2020

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2020 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.
- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real wage growth assumption decreased from 1.10 percent per year to 0.70 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.
- Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumptions for the School Division were changed to the PubT-2010 Employee Table with generational projection using scale MP-2019.
- Post-retirement non-disabled mortality assumptions for the School Division were changed to the PubT-2010 Healthy Retiree Table, adjusted as follows:

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
CHANGES IN BENEFIT TERMS AND ACTUARIAL ASSUMPTIONS
For the Year Ended June 30, 2023

- Males: 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Post-retirement non-disabled beneficiary mortality assumptions were changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:
 - Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
 - Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.
- Disabled mortality assumptions were changed to the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

2019

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2019 plan year.
- The morbidity assumptions were updated to reflect the assumed standard aging factors.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

2018 There were no changes in assumptions or other inputs effective this measurement period compared to the prior year.

2017 The Medicare Part A premiums were raised from 3.00% to 3.25%, as well as the gradual percentage rose from 4.25% in 2023 to 5.00% in 2025.

CONEJOS SCHOOL DISTRICT NO. 6J

SUPPLEMENTARY INFORMATION

These schedules present more detailed information for the individual funds in a format that segregates information by fund type.

CONEJOS SCHOOL DISTRICT NO. 6J
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2023

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of special revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Food Service Fund - This fund is used to account for the operations of the school breakfast and lunch programs.

Student Activity Fund – This fund is used to record financial transactions related to school-sponsored pupil intrascholastic and interscholastic athletic and other related activities. These activities are supported in whole or in part by revenue from pupils, gate receipts, and other fundraising activities.

DEBT SERVICE FUND

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Bond Redemption Fund- This fund is used to account for the accumulation of resources and for the payment of principal, interest, and related expenses on the long-term general obligation debt.

CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays acquisition or construction of major capital facilities and other capital assets.

Capital Reserve Capital Projects Fund – This fund is used to account for the acquisition of sites, buildings, equipment, and vehicles.

CONEJOS SCHOOL DISTRICT NO. 6J
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2023

	<u>SPECIAL REVENUE FUNDS</u>				
	FOOD SERVICE FUND	STUDENT ACTIVITY FUND	BOND REDEMPTION FUND	CAPITAL RESERVE CAPITAL PROJECTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS					
Cash and Investments	\$ 9,388	\$ 156,883	\$ 189,639	\$ 330,651	\$ 686,561
Accounts Receivable	-	-	2,853	-	2,853
Property Tax Receivable	-	-	5,776	-	5,776
Due from Other Governments	11,694	-	2,436	-	14,130
Inventories	1,247	-	-	-	1,247
TOTAL ASSETS	\$ 22,329	\$ 156,883	\$ 200,704	\$ 330,651	\$ 710,567
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ -	\$ 901	\$ -	\$ -	\$ 901
Accrued Salaries and Benefits	20,369	-	-	-	20,369
Unearned Grant Revenue	359	-	-	1,156	1,515
TOTAL LIABILITIES	20,728	901	-	1,156	22,785
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	5,776	-	5,776
FUND BALANCE					
Nonspendable	1,247	-	-	-	1,247
Restricted	-	-	194,928	327,650	522,578
Committed	354	155,982	-	1,845	158,181
TOTAL FUND BALANCE	1,601	155,982	194,928	329,495	682,006
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 22,329	\$ 156,883	\$ 200,704	\$ 330,651	\$ 710,567

CONEJOS SCHOOL DISTRICT NO. 6J
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2023

	<u>SPECIAL REVENUE FUNDS</u>				
	FOOD SERVICE FUND	STUDENT ACTIVITY FUND	BOND REDEMPTION FUND	CAPITAL RESERVE CAPITAL PROJECTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES					
Local Sources	\$ 46,294	\$ 165,984	\$ 90,948	\$ -	\$ 303,226
State Sources	3,875	-	-	-	3,875
Federal Sources	145,235	-	-	-	145,235
TOTAL REVENUES	195,404	165,984	90,948	-	452,336
EXPENDITURES					
Instructional Program	-	235,569	-	-	235,569
Operations and Maint. of Plant Services	-	-	-	45,659	45,659
Food Services	271,731	-	-	-	271,731
Facilities Acq. and Const. Services	-	-	-	258,334	258,334
Debt Service	-	-	87,717	-	87,717
TOTAL EXPENDITURES	271,731	235,569	87,717	303,993	899,010
Excess (Deficiency) of Revenues Over Expenditures	(76,327)	(69,585)	3,231	(303,993)	(446,674)
OTHER FINANCING SOURCES (USES)					
Transfers from Other Funds	72,000	100,000	-	202,000	374,000
TOTAL OTHER FINANCING SOURCES (USES)	72,000	100,000	-	202,000	374,000
Net Change in Fund Balance	(4,327)	30,415	3,231	(101,993)	(72,674)
Fund Balance at Beginning of Year	5,928	125,567	191,697	431,488	754,680
Fund Balance at End of Year	\$ 1,601	\$ 155,982	\$ 194,928	\$ 329,495	\$ 682,006

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOOD SERVICE FUND
For the Year Ended June 30, 2023

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Local Sources	\$ 53,500	\$ 64,500	\$ 46,294	\$ (18,206)
State Sources	3,500	3,500	3,875	375
Federal Sources	113,000	113,000	145,235	32,235
TOTAL REVENUES	170,000	181,000	195,404	14,404
EXPENDITURES				
Food Services				
Salaries	120,000	120,000	114,556	5,444
Fringe Benefits	36,000	36,000	32,154	3,846
Supplies and Materials	112,000	123,000	124,421	(1,421)
Purchased Services	500	500	-	500
Other Operating	1,500	1,500	600	900
Reserves	-	-	-	-
TOTAL EXPENDITURES	270,000	281,000	271,731	9,269
Excess (Deficiency) of Revenues Over Expenditures	(100,000)	(100,000)	(76,327)	23,673
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund	100,000	100,000	72,000	(28,000)
TOTAL OTHER FINANCING SOURCES (USES)	100,000	100,000	72,000	(28,000)
Net Change in Fund Balance	-	-	(4,327)	(4,327)
Fund Balance at Beginning of Year	-	-	5,928	5,928
Fund Balance at End of Year	\$ -	\$ -	\$ 1,601	\$ 1,601

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
STUDENT ACTIVITY FUND
For the Year Ended June 30, 2023

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Local Sources	\$ 182,000	\$ 182,000	\$ 165,984	\$ (16,016)
TOTAL REVENUES	182,000	182,000	165,984	(16,016)
EXPENDITURES				
Instructional Program	302,000	302,000	235,569	66,431
TOTAL EXPENDITURES	302,000	302,000	235,569	66,431
Excess (Deficiency) of Revenues Over Expenditures	(120,000)	(120,000)	(69,585)	50,415
OTHER FINANCING SOURCES (USES)				
Transfer to/from Other Funds	120,000	120,000	100,000	(20,000)
TOTAL OTHER FINANCING SOURCES (USES)	120,000	120,000	100,000	(20,000)
Net Change in Fund Balance	-	-	30,415	30,415
Fund Balance at Beginning of Year	-	-	125,567	125,567
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,982</u>	<u>\$ 155,982</u>

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
BOND REDEMPTION FUND
For the Year Ended June 30, 2023

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Local Sources	\$ 89,000	\$ 89,000	\$ 90,948	\$ 1,948
TOTAL REVENUES	89,000	89,000	90,948	1,948
EXPENDITURES				
Debt Service	89,000	89,000	87,717	1,283
TOTAL EXPENDITURES	89,000	89,000	87,717	1,283
Net Change in Fund Balance	-	-	3,231	3,231
Fund Balance at Beginning of Year	-	-	191,697	191,697
Fund Balance at End of Year	\$ -	\$ -	\$ 194,928	\$ 194,928

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CAPITAL RESERVE CAPITAL PROJECTS FUND
For the Year Ended June 30, 2023

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Local Sources	\$ 450,000	\$ 587,000	\$ -	\$ 587,000
State Sources	-	-	-	-
TOTAL REVENUES	450,000	587,000	-	587,000
EXPENDITURES				
Operations and Maint. of Plant Services	265,000	265,000	45,659	219,341
Facilities Acquisition and Construction Services	250,000	387,000	258,334	128,666
TOTAL EXPENDITURES	515,000	652,000	303,993	348,007
Excess (Deficiency) of Revenues Over Expenditures	(65,000)	(65,000)	(303,993)	935,007
OTHER FINANCING SOURCES (USES)				
Transfer From Other Funds	100,000	100,000	202,000	102,000
TOTAL OTHER FINANCING SOURCES (USES)	100,000	100,000	202,000	102,000
Net Change in Fund Balance	35,000	35,000	(101,993)	1,037,007
Fund Balance at Beginning of Year	-	-	431,488	431,488
Fund Balance at End of Year	\$ 35,000	\$ 35,000	\$ 329,495	\$ 1,468,495

CONEJOS SCHOOL DISTRICT NO. 6J

CDE COMPLIANCE SECTION



Colorado Department of Education
Auditors Integrity Report
District: 0560 - Sanford 6J
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	4,362,834	4,148,084	3,839,364	4,671,554
18 Risk Mgmt Sub-Fund of General Fund	56,982	107,000	113,855	50,127
19 Colorado Preschool Program Fund	155	151,689	151,844	0
Sub- Total	4,419,971	4,406,773	4,105,063	4,721,681
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
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	5,928	267,404	271,732	1,600
22 Govt Designated-Purpose Grants Fund	0	514,547	514,547	0
23 Pupil Activity Special Revenue Fund	125,567	265,982	235,566	155,983
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	191,696	90,948	87,716	194,928
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	431,488	202,000	303,993	329,496
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	5,174,651	5,747,654	5,518,618	5,403,687
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	0	0	0	0
Totals	0	0	0	0
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

FINAL