

cPa DIXON, WALLER & CO., INC.

---

BACA COUNTY SCHOOL

DISTRICT NUMBER RE-1

WALSH, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2023

# DIXON, WALLER & CO., INC.

## TABLE OF CONTENTS

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1

FINANCIAL STATEMENTS

JUNE 30, 2023

|  | <u>Page</u> |
|--|-------------|
| Title Page   |             |
| Table of Contents  |             |
| Roster of Officials  |             |
| <u>FINANCIAL SECTION:</u>  |             |
| Independent Auditor's Report .....   | 1-3         |
| Management's Discussion and Analysis .....   | i-ix        |
| <u>BASIC FINANCIAL STATEMENTS:</u>   |             |
| Government Wide Financial Statements:  |             |
| Statement of Net Position .....  | 4           |
| Statement of Activities .....  | 5           |
| Fund Financial Statements:   |             |
| Balance Sheet – Governmental Funds .....   | 6           |
| Reconciliation of Governmental Funds Balance Sheet<br>to Statement of Net Position .....   | 7           |
| Statement of Revenues, Expenditures and Changes in<br>Fund Balances – Governmental Funds .....   | 8           |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in<br>Fund Balances of Governmental Funds to the Statement of Activities ..... | 9           |

|  | <u>Page</u> |
|--|-------------|
| Fund Financial Statements (Continued):   |             |
| Notes to Basic Financial Statements .....  | 10-40       |
| <u>REQUIRED SUPPLEMENTARY INFORMATION:</u>   |             |
| Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – Major Governmental Funds: |             |
| General Fund.....  | 41-44       |
| Designated Purpose Grant Fund – Special Revenue Fund .....   | 45          |
| Pension Trend Data:  |             |
| Schedule of Proportionate Share of Net Pension Liability.....  | 46          |
| Schedule of District Contributions - Pension.....  | 47          |
| Other Post Employment Benefits (OPEB) Trend Data:  |             |
| Schedule of Proportionate Share of Net OPEB Liability.....   | 48          |
| Schedule of District Contributions – OPEB.....   | 49          |
| <u>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND OTHER SCHEDULES:</u>                                   |             |
| Combining Balance Sheet – Nonmajor Governmental Funds.....   | 50          |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....    | 51          |
| Schedule of Revenues, Expenditures (Expenses) and Changes in Fund Equity - Budget and Actual:                    |             |
| Food Service – Special Revenue Fund.....   | 52          |
| Student Activity – Special Revenue Fund.....   | 53          |
| Bond Redemption- Debt Service Fund .....   | 54          |
| Building Fund- Capital Project Fund.....   | 55          |
| <u>STATE REQUIRED SCHEDULES:</u>   |             |
| Auditor’s Integrity Report (Revenues, Expenditures, and Fund Balance by Fund).....                               | 56          |
| Bolded Balance Sheet.....  | 57-59       |

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
ROSTER OF SCHOOL OFFICIALS  
June 30, 2023

---

BOARD OF EDUCATION

|                |                |
|----------------|----------------|
| Tim Hume       | President      |
| Kyle Sniff     | Vice President |
| Matt Tedder    | Treasurer      |
| Tanner Dunivan | Secretary      |
| Shade Wright   | Member         |

SCHOOL OFFICIALS

|                  |                  |
|------------------|------------------|
| Richard Hargrove | Superintendent   |
| Sherrie Jones    | Business Manager |

## FINANCIAL SECTION

164 E. MAIN  
TRINIDAD, COLORADO 81082  
(719) 846-9241 FAX (719) 846-3352

### **INDEPENDENT AUDITOR'S REPORT**

Board of Education  
Baca County School District Number RE-1  
Walsh, Colorado 81090

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Baca County School District Number RE-1, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Baca County School District Number RE-1'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 Baca County School District Number RE-1, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Baca County School District Number RE-1, 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 Baca County School District Number RE-1'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.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Baca County School District Number RE-1'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 Baca County School District Number RE-1's ability to continue as a going concern for a reasonable period of time.

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and post employment benefits trend data 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 an opinion on the financial statements that collectively comprise the Baca County School District Number RE-1's basic financial statements. The accompanying combining and individual fund financial statements, other schedules, and state required schedules 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 fund financial statements, other schedules, and state required schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

  
November 30, 2023



## MANAGEMENT'S DISCUSSION AND ANALYSIS

# Walsh School District RE-1

## Management's Discussion and Analysis

The discussion and analysis of Walsh School District RE-1's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should review the information presented here in conjunction with the notes to the basic financial statements and the financial statements to enhance their understanding of the District's performance.

The Management Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standard Board (GASB) in their Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, issued June 1999. The GASB requires certain comparative information between the current year and the prior year to be presented in the MD&A.

As of June 30, 2023, the District's proportionate share of the net PERA pension liability is \$3,348,064. Under GASB 68 the District's proportionate share of the net pension liability of the Colorado state retirement system, the Public Employees Retirement Association (PERA), is recorded as a District liability. The District's proportionate share of the net other post-employment benefits liability (OPEB) was \$114,145. Based on total liabilities, deferred inflows, and deferred inflows, there was an increase in net position of total governmental funds.

### Financial Highlights

- The General Fund Balance as of June 30, 2023 was 2,487,998, an increase of \$128,060. For the 2020 fiscal year, the District levied 6 mills of the voter approved 10 mill levy override. Only 6.09 mills of the levy override had been budgeted for the 2023 fiscal year. The revenue to expenditure deficit will be offset by the increase in the general fund balance that has been seen over the past 2 years.
- The District's governmental total net position increased by \$6,016,037 largely as a result of the District's grant for capital outlay. While net position does indicate negative

# Walsh School District RE-1

overall fiscal health, the reader should be aware that this is an academic standard and does not reflect the fund-level fiscal health of the district.

- Expenses from governmental activities totaled \$3,890,042 and were countered by revenues totaling \$9,906,079. Pension changes increased governmental activities revenues by \$74,572.
- General revenues reported include \$1,212,026 from property taxes, \$116,438 from specific ownership taxes, \$2,184,309 from state equalization, \$45,124 from earnings on investments, and \$103,461 from other revenues.

## **Overview of the Financial Statements**

The Walsh School District RE-1 basic financial statements are comprised of three components:

1. Government-wide financial statements - focusing on both short-term and long-term information about the overall financial status of the District. The government-wide financial statements include the General Fund, Insurance Reserve Fund, CPP Fund, Designated Grant Fund, Food Service Fund, and Activity Fund.
2. Fund financial statements – focusing on the individual parts of the government, reporting the District’s operations in more detail than the government-wide statements.
3. 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.

## **Government-wide Statements**

The financial statements provided are designed to supply the reader an overview of the District’s financial activities similar to those used in the private sector. The government-wide statements relate to those activities directly related to the education of students. The statement of net position includes all of the government’s assets, liabilities, and deferred flows. All of the current year’s revenues and expenses are accounted for in the statement of activities.

# Walsh School District RE-1

The two government-wide statements report the District's net position and any changes in net position from one year to the next. Net position is the difference between the District's assets, liabilities, and deferred flows, and is one indicator of the District's overall financial health. Net position indicates whether the District's financial health is improving or deteriorating. The reader should note that the net position includes the District's share of the PERA pension plan liability. Changes in the solvency of PERA affect the net position, sometimes dramatically. Other factors to consider when examining net position include non-financial factors such as changes to the District's tax base, student enrollment, and overall condition of facilities.

The government-wide financial statements of the District include the governmental activities. Most of the district's basic services are included within, such as instruction, support, general administration, and capital outlay. The statements also indicate that funding for these services come primarily from state equalization, property tax, and grant sources.

## **Fund Financial Statements**

Fund financial statements are designed to display compliance with finance-related legal requirements. A fund is a grouping of related accounts designed to keep control over resources segregated for specific activities or objectives. The Walsh School District, like other governments, uses fund accounting to guarantee and demonstrate compliance. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

### **Governmental Funds**

Governmental funds account for the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements emphasize short-term financial resources and fund balances, or those available at the end of the fiscal year. Such information is used to evaluate the District's short-term financing requirements. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Comparison of the governmental funds with the government-wide funds may allow the reader to better understand the long-term impact of the District's short-term financing decisions.

Walsh School District maintains the following fund types:

- General Fund – accounts for all financial resources except for those legally required to be accounted for separately.

## Walsh School District RE-1

- Colorado Preschool Project Fund (CPP) – accounts for all financial resources related to preschool students identified by the CPP program and is reported as part of the General Fund.
- Designated Purpose Grants Fund – accounts for all financial resources tied to specific grant funding.
- Insurance Reserve Fund – accounts for all financial resources legally restricted for specific insurance purposes and is reported as part of the General Fund.
- Pupil Activity Fund – accounts for all financial resources held by special interest groups such as clubs, organizations, and classes.
- Food Service Special Revenue Fund – accounts for all financial resources related to the operation of the school lunch program.
- Building Fund Used to account for all resources available for acquiring capital sites, buildings and equipment. Examples of such resources include bond sale proceeds, grants, donations and interfund transfers. Fund 41 required to be used for Bond sales reported to capital acquisitions.
- Bond Redemption Fund. Used to account for the accumulation of resources for and the payment of principal, interest and related expenses on long-term general obligation debt or long-term voter-approved financed (lease)-purchase debt.

### **Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information essential to a full understanding of the data provided in the district-wide and fund financial statements.

### **Required Supplementary Information**

Each year, the District adopts a budget and appropriation resolutions for each of the individual governmental funds. A budgetary comparison for the general fund is included in the fund financial statements to demonstrate compliance with the adopted budget. A comparison of the remaining governmental funds are also reported as supplemental information.

### **Financial Analysis**

As previously stated, net position is one indicator of an entity's financial health. The net position of Walsh School District increased by \$6,016,037 which was more than the increase seen in the prior year. The District's net position was \$8,655,300 as of June 30, 2023.

Walsh School District's current assets total was \$11,231,011 with an additional \$9,469,479 in capital assets such as land, buildings, equipment, etc. As capital assets are used to provide

## Walsh School District RE-1

services to students, these assets are not available for expenditures. The ratio of current assets to current liabilities is approximately 4.54:1 indicating that the District is solvent and able to meet its financial obligations.

| NET POSITION                     |                     |  |                     |               |
|----------------------------------|---------------------|--|---------------------|---------------|
|                                  |                     |  |                     |               |
|                                  | 2023                |  | 2022                |               |
|                                  | <b>Governmental</b> |  | <b>Governmental</b> | <b>NET</b>    |
|                                  | <b>Activities</b>   |  | <b>Activities</b>   | <b>CHANGE</b> |
| ASSETS                           |                     |  |                     |               |
| Current and Other Assets         | 11,231,011          |  | 9,956,163           | 1,274,848     |
| Capital Assets                   | 9,469,479           |  | 2,857,345           | 6,612,134     |
| Total Assets                     | 20,700,490          |  | 12,813,508          | 7,886,982     |
|                                  |                     |  |                     |               |
| Deferred Outflows                | 793,388             |  | 669,216             | 124,172       |
|                                  |                     |  |                     |               |
| LIABILITIES                      |                     |  |                     |               |
| Current and Other Liabilities    | 2,468,714           |  | 280,232             | 2,188,482     |
| Long Term Liabilities            | 6,380,154           |  | 6,623,119           | (242,965)     |
| Net Pension and OPEB Liability   | 3,462,209           |  | 2,659,122           | 803,087       |
| Total Liabilities                | 12,311,077          |  | 9,562,473           | 2,748,604     |
|                                  |                     |  |                     |               |
| Deferred Inflows                 | 527,501             |  | 1,280,988           | (753,487)     |
|                                  |                     |  |                     |               |
| NET POSITION                     |                     |  |                     |               |
| Net Investment in Capital Assets | 3,969,479           |  | 2,857,345           | 1,112,134     |
| Restricted for:                  |                     |  |                     |               |
| Debt                             | 323,027             |  | 314,334             | 8,693         |
| Tabor Reserve                    | 277,000             |  | 123,000             | 154,000       |
| Preschool                        | -                   |  | 2,534               | (2,534)       |
| Capital Outlay                   | 5,710,563           |  | 6,824,012           | (1,113,449)   |
| Food Service                     | 107,298             |  | 81,409              | 25,889        |
| Unrestricted                     | (1,732,067)         |  | (7,563,371)         | 5,831,304     |
|                                  | 8,655,300           |  | 2,639,263           | 6,016,037     |

Changes in Net Position

# Walsh School District RE-1

## Changes in Net Position

|  | 2023                       | 2022                       |                  |
|--|----------------------------|----------------------------|------------------|
|  | Governmental<br>Activities | Governmental<br>Activities | NET<br>CHANGE    |
| <b>Revenues</b>                            |                            |                            |                  |
| Charges for Services                       | 96,222                     | 30,430                     | 65,792           |
| Operating Grants and Contributions         | 569,838                    | 788,832                    | (218,994)        |
| Capital Grants and Contributions           | 5,504,089                  | 1,123,857                  | 4,380,232        |
| Property taxes                             | 1,212,026                  | 1,177,163                  | 34,863           |
| Specific Ownership Taxes                   | 116,438                    | 94,034                     | 22,404           |
| Equalization                               | 2,184,309                  | 1,646,751                  | 537,558          |
| Earnings on investments                    | 45,124                     | 6,549                      | 38,575           |
| Changes - Pension and OPEB                 | 74,572                     | 1,095,094                  |                  |
| Other Revenues                             | 103,461                    | 70,741                     | 32,720           |
| Transfers                                  | -                          | -                          | -                |
| <b>TOTAL<br/>REVENUES</b>                  | <b>9,906,079</b>           | <b>6,033,451</b>           | <b>4,893,150</b> |
| <b>Expenses</b>                            |                            |                            |                  |
| Instructional services                     | 1,913,484                  | 1,683,018                  | 230,466          |
| Students                                   | 209,039                    | 149,133                    | 59,906           |
| Instructional staff                        | 72,806                     | 33,625                     | 39,181           |
| District administration                    | 442,240                    | 328,809                    | 113,431          |
| School administration                      | 197,849                    | 190,264                    | 7,585            |
| Business                                   | 65,639                     | 56,495                     | 9,144            |
| Operation and maintenance of facilities    | 344,369                    | 303,339                    | 41,030           |
| Transportation                             | 197,720                    | 199,721                    | (2,001)          |
| Central                                    | 93,078                     | 138,710                    | (45,632)         |
| Capital outlay                             | -                          | -                          | -                |
| Interest on Long Term Liabilities          | 153,185                    | 191,871                    | (38,686)         |
| Pension and OPEB Expense                   | -                          | -                          | -                |
| Food Service                               | 200,633                    | 152,247                    | 48,386           |
| <b>TOTAL<br/>EXPENSES</b>                  | <b>3,890,042</b>           | <b>3,427,232</b>           | <b>462,810</b>   |
| <b>Increase (Decrease) in Net Position</b> | <b>6,016,037</b>           | <b>2,606,219</b>           | <b>4,430,340</b> |

## Governmental Activities

## Walsh School District RE-1

The table below displays the District's major fiscal functions, and the net costs associated with each. As would be expected of a school district, the major functions involve instructional services and related supporting services.

| <b>Table - 3 Governmental Activities by Major Function</b> |       |            |             |            |             |
|--|-------|------------|-------------|------------|-------------|
|  |       | 2023       |             | 2022       |             |
|  |       | Total Cost | Net Cost    | Total Cost | Net Cost    |
|  |       | of Service | of Service  | of Service | of Service  |
|  |       |            |             |            |             |
|  |       |            |             |            |             |
| Instructional services                                     |       | 1,913,484  | 1,570,944   | 1,683,018  | 1,124,629   |
| Students   |       | 209,039    | 100,076     | 149,133    | 66,386      |
| Instructional staff  |       | 72,806     | 71,367      | 33,625     | 33,306      |
| District administration                                    |       | 442,240    | 435,931     | 328,809    | 326,116     |
| School administration                                      |       | 197,849    | 190,841     | 190,264    | 187,306     |
| Business   |       | 65,639     | 49,531      | 56,495     | 55,628      |
| Operation and maintenance of facilities                    |       | 344,369    | 339,137     | 303,339    | 297,197     |
| Transportation   |       | 197,720    | 161,276     | 199,721    | 167,679     |
| Central  |       | 93,078     | 93,078      | 138,710    | 138,710     |
| Capital outlay   |       | -          | (5,504,089) | -          | (1,123,857) |
| Interest on Long Term Liabilities                          |       | 153,185    | 153,185     | 191,871    | 191,871     |
| Pension and OPEB Expense                                   |       | -          | -           | -          | -           |
| Food Service   |       | 200,633    | 58,616      | 152,247    | 19,142      |
|  | TOTAL | 3,890,042  | (2,280,107) | 3,427,232  | 1,484,113   |

As table above indicates, the total cost of governmental activities for the fiscal year ending June 30, 2023 was \$3,890,042. The District's total cost of services was offset by charges for services in the amount of \$96,222 and operating grants and contributions totaling \$569,838. Revenue for governmental activities came primarily from state equalization \$2,184,309. In addition, earnings on investments produced \$45,124 in revenue, and other revenues contributed \$103,461 to supporting District governmental activities.



# Walsh School District RE-1

## General Fund Budgetary Highlights

The Board adopted a final budget on January 21, 2023 with a total appropriation of \$3,305,001. As of June 30, 2023, the District General Fund had actual expenditures totaling \$3,180,979 which was 55,978 less than budgeted. The unspent appropriations remain in the District's fund balance. Similarly, the District realized \$3,442,940 in revenues, which was more than budgeted amount by 400,829.

## Next Year's Budget and Future Economic Status of the District

The 2023-2024 budget will continue to be impacted by the uncertain future of PERA reform and school finance at the State and Federal levels. Furthermore, while enrollment appears to be stabilizing, the trend favors an overall decline. Despite these fiscal concerns, District administration is confident in its ability to maintain overall financial solvency. In the upcoming year, the mill levy override will be certified at 6 mills over the base, and the district is conducting a comprehensive needs assessment to determine where funds are most needed, and areas where cuts can be made. The District will continue to engage in a budget development process that is comprehensive and effective in controlling expenditures while meeting the needs of all students.

## Capital Assets and Debt Administration

Walsh School District's investments in capital assets for its governmental activities as of June 30, 2023 are \$9,469,479. This figure represents the net capital assets, and takes into account \$3,997,367 in total accumulated depreciation. Gross capital assets would therefore total \$13,466,846. The District's governmental capital assets are composed of the following:

|                          | 2022-2023  | 2021-2022 |
|--------------------------|------------|-----------|
| Land and Sites           | 229,369    | 229,369   |
| Construction in Progress | 8,133,701  | 0         |
| Buildings & Improvements | 3,433,645  | 3,433,645 |
| Equipment & Vehicles     | 685,565    | 628,471   |
| Food Service Equipment   | 984,566    | 979,367   |
| Total Capital Assets     | 13,466,846 | 5,270,852 |

# Walsh School District RE-1

## **Long-Term Debt:**

During the fiscal year ended June 30, 2022 the District with voter approval issued general obligation bonds to assist in the financing of construction projects. These bonds were issued for the original amount of \$5,680,000 and mature serially on December 1, 2046 in amounts varying from \$180,000 to \$345,000 with interest from 3.00% to 4.00% payable semi-annually. The general obligation bond balance for the year ended June 30, 2023 was \$5,500,000 compared to \$5,680,000 the prior year, a decrease of 180,000.

## **Requests for Information**

The purpose of the Management's Discussion and Analysis is to provide the District's citizens, taxpayers, customers, and creditors a general overview of the District's finances. This financial report provides an added layer of fiscal accountability, and as such, may generate questions or concerns. Questions or comments concerning this report may be addressed to Richard Hargrove, Superintendent of Schools, P.O. Box 68, Walsh, CO 81090, or by calling 719-324-5400.

## BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
STATEMENT OF NET POSITION  
June 30, 2023

|  | <u>Governmental<br/>Activities</u> | <u>Total</u>       |
|--|------------------------------------|--------------------|
| <u>ASSETS</u>                              |                                    |                    |
| Cash                                       | 7,774,422                          | 7,774,422          |
| Investments                                | -                                  | -                  |
| Accounts Receivable                        | 3,341,380                          | 3,341,380          |
| Accrued Revenue                            | -                                  | -                  |
| Property Taxes Receivable                  | 114,000                            | 114,000            |
| Inventories                                | 1,209                              | 1,209              |
| Capital Assets                             | 13,466,846                         | 13,466,846         |
| Accumulated Depreciation                   | <u>(3,997,367)</u>                 | <u>(3,997,367)</u> |
| <u>Total Assets</u>                        | <u>20,700,490</u>                  | <u>20,700,490</u>  |
| <u>DEFERRED OUTFLOW OF RESOURCES</u>       |                                    |                    |
| Pensions                                   | 771,279                            | 771,279            |
| Other Post Employment Benefits             | <u>22,109</u>                      | <u>22,109</u>      |
| <u>Total Deferred Outflow of Resources</u> | <u>793,388</u>                     | <u>793,388</u>     |
| <u>LIABILITIES</u>                         |                                    |                    |
| Accounts Payable                           | 2,208,187                          | 2,208,187          |
| Accrued Salaries and Benefits              | 221,489                            | 221,489            |
| Grant Amounts Received In Advance          | 21,213                             | 21,213             |
| Accrued Interest Payable                   | 17,825                             | 17,825             |
| Noncurrent Liabilities:                    |                                    |                    |
| Bonds Due Within One Year                  | 145,000                            | 145,000            |
| Bonds Due in More Than One Year            | 5,355,000                          | 5,355,000          |
| Bond Premiums                              | 880,154                            | 880,154            |
| Net Pension Liability                      | 3,348,064                          | 3,348,064          |
| Net Post Employment Benefits Liability     | <u>114,145</u>                     | <u>114,145</u>     |
| <u>Total Liabilities</u>                   | <u>12,311,077</u>                  | <u>12,311,077</u>  |
| <u>DEFERRED INFLOW OF RESOURCES</u>        |                                    |                    |
| Pensions                                   | 478,530                            | 478,530            |
| Other Post Employment Benefits             | <u>48,971</u>                      | <u>48,971</u>      |
| <u>Total Deferred Inflow of Resources</u>  | <u>527,501</u>                     | <u>527,501</u>     |
| <u>NET POSITION</u>                        |                                    |                    |
| Net Investment in Capital Assets           | 3,969,479                          | 3,969,479          |
| Restricted for:                            |                                    |                    |
| Debt                                       | 323,027                            | 323,027            |
| TABOR Reserve                              | 277,000                            | 277,000            |
| Preschool                                  | -                                  | -                  |
| Capital Outlay                             | 5,710,563                          | 5,710,563          |
| Food Service                               | 107,298                            | 107,298            |
| Unrestricted                               | <u>(1,732,067)</u>                 | <u>(1,732,067)</u> |
| <u>TOTAL NET POSITION</u>                  | <u>8,655,300</u>                   | <u>8,655,300</u>   |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2023

|   | <u>Program Revenues</u>         |   |   | <u>Net (Expenses) Revenue and Changes<br/>in Net Position</u> |                  |
|---|---------------------------------|---|---|---|------------------|
|   | <u>Charges for<br/>Services</u> | <u>Operating<br/>Grants &amp;<br/>Contributions</u> | <u>Capital Grants<br/>and<br/>Contributions</u> | <u>Governmental<br/>Activities</u>                            | <u>Total</u>     |
| <b><u>FUNCTIONS</u></b>                     |                                 |   |   |   |                  |
| Instructional Services                      | 1,913,484                       | 280,954   | -   | (1,570,944)   | (1,570,944)      |
| Supporting Services:                        |                                 |   |   |   |                  |
| Students                                    | 209,039                         | 108,963   | -   | (100,076)   | (100,076)        |
| Instructional Staff                         | 72,806                          | 1,439   | -   | (71,367)  | (71,367)         |
| District Administration                     | 442,240                         | 6,309   | -   | (435,931)   | (435,931)        |
| School Administration                       | 197,849                         | 7,008   | -   | (190,841)   | (190,841)        |
| Business                                    | 65,639                          | 16,108  | -   | (49,531)  | (49,531)         |
| Operation & Maintenance                     |                                 |   |   |   |                  |
| of Facilities                               | 344,369                         | 5,232   | -   | (339,137)   | (339,137)        |
| Transportation                              | 197,720                         | 36,444  | -   | (161,276)   | (161,276)        |
| Central                                     | 93,078                          | -   | -   | (93,078)  | (93,078)         |
| Food Service                                | 200,633                         | 107,381   | -   | (58,616)  | (58,616)         |
| Capital Outlay                              | -                               | -   | 5,504,089                                       | 5,504,089   | 5,504,089        |
| Interest on Long Term Debt                  | 153,185                         | -   | -   | (153,185)   | (153,185)        |
| <b>Total Governmental Activities</b>        | <b>3,890,042</b>                | <b>569,838</b>                                      | <b>5,504,089</b>                                | <b>2,280,107</b>  | <b>2,280,107</b> |
| <b>Total School District</b>                | <b>3,890,042</b>                | <b>569,838</b>                                      | <b>5,504,089</b>                                | <b>2,280,107</b>  | <b>2,280,107</b> |
| <b><u>General Revenues</u></b>              |                                 |   |   |   |                  |
| Property Taxes Levied for General Purposes  |                                 |   |   | 1,212,026   | 1,212,026        |
| Specific Ownership Taxes                    |                                 |   |   | 116,438   | 116,438          |
| Equalization                                |                                 |   |   | 2,184,309   | 2,184,309        |
| Earnings on Investments                     |                                 |   |   | 45,124  | 45,124           |
| Changes – Pension and OPEB                  |                                 |   |   | 74,572  | 74,572           |
| Other Revenues                              |                                 |   |   | 103,461   | 103,461          |
| <b>Total General Revenues and Transfers</b> |                                 |   |   | <b>3,735,930</b>  | <b>3,735,930</b> |
| <b>Change in Net Position</b>               |                                 |   |   | <b>6,016,037</b>  | <b>6,016,037</b> |
| <b>Net Position, Beginning</b>              |                                 |   |   | <b>2,639,263</b>  | <b>2,639,263</b> |
| <b>Net Position, Ending</b>                 |                                 |   |   | <b>8,655,300</b>  | <b>8,655,300</b> |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2023

|  | General          | Designated<br>Purpose<br>Grant | Bond<br>Redemption<br>Fund | Building<br>Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|------------------|--------------------------------|----------------------------|------------------|--------------------------------|--------------------------------|
| <u>ASSETS</u>  |                  |                                |                            |                  |                                |                                |
| Cash   | 4,267,205        | 21,116                         | 313,959                    | 3,075,609        | 96,533                         | 7,774,422                      |
| Accounts Receivable  | -                | -                              | -                          | 3,332,885        | 8,495                          | 3,341,380                      |
| Accrued Revenue  | -                | -                              | -                          | -                | -                              | -                              |
| Due From Other Funds   | -                | -                              | -                          | 1,494,966        | 72,428                         | 1,567,394                      |
| Property Taxes Receivable  | 75,000           | -                              | 39,000                     | -                | -                              | 114,000                        |
| Inventories  | -                | -                              | -                          | -                | 1,209                          | 1,209                          |
| <u>TOTAL ASSETS</u>  | <u>4,342,205</u> | <u>21,116</u>                  | <u>352,959</u>             | <u>7,903,460</u> | <u>178,665</u>                 | <u>12,798,405</u>              |
| <u>LIABILITIES</u>   |                  |                                |                            |                  |                                |                                |
| Accounts Payable   | 15,002           | 288                            | -                          | 2,192,897        | -                              | 2,208,187                      |
| Accrued Salaries and Benefits                                    | 219,175          | -                              | -                          | -                | 2,314                          | 221,489                        |
| Due to Other Funds   | 1,567,394        | -                              | -                          | -                | -                              | 1,567,394                      |
| Grant Amounts Received in Advance                                | 385              | 20,828                         | -                          | -                | -                              | 21,213                         |
| <u>Total Liabilities</u>   | <u>1,801,956</u> | <u>21,116</u>                  | <u>-</u>                   | <u>2,192,897</u> | <u>2,314</u>                   | <u>4,018,283</u>               |
| <u>DEFERRED INFLOW OF RESOURCES</u>                              |                  |                                |                            |                  |                                |                                |
| Property Tax   | 52,251           | -                              | 29,932                     | -                | -                              | 82,183                         |
| <u>FUND BALANCES</u>   |                  |                                |                            |                  |                                |                                |
| Nonspendable:  |                  |                                |                            |                  |                                |                                |
| Inventories  | -                | -                              | -                          | -                | 1,209                          | 1,209                          |
| Restricted:  |                  |                                |                            |                  |                                |                                |
| Emergency Reserve  | 277,000          | -                              | -                          | -                | -                              | 277,000                        |
| Food Service   | -                | -                              | -                          | -                | 107,298                        | 107,298                        |
| Preschool  | -                | -                              | -                          | -                | -                              | -                              |
| Debt Service   | -                | -                              | 323,027                    | -                | -                              | 323,027                        |
| Capital Outlay   | -                | -                              | -                          | 5,710,563        | -                              | 5,710,563                      |
| Committed:   |                  |                                |                            |                  |                                |                                |
| Insurance  | 2,510            | -                              | -                          | -                | -                              | 2,510                          |
| Assigned:  |                  |                                |                            |                  |                                |                                |
| Student Activities   | -                | -                              | -                          | -                | 67,844                         | 67,844                         |
| Unassigned:  | 2,208,488        | -                              | -                          | -                | -                              | 2,208,488                      |
| <u>Total Fund Balances</u>                                       | <u>2,487,998</u> | <u>-</u>                       | <u>323,027</u>             | <u>5,710,563</u> | <u>176,351</u>                 | <u>8,697,939</u>               |
| <u>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS AND FUND BALANCES</u> | <u>4,342,205</u> | <u>21,116</u>                  | <u>352,959</u>             | <u>7,903,460</u> | <u>178,665</u>                 | <u>12,798,405</u>              |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
June 30, 2023

---

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

|   |                  |
|---|------------------|
| <u>Total Fund Balance – Governmental Funds</u>  | 8,697,939        |
| Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$13,466,846 and the accumulated depreciation is \$3,997,367. | 9,469,479        |
| Property tax revenue is recognized when earned (claim to resources established) rather than when “available.” All of the deferred property tax revenue is not available.  | 82,183           |
| Long-term liabilities, including loans and general obligation bonds are not due and payable in the current period and therefore are not reported in funds.  | (5,500,000)      |
| Interest is recognized when paid in the funds. This is accrued interest payable to year end.  | (17,825)         |
| Unamortized premium on general obligation bonds.  | (880,154)        |
| Net pension and other post employment benefits liabilities, along with associated deferred flows, are not recorded at the fund level:   |                  |
| Net Pension Liability   | (3,348,064)      |
| Net Other Post Employment Benefits Liability  | (114,145)        |
| Deferred Outflows   | 793,388          |
| Deferred Inflows  | (527,501)        |
| <u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u>   | <u>8,655,300</u> |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2023

|  | General          | Designated<br>Purpose<br>Grant | Bond<br>Redemption<br>Fund | Building<br>Fund   | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|------------------|--------------------------------|----------------------------|--------------------|--------------------------------|--------------------------------|
| <b>REVENUES</b>  |                  |                                |                            |                    |                                |                                |
| Property Taxes   | 794,878          | -                              | 398,017                    | -                  | -                              | 1,192,895                      |
| Specific Ownership Taxes   | 116,438          | -                              | -                          | -                  | -                              | 116,438                        |
| Earnings on Investments  | 36,645           | -                              | 7,957                      | 136,481            | 522                            | 181,605                        |
| Other Local Sources  | 158,447          | -                              | 1,722                      | 4,877              | 141,209                        | 306,255                        |
| State Aid  | 2,327,550        | 112                            | -                          | 5,504,089          | 1,703                          | 7,833,454                      |
| Federal Aid  | 8,982            | 67,068                         | -                          | -                  | 105,678                        | 181,728                        |
| <b>TOTAL REVENUES</b>  | <b>3,442,940</b> | <b>67,180</b>                  | <b>407,696</b>             | <b>5,645,447</b>   | <b>249,112</b>                 | <b>9,812,375</b>               |
| <b>EXPENDITURES</b>  |                  |                                |                            |                    |                                |                                |
| Current  |                  |                                |                            |                    |                                |                                |
| Instructional Services   | 1,756,947        | 67,180                         | -                          | -                  | -                              | 1,824,127                      |
| Supporting Services:   |                  |                                |                            |                    |                                |                                |
| Students   | 68,822           | -                              | -                          | -                  | 140,217                        | 209,039                        |
| Instructional Staff  | 72,806           | -                              | -                          | -                  | -                              | 72,806                         |
| District Administration  | 442,240          | -                              | -                          | -                  | -                              | 442,240                        |
| School Administration  | 197,849          | -                              | -                          | -                  | -                              | 197,849                        |
| Business   | 65,639           | -                              | -                          | -                  | -                              | 65,639                         |
| Operation and Maintenance<br>of Facilities                           | 336,082          | -                              | -                          | -                  | -                              | 336,082                        |
| Transportation   | 149,919          | -                              | -                          | -                  | -                              | 149,919                        |
| Community  | -                | -                              | -                          | -                  | -                              | -                              |
| Central  | 90,675           | -                              | 2,403                      | -                  | -                              | 93,078                         |
| Food Service   | -                | -                              | -                          | -                  | 199,315                        | 199,315                        |
| Debt Service   |                  |                                |                            |                    |                                |                                |
| Principal  | -                | -                              | 180,000                    | -                  | -                              | 180,000                        |
| Interest   | -                | -                              | 216,600                    | -                  | -                              | 216,600                        |
| Capital Outlay   | -                | -                              | -                          | 6,758,896          | -                              | 6,758,896                      |
| <b>Total Expenditures</b>  | <b>3,180,979</b> | <b>67,180</b>                  | <b>399,003</b>             | <b>6,758,896</b>   | <b>339,532</b>                 | <b>10,745,590</b>              |
| <b>Excess (deficiency) of Revenues<br/>Over (under) expenditures</b> | <b>261,961</b>   | <b>-</b>                       | <b>8,693</b>               | <b>(1,113,449)</b> | <b>(90,420)</b>                | <b>(933,215)</b>               |
| <b>Other Financing Sources (uses):</b>                               |                  |                                |                            |                    |                                |                                |
| Transfers  | (79,901)         | -                              | -                          | -                  | 79,901                         | -                              |
| Bond Proceeds  | -                | -                              | -                          | -                  | -                              | -                              |
| Issue Cost   | -                | -                              | -                          | -                  | -                              | -                              |
| <b>Total Other Financing Sources (uses)</b>                          | <b>(79,901)</b>  | <b>-</b>                       | <b>-</b>                   | <b>-</b>           | <b>79,901</b>                  | <b>-</b>                       |
| <b>Net Change in Fund Balances</b>                                   | <b>182,060</b>   | <b>-</b>                       | <b>8,693</b>               | <b>(1,113,449)</b> | <b>(10,519)</b>                | <b>(933,215)</b>               |
| <b>Fund Balances, Beginning</b>                                      | <b>2,305,938</b> | <b>-</b>                       | <b>314,334</b>             | <b>6,824,012</b>   | <b>186,870</b>                 | <b>9,631,154</b>               |
| <b>Fund Balances, Ending</b>   | <b>2,487,998</b> | <b>-</b>                       | <b>323,027</b>             | <b>5,710,563</b>   | <b>176,351</b>                 | <b>8,697,939</b>               |

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



BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2023

---

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

|   |           |
|---|-----------|
| <u>Net Change in Fund Balances – Total Governmental Funds</u> | (933,215) |
|---|-----------|

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more the \$5,000 are capitalized and the cost is allocated over their estimated used lives and reported as depreciation expense. This is the amount of depreciation and capital outlay in the current period.

|                                   |                  |           |
|-----------------------------------|------------------|-----------|
| Capital Outlays More Than \$5,000 | 6,758,897        |           |
| Depreciation Expense              | <u>(146,763)</u> | 6,612,134 |

Property tax revenues are not recognized for amounts levied and due but not “available” at year-end and are reported as deferred inflows in the governmental funds. They are, however, recorded as revenues in the statement of activities. This is the net change in deferred inflows.

19,131

The governmental funds report debt proceeds as another financing source, while repayment of debt principal is reported as an expenditure. The effect of premiums are recognized when the debt is issued in governmental funds, whereas these amounts are deferred and amortized in the statement of activities. Interest expense is recognized as it accrues in the statement of activities regardless of when it is due. The net effect of these differences follows:

|                             |               |         |
|-----------------------------|---------------|---------|
| Repayment of Debt Principal | 180,000       |         |
| Interest Expense            | <u>63,415</u> | 243,415 |

The increase or decrease in net pension and other post employment benefits liabilities, along with the changes and amortizations of deferred flows associated with those liabilities, are not recorded at the fund level:

|                                     |               |               |
|-------------------------------------|---------------|---------------|
| Pension Cost or Benefit             | 58,392        |               |
| Other Post Employment Benefits Cost | <u>16,180</u> | <u>74,572</u> |

|  |                  |
|--|------------------|
| <u>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</u> | <u>6,016,037</u> |
|--|------------------|

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

## NOTES TO BASIC FINANCIAL STATEMENTS

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Baca County School District Number RE-1 (the District) conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

The District operates under an elected Board of Education with five members.

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Baca County School District Number RE-1. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The Board of Education members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

A.    Reporting Entity

Governmental Accounting Standards board (GASB) Statement No. 14 (as amended by Statements No. 34, No. 39 and No. 61), *"The Financial Reporting Entity"* (GASB No. 14) describes the financial reporting entity as it relates to governmental accounting. According to this Statement, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

This District is not included in any other governmental "reporting entity" as defined in GASB No. 14 and does not include any other component unit as part of its "reporting entity". As required by accounting principles generally accepted in the USA, these basic financial statements present the District (the primary government) and its component units.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B.      Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C.      Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the District's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Amounts reported as program revenues included 1) charges to customers or applicants for goods, services or privileges provided 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

All governmental fund types use the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end.

Property and automotive ownership taxes are reported as receivables and deferred inflows when levied and as revenues when due for collection in the following year and determined to be available.

Grants and entitlement revenues are recognized when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue receipts.

Expenditures are recorded when the related fund liability is incurred with the exception of general obligation and capital lease debt service which is recognized when due and certain accrued sick and personal pay which are accounted for as expenditures when expected to be liquidated with expendable available financial resources.

The proprietary fund types are accounted for on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. The measurement focus in these funds is on the flow of economic resources and emphasizes the determination of net income. All assets and all liabilities associated with their activity are included on their statements of net position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net position.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's ongoing operations. The principal operating revenues of the District's proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D.    Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred flows, fund equity, revenues and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The major funds presented in the accompanying basic financial statements are as follows:

- Major Governmental Funds
  1. General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
  2. Designated Purpose Grant Fund – used to account for restricted federal and state grants including, but not limited to, Every Student Succeeds Act programs which must be expended as designated by the grantor agency.
  3. Bond Redemption Fund- used to account for tax proceeds raised to pay principal and interest on debt.
  4. Building Fund- this fund records the expenditures of a capital project funded by grants and debt proceeds.

E.    Cash and Investments

Cash represents amounts on deposit with financial institutions or held by the District. The District is allowed to invest in the following types of investments: short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, government pools, and U.S. Treasury Obligations. The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments are recorded at fair value in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

F.    Receivables

Property taxes levied in 2022 but uncollected in 2023 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2023 are recorded as deferred inflows in the fund financial statements, and are presented net of an allowance for uncollectible taxes. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G.    Inventories

Materials and supplies inventories are stated at cost. Inventories recorded in the Food Services Fund consist of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the Federal Government, are recorded at their estimated fair value at the date of receipt.

The cost of all inventories is recorded as an asset when the individual inventory items are purchased, and as an expenditure or expense when consumed.

H.    Capital Assets

Capital assets, which include property, vehicles and equipment, are utilized for general District operations and are capitalized at actual or estimated cost. Donations of such assets are recorded at estimated fair value at the time of donation. Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Maintenance, repairs, and minor renovations are recorded as expenditures when incurred. Major additions and improvements are capitalized. When assets used in the operation of the governmental fund types are sold, the proceeds of the sale are recorded as revenues in the appropriate fund. The District does not capitalize interest on the construction of capital assets in governmental funds. However, the District does capitalize interest on the construction of capital assets in business-type activities.

The monetary threshold for capitalization of assets is \$5,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (5-30 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition.

I.    Deferred Outflows / Inflows of Resources

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J.      Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position.

The District records long-term debt of governmental funds at the face value. Notes payable and capital leases are serviced from property taxes and other revenues of the General Fund. The long-term accumulated unpaid accrued sick leave is serviced from property taxes and other revenues by the respective fund type from future appropriations.

K.      Constitutional Amendment

In November 1992, Colorado voters approved Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations, which apply to the State of Colorado and local governments. It requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to any entity.

In November of 1996 the registered voters approved a ballot resolution authorizing Baca County School District Number RE-1 to collect, retain and expend (during 1996 and beyond) all revenues from any source provided that no property tax mill levy be increased or any new tax imposed without the consent of the voters.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending. As of June 30, 2023 the District reserved \$277,000 for this purpose.

Spending and revenue limits are determined based on the prior fiscal year's spending adjusted for inflation in the prior calendar year plus annual increases in funded student enrollment. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions.



BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L.      Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2022 property tax calendar for Baca County was as follows:

|   |                   |
|---|-------------------|
| Levy Date                                 | December 15, 2022 |
| Lien Date                                 | January 1, 2023   |
| Tax Bills Mailed                          | January 1, 2023   |
| First Installment Due                     | February 28, 2023 |
| Second Installment Due                    | June 15, 2023     |
| If Paid in Full, Due                      | April 30, 2023    |
| Tax Sale – 2021 Delinquent Property Taxes | October 25, 2022  |

M.      Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

N.      Interest Expense

All interest expense has been reported as unallocated in the Government-wide financial statements.

O.      GASB Statement No. 54

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District Board of Directors (the District's highest level of decision-making authority).

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O.    GASB Statement No. 54 (Continued)

4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

The District's Committed Fund Balance is fund balance reporting required by the School Board, either because of a School Board Policy in the School Board Policy Manual, or because of motions that passed at School Board meetings.

Assigned Fund Balance Policy:

The District's Assigned Fund Balance is fund balance reporting occurring by School Board Administration authority, under the direction of the Chief Business Officer.

Order of Fund Balance Spending Policy

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

First, non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then unrestricted fund balances are determined following the order of committed, assigned, and unassigned.

Fund Balance Classification by Fund:

|                            | <u>General<br/>Fund</u> | <u>Bond<br/>Redemption<br/>Fund</u> | <u>Building<br/>Fund</u> | <u>Food<br/>Service<br/>Fund</u> | <u>Student<br/>Activity<br/>Fund</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|----------------------------|-------------------------|-------------------------------------|--------------------------|----------------------------------|--------------------------------------|---|
| <u>Nonspendable:</u>       |                         |                                     |                          |                                  |                                      |   |
| Inventories                | -                       | -                                   | -                        | 1,209                            | -                                    | 1,209                                   |
| <u>Restricted:</u>         |                         |                                     |                          |                                  |                                      |   |
| Emergencies                | 277,000                 | -                                   | -                        | -                                | -                                    | 277,000                                 |
| Preschool                  | -                       | -                                   | -                        | -                                | -                                    | -                                       |
| Food Service               | -                       | -                                   | -                        | 107,298                          | -                                    | 107,298                                 |
| Debt Service               | -                       | 323,027                             | -                        | -                                | -                                    | 323,027                                 |
| Capital Outlay             | -                       | -                                   | 5,710,563                | -                                | -                                    | 5,710,563                               |
| <u>Committed:</u>          |                         |                                     |                          |                                  |                                      |   |
| Insurance                  | 2,510                   | -                                   | -                        | -                                | -                                    | 2,510                                   |
| <u>Assigned:</u>           |                         |                                     |                          |                                  |                                      |   |
| Student Activities         | -                       | -                                   | -                        | -                                | 67,844                               | 67,844                                  |
| <u>Unassigned</u>          | <u>2,208,488</u>        | <u>-</u>                            | <u>-</u>                 | <u>-</u>                         | <u>-</u>                             | <u>2,208,488</u>                        |
| <u>Total Fund Balances</u> | <u>2,487,998</u>        | <u>323,027</u>                      | <u>5,710,563</u>         | <u>108,507</u>                   | <u>67,844</u>                        | <u>8,697,939</u>                        |

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P.      Recently Adopted Accounting Pronouncements:

GASB 96

On July 1, 2022 Baca County School District Number RE-1 adopted GASB 96, Subscription-based Information Technology Arrangements. The District will comply with GASB 96 on any long term subscription-based information technology arrangements that are individually or aggregately material to the financial statements.

NOTE 2      RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes a reconciliation between *fund balances – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total government funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis were eliminated from the government fund statements during the consolidation of governmental activities.

| <u>Item Eliminated</u>        | <u>Due To<br/>Other Funds</u> | <u>Due From<br/>Other Funds</u> | <u>Transfer To<br/>Other Funds</u> | <u>Transfer From<br/>Other Funds</u> |
|-------------------------------|-------------------------------|---------------------------------|------------------------------------|--------------------------------------|
| General Fund                  | 1,567,394                     | -                               | 79,901                             | -                                    |
| Designated Purpose Grant Fund | -                             | -                               | -                                  | -                                    |
| Food Service Fund             | -                             | 72,428                          | -                                  | 79,901                               |
| Building Fund                 | -                             | 1,494,966                       | -                                  | -                                    |
|                               | <u>1,567,394</u>              | <u>1,567,394</u>                | <u>79,901</u>                      | <u>79,901</u>                        |

NOTE 3      BUDGETARY INFORMATION

Revenues and expenditures are controlled by budgetary accounting systems in accordance with various legal requirements. The budgeted revenues and expenditures represent the original adopted budget as subsequently adjusted by the Board of Education in accordance with Colorado School Laws. Budgets are generally prepared on the same basis as that used for accounting purposes.

The District has set procedures to be followed in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the Business Manager submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public notices are released to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE 3 BUDGETARY INFORMATION (Continued)

4. The Business Manager is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration should be employed as a management control device during the year for the General, Capital Project, Bond Redemption and Special Revenue Funds.
6. Budgets for the General, Capital Project, Bond Redemption and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

All appropriations lapse at the end of each fiscal year. Authorization to transfer budgeted amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent of Schools and may be delegated to an appropriate level of management. Revisions and/or supplemental appropriations that alter the total expenditures of any fund must be approved by the Board of Education.

Budgetary amounts reported in the accompanying basic financial statements are as originally adopted and amended by the Superintendent and/or the Board of Education throughout the year.

NOTE 4 CASH AND INVESTMENTS

Deposits

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

At June 30, 2023, the District's bank balance and corresponding carrying balance were as follows:

|  | <u>Carrying<br/>Balance</u> | <u>Bank<br/>Balance</u> |
|--|-----------------------------|-------------------------|
| Insured (FDIC)   | 250,000                     | 250,000                 |
| Uninsured, Collateralized under the<br>Public Deposit Protection Act<br>of the State of Colorado | 4,192,290                   | 6,059,284               |
| Cash Equivalent  | 3,048,476                   | -                       |
| Cash with County Treasurer   | 283,106                     | -                       |
| Cash on Hand   | 550                         | -                       |
| <u>Total Cash and Deposits</u>   | <u>7,774,422</u>            | <u>6,309,284</u>        |

As presented above, deposits with a bank balance of \$6,059,284 and a carrying balance of \$4,192,290 as of June 30, 2023 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 5      CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Governmental Activities

|                                  | Balance<br><u>July 1, 2022</u> | <u>Additions</u> | <u>Deletions</u> | Balance<br><u>June 30, 2023</u> |
|----------------------------------|--------------------------------|------------------|------------------|---------------------------------|
| <u>Non-Depreciable Assets</u>    |                                |                  |                  |                                 |
| Land                             | 99,902                         | -                | -                | 99,902                          |
| Construction in Progress         | 1,374,804                      | 6,758,897        | -                | 8,133,701                       |
| <u>Depreciable Assets:</u>       |                                |                  |                  |                                 |
| Buildings                        | 3,433,645                      | -                | -                | 3,433,645                       |
| Site Improvements                | 129,467                        | -                | -                | 129,467                         |
| Vehicles                         | 685,565                        | -                | -                | 685,565                         |
| Equipment                        | 984,566                        | -                | -                | 984,566                         |
| <u>Total Assets</u>              | <u>6,707,949</u>               | <u>6,758,897</u> | <u>-</u>         | <u>13,466,846</u>               |
| <u>Less Accumulated</u>          |                                |                  |                  |                                 |
| <u>Depreciation for:</u>         |                                |                  |                  |                                 |
| Buildings                        | 2,458,490                      | 56,460           | -                | 2,514,950                       |
| Site Improvements                | 28,591                         | 6,473            | -                | 35,064                          |
| Equipment & Vehicles             | 1,363,523                      | 83,830           | -                | 1,447,353                       |
| <u>Total Accumulated</u>         |                                |                  |                  |                                 |
| <u>Depreciation</u>              | <u>3,850,604</u>               | <u>146,763</u>   | <u>-</u>         | <u>3,997,367</u>                |
| <u>Total Capital Assets, Net</u> | <u>2,857,345</u>               | <u>6,612,134</u> | <u>-</u>         | <u>9,469,479</u>                |

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

Governmental Activities:

|  |                |
|--|----------------|
| Instruction  | 89,357         |
| Operations and Maintenance                                 | 8,287          |
| Transportation   | 47,801         |
| Food Service   | 1,318          |
| <u>Total Depreciation Expense –Governmental Activities</u> | <u>146,763</u> |

NOTE 6      ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine or ten months. The salaries and benefits earned, but unpaid at June 30, 2023, are estimated to be \$221,489. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements in the appropriate fund.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 7      LONG-TERM DEBT

In February of 2022, the District issued a previously approved general obligation bond in the amount of \$5,680,000 to provide matching-money for a BEST grant to build and improve buildings on existing District land. The District received a premium on issuance of \$964,015.

Principal payments are due on December 1, and interest payments are due on both June 1 and December 1, each year. The bond matures on December 1, 2046. The coupon interests are 3.00% and 4.00% based on maturity

The debt service requirements to maturity are as follows:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u>  | <u>Total</u>     |
|-------------|------------------|------------------|------------------|
| 2024        | 145,000          | 211,725          | 356,725          |
| 2025        | 150,000          | 207,300          | 357,300          |
| 2026        | 155,000          | 202,725          | 357,725          |
| 2027        | 160,000          | 198,000          | 358,000          |
| 2028        | 165,000          | 192,300          | 357,300          |
| 2029-2033   | 920,000          | 856,000          | 1,776,000        |
| 2034-2038   | 1,130,000        | 651,600          | 1,781,600        |
| 2039-2043   | 1,375,000        | 401,500          | 1,776,500        |
| 2044-2047   | <u>1,300,000</u> | <u>106,600</u>   | <u>1,406,600</u> |
|             | <u>5,500,000</u> | <u>3,027,750</u> | <u>8,527,750</u> |

Changes in Long-Term Debt:

|                             | <u>Beginning<br/>Balance<br/>7-1-2022</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending<br/>Balance<br/>6-30-2023</u> | <u>Due<br/>Within<br/>One Year</u> |
|-----------------------------|---|------------------|------------------|---|------------------------------------|
| BEST Matching<br>Money Bond | <u>5,680,000</u>                          | <u>-</u>         | <u>180,000</u>   | <u>5,500,000</u>                        | <u>145,000</u>                     |

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

**NOTE 8      PENSION PLAN**

**Defined Benefit Pension Plan**

**Summary of Significant Accounting Policies**

Pensions. Baca County School District Number RE-1 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.

**General Information about the Pension Plan**

*Plan description.* Eligible employees of the Baca County School District Number RE-1 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](http://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.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

**NOTE 8**      **PENSION PLAN (Continued)**

In all cases the service retirement benefit is limited to 100% of highest average salary and 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.

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

|  | July 1, 2022 Through June 30, 2023 |
|--|------------------------------------|
| Employer contribution rate   | 11.40%                             |
| Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) | (1.02)%                            |
| Amount apportioned to the SCHDTF   | 10.38%                             |
| Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411                                    | 4.50%                              |
| Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411                      | 5.50%                              |
| Total employer contribution rate to the SCHDTF   | 20.38%                             |

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



BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 8      PENSION PLAN (Continued)

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Baca County School District Number RE-1 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Baca County School District Number RE-1 were \$293,504 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 a \$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 Baca County School District Number RE-1 proportion of the net pension liability was based on Baca County School District Number RE-1 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 Baca County School District Number RE-1 reported a liability of \$3,348,064 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 Baca County School District Number RE-1 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 Baca County School District Number RE-1 were as follows:

|   |              |
|---|--------------|
| Baca County School District Number RE-1 proportionate share of the net pension liability  | \$ 3,348,064 |
| The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Baca County School District Number RE-1 | \$ 975,659   |
| Total   | \$ 4,323,723 |

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 8      PENSION PLAN (Continued)

At December 31, 2022, the Baca County School District Number RE-1 proportion was 0.0183%, which was a decrease of 0.003% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the Baca County School District Number RE-1 recognized pension income of \$58,392 and revenue of \$83,199 for support from the State as a nonemployer contributing entity. At June 30, 2023, the Baca County School District Number RE-1 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | Deferred<br>Outflows<br>of Resources | Deferred<br>Inflows<br>of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience   | 31,686                               | -                                   |
| Changes of assumptions or other inputs  | 59,305                               | -                                   |
| Net difference between projected and actual earnings on pension plan investments                                | 449,768                              | -                                   |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 78,659                               | (478,530)                           |
| Contributions subsequent to the measurement date  | 151,861                              | N/A                                 |
| Total   | 771,279                              | (478,530)                           |

\$151,861 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, 2023 |           |
|--------------------------|-----------|
| 2024                     | (125,039) |
| 2025                     | (108,281) |
| 2026                     | 112,598   |
| 2027                     | 261,610   |
| 2028                     | -         |
| Thereafter               | -         |

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 8      PENSION PLAN (Continued)

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

|   |                     |
|---|---------------------|
| Actuarial cost method   | Entry age           |
| Price inflation   | 2.30%               |
| Real wage growth  | 0.70%               |
| Wage inflation  | 3.00%               |
| Salary increases, including wage inflation  | 3.40% – 11.00%      |
| Long-term investment rate of return, net of pension plan investment expenses, including price inflation | 7.25%               |
| Discount rate   | 7.25%               |
| 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*  | Financed by the AIR |

\*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.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

**NOTE 8**      **PENSION PLAN (Continued)**

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

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

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

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

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 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.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 8

PENSION PLAN (Continued)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- HB 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the regularly scheduled \$225 million (actual dollars) direct distribution, a warrant to PERA in the amount of \$380 million (actual dollars). The July 1, 2023, direct distribution is reduced by \$190 million (actual dollars) to \$35 million (actual dollars). The July 1, 2024, direct distribution will not be reduced from \$225 million (actual dollars) due to PERA's negative investment return in 2022.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP 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 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 Baca County School District Number RE-1 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:

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

**NOTE 8**      **PENSION PLAN (Continued)**

|  | 1% Decrease<br>(6.25%) | Current Discount<br>Rate (7.25%) | 1% Increase<br>(8.25%) |
|--|------------------------|----------------------------------|------------------------|
| Proportionate share of the net pension | 4,381,464              | 3,348,064                        | 2,485,069              |

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

**Defined Contribution Pension Plans**

**Voluntary Investment Program (PERAPlus 401(k) Plan)**

*Plan Description* – Employees of the Baca County School District Number RE-1 that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program (PERAPlus 401(k) Plan, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 401(k) Plan. That report can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Funding Policy* – The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2023, program members contributed \$10,025.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 9      OTHER POST EMPLOYMENT BENEFITS

**Defined Benefit Other Post Employment Benefit (OPEB) Plan**

**Summary of Significant Accounting Policies**

*OPEB.* Baca County School District Number RE-1 participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the OPEB Plan**

*Plan description.* Eligible employees of the Baca County School District Number RE-1 are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

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

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 9      OTHER POST EMPLOYMENT BENEFITS (Continued)

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

*PERA Benefit Structure*

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

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

*DPS Benefit Structure*

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

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

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



BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

**NOTE 9**      **OTHER POST EMPLOYMENT BENEFITS (Continued)**

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Baca County School District Number RE-1 is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Baca County School District Number RE-1 were \$14,672 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 Baca County School District Number RE-1 reported a liability of \$114,145 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TOL to December 31, 2022. The Baca County School District Number RE-1 proportion of the net OPEB liability was based on Baca County School District Number RE-1 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 Baca County School District Number RE-1 proportion was 0.014%, which was a decrease of 0.0002% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the Baca County School District Number RE-1 recognized OPEB income of \$16,180. At June 30, 2023, the Baca County School District Number RE-1 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---|-----------------------------------|----------------------------------|
| Difference between expected and actual experience   | 15                                | (27,604)                         |
| Changes of assumptions or other inputs  | 1,835                             | (12,598)                         |
| Net difference between projected and actual earnings on OPEB plan investments                                   | 6,972                             | -                                |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 5,645                             | (8,769)                          |
| Contributions subsequent to the measurement date  | 7,582                             | N/A                              |
| Total   | 22,049                            | (48,971)                         |

\$7,582 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, 2023 |          |
|--------------------------|----------|
| 2024                     | (12,984) |
| 2025                     | (12,598) |
| 2026                     | (4,967)  |
| 2027                     | 17       |
| 2028                     | (3,188)  |
| Thereafter               | (784)    |

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 9      OTHER POST EMPLOYMENT BENEFITS (Continued)

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

|  | State<br>Division | School<br>Division | Local<br>Government<br>Division                            | Judicial<br>Division |
|--|-------------------|--------------------|--|----------------------|
| Actuarial cost method  |                   |                    | Entry age  |                      |
| Price inflation  |                   |                    | 2.30%  |                      |
| Real wage growth   |                   |                    | 0.70%  |                      |
| Wage inflation   |                   |                    | 3.00%  |                      |
| Salary increases, including wage inflation   |                   |                    |  |                      |
| Members other than State Troopers  | 3.30%-10.90%      | 3.40% -11.00%      | 3.20%-11.30%   | 2.80%-5.30%          |
| State Troopers   | 3.20%-12.40%      | N/A                | 3.20%-12.40%   | N/A                  |
| Long-term investment rate of return, net of<br>OPEB plan investment expenses, including<br>price inflation |                   |                    | 7.25%  |                      |
| Discount rate  |                   |                    | 7.25%  |                      |
| Health care cost trend rates   |                   |                    |  |                      |
| PERA benefit structure:  |                   |                    |  |                      |
| Service-based premium subsidy  |                   |                    | 0.00%  |                      |
| PERACare Medicare plans  |                   |                    | 6.50% in 2022,<br>gradually decreasing<br>to 4.50% in 2030 |                      |
| Medicare Part A premiums   |                   |                    | 3.75% in 2022,<br>gradually increasing<br>to 4.50% in 2029 |                      |
| DPS benefit structure:   |                   |                    |  |                      |
| Service-based premium subsidy  |                   |                    | 0.00 %   |                      |
| PERACare Medicare plans  |                   |                    | N/A  |                      |
| Medicare Part A premiums   |                   |                    | N/A  |                      |

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

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.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

**NOTE 9**      **OTHER POST EMPLOYMENT BENEFITS (Continued)**

Age-Related Morbidity Assumptions

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

| Sample | MAPD PPO #1 with Medicare Part A |         | MAPD PPO #2 with Medicare Part A |        | MAPD HMO(Kaiser) with Medicare Part A |         |
|--------|----------------------------------|---------|----------------------------------|--------|---------------------------------------|---------|
| Age    | 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 | MAPD PPO #1 without Medicare Part A |         | MAPD PPO #2 without Medicare Part A |         | MAPD HMO(Kaiser) without Medicare Part A |         |
|--------|-------------------------------------|---------|-------------------------------------|---------|--|---------|
| Age    | 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.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 9      OTHER POST EMPLOYMENT BENEFITS (Continued)

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

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

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

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

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

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

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 9      OTHER POST EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

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

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

The 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.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

**NOTE 9**      **OTHER POST EMPLOYMENT BENEFITS (Continued)**

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

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

The actuarial assumptions used in the December 31, 2021, 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:

| <b>Asset Class</b> | <b>Target Allocation</b> | <b>30 Year Expected Geometric Real Rate of Return</b> |
|--------------------|--------------------------|---|
| 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%   |
| <b>Total</b>       | <b>100.00%</b>           |   |

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 Baca County School District Number RE-1 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:

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

**NOTE 9**

**OTHER POST EMPLOYMENT BENEFITS (Continued)**

|                                       | 1% Decrease in<br>Trend Rates | Current Trend<br>Rates | 1% Increase in<br>Trend Rates |
|---------------------------------------|-------------------------------|------------------------|-------------------------------|
| Initial PERACare Medicare trend rate* | 5.25%                         | 6.25%                  | 7.25%                         |
| Ultimate PERACare Medicare trend rate | 3.50%                         | 4.50%                  | 5.50%                         |
| Initial Medicare Part A trend rate    | 3.00%                         | 4.00%                  | 5.00%                         |
| Ultimate Medicare Part A trend rate   | 3.50%                         | 4.50%                  | 5.50%                         |
| Net OPEB Liability                    | \$110,914                     | 114,145                | 117,660                       |

\*For the January 1, 2023, plan year.

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

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

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

*Sensitivity of the Baca County School District Number RE-1 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<br>(6.25%) | Current Discount<br>Rate (7.25%) | 1% Increase<br>(8.25%) |
|---|------------------------|----------------------------------|------------------------|
| Proportionate share of the net OPEB liability | \$132,327              | \$114,145                        | \$98,592               |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 10     JOINT VENTURE

Not reflected in the accompanying financial statements is the District's participation in the Southeastern 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 District has one member on the Board. This Board has final authority for all budgeting and financing of the joint venture. The BOCES by-laws indicate that the entity is to have perpetual existence, but in the event of its dissolution, all assets shall be divided among member school districts on a pro rata basis determined by the BOCES board. The joint venture summary audited financial information as of June 30, 2022, the latest year for which audited information is available, is as follows:

|                        |                    |
|------------------------|--------------------|
| Assets                 | 2,060,708          |
| Deferred Outflows      | 753,067            |
| Liabilities            | 3,325,809          |
| Deferred Inflows       | 1,416,271          |
| Net Position           | <u>(1,928,305)</u> |
| Revenues               | 3,533,618          |
| Expenses               | 3,090,460          |
| Change in Net Position | <u>443,158</u>     |

The BOCES is not included as a component unit of the District as the financial responsibility is minimal, there is no financial interdependency, the District does not have the ability to significantly influence the operations of the BOCES and the District is not accountable for fiscal matters of the BOCES. The BOCES files an audit annually with the Colorado State Auditor's Office.

NOTE 11     POLICY REGARDING COMPENSATED ABSENCES

Full-time non-certified personnel are allowed compensated absences in the form of vacations and sick days. Vacations are non-cumulative. Sick days may be accumulated not to exceed forty days. Days in excess of an accumulation of twenty may be sold to the District in the month of December.

The liability for accumulated sick days is not material and is not recorded in the accompanying financial statements.

NOTE 12     RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.



BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

---

NOTE 13    INTERFUND ACTIVITY

Transfers from the general fund to support operational and construction cash requirements were made in the following amounts:

|                   |          |
|-------------------|----------|
| Food Service Fund | \$79,901 |
|-------------------|----------|

The General Fund owed the Building Fund \$1,494,966 and the Food Service Fund \$72,248 for undistributed deposits from the Colorado Department of Education.

NOTE 14    BUDGET ACTIVITY

The following fund had expenditures in excess of amounts budgeted as shown:

|                   |         |
|-------------------|---------|
| Food Service Fund | \$5,607 |
|-------------------|---------|

## REQUIRED SUPPLEMENTARY INFORMATION

### BUDGETARY COMPARISONS

#### General Fund

The General Fund accounts for all transactions of the District not accounted for in other funds. This fund represents an accounting for the District's ordinary operations financed from property taxes and other general revenues. It is the most significant fund in relation to the District's overall operations.

#### Designated Purpose Grant Fund

This fund accounts for the activity in federal and state grant funded programs.

### PENSION TREND DATA

### OTHER POST EMPLOYMENT BENEFITS (OPEB) TREND DATA

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2023

|                                    | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance-<br/>Favorable<br/>(Unfavorable)</u> |
|------------------------------------|-------------------------|------------------|------------------|--|
|                                    | <u>Original</u>         | <u>Final</u>     |                  |  |
| <u>REVENUES</u>                    |                         |                  |                  |  |
| <u>Local Sources</u>               |                         |                  |                  |  |
| Property Taxes                     | 632,909                 | 632,909          | 794,878          | 161,969  |
| Specific Ownership Taxes           | 91,395                  | 91,395           | 116,438          | 25,043   |
| Earnings on Investments            | 7,535                   | 7,535            | 36,645           | 29,110   |
| Delinquent Taxes & Interest        | 2,000                   | 2,000            | 3,020            | 1,020  |
| Tuition                            | 10,800                  | 10,800           | 59,104           | 48,304   |
| Other                              | 398,370                 | 398,370          | 96,323           | (302,047)  |
| <u>State Sources</u>               |                         |                  |                  |  |
| Equalization                       | 1,609,693               | 1,609,693        | 2,047,828        | 438,135  |
| Transportation                     | 28,336                  | 28,336           | 32,820           | 4,484  |
| Vocational Education               | 5,688                   | 5,688            | -                | (5,688)  |
| Other                              | 255,385                 | 255,385          | 246,902          | (8,483)  |
| <u>Federal Sources</u>             |                         |                  |                  |  |
| Designated Purpose Grants          | -                       | -                | 8,982            | 8,982  |
| Other                              | -                       | -                | -                | -  |
| <u>TOTAL REVENUES</u>              | <u>3,042,111</u>        | <u>3,042,111</u> | <u>3,442,940</u> | <u>400,829</u>                                   |
| <u>EXPENDITURES</u>                |                         |                  |                  |  |
| <u>Instruction</u>                 |                         |                  |                  |  |
| Salaries                           | 895,320                 | 895,320          | 1,000,221        | (104,901)  |
| Employee Benefits                  | 402,019                 | 402,019          | 426,397          | (24,378)   |
| Purchased Services - Professional  | 18,850                  | 18,850           | 27,141           | (8,291)  |
| Purchased Services – Property      | -                       | -                | -                | -  |
| Purchased Services – Other         | 44,425                  | 44,425           | 47,382           | (2,957)  |
| Supplies and Materials             | 58,100                  | 58,100           | 103,598          | (45,498)   |
| Property                           | 21,800                  | 21,800           | 152,208          | (130,408)  |
| Other Objects                      | -                       | -                | -                | -  |
| <u>Total Instruction</u>           | <u>1,440,514</u>        | <u>1,440,514</u> | <u>1,756,947</u> | <u>(316,433)</u>                                 |
| <u>SUPPORTING SERVICES</u>         |                         |                  |                  |  |
| <u>Student Supporting Services</u> |                         |                  |                  |  |
| Salaries                           | 46,750                  | 46,750           | 46,731           | 19   |
| Employee Benefits                  | 19,600                  | 19,600           | 21,467           | (1,867)  |
| Purchased Services – Professional  | 300                     | 300              | -                | 300  |
| Purchased Services – Property      | -                       | -                | -                | -  |
| Purchased Services – Other         | 500                     | 500              | -                | 500  |
| Supplies and Materials             | 1,250                   | 1,250            | 624              | 626  |
| Property                           | -                       | -                | -                | -  |
| Other Objects                      | -                       | -                | -                | -  |
| <u>Total Student Services</u>      | <u>68,400</u>           | <u>68,400</u>    | <u>68,822</u>    | <u>(422)</u>                                     |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2023

|                                     | Budgeted Amounts |                |                | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------|------------------|----------------|----------------|--|
|                                     | Original         | Final          | Actual         |  |
| <u>Instructional Staff</u>          |                  |                |                |  |
| Salaries                            | 29,082           | 29,082         | 38,641         | (9,559)                                  |
| Employee Benefits                   | 9,714            | 9,714          | 10,069         | (355)                                    |
| Purchased Services – Professional   | 3,000            | 3,000          | 2,103          | 897                                      |
| Purchased Services – Property       | -                | -              | -              | -  |
| Purchased Services – Other          | 1,200            | 1,200          | 315            | 885                                      |
| Supplies and Materials              | 9,900            | 9,900          | 21,678         | (11,778)                                 |
| Property                            | 12,500           | 12,500         | -              | 12,500                                   |
| Other Objects                       | -                | -              | -              | -  |
| <u>Total Instructional Staff</u>    | <u>65,396</u>    | <u>65,396</u>  | <u>72,806</u>  | <u>(7,410)</u>                           |
| <u>General Administration</u>       |                  |                |                |  |
| Salaries                            | 128,000          | 128,000        | 123,051        | 4,949                                    |
| Employee Benefits                   | 51,130           | 51,130         | 60,066         | (8,936)                                  |
| Purchased Services – Professional   | 47,550           | 47,550         | 59,509         | (11,959)                                 |
| Purchased Services – Property       | 3,600            | 3,600          | 7,533          | (3,933)                                  |
| Purchased Services – Other          | 63,500           | 63,500         | 63,812         | (312)                                    |
| Supplies and Materials              | 36,600           | 36,600         | 116,773        | (80,173)                                 |
| Property                            | -                | -              | 5,280          | (5,280)                                  |
| Other Objects                       | 5,200            | 5,200          | 6,216          | (1,016)                                  |
| <u>Total General Administration</u> | <u>335,580</u>   | <u>335,580</u> | <u>442,240</u> | <u>(106,660)</u>                         |
| <u>School Administration</u>        |                  |                |                |  |
| <u>Office of the Principal</u>      |                  |                |                |  |
| Salaries                            | 131,469          | 131,469        | 139,692        | (8,223)                                  |
| Employee Benefits                   | 69,925           | 69,925         | 52,662         | 17,263                                   |
| Purchased Services – Professional   | 2,000            | 2,000          | 234            | 1,766                                    |
| Purchased Services – Property       | -                | -              | -              | -  |
| Purchased Services – Other          | 1,500            | 1,500          | 1,466          | 34                                       |
| Supplies and Materials              | 6,900            | 6,900          | 3,795          | 3,105                                    |
| Property                            | 2,000            | 2,000          | -              | 2,000                                    |
| Other Objects                       | 1,000            | 1,000          | -              | 1,000                                    |
| <u>Total School Administration</u>  | <u>214,794</u>   | <u>214,794</u> | <u>197,849</u> | <u>16,945</u>                            |
| <u>Business Services</u>            |                  |                |                |  |
| Salaries                            | 30,500           | 30,500         | 27,902         | 2,598                                    |
| Employee Benefits                   | 15,880           | 15,880         | 31,218         | (15,338)                                 |
| Purchased Services – Professional   | 300              | 300            | 20             | 280                                      |
| Purchased Services – Property       | -                | -              | -              | -  |
| Purchased Services – Other          | 500              | 500            | -              | 500                                      |
| Supplies and Materials              | 1,500            | 1,500          | 4,879          | (3,379)                                  |
| Property                            | 3,000            | 3,000          | -              | 3,000                                    |
| Other Objects                       | -                | -              | 1,620          | (1,620)                                  |
| <u>Total Business Services</u>      | <u>51,680</u>    | <u>51,680</u>  | <u>65,639</u>  | <u>(13,959)</u>                          |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2023

|  | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance -<br/>Favorable<br/>(Unfavorable)</u> |
|--|-------------------------|------------------|------------------|---|
|  | <u>Original</u>         | <u>Final</u>     |                  |   |
| <u>Operations and Maintenance</u>                        |                         |                  |                  |   |
| Salaries   | 115,750                 | 115,750          | 102,060          | 13,690  |
| Employee Benefits  | 50,295                  | 50,295           | 45,287           | 5,008   |
| Purchased Services – Professional                        | 6,000                   | 6,000            | 29,897           | (23,897)  |
| Purchased Services – Property                            | 24,000                  | 24,000           | 20,543           | 3,457   |
| Purchased Services – Other                               | 9,000                   | 9,000            | 6,609            | 2,391   |
| Supplies and Materials                                   | 107,000                 | 107,000          | 129,002          | (22,002)  |
| Property   | 4,000                   | 4,000            | 2,684            | 1,316   |
| Other Objects  | -                       | -                | -                | -   |
| <u>Total Operations and Maintenance</u>                  | <u>316,045</u>          | <u>316,045</u>   | <u>336,082</u>   | <u>(20,037)</u>                                   |
| <u>Student Transportation</u>                            |                         |                  |                  |   |
| Salaries   | 78,950                  | 78,950           | 67,671           | 11,279  |
| Employee Benefits  | 27,865                  | 27,865           | 33,086           | (5,221)   |
| Purchased Services – Professional                        | 4,200                   | 4,200            | 15,621           | (11,421)  |
| Purchased Services – Property                            | -                       | -                | -                | -   |
| Purchased Services – Other                               | 1,750                   | 1,750            | 78               | 1,672   |
| Supplies and Materials                                   | 40,300                  | 40,300           | 33,463           | 6,837   |
| Property   | 1,000                   | 1,000            | -                | 1,000   |
| Other Objects  | -                       | -                | -                | -   |
| <u>Total Student Transportation</u>                      | <u>154,065</u>          | <u>154,065</u>   | <u>149,919</u>   | <u>4,146</u>                                      |
| <u>Central Support</u>                                   |                         |                  |                  |   |
| Employee Benefits  | -                       | -                | -                | -   |
| Purchased Services – Professional                        | -                       | -                | -                | -   |
| Purchased Services – Other                               | -                       | -                | 762              | (762)   |
| Supplies and Materials                                   | 92,252                  | 92,252           | 88,484           | 3,768   |
| Property   | -                       | -                | 1,429            | (1,429)   |
| <u>Total Central Support</u>                             | <u>92,252</u>           | <u>92,252</u>    | <u>90,675</u>    | <u>1,577</u>                                      |
| <u>Community Services</u>                                |                         |                  |                  |   |
| Other  | -                       | -                | -                | -   |
| <u>Total Community Services</u>                          | <u>-</u>                | <u>-</u>         | <u>-</u>         | <u>-</u>  |
| <u>Facilities Acquisition and Construction</u>           |                         |                  |                  |   |
| Property   | 100,000                 | 100,000          | -                | 100,000   |
| Debt Service   | -                       | -                | -                | -   |
| <u>Total Facilities Acquisition<br/>and Construction</u> | <u>100,000</u>          | <u>100,000</u>   | <u>-</u>         | <u>100,000</u>                                    |
| <u>TOTAL SUPPORTING SERVICES</u>                         | <u>1,398,212</u>        | <u>1,398,212</u> | <u>1,424,032</u> | <u>(25,820)</u>                                   |
| <u>Appropriated Reserves</u>                             | <u>286,275</u>          | <u>286,275</u>   | <u>-</u>         | <u>286,275</u>                                    |
| <u>TOTAL EXPENDITURES</u>                                | <u>3,125,001</u>        | <u>3,125,001</u> | <u>3,180,979</u> | <u>(55,978)</u>                                   |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2023

|  | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance -<br/>Favorable<br/>(Unfavorable)</u> |
|--|-------------------------|------------------|------------------|---|
|  | <u>Original</u>         | <u>Final</u>     |                  |   |
| <u>Revenues Over (Under) Expenditures</u>                          | <u>(82,890)</u>         | <u>(82,890)</u>  | <u>261,961</u>   |   |
| <u>Other Financing Sources (Uses)</u>                              |                         |                  |                  |   |
| Transfers  | <u>(90,000)</u>         | <u>(90,000)</u>  | <u>(79,901)</u>  | <u>10,099</u>                                     |
| <u>Total Other Financing Sources (Uses)</u>                        | <u>(90,000)</u>         | <u>(90,000)</u>  | <u>(79,901)</u>  | <u>10,099</u>                                     |
| <u>Revenues and Sources Over (Under)<br/>Expenditures and Uses</u> | <u>(172,890)</u>        | <u>(172,890)</u> | <u>182,060</u>   |   |
| <u>FUND BALANCE, July 1</u>  | <u>2,519,126</u>        | <u>2,519,126</u> | <u>2,305,938</u> |   |
| <u>FUND BALANCE, June 30</u>                                       | <u>2,346,236</u>        | <u>2,346,236</u> | <u>2,487,998</u> |   |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
DESIGNATED PURPOSE GRANT FUND - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2023

|   | <u>Budgeted Amounts</u> |                |               | Variance -                               |
|---|-------------------------|----------------|---------------|--|
|   | <u>Original</u>         | <u>Budget</u>  | <u>Actual</u> | <u>Favorable</u><br><u>(Unfavorable)</u> |
| <u>Revenues</u>                           |                         |                |               |  |
| Local Sources                             | -                       | -              | -             | -  |
| State Sources                             | -                       | -              | 112           | 112                                      |
| Federal Sources                           | <u>270,000</u>          | <u>270,000</u> | <u>67,068</u> | <u>(202,932)</u>                         |
| <u>Total Revenues</u>                     | <u>270,000</u>          | <u>270,000</u> | <u>67,180</u> | <u>(202,820)</u>                         |
| <u>Expenditures</u>                       |                         |                |               |  |
| Salaries                                  | 68,775                  | 68,775         | 23,498        | 45,277                                   |
| Employee Benefits                         | 59,240                  | 59,240         | 18,875        | 40,365                                   |
| Purchased Services – Professional         | 3,751                   | 3,751          | -             | 3,751                                    |
| Purchased Services – Property             | -                       | -              | -             | -  |
| Purchased Services – Other                | -                       | -              | 9,792         | (9,792)                                  |
| Supplies and Materials                    | 138,234                 | 138,234        | 339           | 137,895                                  |
| Property                                  | -                       | -              | 14,676        | (14,676)                                 |
| Other Objects                             | -                       | -              | -             | -  |
| <u>Total Expenditures</u>                 | <u>270,000</u>          | <u>270,000</u> | <u>67,180</u> | <u>202,820</u>                           |
| <u>Revenues Over (Under) Expenditures</u> | -                       | -              | -             |  |
| <u>Transfers</u>                          | -                       | -              | -             | -  |
| <u>Fund Balance, July 1</u>               | -                       | -              | -             |  |
| <u>Fund Balance, June 30</u>              | -                       | -              | -             |  |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
For The Last 10 Fiscal Years (As Available)

|  | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| District's proportion of the net pension liability (asset)   | 0.0183%     | 0.0218%     | 0.0235%     | .0213%      | .0228%      | .0259%      | .0253%      | .0253%      | .0249%      | .0261%      |
| District's proportionate share of the net pension liability (asset)  | \$3,348,064 | \$2,536,410 | \$3,554,261 | \$3,181,503 | \$4,044,430 | \$8,381,418 | \$7,545,586 | \$3,864,176 | \$3,371,880 | \$3,325,457 |
| State's proportionate share of the net pension liability associated with the District**                    | \$975,659   | \$290,767   | -           | \$403,533   | \$553,020   | -           | -           | -           | -           | -           |
| District's covered payroll   | \$1,438,454 | \$1,418,693 | \$1,281,975 | \$1,252,764 | \$1,260,346 | \$1,237,126 | \$1,154,207 | \$1,110,372 | \$1,092,379 | \$996,186   |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 233%        | 179%        | 277%        | 253%        | 321%        | 677%        | 654%        | 348%        | 309%        | 334%        |
| Plan fiduciary net position as a percentage of the total pension liability                                 | 61.79%      | 74.86%      | 66.99%      | 64.52%      | 57.01%      | 43.96%      | 43.13%      | 59.2%       | 62.80%      | 64.06%      |

\*\*A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018 based on Senate Bill 18-200.

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



BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
SCHEDULE OF DISTRICT CONTRIBUTIONS - PENSION  
For The Last 10 Fiscal Years (As Available)

|   | <u>2023</u>         | <u>2022</u>         | <u>2021</u>         | <u>2020</u>         | <u>2019</u>         | <u>2018</u>         | <u>2017</u>         | <u>2016</u>         | <u>2015</u>         | <u>2014</u>         |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Contractually required contributions                                  | \$ 293,504          | \$ 282,036          | \$ 254,857          | \$ 242,786          | \$ 241,104          | \$ 233,661          | \$ 212,235          | \$ 197,601          | \$ 184,603          | \$ 159,381          |
| Contributions in relation to the contractually required contributions | <u>\$ (293,504)</u> | <u>\$ (282,036)</u> | <u>\$ (254,857)</u> | <u>\$ (242,786)</u> | <u>\$ (241,104)</u> | <u>\$ (233,661)</u> | <u>\$ (212,235)</u> | <u>\$ (197,601)</u> | <u>\$ (184,603)</u> | <u>\$ (159,381)</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  | \$1,438,454         | \$1,418,693         | \$1,281,975         | \$1,252,764         | \$1,260,346         | \$1,237,126         | \$1,154,207         | \$1,110,372         | \$1,092,379         | \$ 996,186          |
| Contributions as a percentage of covered payroll                      | 20.38%              | 19.88%              | 19.88%              | 19.38%              | 19.13%              | 18.89%              | 18.39%              | 17.79%              | 16.90%              | 16.00%              |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
SCHEDULE OF PROPORTIONATE SHARE OF NET OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY  
For The Last 10 Fiscal Years (As Available)

|   | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| District's proportion of the net OPEB liability (asset)   | .0139%      | .0142%      | .0136%      | .0139%      | .0148%      | .0147%      | .0144%      | -           | -           | -           |
| District's proportionate share of the net OPEB liability (asset)  | \$114,145   | \$122,712   | \$129,236   | \$156,465   | \$201,995   | \$191,936   | \$186,769   | -           | -           | -           |
| District's covered payroll  | \$1,438,454 | \$1,418,693 | \$1,281,975 | \$1,252,764 | \$1,260,346 | \$1,237,126 | \$1,154,207 | -           | -           | -           |
| District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll | 7.93%       | 8.64%       | 10.08%      | 12.49%      | 16.03%      | 15.51%      | 16.18%      | -           | -           | -           |
| Plan fiduciary net OPEB as a percentage of the total pension liability                                  | 38.57%      | 39.40%      | 32.78%      | 24.49%      | 17.03%      | 17.53%      | 16.71%      | -           | -           | -           |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
SCHEDULE OF DISTRICT CONTRIBUTIONS - OPEB  
For The Last 10 Fiscal Years (As Available)

|   | <u>2023</u>       | <u>2022</u>       | <u>2021</u>       | <u>2020</u>       | <u>2019</u>       | <u>2018</u>       | <u>2017</u>       | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------|-------------|-------------|
| Contractually required contributions                                  | \$ 14,672         | \$ 14,471         | \$ 13,075         | \$ 12,778         | \$ 12,855         | \$ 12,619         | \$ 11,773         | -           | -           | -           |
| Contributions in relation to the contractually required contributions | <u>\$(14,672)</u> | <u>\$(14,471)</u> | <u>\$(13,075)</u> | <u>\$(12,778)</u> | <u>\$(12,855)</u> | <u>\$(12,619)</u> | <u>\$(11,773)</u> | -           | -           | -           |
| Contribution deficiency (excess)                                      | <u>\$ -</u>       | <u>\$ -</u>       | <u>\$ -</u>       | <u>\$ -</u>       | <u>\$ -</u>       | <u>\$ -</u>       | <u>\$ -</u>       | -           | -           | -           |
| District's covered payroll  | \$1,438,454       | \$1,418,693       | \$1,281,975       | \$1,252,764       | \$1,260,346       | \$1,237,126       | \$1,154,207       | -           | -           | -           |
| Contributions as a percentage of covered payroll                      | 1.02%             | 1.02%             | 1.02%             | 1.02%             | 1.02%             | 1.02%             | 1.02%             | -           | -           | -           |

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

AND

OTHER SCHEDULES

### NONMAJOR FUNDS

#### SPECIAL REVENUE FUNDS

Food Service Fund – This fund accounts for all financial activities associated with the District's school breakfast and lunch programs.

Student Activity Fund – Used to account for the activities of student clubs and organizations overseen by the District.

### MAJOR FUNDS

Bond Redemption- This debt service fund accounts for revenues raised through taxes for the purpose of making principal and interest payments on outstanding debt.

Building Fund- This capital project fund is used to account for expenditures made in conjunction with a major project financed by capital grants and debt proceeds.

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2023

|  | <u>Special Revenue Funds</u> |                | <u>Total</u>        |
|--|------------------------------|----------------|---------------------|
|  | <u>Food</u>                  | <u>Student</u> | <u>Nonmajor</u>     |
|  | <u>Service</u>               | <u>Fund</u>    | <u>Governmental</u> |
|  |                              |                | <u>Funds</u>        |
| <u>ASSETS</u>                                |                              |                |                     |
| Cash   | 28,689                       | 67,844         | 96,533              |
| Inventories                                  | 1,209                        | -              | 1,209               |
| Accounts Receivable                          | 8,495                        | -              | 8,495               |
| Due from Other Funds                         | 72,428                       | -              | 72,428              |
| <u>Total Assets</u>                          | <u>110,821</u>               | <u>67,844</u>  | <u>178,665</u>      |
| <u>LIABILITIES AND FUND BALANCES</u>         |                              |                |                     |
| <u>Liabilities</u>                           |                              |                |                     |
| Accounts Payable                             | -                            | -              | -                   |
| Accrued Salaries                             | 2,314                        | -              | 2,314               |
| Due to Other Funds                           | -                            | -              | -                   |
| <u>Total Liabilities</u>                     | <u>2,314</u>                 | <u>-</u>       | <u>2,314</u>        |
| <u>Fund Balances</u>                         |                              |                |                     |
| Nonspendable:                                |                              |                |                     |
| Inventories                                  | 1,209                        | -              | 1,209               |
| Restricted:                                  |                              |                |                     |
| Food Service                                 | 107,298                      | -              | 107,298             |
| Assigned:                                    |                              |                |                     |
| Student Activities                           | -                            | 67,844         | 67,844              |
| <u>Total Fund Balances</u>                   | <u>108,507</u>               | <u>67,844</u>  | <u>176,351</u>      |
| <u>TOTAL LIABILITIES &amp; FUND BALANCES</u> | <u>110,821</u>               | <u>67,844</u>  | <u>178,665</u>      |

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

BACA COUNTY SCHOOL DISTRICT RE-1  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2023

|   | <u>Special Revenue Funds</u> |                 | <u>Total</u>        |
|---|------------------------------|-----------------|---------------------|
|   | <u>Food</u>                  | <u>Student</u>  | <u>Nonmajor</u>     |
|   | <u>Service</u>               | <u>Activity</u> | <u>Governmental</u> |
|   |                              | <u>Fund</u>     | <u>Funds</u>        |
| <u>REVENUES</u>                             |                              |                 |                     |
| Earnings on Investments                     | 195                          | 327             | 522                 |
| Other Local Sources                         | 34,637                       | 106,572         | 141,209             |
| State Aid                                   | 1,703                        | -               | 1,703               |
| Federal Aid                                 | <u>105,678</u>               | <u>-</u>        | <u>105,678</u>      |
| <u>Total Revenues</u>                       | <u>142,213</u>               | <u>106,899</u>  | <u>249,112</u>      |
| <u>EXPENDITURES</u>                         |                              |                 |                     |
| Instruction                                 | -                            | -               | -                   |
| Support Services                            | -                            | 140,217         | 140,217             |
| Food Service                                | 199,315                      | -               | 199,315             |
| Capital Outlay                              | <u>-</u>                     | <u>-</u>        | <u>-</u>            |
| <u>Total Expenditures</u>                   | <u>199,315</u>               | <u>140,217</u>  | <u>339,532</u>      |
| <u>EXCESS (DEFICIENCY) OF REVENUES</u>      |                              |                 |                     |
| <u>OVER (UNDER) EXPENDITURES</u>            | <u>(57,102)</u>              | <u>(33,318)</u> | <u>(90,420)</u>     |
| <u>OTHER FINANCING SOURCES (USES)</u>       |                              |                 |                     |
| Transfers                                   | <u>79,901</u>                | <u>-</u>        | <u>79,901</u>       |
| <u>Total Other Financing Sources (Uses)</u> | <u>79,901</u>                | <u>-</u>        | <u>79,901</u>       |
| <u>NET CHANGE IN FUND BALANCES</u>          | <u>22,799</u>                | <u>(33,318)</u> | <u>(10,519)</u>     |
| <u>FUND BALANCE, Beginning</u>              | <u>85,708</u>                | <u>101,162</u>  | <u>186,870</u>      |
| <u>FUND BALANCE, Ending</u>                 | <u>108,507</u>               | <u>67,844</u>   | <u>176,351</u>      |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
FOOD SERVICE – SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2023

|  | <u>Budget</u>   | <u>Actual</u>   | Variance-<br>Favorable<br>(Unfavorable) |
|--|-----------------|-----------------|---|
| <u>REVENUES</u>  |                 |                 |   |
| <u>Local Sources</u>   |                 |                 |   |
| Food Sales   | -               | 32,657          | 32,657                                  |
| Earnings on Investments  | -               | 195             | 195                                     |
| Other  | -               | 1,980           | 1,980                                   |
| <u>State Sources</u>   |                 |                 |   |
| School Lunches and Breakfast                                       | -               | 1,703           | 1,703                                   |
| <u>Federal Sources</u>   |                 |                 |   |
| School Lunches and Breakfast                                       | 108,000         | 103,390         | (4,610)                                 |
| Commodities  | -               | 2,288           | 2,288                                   |
| <u>Total Revenues</u>  | <u>108,000</u>  | <u>142,213</u>  | <u>34,213</u>                           |
| <u>EXPENDITURES</u>  |                 |                 |   |
| Salaries   | 37,000          | 55,837          | (18,837)                                |
| Employee Benefits  | 23,090          | 23,128          | (38)                                    |
| Purchased Services – Professional                                  | 2,400           | 6,501           | (4,101)                                 |
| Purchased Services – Property                                      | -               | 1,026           | (1,026)                                 |
| Purchased Services - Other   | -               | -               | -                                       |
| Food Purchases   | 82,800          | 109,376         | (26,576)                                |
| Capital Outlay   | 4,500           | -               | 4,500                                   |
| Commodities  | -               | 2,288           | (2,288)                                 |
| Non-Food Supplies  | 210             | 1,159           | (949)                                   |
| Appropriated Reserves  | 43,708          | -               | 43,708                                  |
| <u>Total Expenditures</u>  | <u>193,708</u>  | <u>199,315</u>  | <u>(5,607)</u>                          |
| <u>REVENUES OVER (UNDER) EXPENDITURES</u>                          | <u>(85,708)</u> | <u>(57,102)</u> |   |
| <u>OTHER FINANCING SOURCES (USES)</u>                              |                 |                 |   |
| Transfers  | -               | 79,901          | 79,901                                  |
| <u>REVENUES AND SOURCES OVER (UNDER)<br/>EXPENDITURES AND USES</u> | <u>(85,708)</u> | <u>22,799</u>   |   |
| <u>FUND BALANCE, July 1</u>  | <u>85,708</u>   | <u>85,708</u>   |   |
| <u>FUND BALANCE, June 30</u>                                       | <u>-</u>        | <u>108,507</u>  |   |

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



BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
STUDENT ACTIVITY SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2023

|   | <u>Budget</u>  | <u>Actual</u>  | Variance-<br>Favorable<br>(Unfavorable) |
|---|----------------|----------------|---|
| <u>REVENUES</u>                           |                |                |   |
| Earnings on Investments                   | -              | 327            | 327                                     |
| Other Local                               | <u>105,000</u> | <u>106,572</u> | <u>1,572</u>                            |
| <u>Total Revenues</u>                     | <u>105,000</u> | <u>106,899</u> | <u>1,899</u>                            |
| <u>EXPENDITURES:</u>                      |                |                |   |
| Instruction                               | <u>105,000</u> | -              | 105,000                                 |
| Support Services                          | <u>101,285</u> | <u>140,217</u> | <u>(38,932)</u>                         |
| <u>Total Expenditures</u>                 | <u>206,285</u> | <u>140,217</u> | <u>66,068</u>                           |
| <u>REVENUES OVER (UNDER) EXPENDITURES</u> | (101,285)      | (33,318)       |   |
| <u>OTHER FINANCING SOURCES (USES)</u>     |                |                |   |
| Transfers                                 | -              | -              | -                                       |
| <u>Fund Balance, July 1</u>               | <u>101,285</u> | <u>101,162</u> |   |
| <u>Fund Balance, June 30</u>              | <u>-</u>       | <u>67,844</u>  |   |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
BOND REDEMPTION FUND-DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2023

|  | <u>Budget</u>  | <u>Actual</u>  | Variance-<br>Favorable<br>(Unfavorable) |
|--|----------------|----------------|---|
| <u>REVENUES</u>  |                |                |   |
| Property Tax   | 405,000        | 398,017        | (6,983)                                 |
| Specific Ownership Tax   | -              | -              | -                                       |
| Earnings on Investments  | -              | 7,957          | 7,957                                   |
| Other Local  | -              | 1,722          | 1,722                                   |
| <u>Total Revenues</u>  | <u>405,000</u> | <u>407,696</u> | <u>2,696</u>                            |
| <u>EXPENDITURES:</u>   |                |                |   |
| Debt Service:  |                |                |   |
| Principal  | 180,000        | 180,000        | -                                       |
| Interest   | 216,600        | 216,600        | -                                       |
| Other  | 5,000          | 2,403          | 2,597                                   |
| Appropriated Reserves  | 317,734        | -              | 317,734                                 |
| <u>Total Expenditures</u>  | <u>719,334</u> | <u>399,003</u> | <u>320,331</u>                          |
| <u>REVENUES OVER (UNDER) EXPENDITURES</u>                          | (314,334)      | 8,693          |   |
| <u>OTHER FINANCING SOURCES (USES)</u>                              |                |                |   |
| Transfers  | -              | -              | -                                       |
| <u>REVENUES AND SOURCES OVER (UNDER)<br/>EXPENDITURES AND USES</u> | (314,334)      | 8,693          |   |
| <u>Fund Balance, July 1</u>  | <u>314,334</u> | <u>314,334</u> |   |
| <u>Fund Balance, June 30</u>                                       | <u>-</u>       | <u>323,027</u> |   |

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

BACA COUNTY SCHOOL DISTRICT NUMBER RE-1  
BUILDING FUND- CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2023

|  | <u>Budget</u>     | <u>Actual</u>    | Variance-<br>Favorable<br>(Unfavorable) |
|--|-------------------|------------------|---|
| <u>REVENUES</u>  |                   |                  |   |
| Earnings on Investments  | -                 | 136,481          | 136,481                                 |
| State Grant  | 26,862,190        | 5,504,089        | (21,358,101)                            |
| Other Local  | -                 | 4,877            | 4,877                                   |
| <u>Total Revenues</u>  | <u>26,862,190</u> | <u>5,645,447</u> | <u>(21,216,743)</u>                     |
| <u>EXPENDITURES:</u>   |                   |                  |   |
| Land and Sites   | -                 | -                | -                                       |
| Building and Improvements  | 32,756,329        | 6,758,896        | 25,997,433                              |
| Other  | 929,873           | -                | 929,873                                 |
| <u>Total Expenditures</u>  | <u>33,686,202</u> | <u>6,758,896</u> | <u>26,927,306</u>                       |
| <u>REVENUES OVER (UNDER) EXPENDITURES</u>                          | (6,824,012)       | (1,113,449)      |   |
| <u>OTHER FINANCING SOURCES (USES)</u>                              |                   |                  |   |
| Bond Proceeds  | -                 | -                | -                                       |
| Issue Cost   | -                 | -                | -                                       |
| Transfers  | -                 | -                | -                                       |
| <u>Total Financing Sources and (uses)</u>                          | <u>-</u>          | <u>-</u>         | <u>-</u>                                |
| <u>REVENUES AND SOURCES OVER (UNDER)<br/>EXPENDITURES AND USES</u> | (6,824,012)       | (1,113,449)      |   |
| <u>Fund Balance, July 1</u>  | <u>6,824,012</u>  | <u>6,824,012</u> |   |
| <u>Fund Balance, June 30</u>                                       | <u>-</u>          | <u>5,710,563</u> |   |

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

STATE REQUIRED SCHEDULES

Auditor's Integrity Report (Revenues, Expenditures, and Fund Balance by Fund)

Bolded Balance Sheet



## Auditors Integrity Report

District: 0230 - Walsh RE-1

Fiscal Year 2022-23

Colorado School District/BOCES

| 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 (5880*) Ending Fund Balance |
|--------------------|--|--|---|---|
|--------------------|--|--|---|---|

|  | May (2000)       | + | Other Sources    | Other Uses | (2000) Ending Fund Balance |
|--|------------------|---|------------------|------------|----------------------------|
| <b>Governmental</b>  |                  |   |                  |            |                            |
| 000001 Fund  | 2,306,513        |   | 3,195,436        |            | 2,011,662                  |
| 000002 Sub Fund of General Fund                            | 2,400            |   | 88,503           |            | 56,484                     |
| 000003 Professional Services Fund                          | 2,534            |   | 78,100           |            | 80,034                     |
| Sub Total  | 2,308,938        |   | 3,363,039        |            | 2,467,997                  |
| 000004 Charitable Fund                                     | 0                |   | 0                |            | 0                          |
| 000005 Special Revenue Fund                                | 0                |   | 0                |            | 0                          |
| 000006 Capital Projects Fund                               | 0                |   | 0                |            | 0                          |
| 000007 Capital Program Reserve Fund                        | 0                |   | 0                |            | 0                          |
| 000008 Food Service Less Revenue Fund                      | 65,768           |   | 222,115          |            | 199,315                    |
| 000009 Tour Designated Program Grants Fund                 | 0                |   | 67,181           |            | 67,181                     |
| 000010 Total Activity New & Existing Fund                  | 103,162          |   | 196,999          |            | 140,217                    |
| 000011 Transferred Other Funds                             | 0                |   | 0                |            | 0                          |
| 000012 Grant Disbursement Fund                             | 314,234          |   | 407,656          |            | 339,604                    |
| 000013 Food Service, all programs except Food Service Fund | 0                |   | 0                |            | 0                          |
| 000014 Other Fund  | 6,824,012        |   | 5,245,447        |            | 6,758,697                  |
| 000015 Special Services Fund                               | 0                |   | 0                |            | 0                          |
| 000016 Capital Projects Fund (from Main Fund)              | 0                |   | 0                |            | 0                          |
| <b>Totals</b>  | <b>9,631,154</b> |   | <b>9,912,377</b> |            | <b>10,745,592</b>          |
| <b>Proprietary</b>   |                  |   |                  |            |                            |
| 000017 Special Enterprises Fund                            | 0                |   | 0                |            | 0                          |
| 000018 Non-Related Agency Fund                             | 0                |   | 0                |            | 0                          |
| 000019 Other Internal Service Funds                        | 0                |   | 0                |            | 0                          |
| <b>Totals</b>  | <b>0</b>         |   | <b>0</b>         |            | <b>0</b>                   |
| <b>Fiduciary</b>   |                  |   |                  |            |                            |
| 000020 Other Trusts and Agency Funds                       | 0                |   | 0                |            | 0                          |
| 000021 Private Agency Fund                                 | 0                |   | 0                |            | 0                          |
| 000022 Agency Fund   | 0                |   | 0                |            | 0                          |
| 000023 Public Agency Agency Fund                           | 0                |   | 0                |            | 0                          |
| 000024 Public Agency Agency Fund                           | 0                |   | 0                |            | 0                          |
| 000025 Other Agency Agency Fund                            | 0                |   | 0                |            | 0                          |
| <b>Totals</b>  | <b>0</b>         |   | <b>0</b>         |            | <b>0</b>                   |
| <b>FINAL</b>   |                  |   |                  |            |                            |

12/31/23



Colorado Department of Education

Bolded Balance Sheet Report

District: 0230 - Walsh RE-1

Fiscal Year 2022-23

Colorado School District/BOCES

| ASSETS                                   | Governmental           |                        |                   |                                 |                                |                               | Proprietary                          |                          |                                    |                                |                                  | Fiduciary                         |                                 |                            |         |
|--|------------------------|------------------------|-------------------|---------------------------------|--------------------------------|-------------------------------|--------------------------------------|--------------------------|------------------------------------|--------------------------------|----------------------------------|-----------------------------------|---------------------------------|----------------------------|---------|
|  | General Funds 10,12-18 | Charter School Fund 11 | Preschool Fund 19 | Special Revenue Funds 20, 22-29 | Supplemental Cap Const Fund 06 | Total Program Reserve Fund 07 | Food Service Special Revenue Fund 21 | Debt Service Funds 30-39 | Capital Projects Funds 40-45,47-49 | Supplemental Cap Const Fund 46 | Other Enterprise Funds 50, 52-59 | Risk-Related Activity Funds 63-64 | Other Internal Service Funds 60 | Trust & Agency Funds 70-79 | Fund 79 |
| Cash and Investments (8100-8104,8111)    | 3,538,993              | 0                      | 15,242            | 88,960                          | 0                              | 0                             | 28,689                               | 47,978                   | 3,075,608                          | 0                              | 0                                | 0                                 | 0                               | 0                          | 0       |
| Cash with Fiscal Agent (8105)            | 17,125                 | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 265,981                  | 0                                  | 0                              | 0                                | 0                                 | 0                               | 0                          | 0       |
| Other Investment Accounts (8112-8115)    | 695,845                | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                  | 0                              | 0                                | 0                                 | 0                               | 0                          | 0       |
| Taxes Receivable (8121,8122)             | 75,000                 | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 39,000                   | 0                                  | 0                              | 0                                | 0                                 | 0                               | 0                          | 0       |
| Interfund Loans Receivable (8131,8132)   | 6,080                  | 0                      | 0                 | 0                               | 0                              | 0                             | 72,428                               | 0                        | 1,494,965                          | 0                              | 0                                | 0                                 | 0                               | 0                          | 0       |
| Intergovernmental Accounts Rec (8141)    | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                  | 0                              | 0                                | 0                                 | 0                               | 0                          | 0       |
| Grants Accounts Receivable (8142)        | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 8,495                                | 0                        | 3,332,885                          | 0                              | 0                                | 0                                 | 0                               | 0                          | 0       |
| Other Receivables (8151-8154,8161)       | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                  | 0                              | 0                                | 0                                 | 0                               | 0                          | 0       |
| Inventories (8171,8172,8173)             | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 1,209                                | 0                        | 0                                  | 0                              | 0                                | 0                                 | 0                               | 0                          | 0       |
| Machinery and Equipment (8241,8242,8251) | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                  | 0                              | 0                                | 0                                 | 0                               | 0                          | 0       |
| Total Assets                             | 4,333,043              | 0                      | 15,242            | 88,960                          | 0                              | 0                             | 110,821                              | 352,959                  | 7,903,459                          | 0                              | 0                                | 0                                 | 0                               | 0                          | 0       |

# LIABILITIES & FUND EQUITY

## LIABILITIES

|   |           |   |        |        |   |   |       |        |           |   |   |   |   |   |   |           |
|---|-----------|---|--------|--------|---|---|-------|--------|-----------|---|---|---|---|---|---|-----------|
| Interfund Payables (7401-7402)            | 1,567,394 | 0 | 6,080  | 0      | 0 | 0 | 0     | 0      | 0         | 0 | 0 | 0 | 0 | 0 | 0 | 1,573,473 |
| Other Payables (7421-7423)                | 13,662    | 0 | 0      | 288    | 0 | 0 | 0     | 0      | 1,899,631 | 0 | 0 | 0 | 0 | 0 | 0 | 1,913,582 |
| Contracts Payable (7431-7433)             | 0         | 0 | 0      | 0      | 0 | 0 | 0     | 0      | 293,265   | 0 | 0 | 0 | 0 | 0 | 0 | 293,265   |
| Accrued Expenses (7461)                   | 210,013   | 0 | 9,162  | 0      | 0 | 0 | 2,314 | 0      | 0         | 0 | 0 | 0 | 0 | 0 | 0 | 221,489   |
| Payroll Ded. and Withholdings (7471-7473) | 1,340     | 0 | 0      | 0      | 0 | 0 | 0     | 0      | 0         | 0 | 0 | 0 | 0 | 0 | 0 | 1,340     |
| Unearned Revenue (7481)                   | 0         | 0 | 0      | 386    | 0 | 0 | 0     | 0      | 0         | 0 | 0 | 0 | 0 | 0 | 0 | 386       |
| Grants Deferred Revenue (7482)            | 385       | 0 | 0      | 20,442 | 0 | 0 | 0     | 0      | 0         | 0 | 0 | 0 | 0 | 0 | 0 | 20,827    |
| Deferred Inflow (7800)                    | 52,251    | 0 | 0      | 0      | 0 | 0 | 0     | 29,932 | 0         | 0 | 0 | 0 | 0 | 0 | 0 | 82,183    |
| Total Liabilities                         | 1,845,045 | 0 | 15,242 | 21,116 | 0 | 0 | 2,314 | 29,932 | 2,192,896 | 0 | 0 | 0 | 0 | 0 | 0 | 4,106,545 |

Governmental      Proprietary      Fiduciary

**FUND EQUITY**

|   | General Funds 10,12-18 | Charter School Fund 11 | Preschool Fund 19 | Special Revenue Funds 20, 22-29 | Supplemental Cap Const Fund 06 | Total Program Reserve Fund 07 | Food Service Special Revenue Fund 21 | Debt Service Funds 30-39 | Capital Projects Funds 40-45, 47-49 | Supplemental Cap Const Fund 46 | Other Enterprise Funds 50, 52-59 | Risk-Related Activity Funds 63-64 | Other Internal Service Funds 60, 70-79 | Trust & Foundations Fund 85 | Totals           |
|---|------------------------|------------------------|-------------------|---------------------------------|--------------------------------|-------------------------------|--------------------------------------|--------------------------|-------------------------------------|--------------------------------|----------------------------------|-----------------------------------|--|-----------------------------|------------------|
| Non-spendable Fund Balance 6710                                   | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 1,209                                | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 1,209            |
| Restricted Fund Balance 6720                                      | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 107,298                              | 323,027                  | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 430,325          |
| LABOR 3% Emergency Reserve 6721                                   | 277,000                | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 277,000          |
| LABOR Multi-Year 6722   | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 0                |
| District Emergency Reserve (letter of credit or real estate) 6723 | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 0                |
| Colerato Preschool Program (CPP) Reserve 6724                     | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 0                |
| Full-Day Kindergarten Reserve 6725                                | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 0                |
| Risk-Related / Restricted Capital Reserve 6726                    | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 0                |
| BES1 Capital Reserve 6727   | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 0                |
| Total Program Reserve 6728  | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 0                |
| Committed Fund Balance 6750                                       | 2,510                  | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 5,710,563                           | 0                              | 0                                | 0                                 | 0                                      | 0                           | 5,713,073        |
| Assigned Fund Balance 6760  | 0                      | 0                      | 0                 | 67,844                          | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 67,844           |
| Unassigned Fund Balance 6770                                      | 2,208,487              | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 2,208,488        |
| Individed in Capital Assets, Net of Related Debt 6790             | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 0                |
| Restricted Net Assets 6791  | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 0                |
| Unrestricted Net Assets 6792                                      | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 0                |
| Prior Period Adjustment 6880                                      | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           | 0                |
| <b>Total Fund Equity</b>  | <b>2,487,997</b>       | <b>0</b>               | <b>0</b>          | <b>67,844</b>                   | <b>0</b>                       | <b>0</b>                      | <b>108,507</b>                       | <b>323,027</b>           | <b>5,710,563</b>                    | <b>0</b>                       | <b>0</b>                         | <b>0</b>                          | <b>0</b>                               | <b>0</b>                    | <b>8,697,939</b> |

Total Liabilities & Fund Equity 4,333,043      15,242      88,960      0      110,821      352,959      7,903,459      0      0      0      0      0      0      0      0      12,804,484

|   | General Funds 10,12-18 | Charter School Fund 11 | Preschool Fund 19 | Special Revenue Funds 20, 22-29 | Supplemental Cap Const Fund 06 | Total Program Reserve Fund 07 | Food Service Special Revenue Fund 21 | Debt Service Funds 30-39 | Capital Projects Funds 40-45, 47-49 | Supplemental Cap Const Fund 46 | Other Enterprise Funds 50, 52-59 | Risk-Related Activity Funds 63-64 | Other Internal Service Funds 60, 70-79 | Trust & Foundations Fund 85 |
|---|------------------------|------------------------|-------------------|---------------------------------|--------------------------------|-------------------------------|--------------------------------------|--------------------------|-------------------------------------|--------------------------------|----------------------------------|-----------------------------------|--|-----------------------------|
| Non-spendable Fund Balance 6710                                   | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 1,209                                | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Restricted Fund Balance 6720                                      | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 107,298                              | 323,027                  | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| LABOR 3% Emergency Reserve 6721                                   | 277,000                | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| LABOR Multi-Year 6722   | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| District Emergency Reserve (letter of credit or real estate) 6723 | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Colerato Preschool Program (CPP) Reserve 6724                     | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Full-Day Kindergarten Reserve 6725                                | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Risk-Related / Restricted Capital Reserve 6726                    | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| BES1 Capital Reserve 6727   | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Total Program Reserve 6728  | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Committed Fund Balance 6750                                       | 2,510                  | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 5,710,563                           | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Assigned Fund Balance 6760  | 0                      | 0                      | 0                 | 67,844                          | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Unassigned Fund Balance 6770                                      | 2,208,487              | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Individed in Capital Assets, Net of Related Debt 6790             | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Restricted Net Assets 6791  | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Unrestricted Net Assets 6792                                      | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| Prior Period Adjustment 6880                                      | 0                      | 0                      | 0                 | 0                               | 0                              | 0                             | 0                                    | 0                        | 0                                   | 0                              | 0                                | 0                                 | 0                                      | 0                           |
| <b>Total Fund Equity</b>  | <b>2,487,997</b>       | <b>0</b>               | <b>0</b>          | <b>67,844</b>                   | <b>0</b>                       | <b>0</b>                      | <b>108,507</b>                       | <b>323,027</b>           | <b>5,710,563</b>                    | <b>0</b>                       | <b>0</b>                         | <b>0</b>                          | <b>0</b>                               | <b>0</b>                    |

For Each Fund Type:  
Do Assets=Liability+Fund Equity