RIO BLANCO COUNTY SCHOOL DISTRICT RE-1
MEEKER, COLORADO

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
June 30, 2023

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M& H
Maggard
& Hood, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Board of Education
Rio Blanco County (Meeker) School District RE-1
Meeker, Colorado

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, each major fund, and each fiduciary fund type, of the Rio Blanco County (Meeker) School District No. RE-1 (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and each fiduciary fund type of the Rio Blanco County (Meeker) School District No. RE-1 as of June 30, 2023, and the respective changes in financial position for the year then ended in conformity 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 School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

● 901 GRAND AVENUE, SUITE 203 ● P.O. BOX 370 ● GLENWOOD SPRINGS, CO 81602 ●
● (970) 945-8588 ● FAX (970) 945-2398 ●

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 School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and additional schedules listed as "other supplemental information" in the table of contents are for purposes of additional analysis and are not a required part of the basic financial statements. The electronic financial data integrity check figures and reconciliation are presented for purposes of additional analysis as required by the Colorado Department of Education, and are also not required parts of the basic financial statements. The information is the responsibility of management and is derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Maggard & Hood, P.C.

MAGGARD & HOOD, P.C.
Glenwood Springs, Colorado
November 21, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Rio Blanco County (Meeker) School District RE-1 is a public-school district located in Rio Blanco County in Northwest Colorado. The District consists of Meeker Elementary, Middle and High School. The District is a political subdivision of the State of Colorado, and serves the town of Meeker, and portions of unincorporated Rio Blanco County.

The discussion and analysis of the Rio Blanco County (Meeker) School District RE-1's financial performance provides an overall review of the District's financial activities. The intent of this discussion and analysis is to look at the District's financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader's understanding of the District's overall financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2023 are as follows:

- Governmental Accounting Standards require the District to report its proportionate share of the State total PERA net pension liability and its proportionate share of the State total PERA Health Care Trust Fund net OPEB liability in its government-wide financial statements. As of June 30, 2023, the District's share of the PERA net pension liability is approximately $11.624 million and the District's share of the PERA HCTF net OPEB liability is $396 thousand.

- General Revenues accounted for $12,757,470 or 82%, of all revenues. These general revenues include taxes, grants and entitlements not restricted to specific programs, and general interest and other revenues not related to specific programs. Program specific revenues, in the form of charges for services and sales, as well as program specific grants and contributions, accounted for $2,726,988 or 18%, of the District's total revenues of $15,484,458. The District had $13,677,446 in expenses, of which $2,726,988 were offset by program specific charges for services and sales, grants and contributions.

- The District's total net position of governmental activities increased by $1.8 million, primarily due to the impacts of GASB Statements No. 68 and No. 75, which is a contrast to its decrease in fund balance on a governmental fund basis of $1.4 million. A reconciliation of the differences between changes in governmental fund balances and changes in net position is found on page 16 and a discussion of the differences between the two accounting methodologies is discussed below.

USING THE BASIC FINANCIAL STATEMENTS

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Rio Blanco County (Meeker) School District RE-1 as a financial whole, or as an entire operating activity.

The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds with all other non-major funds presented in total in a single column. For the Rio Blanco County (Meeker) School District RE-1, the General Fund is the most significant fund. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the reporting entity. The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

REPORTING THE DISTRICT AS A WHOLE

Statement of Net Position and Statement of Activities

While this report contains all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during the fiscal year?" The statement of net position and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting system used by most private sector companies. The basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash was received or paid.

The focus of these government-wide financial statements is on the overall financial position and activities of the District. These financial statements are constructed around the concept of a primary government, the District, and its component units, except for fiduciary funds. As described below, the financial statements of the District's fiduciary funds are not included in the government-wide financial statements, because resources of these funds cannot be used to finance the District's activities. However, the financial statements of fiduciary funds are included in the District's financial statements because the District is financially accountable for those resources, even though they belong to other parties.

The two statements report the District's net position and changes therein. This change is important because it identifies whether the financial condition of the District has improved or diminished for the District as a whole. The cause of this change may be the result of many factors, some financial, some not. Nonfinancial factors include the District's property tax base, current property tax laws, enrollment levels, statutorily required reserves, facility conditions, required educational programs and other factors.

The School District's activities as reflected on the Statement of Net Position and the Statement of Activities consist of the following:

> **Governmental Activities** – Governmental activities are those that are generally financed through taxes, intergovernmental revenues and other non-exchange revenues. The School District's programs and services are reported here including instruction, support services, operation and maintenance, pupil transportation, and extracurricular activities.
>
> **Proprietary Activities –** The District currently has no Business-type activities, which are those provided on a charge for goods or services basis to recover all expenses of the goods and services provided.
>
> **Fiduciary Activities –** Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the School District's own programs. The accounting use for the fiduciary funds is much like that used for proprietary funds. The District's fiduciary fund is the Scholarship Fund. The Scholarship Fund is a custodial fund which accounts for student scholarships.

FUND FINANCIAL STATEMENTS

Fund financial reports provide detailed information about the District's major funds. The District considers all funds as significant, or major, funds. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations. Fund financial statements are divided into three broad categories; namely (1) governmental funds; (2) proprietary funds; and, (3) fiduciary funds.

Governmental Funds – The District's activities in governmental funds focus on how monies flow into and out of those funds and the balances left at fiscal year-end for spending in future periods. 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. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs. The relationship, or differences, between government-wide activities and the governmental funds is reconciled in the financial statements. The District's major governmental funds are:

General Fund – The General Fund is the District's primary operating fund and accounts for the majority of the District's instruction and support operations, including preschool operations.

Food Service Fund – The Food Service Fund is a special revenue fund which accounts for the District's general food service activities with revenue sources specifically designated for such activities.

Pupil Activity Fund – The Pupil Activity Fund is a special revenue fund which accounts for student athletic/nonathletic activities with revenue sources raised specifically from such activities.

Bond Redemption Fund – The Bond Redemption Fund accounts for property tax collections and transactions related to the District's general obligation indebtedness.

Building Fund – The Building Fund accounts for facilities acquisition and construction from restricted Bond issues and Best Grant monies. The fund did not have any reportable activities for fiscal year 2023.

Capital Reserve Project Fund – The Capital Projects Fund accounts for the District's funding for major capital needs.

Proprietary Funds – Proprietary (enterprise) funds use the same basis of accounting as business-type activities. The District currently has no proprietary funds (or business-type) activities.

Fiduciary Funds – Fiduciary (or *Custodial)* funds are reported in a separate Statement of Fiduciary Net Position. This type of activity is excluded from governmental funds because the District cannot use these assets to finance its operations, and the District is acting solely as trustee or agent for the benefit of others to whom the resources belong, such as school activity accounts. The District's fiduciary funds are the:

Scholarship Fund – The Scholarship Fund accounts for scholarship funds held in a custodial capacity.

NOTES TO THE FINANCIAL STATEMENTS

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

SUPPLEMENTAL INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents supplemental information required by U.S. generally accepted accounting principles, as well as other supplemental information to assist the reader in a full understanding of the financial statements and additional schedules required by the Colorado Department of Education.

THE DISTRICT AS A WHOLE

The perspective of the statement of net position is of the District as a whole. Following is a summary of the District's net position for the current compared to the prior fiscal year:

(In Thousands)	Governmental Activities		Business-Type Activities *(NOT APPLICABLE)*		Total	
	2023	2022 Restated	2023	2022	2023	2022 Restated
ASSETS:						
Current and Other Assets	$ 14,888	$ 16,124	$ -	$ -	$ 14,888	$ 16,124
Capital Assets, Net	70,166	71,419	-	-	70,166	71,419
	85,054	87,543	-	-	85,054	87,543
DEFERRED OUTFLOWS:						
Charge on Refunding	1,504	1,693	-	-	1,504	1,693
Related to Pensions	3,029	2,792	-	-	3,029	2,792
Related to OPEBs	95	90	-	-	95	90
	4,628	4,575	-	-	4,628	4,575
LIABILITIES:						
Current & Other Liabilities	1,135	5,691	-	-	1,135	5,691
Long-term Liabilities	50,229	50,194	-	-	50,229	50,194
Net Pension Liability	11,624	9,035	-	-	11,624	9,035
Net Pension Liability	396	437	-	-	396	437
	63,384	65,357	-	-	63,384	65,357
DEFERRED INFLOWS:						
Related to Pensions	1,816	4,092	-	-	1,816	4,092
Related to OPEBs	161	155	-	-	161	155
	1,977	4,247	-	-	1,977	4,247
NET POSITION:						
Invested in Capital Assets, Net of Related Debt	19,936	16,617	-	-	19,936	16,617
Restricted	9,786	11,162	-	-	9,786	11,162
Unrestricted	(5,401)	(5,265)	-	-	(5,401)	(5,265)
	$ 24,321	$ 22,514	$ -	$ -	$ 24,321	$ 22,514

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and equipment) less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Resources to repay debt on these assets must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Restricted balances are for capital projects and amounts set aside to satisfy debt service requirements and statutorily required emergency reserves.

The District's Statement of Net Position also includes the District's proportionate share of the unfunded liability in the Public Employees Retirement Association (PERA) future retiree pension and PERA Health Care Trust Fund (OPEB). The related negative unrestricted assets balance merely represents that there are *long-term* obligations, including pensions and OPEB benefits, in excess of *currently* available resources.

THE DISTRICT AS A WHOLE -- *CONTINUED*

The statement of activities reflects the cost of program services and the charges for services and sales, grants, and contributions offsetting those services. The following detail reflects the total cost of services supported by program revenues and general property taxes, unrestricted state entitlements, and other general revenues, resulting in the overall change in net position for the current fiscal year:

(In Thousands)	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES:						
Program Revenues:						
Charges for Services & Sales	$ 427	$ 308	$ -	$ -	$ 427	$ 308
Operating Grants & Contributions	2,051	1,810	-	-	2,051	1,810
Capital Grants and Contributions	249	740	-	-	249	740
Total Program Revenues	2,727	2,858	-	-	2,727	2,858
General Revenues:						
Property & Ownership Taxes	8,618	8,142	-	-	8,618	8,142
Grants and Entitlements	3,532	3,654	-	-	3,532	3,654
Federal Mineral & Forest Leasing	191	196	-	-	191	196
Division of Wildlife	4	11	-	-	4	11
Interest & Investment Earnings	412	29	-	-	412	29
Total General Revenues	12,757	12,032	-	-	12,757	12,032
Total Revenues	15,484	14,890	-	-	15,484	14,890
PROGRAM EXPENSES:						
Instruction	7,805	7,354	-	-	7,805	7,354
Support Services:						
Students	512	367	-	-	512	367
Instructional Staff	199	264	-	-	199	264
General Administration	454	411	-	-	454	411
School Administration	581	697	-	-	581	697
Business Support Services	180	155	-	-	180	155
Operations and Maintenance	955	1,081	-	-	955	1,081
Student Transportation	341	427	-	-	341	427
Central Support Services	426	351	-	-	426	351
Food Services	320	321	-	-	320	321
Facilities Non-capitalized Expenses	10	-	-	-	10	-
Unallocated PERA Actuarial Adj.	77	(3,075)	-		77	(3,075)
Unallocated PERA OPEB Actuarial Adj.	(40)	(32)	-	-	(40)	(32)
Interest and Fiscal Charges	1,857	2,044	-	-	1,857	2,044
Total (Expenses)	13,677	10,365	-	-	13,677	10,365
Increase (Decrease) in Net Position	$ 1,807	$ 4,525	$ -	$ -	$ 1,807	$ 4,525

Most of the District's revenues come from the Public-School Finance Act of 1994 (SFA), which is comprised of general property taxes, specific ownership taxes and state equalization based on the statewide formula for pupil funding. In fiscal year 2023, approximately 27.7% of SFA funding came from state equalization and 67.6% from taxes. For the fiscal year 2023 the net position of the District's governmental activities increased by approximately $1.8 million primarily resulting from the District's allocated portion of actuarial adjustments to PERA net pension and OPEB liabilities. The District currently has no business-type activities.

THE DISTRICT AS A WHOLE -- NET COST OF SERVICES

As indicated above, the statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The following table summarizes the information from the statement of activities, reflecting the total cost of program services and the remaining net cost of program services supported by taxes and other general revenues:

	Fiscal Year 2023		Fiscal Year 2022	
(In Thousands)	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	$ 7,805	$ 5,931	$ 7,354	$ 5,277
Support Services:				
Students	512	254	367	140
Instructional Staff	199	199	264	264
General Administration	454	454	411	411
School Administration	581	581	697	697
Business Support Services	180	180	155	155
Operations and Maintenance	955	700	1,081	1,067
Student Transportation	341	282	427	205
Central Support Services	426	426	351	350
Food Services	320	39	321	5
Facilities Non-capitalized Expenses	10	10	-	-
Unallocated PERA Actuarial Adj.	77	77	(3,075)	(3,075)
Unallocated PERA OPEB Actuarial Adj.	(40)	(40)	(32)	(32)
Interest and Fiscal Charges	1,857	1,857	2,044	2,044
Total Expenses	$ 13,677	$ 10,950	$ 10,365	$ 7,508

The dependence on general revenues for governmental activities is apparent, whereas approximately 80% and 72% of district-wide activities were supported through taxes and other general revenues in 2023 and 2022, respectively. The community as a whole is the primary support for District students.

THE DISTRICT'S FUNDS

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds are accounted for using the modified accrual basis of accounting.

Governmental Funds –

The *General Fund* had an overall increase in fund balance of $46,336. The ending fund balance of $4,152,957 is the amount available for future spending.

The *Food Service Fund* had an overall increase in fund balance of $4,397. The ending fund balance of $35,693 is the amount available for future spending.

The *Pupil Activity Fund* had an overall increase in fund balance of $18,463. The ending fund balance of $266,622 is the amount available for future spending.

The *Bond Redemption Fund* had an overall decrease in fund balance of $1,396,331. The ending fund balance of $9,253,887 is the amount available for future spending.

The *Capital Reserve Projects Fund* had an overall decrease in fund balance of $20,704. The ending fund balance of $177,922 is the amount available for future spending.

Fiduciary (Custodial) Funds –

The *Scholarship Fund* ended the year with $89,478 available for future spending.

GENERAL FUND BUDGETING HIGHLIGHTS

The District's procedures in establishing the budgetary data reflected in the financial statements is summarized in *Note 1(F)* of the financial statements. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). The District uses a line-item based budget which is designed to control line-item expenditures, but provide flexibility for overall budgetary management. During the course of the current fiscal year, the District amended its budget as needed.

For the General Fund, actual revenues and other financing sources in the amount of $9,991,705 exceeded budgetary expectations of $9,865,998 by $125,707.

The District's General Fund actual expenditures and other financing uses of $9,945,369 were $3,970,038 below budgeted expenditures of $13,772,619. The major differences between budgeted amounts and actual expenditures were primarily due to excess amounts budgeted for appropriated reserves and general support services.

The Board of Directors and District management continue to strive to budget appropriate amounts for each individual line item. It is not anticipated that this year's budgetary variances will have a significant impact on future services or liquidity. The overall savings are indicative of the efforts to provide services in the most economical manner. This year's savings will have a positive impact on future year's fund balances.

CAPITAL ASSETS

At the end of fiscal year 2023, the District had a total of $70,166,016 invested in capital assets for *governmental activities*. Additional information on the District's capital assets can be found in *Note 4* of the financial statements.

The following reflects the balances of fiscal year 2023 compared to fiscal year 2022:

(In Thousands)	Governmental Activities	
	2023	2022
Net of Depreciation:		
Land	$ 725	$ 725
Construction in Progress	229	-
Buildings & Improvements	68,171	69,615
Transportation Equipment	283	314
Other Equipment	758	765
	$ 70,166	$ 71,419

DEBT ADMINISTRATION

At June 30, 2023 the School District's governmental activities had: 1) outstanding bonds of $41,700,000 plus $178,437 accrued interest thereon and deferred premium of $8,032,731; and 2) accrued compensated absences of $496,698. Other long-term obligations consist of the District's proportionate share of the aforementioned State PERA Net Pension Liability (see Note 1, 10) in the amount of $11,624,209 and the PERA HCTF net OPEB liability (see Note 1 &13) in the amount of $396,226.

The bonds are being paid from a mill levy in the Bond Redemption fund while other long-term obligations are satisfied from the General Fund

Additional debt information can be found in *Note 5* of the financial statements.

CURRENT ISSUES, ECONOMIC CONDITION AND OUTLOOK

In early 2020, a worldwide pandemic arose caused by the coronavirus (Covid-19). Management has acknowledged the threat of the coronavirus; however, the long-term impact on operations is currently unknown as of the date of the auditor's report.

The Public-School Finance Act of 1994 (SFA) is the largest source of revenue for the District's operating funds. The SFA calculates per-pupil funding by school district based upon a formula using a number of factors including cost of living, number of students, district size, personnel vs. non-personnel costs, and number of at-risk students. The purpose of the SFA was to establish a financial base of support for public education, to move towards a uniform mill levy tax state-wide for all districts, and to limit future growth of and reliance upon property tax to support public education. Funding sources for the SFA are derived by the following formula:

Total Program Funding = local property taxes + general specific ownership taxes + state equalization

The District has implemented many cost-savings measures, as well as planning for utilization of existing fund balances, to maintain faculty staffing levels. The Board and Administration continue to carefully review spending to maintain a careful balance between education and fiscal responsibility.

According to Colorado PERA, the overall statewide collective net pension liability for the PERA School Division Trust Fund is $18.2 billion, an increase of approximately $6.6 billion from the prior year. This and the effect of other actuarial changes (primarily the net difference between actual and projected pension investment earnings), have decreased the District's proportionate share of the collective net pension liability. In addition, the overall statewide collective PERA Health Care Trust Fund Net OPEB liability decreased from $862 million to $816 million, with a corresponding decrease in the District's proportionate share thereof. During the 2018 legislative session, the Colorado General Assembly passed significant pension reform with the goal of eliminating the unfunded actuarial accrued liability and reaching a 100 percent funded ratio within the next 30 years.

It is important to note that the requirements for the reporting of the proportionate share of the net pension and net OPEB liabilities do not necessarily reflect the financial condition of a governmental entity because the liabilities cannot be made immediately due and payable. Furthermore, the District has no legal obligation to fund PERA's unfunded accrued actuarial liability nor does the District have any ability to affect funding, benefits or annual required contribution decisions made by PERA in administering the defined pension plan. It is also important to note that the reporting requirements have no impact on the District's fund level financial statements which are used for internal and budgetary use; rather, the change only effects the District's government-wide financial statement reporting (a long-term perspective) in the year-end audited financial statements.

See the accompanying financial statement notes for the full disclosures related to PERA and OPEB.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, customers, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions regarding this report or need additional information, please contact the:

Rio Blanco County (Meeker) School District RE-1
Attn: Finance Director
P.O. Box 1089
Meeker, CO 81641

GOVERNMENT - WIDE FINANCIAL STATEMENTS

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF NET POSITION
June 30, 2023

	Governmental Activities
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	$ 13,978,731
Cash w/ County Treasurer	603,730
Receivables:	
Property Taxes	82,268
Intergovernmental	169,382
Other Receivables	14,420
Prepaid Expense	38,448
Inventory	1,523
Total Current Assets	14,888,202
Capital Assets:	
Capital Assets, Non-depreciable	954,036
Capital Assets, Net of Depreciation	69,211,980
Total Capital Assets	70,166,016
TOTAL ASSETS	85,054,218
DEFERRED OUTFLOWS:	
Deferred Charge on Refunding	1,503,966
Pensions, Net of Accumulated Amortization	3,029,339
OPEBs, Net of Accumulated Amortization	94,581
TOTAL DEFERRED OUTFLOWS	4,627,886
LIABILITIES:	
Accounts Payable	16,733
Accrued Salaries and Benefits	890,771
Accrued Interest Payable	178,437
Unearned Revenues	47,810
Long-term Debt:	
Portion Due or Payable within One Year, Net	2,195,932
Portion Due or Payable After One Year, Net	48,033,497
Net Pension Liability	11,624,209
Net OPEB Liability	396,226
TOTAL LIABILITIES	63,383,615
DEFERRED INFLOWS:	
Pensions, Net of Accumulated Amortization	1,816,524
OPEBs, Net of Accumulated Amortization	160,779
TOTAL DEFERRED INFLOWS	1,977,303
NET POSITION:	
Invested in Capital Assets, Net of Related Debt	19,936,587
Restricted for:	
Capital Projects	-
Debt Service	9,253,887
Pupil Activities	266,622
Emergencies	265,000
Unrestricted	(5,400,910)
TOTAL NET POSITION	$ 24,321,186

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2023

		PROGRAM REVENUES		
	EXPENSES	Charges For Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES:				
Instruction	$ 7,805,306	$ 42,846	$ 1,822,689	$ 8,567
Supporting Services:				
General Support Services:				
- Students	512,204	253,860	3,983	-
- Instructional Staff	198,972	-	-	-
- General Administration	453,848	-	-	-
- School Administration	580,604	-	-	-
Business Support Services:				
- Business Services	180,465	-	-	-
- Operations and Maintenance	954,631	14,400	-	240,299
Student Transportation	341,102	-	59,300	-
Central Support Services	425,946	-	-	-
Food Services	320,082	115,983	165,061	-
Facilities Non-capitalized Expenses	9,606	-	-	-
Unallocated PERA Actuarial Adjustments	77,114	-	-	-
Unallocated PERA OPEB Actuarial Adj.	(39,971)	-	-	-
Interest and other Costs of Long-term Debt	1,857,537	-	-	-
Total Governmental Activities	13,677,446	427,089	2,051,033	248,866
TOTAL PRIMARY GOVERNMENT	$ 13,677,446	$ 427,089	$ 2,051,033	$ 248,866

GENERAL REVENUES:
Taxes:
Property Taxes, Levied for General Purposes
Property Taxes, Levied for Debt Service
Specific Ownership Taxes, for General Purposes
Grants and Entitlements Not Restricted to Specific Programs
Federal Mineral Revenues
Division of Wildlife
Unrestricted Interest and Investment Earnings
Total General Revenues

Change in Net Position

NET POSITION–BEGINNING OF YEAR–RESTATED

NET POSITION–END OF YEAR

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

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
Governmental Activities	Business-type Activities	Total
$ (5,931,204)	*(not applicable)*	$ (5,931,204)
(254,361)		(254,361)
(198,972)		(198,972)
(453,848)		(453,848)
(580,604)		(580,604)
(180,465)		(180,465)
(699,932)		(699,932)
(281,802)		(281,802)
(425,946)		(425,946)
(39,038)		(39,038)
(9,606)		(9,606)
(77,114)		(77,114)
39,971		39,971
(1,857,537)		(1,857,537)
(10,950,458)		(10,950,458)
(10,950,458)		(10,950,458)
3,661,758		3,661,758
4,626,360		4,626,360
329,471		329,471
3,532,478		3,532,478
190,998		190,998
4,434		4,434
411,971		411,971
12,757,470		12,757,470
1,807,012		1,807,012
22,514,174		22,514,174
$ 24,321,186		$ 24,321,186

FUND FINANCIAL STATEMENTS

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023

	General Fund	Food Service Fund	Pupil Activity Fund	Bond Redemption Fund
ASSETS:				
Cash and Cash Equivalents	$ 4,653,781	$ 23,118	$ 266,622	$ 8,895,736
Cash w/ County Treasurer	266,113	-	-	337,617
Receivables:				
Property Taxes, Net	16,226	-	-	20,534
Intergovernmental	155,070	14,012	-	-
Other Receivables	12,050	2,370	-	-
Inventory	-	1,523	-	-
Prepaid Expense	-	-	-	-
Due from Other Funds	-	-	-	-
TOTAL ASSETS	$ 5,103,240	$ 41,023	$ 266,622	$ 9,253,887
LIABILITIES AND FUND BALANCES:				
Liabilities				
Accounts Payable	$ 16,733	$ -	$ -	$ -
Accrued Salaries and Benefits	890,771	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	42,480	5,330	-	-
Total Liabilities	949,984	5,330	-	-
Fund Balances:				
Non-spendable	-	1,523	-	-
Restricted				
Capital Projects	-	-	-	-
Debt Service	-	-	-	9,253,887
Emergencies	265,000	-	-	-
Pupil Activity	-	-	266,622	-
Committed				
Capital Projects	-	-	-	-
Food Service	-	34,170	-	-
Unassigned	3,888,256	-	-	-
Total Fund Balances	4,153,256	35,693	266,622	9,253,887
TOTAL LIABILITIES AND FUND BALANCES	$ 5,103,240	$ 41,023	$ 266,622	$ 9,253,887

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

Capital Reserve Projects Fund	Total Governmental Funds
$ 139,474	$ 13,978,731
-	603,730
-	36,760
-	169,082
-	14,420
-	1,523
38,448	38,448
-	-
$ 177,922	$ 14,842,694
$ -	$ 16,733
-	890,771
-	-
-	47,810
-	955,314
38,448	39,971
-	-
-	9,253,887
-	265,000
-	266,622
139,474	139,474
-	34,170
-	3,888,256
177,922	13,887,380
$ 177,922	$ 14,842,694

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
June 30, 2023

TOTAL GOVERNMENTAL FUND BALANCES		$ 13,887,380
Amounts reported for governmental activities on the statement of net position are different because of the following:		
Property taxes receivable that are due later than 60 days after year-end are not available soon enough to pay for the current period's expenditures, and therefore are not reported in the governmental funds.		45,508
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental Capital Assets	$ 80,430,916	
Less Accumulated Depreciation	(10,264,900)	70,166,016
Premiums on the issuance of long-term debt increase current financial resources to governmental funds; however, on the Statement of Net Position, the premium is deferred and allocated over the term of the issuance as accretion of deferred premium. Deferred Charges related to the refunding of long-term debt are amortized over the life of the issue, but are not reported in the funds.		
Current Portion Bond Premiums	$ (280,932)	
Noncurrent Portion Bond Premiums, Net	(7,751,799)	
Deferred Charge on Refunding, Net	1,503,966	(6,528,765)
Some liabilities are not due and payable in the current year and, therefore, are not reported in the governmental funds:		
Accrued Interest Payable	$ (178,437)	
Current Portion of Long-term Liabilities	(1,915,000)	(2,093,437)
Long-term liabilities are not due and payable in the current year, and, therefore, are not reported in the governmental funds.		
Bonds Payable, Net	$ (39,785,000)	
Accrued Compensated Absences	(496,698)	
Net Pension Liability	(11,624,209)	
Net OPEB Liability	(396,226)	
Deferred Outflows of Resources Pension	3,029,339	
Deferred Inflows of Resources Pension	(1,816,524)	
Deferred Outflows of Resources - OPEB	94,581	
Deferred Inflows of Resources - OPEB	(160,779)	(51,155,516)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 24,321,186

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2023

	General Fund	Food Service Fund	Pupil Activity Fund
REVENUES:			
Local Sources	$ 4,460,101	$ 115,983	$ 253,860
Intermediate Sources	195,432	-	-
State Sources	4,964,277	10,470	-
Federal Sources	371,895	154,591	-
Total Revenues	9,991,705	281,044	253,860
EXPENDITURES:			
Instruction	6,422,553	-	-
Supporting Services:			
Students	276,807	-	235,397
Instructional Staff	198,972	-	-
General Administration	315,186	-	-
School Administration	494,005	-	-
Business Services	180,465	-	-
Operations and Maintenance	1,178,820	-	-
Transportation	309,180	-	-
Central Services	425,946	-	-
Food Services	647	319,435	-
Facilities Acquisition/Construction	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Other	-	-	-
Total Expenditures	9,802,581	319,435	235,397
Excess (Deficiency) of Revenue Over (Under) Expenditures	189,124	(38,391)	18,463
OTHER FINANCING SOURCES (USES):			
Transfers In	-	42,788	-
Transfers (Out)	(142,788)	-	-
Total Other Financing Sources (Uses)	(142,788)	42,788	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	46,336	4,397	18,463
FUND BALANCE – BEGINNING RESTATED	4,106,920	31,296	248,159
FUND BALANCE – ENDING	$ 4,153,256	$ 35,693	$ 266,622

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

Bond Redemption Fund	Capital Reserve Projects Fund	Total Governmental Funds
$ 4,895,994	$ 16,279	$ 9,742,217
-	-	195,432
-	-	4,974,747
-	-	526,486
4,895,994	16,279	15,438,882
-	-	6,422,553
-	-	512,204
-	-	198,972
-	-	315,186
-	-	494,005
-	-	180,465
-	-	1,178,820
-	-	309,180
-	-	425,946
-	-	320,082
-	136,983	136,983
4,055,000	-	4,055,000
2,234,675	-	2,234,675
2,650	-	2,650
6,292,325	136,983	16,786,721
(1,396,331)	(120,704)	(1,347,839)
-		
-	100,000	142,788
-	-	(142,788)
-	100,000	-
(1,396,331)	(20,704)	(1,347,839)
10,650,218	198,626	15,235,219
$ 9,253,887	$ 177,922	$ 13,887,380

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2023

NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS			$ (1,347,839)
Amounts reported for governmental activities on the Statement of Activities are different because of the following:			
In Governmental Funds, revenues for property taxes are measured by the amount of current financial resources provided, including amounts due within 60 days after the end of the year; whereas, in the Statement of Activities, property taxes are measured as the revenue is earned. This is the amount by which current property taxes to be received after 60 days from the end of the year increased from the previous fiscal year:			45,576
Governmental Funds report capital outlays as expenditures; however, on the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In addition, the net book value of asset sales/dispositions is an adjustment to gain (loss) on the Statement of Activities.			
	Current Period Capitalized Outlay	$ 356,176	
	Current Period Depreciation	(1,608,756)	(1,252,580)
The net book value of asset dispositions are not reported in the governmental funds as they are not a current financial use. This is the amount by which the net book value of assets disposed exceeded proceeds, if applicable, in the current year.			-
Premiums on the issuance of long-term debt increase current financial resources to governmental funds; however, on the Statement of Activities, the premium is allocated over the term of the long-term debt as accretion of bond premium. This is the amount of accretion of bond premiums recognized on the current year statement of activities.			553,356
Deferred Charges on refunding of long-term debt are recognized over the term of the long-term debt. This is the amount recognized on the current statement of activities.			(189,138)
Proceeds from the issuance of long-term debt provide current financial resources to governmental funds, but issuing long-term debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the Statement of Net Position.			
	Increase in Compensated Absences	$ (35,790)	
	Current Period Debt Repayment	4,055,000	
	Issuance of Bonds/Premium	-	4,019,210
Interest expense is recognized as an expenditure in the governmental funds when it is due as it requires the use of current financial resources; however, in the Statement of Activities interest expense is recognized as the interest accrues regardless of when due.			
	Change in Accrued Bond Interest	$ 15,570	
	Accretion Capital Appreciation Bond Interest	-	15,570
Some expenses reported in the Statement of Activities do not require current financial resources and, therefore, are not reported as expenditures in governmental funds.			
	Change in Net Pension Liability	$ (2,589,609)	
	Change in Net OPEB Liability	40,871	
	Change in Deferred Outflows Pension	236,793	
	Change in Deferred Inflows Pension	2,275,702	
	Change in Deferred Outflows - OPEB	5,003	
	Change in Deferred Inflows - OPEB	(5,903)	(37,143)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES			$ 1,807,012

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF FIDUCIARY CUSTODIAL FUND NET POSITION – *SCHOLARSHIP FUND*
June 30, 2023

	Custodial (Scholarship) Fund
ASSETS:	
Cash and Cash Equivalents	$ 89,478
Total Assets	$ 89,478
LIABILITIES:	
Due to Student Groups/Custodial	$ 89,478
Total Liabilities:	$ 89,478

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY CUSTODIAL FUND – *SCHOLARSHIP FUND*
For the Fiscal Year Ended June 30, 2023

	Custodial (Scholarship) Fund
ADDITIONS:	
Local Revenues	$ 5,424
TOTAL ADDITIONS	5,424
DEDUCTIONS:	
Scholarship Awards	8,584
TOTAL DEDUCTIONS	8,584
Net Increase (Decrease) in Fiduciary Net Position	(3,160)
NET POSITION - BEGINNING	92,638
NET POSITION - ENDING	$ 89,478

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

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

The financial statements of the Rio Blanco (Meeker) School District RE-1 (the District) are prepared in accordance with generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). In addition, the District conforms to the Colorado Department of Education Financial Policies and Procedures Handbook in all material respect, as required by Colorado statutes. The more significant accounting policies established in GAAP and used by the District are discussed below.

A. Financial Reporting Entity

The Rio Blanco (Meeker) School District RE-1 is a public school district organized under the laws of the State of Colorado and is governed by an elected Board of Education. Board of Education members are elected by the citizens of Rio Blanco County, not appointed by any other governing body. The Board selects the superintendent of schools and senior level administrators. The Board is solely responsible for the District's budget adoption process. The District meets the criteria of a primary government; its Board is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent with the authority to: a) determine its budget without another government's authority to approve or modify; b) levy taxes or charges without another government's approval; and, c) issue bonded debt without approval by another government

The Governmental Accounting Standards Board (GASB) has specified the criteria to be used in defining a governmental entity for financial reporting purposes.

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations that are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on these criteria, the District's financial statements do not include any component units, nor do they exclude any potential component units requiring inclusion in the District's reporting entity. The District is not a component unit of any other governmental reporting entity. The District's financial statements include the accounts of all District operations.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

B. Joint Venture: Rio Blanco County Board of Cooperative Educational Services (BOCES)

The District is one of two districts participating in the Rio Blanco County Board of Cooperative Educational Services (BOCES). The BOCES is a regional education service unit created under the "Board of Cooperative Services Act of 1965" and is governed by a board consisting of representatives from each of the two districts.

The governing board of the BOCES has final authority over all funds of BOCES and fiscal responsibility including budgetary and reporting. As such, this joint venture does not meet the criteria for inclusion within the reporting entity. Additional information regarding the District's participation in the joint venture is provided in *Note 9.*

C. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position and statement of activities, and fund financial statements which provide a more detailed level of financial information.

GOVERNMENT-WIDE FINANCIAL STATEMENTS
The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from general revenues of the District.

FUND FINANCIAL STATEMENTS
During the fiscal year, the District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance by segregating transactions related to certain governmental functions or activities. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column with enterprise and fiduciary funds, when applicable, reported by type. The District currently considers all Funds as major Funds to segregate its overall activity.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

D. Fund Accounting

Governmental accounting systems are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses. The District's funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations based upon the purposes for which they are to be spent and by the means by which spending activities are controlled. The various funds are grouped, in the financial statements, as follows:

GOVERNMENTAL FUNDS

Governmental Funds are those though which most governmental functions of the District are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between the governmental fund assets and liabilities is reported on the balance sheet as fund balance.

General Fund – The *General Fund* is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to general statutory laws.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources other than special assessments and expendable trusts that are legally restricted to expend funds for specified purposes. The individual special revenue fund revenues/resources are as follows: 1) *Food Service Fund* amounts are grants and other revenues for general food services and 2) *Pupil Activity Fund* amounts are from fees for athletics and other activities to be used for these programs

Debt Service Funds – The District's *Bond Redemption Fund* is used to account for the accumulation of resources for, and the payment of, general long-term bond obligation principal, interest and related costs.

Building Fund – The Building Fund is used to account for monies used for facilities acquisition and construction, the fund had no reportable activity for the current fiscal year.

Capital Improvements Fund – The District's *Capital Reserve Projects Fund* is used to account for the District's general capital needs.

PROPRIETARY FUNDS

Enterprise Funds – Enterprise Funds are used to account for operations financed and operated in a manner similar to private business enterprises – where the intent is that a) the costs of goods or services provided to the general public on a continuing basis be financed or recovered primarily through user charges; or b) the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The District currently has no Proprietary (Enterprise) Funds.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

D. Fund Accounting (continued)

FIDUCIARY FUNDS
Fiduciary fund reporting focuses on net position of custodial activities. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are not available to support the District's own programs. The District currently has two Custodial Funds.

Custodial Funds – funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's single Custodial Fund is the *Scholarship Fund.*

E. Measurement Focus and Basis of Accounting

GOVERNMENT-WIDE FINANCIAL STATEMENTS
The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the statement of net position. 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.

FUND FINANCIAL STATEMENTS
All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflect the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and governmental fund statements.

Like the government-wide financial statements, enterprise funds, when applicable, are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operations are included a the statement of net position. For enterprise funds a statement of changes in revenues, expenses, and changes in net position, presents increases (e.g., revenues) and decreases (e.g., expenses) therein, while a statement of cash flows reflects how the fund finances and meets the cash flow needs. The District currently has no enterprise funds.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

E. Measurement Focus and Basis of Accounting – *(continued)*

BASIS OF ACCOUNTING

While the measurement focus identifies *which* transactions and events should be recorded on the financial statements, the basis of accounting determines *when* transactions and economic events are reflected in financial statements.

Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place Under the modified accrual basis of accounting, revenues are recorded when they are both measurable and available (often referred to as *susceptible to accrual*). Revenues are measurable when they are subject to reasonable estimation, while the available criterion is satisfied when revenues are collectible during the period and the actual collection will occur either (a) during the current period or (b) after the end of the period but in time to pay fund liabilities. The District considers revenues to be available if they are expected to be collected within 60 days of the end of the year.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements and donations. Grants, entitlements, and interest are recorded when they are susceptible to accrual. Expenditure-based grants are recorded as revenue when the conditions of the grants are satisfied. Property tax revenues are recognized when they are levied. Expenditures, if measurable, are recorded when they have used or are expected to use current expendable financial resources, except un-matured interest on general long-term debt is recorded when due.

Government-wide financial statements are prepared using the accrual basis of accounting.

Governmental funds and custodial funds use the modified accrual basis of accounting and the flow of expendable financial resources (measurement focus).

Propriety fund types, when applicable, use the accrual basis of accounting and the flow of all economic resources (measurement focus). This basis of accounting and measurement focus emphasizes the measurement of net income similar to the approach used by commercial enterprises, and revenues are recorded when earned and expenses are recorded when incurred. The District currently has no proprietary (enterprise) funds.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

F. Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by Colorado School District Budget Law for all funds of the District. The District legally adopted annual budgets for all of the District's funds.

- Prior to June 30, the budgets are adopted and appropriations made by formal resolution for the ensuing fiscal year commencing July 1. A public hearing on the proposed budget is held by the Board prior to adoption of the budget.

- Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds.

- Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in the total budget of any fund. Budget amounts included in the financial statements are based on the final, legally amended budget.

- Appropriations lapse at the end of each year, and the District's Board may adopt supplemental appropriations during the year. Original and final budgets are reflected in the budgetary comparison schedules included as required and other supplemental information.

- Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation is utilized by the District for management purposes and internal budgetary control during the year, but is not used for financial reporting purposes. Encumbrances outstanding at year end are closed out and the fund balance is not reserved for any encumbrances outstanding. All appropriations lapse at year-end whether or not encumbered.

G. Assets, Liabilities and Fund Equity

1) *Cash and Investments*
The District's policy in determining which items are treated as cash equivalents include cash, demand deposits, treasury bills and other short-term, highly liquid investments that are readily convertible to cash and have original maturities of three months or less. Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost which approximates fair value. Securities traded on a national or international exchange are valued at the last quoted market price. Cash deposits are reported at carrying amounts which reasonably estimates fair value. District policy limits investments to Certificates of Deposit in local banks and daily cash accumulation fund with ColoTrust. *(See also Note 2.)*

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

G. Assets, Liabilities and Fund Equity – *(continued)*

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

3) Internal Balances
Internal balances arise from outstanding amounts due to/from the District's various funds during the course of normal operations. Internal balances within governmental activities are eliminated on the government-wide Statement of Net Position. As of year-end, there were no outstanding internal balances:

4) Inventory
Inventory of the District's Food Service Fund is valued as follows: Purchased food and non-food items are valued at cost, and USDA donated commodity items are valued at USDA unit pricing, substantially on a first in-first out basis. Freight and delivery charges are not included in inventory valuations.

5) Property Taxes Receivable/Property Tax Revenues
Property taxes are levied and collected on behalf of the District by Rio Blanco County and are reported as revenue when received by the county treasurer. Taxes receivable represent the 2022 assessed taxes yet to be collected in 2023. Amounts collectible subsequent to August 2023 have been accrued on the government-wide Statement of Net Position. The District considers all amounts to be materially collectible; therefore, an allowance for estimated uncollectible taxes is not considered necessary. Property taxes levied for 2022 and collected (including amounts receivable within 60 days of year-end) are recognized as revenue as follows:

Assessed Valuation	Mill Levy	Amount of Taxes Levied	Amount of Taxes Recognized	Percent Collected Levied
General Fund:				
$560,088,190	6.489	$3,634,412	$3,598,098	99%
Debt Service Fund:				
$560,088,190	8.212	$4,599,444	$4,553,487	99%

Property taxes are assessed on a calendar year basis and attach as an enforceable lien on property as of January 1. They may be paid in either one installment (no later than April 30th) or two equal installments (no later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and accrued interest thereon become delinquent on June 16th. Recognized property tax revenues include delinquent taxes from prior years.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

G. Assets, Liabilities and Fund Equity (continued)

6) *Capital Assets*
Capital assets purchased or acquired with an original cost in excess of the capitalization threshold of $5,000 (set by the Board) are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation of Equipment is on the straight-line basis with the mid-year convention, and Depreciation of Buildings and Improvements is on the straight-line method beginning in the year after they are placed in service, provided over the following estimated useful lives:

Buildings and Improvements	30-50 years
Vehicles and Other Equipment	10-15 years

7) *Accrued Salaries and Benefits*
The accrued salaries and benefits in the governmental funds represent the difference between wages earned and paid resulting from contracts being paid over a 12-month period, which are earned over a 9-month school year. Administrative and professional services employees that are given vacation time are 12-month employees. The amount of vacation and other compensation and benefit terms are spelled out in their individual contracts.

8) *Compensated Absences*
It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In the government-wide financial statements, a long-term liability is accrued for vacation and sick pay as earned. At the governmental fund level, a liability is accrued only if matured, for example, as a result of employee resignations or retirements.

9) *Accrued Liabilities and Long-term Obligations*
All payables, accrued liabilities and long-term obligations are reported as liabilities in the government-wide Statement of Net Position. Bonds premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Proprietary (enterprise funds), when applicable, use this same method of reporting. Governmental funds report liabilities that, once incurred, are paid in a timely manner and in full from current financial resources as obligations of the funds and bonds are recognized as a liability when due. Bond premiums and discounts are recognized in the current period when incurred. The face amount of debt issued and premiums are reported as other financing sources and discounts as other financing uses. At both the government-wide and fund level, debt issuance costs, whether or not withheld from the actual debt proceeds received, are expensed as incurred.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

G. Assets, Liabilities and Fund Equity (continued)

10) Net Position and Fund Balances

In the government-wide financial statements, net position is classified in the following categories:

Invested in Capital Assets, Net of Related Debt – this category groups all capital assets into one component. Accumulated depreciation and the outstanding debt balances that are attributable to (already invested in) the acquisition, construction or improvement of these assets reduce this category.

Restricted – assets are reported as *restricted* when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by various enabling legislation.

Unrestricted – represents the amount which is not restricted for any purpose. It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available.

In the fund financial statements, fund balances of governmental funds are classified in the following categories:

Non-spendable – amounts that cannot be spent because they are either in non-spendable form such as inventory and prepaid expenses, or legally or contractually required to be maintained intact such as the corpus of permanently restricted funds to be retained in perpetuity. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale, when applicable.

Restricted – when constraints are placed on the use of resources either (a) externally imposed by creditors or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Board of Education). These amounts cannot be changed except by taking the same type of action employed to previously commit these amounts.

Assigned – amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the governing body itself, or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned – the residual for the general fund. It is the District's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available.

At June 30, 2023, amounts were restricted for capital projects, debt service, pupil activities and for required statutory Tabor Emergency reserves. Committed amounts were for capital projects and food service expenditures.

H. Unearned Revenues

Unearned Revenues consist of revenue received before all eligibility requirements or allocable expenditures have been met or incurred.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

I. Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods, and deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as revenue in future periods.

J. Defined Benefit Pension Plan

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

Special Funding Situation:
The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications to the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years.* The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions. Some, but not all, of these changes were in effect as of June 30, 2023.

K. Defined Benefit Other Post Employment Benefit (OPEB) Plan

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple employer defined benefit OPEB plan 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 and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

L. On-Behalf Payments

GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of Colorado makes direct on-behalf payments for retirement benefits to Colorado PERA. Beginning on July 1, 2018, the State of Colorado is required tom make a payment to PERA each year equal to $252 million. PERA allocates the contribution to the trust funds of the State, School, Denver Public Schools, and Judicial Division Trust Funds of PERA, as proportionate to the annual payroll of each division. This annual payment is required on July 1st of each year thereafter until there are no unfunded actuarial accrued liabilities of any division of PERA that receives the direct distribution. The amount of on-behalf payments made for the District by the State of Colorado have been recorded in the fund financial statements.

NOTE 1 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

M. Inter-fund Transactions

When applicable, transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as other financing sources/uses in governmental funds and non-operating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

N. Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

NOTE 2 - *DEPOSITS AND INVESTMENTS*

The Board of Education recognizes the importance of prudent and profitable investment of District monies and its responsibility in overseeing the District's financial program. The District does not have a formally adopted deposit or investment policy in place to specifically address credit risk, custodial credit risk, concentration of credit risk, interest rate risk or foreign currency risk; however, it is the policy of the District to invest public funds in a manner which will ensure the safety of funds, ensure that adequate funds are available at all times to meet the financial obligations of the District when due, ensure a market rate of return on the funds available for investment throughout the budget cycle, and ensure that all funds are deposited and invested in accordance with all federal, state and local statutes governing the investment of public funds. The District limits investments to Certificates of Deposit in local banks and daily cash accumulation fund with local government investment pools. This policy applies to the investment of all financial assets of the District over which it exercises financial control. As summary of the District's deposits and investments follows:

	Fair Value
Checking/Savings/Certificates of Deposit	$ 1,582,439
Colo Local Govt Liquid Asset Trust (COLOTRUST)	12,686,491
Less with County Treasurer	(603,730)
Plus, Outstanding Items	403,009
Total Cash and Investments	$ 14,068,209

This above amount is reflected in the accompanying financial statements within Governmental Activities $13,978,731 and Fiduciary Activities $89,478.

NOTE 2 - *DEPOSITS AND INVESTMENTS (continued)*

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. The eligible depository is required to pledge to the Colorado Division of Banking a pool of collateral having a market value that at all times exceeds 102 percent of uninsured aggregate public deposits. The eligible collateral is determined by the PDPA, which includes obligations of the United States, the State of Colorado, Local Colorado governments, and obligations secured by first lien mortgages on real property located in the state. PDPA allows the institution to create a single collateral pool for all public funds. The pool is maintained by another institution or held in trust for all uninsured public deposits as a group. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. There is no custodial credit risk for public deposits collateralized under PDPA.

The District's bank deposits were entirely covered by federal depository insurance (FDIC) or uninsured but collateralized under PDPA in accordance with state statute, and had bank balances of $14,628,331, of which $250,000 was covered by FDIC insurance and $14,378,331 by PDPA as described above.

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

- Obligations of the United States and certain U.S. governmental custodial securities, including securities issued by FNMA (federal national mortgage association), GNMA (governmental national mortgage association), FHLMC (federal home loan mortgage corporation), the federal farm credit bank, the federal land bank, the export-import bank, and by the Tennessee valley authority, and certain international custodial securities, including the World Bank.
- General obligation and revenue bonds of U.S. local government entities, the District of Columbia, and territorial possessions of the U.S. rated in the highest two rating categories by two or more nationally recognized rating agencies.
- Bankers' acceptances of certain banks
- Certain securities lending agreements
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed Investment contracts
- Local government investment pools
- The investing local government's own securities including certificates of participation and lease obligations.

NOTE 2 - *DEPOSITS AND INVESTMENTS (continued)*

Local Government Investment Pool (COLOTRUST)

Included in cash and cash equivalents are amounts held in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. These pools are not required to and are not registered with the SEC. COLOTRUST's funds are rated AAA by Standard & Poor's, Fitch's and Moody's rating services. The custodian's internal records segregate investments owned by the Trust. As of June 30, 2023, the District had $0 invested in COLOTRUST PRIME, and $12,686,491 invested in COLOTRUST PLUS+. Investments in local government investment pools are not categorized in terms of custodial credit risk since they are not evidenced by securities that exist in physical or book entry form. Maturities of the District's investments are as follows:

	Rating	Fair Value	Maturities
COLOTRUST	AAAm	$12,686,491	< 1 year

Risk Disclosures

Investment and deposit disclosures for credit risk, interest rate risk, and foreign currency risk, as required by GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, are included in the notes below. Additional disclosures are included in *Note 1*.

To minimize custodial credit risk, or the risk that an insurer or other counterparty to an investment will not fulfill its obligations, state law limits investments to those where the issuer is rated in one of the three highest rating categories by one or more nationally recognized organizations that rate such issuers. The District has investments in ColoTrust with ratings as provided above.

The concentration of credit risk, or the risk of loss attributed to the magnitude of a government's investment in a single issuer, occurs when deposits are not diversified. The District's policy places no limit on the amount the District may invest in any one issuer; however the District maintains general guidelines for investments to ensure proper diversification by security type and institution. All investments are issued or explicitly guaranteed by securities of the U.S. government, or insured by the Public Depository Protection Act, or are investments in mutual fund or external investment pools, and therefore are not subject to concentration of credit risk.

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates and to avoid undue concentration in any sector of the yield curve. Maturities are structured to accommodate readily identifiable cash flows as approved by the Board. The District was not subject to foreign currency risk.

NOTE 3 - *FAIR VALUES OF FINANCIAL INSTRUMENTS*

The District has a number of financial instruments, including cash and equivalents, receivables, and accounts payable, none of which are held for trading purposes. The District estimates that the fair values of its financial instruments at year end does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet.

NOTE 4 - *CAPITAL ASSETS*

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

GOVERNMENTAL ACTIVITIES	Balances June 30, 2022	Additions	Reclassify/ Dispositions	Balances June 30, 2023
Land	$ 725,237	$ -	$ -	$ 725,237
Construction-in-Progress	-	228,799	-	228,799
Depreciable Capital Assets:				
Buildings	77,276,664	47,677	-	77,324,341
Transportation Equipment	1,159,351	-	-	1,159,351
Food Service Equipment	87,946	-	(87,946)	-
Other Equipment	913,488	79,700	-	993,188
Total Capital Assets	80,162,686	356,176	(87,946)	80,430,916
Less Accumulated Depreciation:				
Buildings	(7,663,498)	(1,490,236)	-	(9,153,734)
Transportation Equipment	(844,778)	(31,921)	-	(876,699)
Food Service Equipment	(87,946)	-	87,946	-
Other Equipment	(147,868)	(86,599)	-	(234,467)
Total Accum Depreciation	(8,744,090)	(1,608,756)	87,946	(10,264,900)
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 71,418,596	$ (1,252,580)	$ -	$ 70,166,016

Depreciation expense was charged to functions/programs as follows:

GOVERNMENTAL ACTIVITIES	
Instruction	$ 1,346,963
Supporting Services	261,793
Total for Governmental Activities	$ 1,608,756

BUSINESS-TYPE ACTIVITIES
The District has no Business-type Activities as of June 30, 2023.

NOTE 5 - *LONG-TERM OBLIGATIONS*

Long-term obligation activity for the fiscal year ended June 30, 2023, was as follows:

GOVERNMENTAL ACTIVITIES	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Ser 2014 Gen Oblig Refunding Bonds	$ 8,415,000	$ -	$ (35,000)	$ 8,380,000	$ 35,000
Ser 2015 Gen Oblig Refunding Bonds	3,330,000	-	(1,420,000)	1,910,000	1,475,000
Ser 2019 Gen Oblig Refunding Bonds	27,675,000	-	(100,000)	27,575,000	110,000
Ser 2019 B Gen Oblig Refunding Bonds	6,335,000	-	(2,500,000)	3,835,000	295,000
Bond Premiums –					
Ser 2014 Premium	1,263,267	-	(5,248)	1,258,019	5,248
Ser 2015 Premium	482,947	-	(205,941)	277,006	213,918
Ser 2019 Premium	6,028,015	-	(21,781)	6,006,234	23,960
Ser 2019 B Premium	811,858	-	(320,386)	491,472	37,806
Compensated Absences	460,908	35,790	-	496,698	-
GOVERNMENTAL TOTAL LONG-TERM DEBT, NET	$ 54,801,995	$ 35,790	$ (4,608,356)	$ 50,229,429	$ 2,195,932

The District's bonds are paid from the Bond Redemption Fund. Compensated absences are liquidated by the General Fund.

General Obligation Refunding Bonds – Series 2014
The District partial refunded its existing Series 2008 General Obligation Bonds on June 24, 2014 through the issuance of $8,650,000 of Series 2014 General Obligation Refunding Bonds. The bonds advance refunded $1,100,000 of the bonds maturing on December 1, 2024 and the remaining $7,215,000 of bonds maturing after that date. Interest rates range from 2.0% to 4.5% payable semi-annually on June 1 and December 1, with principal due and payable on December 1. The District received $1,297,003 of bond premiums which are being amortized over the life of the bonds. There was a net present value savings of $701,495 on the refunding. The difference between book value of the refunded bonds and new bonds resulted in a net charge of $1,302,583 which is being amortized over the life of the bonds.

General Obligation Refunding Bonds – Series 2015
The District partial refunded its existing Series 2008 General Obligation Bonds on February 18, 2015 through the issuance of $7,490,000 of Series 2015 General Obligation Refunding Bonds. The bonds advance refunded $7,265,000 of the bonds maturing between December 1, 2020 and 2024. Interest rates range from 2.0% to 4.0% payable semi-annually on June 1 and December 1, with principal due and payable on December 1. The District received $1,086,268 of bond premiums which are being amortized over the life of the bonds. There was a net present value savings of $433,660 on the refunding. The difference between book value of the refunded bonds and new bonds resulted in a net charge of $969,836 which is being amortized over the life of the bonds.

NOTE 5 - LONG-TERM OBLIGATIONS- continued

General Obligation Bonds – Series 2019

The District issued $28,000,000 of voter authorized $38,700,000 of general obligation bonds on January 25, 2020. At the date of issuance, the bonds had an original yield below their respective interest rates generating bond premium of $6,098,804. The premium will be allocated over the term of the long-term debt as accretion of bond premium. The proceeds from the sale of the bonds will be used to finance construction, installation and equipping of capital projects as approved by the Districts voters, and to pay cost of issuance of the bonds. The bonds interest rates range from 4% to 5.5% and are payable semi-annually commencing on June 1, 2019 and maturing December 1, 2038. Bonds maturing on or after December 1, 2029 are subject to early redemption prior to maturity at the option of the District.

General Obligation Bonds – Series B 2019

The District issued $11,135,000 of voter authorized $38,700,000 of general obligation bonds on July 31, 2019. At the date of issuance, the bonds had an original yield below their respective interest rates generating bond premium of $1,426,999. The premium will be allocated over the term of the long-term debt as accretion of bond premium. The proceeds from the sale of the bonds will be used to finance construction, installation and equipping of capital projects as approved by the Districts voters, and to pay cost of issuance of the bonds. The bonds interest rates range from 4% to 5.25% and are payable semi-annually commencing on December 1, 2019 and maturing December 1, 2038. Bonds maturing on or after December 1, 2029 are subject to early redemption prior to maturity at the option of the District.

In conjunction with the issuance of the 2014, 2015 and 2019 bonds, the District is required to provide an annual report each year, as well as report certain material events if they occur, to the national reporting website for bond issuances, EMMA, which is located at emma.msrb.org. For the fiscal year ended June 30, 2023, the District believes it is in compliance with these requirements.

The annual requirements to amortize the Bonded debt service are as follows:

December 1	Principal	Interest	Total
2023	$ 1,915,000	$ 2,101,650	$ 4,016,650
2024	1,835,000	2,024,600	3,859,600
2025	1,945,000	1,943,238	3,888,238
2026	2,025,000	1,853,600	3,878,600
2027	2,110,000	1,760,225	3,870,225
2028-2032	12,230,000	7,052,913	19,282,913
2033-2037	15,920,000	3,238,650	19,158,650
2038-2039	3,720,000	99,824	3,819,824
TOTAL	$ 41,700,000	$ 20,074,700	$ 61,774,700

NOTE 5 - *LONG-TERM OBLIGATIONS- continued*

Compensated Absences
Accumulated unpaid sick pay is service from other revenues in the General Fund. This liability is only recorded on the government-wide financial statements since it is not expected to be financed from current resources. All employees separating from service from the District shall be compensated for accumulated days up to 80 days at a rate equivalent to substitute pay for that employee's position. An employee can accumulate at a rate of eleven (11), twelve (12) or fourteen (14) days per year based on their termed employment contract.

BUSINESS-TYPE ACTIVITIES – LONG TERM OBLIGATIONS
The District has no Business-type Activities as of June 30, 2023.

NOTE 6 - *LEASE COMMITMENTS*

The District has implemented the provisions of Governmental Standards Board ("GASB") Statement No. 87, Leases, for balance sheet recognition of leases and note disclosure of certain information about lease arrangements. The District has identified no leases with contractual terms longer than twelve months requiring recognition and disclosure under the GASB Statement No. 87, Leases, standard.

NOTE 7 - *CONTINGENCIES*

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. The District is not aware of any unaccrued amounts to be refunded to the Colorado Department of Education. The District believes potential disallowed expenditures, if any, will not have a material effect on any of the individual funds or the overall financial position of the District.

NOTE 8 - *INVENTORIES*

Food Service inventory as of June 30, 2023 of $1,523 consisted of purchased non-food supplies and purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Department of Agriculture, are recorded at their estimated fair market value when received.

NOTE 9 - *JOINTLY GOVERNED ORGANIZATION*

The District is a member of the Rio Blanco Board of Cooperative Educational Services (BOCES), a jointly governed organization of two regional school districts, with each member district appropriating a member of the Board of Education and the superintendent of each participating District to the BOCES board of directors. The BOCES was formed for the purpose of administrative functions among member districts for special education and federal grants. The BOCES does not meet the criteria for inclusion within the reporting entity of the District. Financial statements for the BOCES can be obtained directly from BOCES by contacting (970) 675-2064.

NOTE 10 - *DEFINED BENEFIT PENSION PLAN*

General Information about the Pension Plan

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

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

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

- Highest average salary multiplied by 2.5 percent 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.

Denver Public Schools (DPS) PERA Benefit Structure *It is possible for employees participating in the SCHDTF to have earned service credit under the Denver Public Schools (DPS) Benefit Structure while working for a previous employer. Under the DPS Benefit Structure, the lifetime retirement benefit for all eligible retiring employees is the greater of the:*

- *Highest average salary multiplied by 2.5 percent and the 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.*

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

NOTE 10 - *DEFINED BENEFIT PENSION PLAN (continued)*

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments (COLAs), 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 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 the District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. §24-51-401, *et seq,* and §24-51-413. Eligible employees are required to contribute 11.0% 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 Heath Care Trust Fund as specified in C.R.S. Sec 24-51-208(1)(f)	(1.02%)
Amount apportioned to the SCHDTF	10.38 %
Amortization Equalization Disbursement (AED) as specified in C.R.S. Sec 24-51-411	4.50 %
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. Sec 24-51-411	5.50 %
Total Employer Contribution Rate to the SCHDTF	**20.38 %**

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were $991,245 for the year ended June 30, 2023.

NOTE 10 - *DEFINED BENEFIT PENSION PLAN* - continued

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

NOTE 11 - *PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS*

The net pension liability for the SCHDTF was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TPL to December 31, 2022. The District's proportion of the net pension liability was based on the District's contributions to the SCHDTF for the calendar year 2022 relative to the total contributions of participating employers and the State as a non-employer contributing entity.

At June 30, 2023, the District reported a liability of $11,624,209 for its proportionate share of the net pension liability that reflected an increase for support from the State as a non-employer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a non-employer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

The District's proportionate share of the net pension liability	$ 11,624,209
The State's proportionate share of the net pension liability as a non-employer contributing entity associated with the District	$ 288,859
Total	$ 11,913,068

At December 31, 2022, the District's proportion was 0.0638360798% which was a decrease of 0.0137983279% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the District recognized pension expense of ($1,099,253) and revenue of $288,859 for support from the State as a non-employer contributing entity. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected & actual experience	$ 110,011	$ -
Changes of assumptions or other inputs	205,903	-
Net difference between projected and actual earnings on pension plan investments	1,561,559	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	616,677	1,816,524
Contributions subsequent to the measurement date	535,189	-
Total	$ 3,029,339	$ 1,816,524

NOTE 11 - *PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS - continued*

$535,189 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of net pension liability in the year ended June 30, 2023. 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,	Outflows	Inflows
2024	$ 516,607	$ 904,380
2025	76,623	700,532
2026	23,447	211,612
2027	-	-
2028	-	-
Thereafter	-	-

Actuarial Assumptions. The TPL in the December 31, 2021 actuarial valuation was determined using the following actuarial cost method, 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 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.

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

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

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

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

NOTE 11 - *PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS - continued*

Post-retirement non-disabled beneficiary mortality assumptions were based upon 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.

Disability 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 was based on the results of the 2020 experience analyses for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by 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 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 expected 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 following table.

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

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 rate of return assumption of 7.25%.

NOTE 11 - *<u>PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS</u>* - *<u>continued</u>*

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in Senate Bill (SB) 18-200, and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include the current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a non-employer contributing entity, will provide an annual direct distribution of $225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- HB 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the regularly scheduled $225 million (actual dollars) direct distribution, a warrant to PERA in the amount of $380 million (actual dollars). The July 1, 2023 direct distribution is reduced by $190 million (actual dollars) to $35 million (actual dollars). The July 1, 2024 direct distribution will not be reduced from $225 million (actual dollars) due to PERA's negative investment return in 2022.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the SCHDTF's fiduciary net position was projected to 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 total pension liability. The discount 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.

NOTE 11 - *PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS - continued*

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

Sensitivity of the Net Pension Liability	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	$15,212,091	$11,624,209	$8,627,960

Pension Plan Fiduciary Net Position. Detailed information about the SCHDTF's fiduciary net position is available in PERA's annual comprehensive financial report (ACFR) which can be obtained at *www.copera.org/investments/pera-financial-reports*.

NOTE 12 - *DEFINED CONTRIBUTION PENSION PLAN: Voluntary Investment Program (PERAPlus 401(k) Plan)*

Plan Description. Employees of the District that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program (PERAPlus 401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available annual comprehensive financial report (ACFR) for the Plan at 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. The District currently has no matching contributions for covered salary as determined by the Internal Revenue Service. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2023 program members contributed $43,090 to the PERAPlus 401(k) Plan.

NOTE 13 - *DEFINED BENEFIT OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN*

General Information about the OPEB Plan

Plan Description. Eligible employees of the District are provided with OPEB through the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to PERA Board to contract, self-insure, and authorize distributions necessary in or order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. 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.

NOTE 13 - *DEFINED BENEFIT OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN* - continued

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 on 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 member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

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

Enrollment in the PERACare 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 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.

NOTE 13 - *DEFINED BENEFIT OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN* - continued

Denver Public Schools (DPS) PERA Benefit Structure. *It is possible for employees to have earned service credit under the Denver Public Schools (DPS) Benefit Structure while working for a previous employer. Under the 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 basis for the maximum 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, § 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were $50,230 for the year ended June 30, 2023.

NOTE 14 - *OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB*

At June 30, 2023, the District reported a liability of $396,226 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TOL to December 31, 2022. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the District's proportion was 0.0485286483%, which was a decrease of 0.0021606597% from its proportion measured as of December 31, 2021.

NOTE 14 - *OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB* - continued

For the year ended June 30, 2023, the District recognized OPEB expense of $12,232. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 51	$ 95,821
Changes of assumptions or other inputs	6,368	43,731
Net difference between projected and actual earnings on OPEB plan investments	24,201	20,826
Changes in proportion and differences between contributions recognized and proportionate share of contributions	37,175	401
Contributions subsequent to the measurement date	26,786	-
Total	$ 94,581	$ 160,779

The amount of $26,786 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, 2023. 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,	Outflows	Inflows
2024	$ 11,775	$ 4,106
2025	9,929	4,075
2026	8,750	4,052
2027	5,729	4,030
2028	992	4,005
Thereafter	-	959

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

School Division - *calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.*

Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, including wage inflation	3.40% - 11.00%
Long-term investment Rate of Return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount Rate	7.25%
Health care cost trend rates / PERA Benefit Structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	4.50% in 2021 6.00% in 2022 gradually decreasing to 4.5% in 2029
Medicare Part A premiums	3.75% in 2021 gradually increasing to 4.50% in 2029
DPS Benefit Structure:	
Service-based premium subsidy	*0.00%*
PERACare Medicare plans	*N/A*
Medicare Part A Premiums	*N/A*

NOTE 14 - *<u>OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB</u>* <u>- continued</u>

The TOL for the HCTF, as of December 31, 2022, measurement date, was adjusted to reflect disaffiliation, allowable und C.R.S. § 24-51-313, of Tri-County Health Department (Tri-County 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 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 Kaiser Permanente MAPD HMP plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

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

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

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

NOTE 14 - *OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB* - continued

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

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

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

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

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

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

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

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

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

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

NOTE 14 - *OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB* - continued

Disability assumptions for members other than State Troopers were based upon the BubNS-2010 Disabled Retiree Table using 99% if the rates for all ages with generational projection using scale MP-2019.

The following health care cost 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 PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium free Medicare Part A benefit were updated to reflect the change in cost for 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 of Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

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

Effective for the December 31, 2022, measurement date, the timing of retirement decrement was adjusted to middle-of-year with 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 was based on the results of the 2020 experience analyses 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 executive studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. 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.

NOTE 14 - *<u>OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB</u>* <u>- continued</u>

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

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

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

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

Sensitivity of the Net OPEB Liability to Changes in Health Care Cost Trend Rates	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	5.25%	4.50%	5.50%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$ 385,011	$ 396,226	$ 408,429

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, 2021 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 used by the plan 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.

NOTE 14 - *OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB* - continued

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

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

Sensitivity of the Net OPEB Liability To Changes in the Discount Rate	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	$459,344	$396,226	$342,241

OPEB Plan Fiduciary Net Position. Detailed information about the HCTF's fiduciary net position is available in PERA's Annual Report which can be obtained at: www.copera.org/investments/pera-financial-reports .

NOTE 15 - *RISK MANAGEMENT*

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors and omissions; injuries to employees; or acts of God. The District is a member of the Colorado School Districts Self-Insurance Pool, a public entity risk pool currently operating as a common risk management and insurance program with member school districts, boards of cooperative educational services and charter schools.

The District pays an annual premium to the Pool for its property, casualty and liability insurance coverage. The Pool has reinsurance coverage for its property, automobile and general liability policies, errors and omissions and employment practices liability policies, referred to as school entity liability. The District carries commercial insurance for other risks of loss, including workers compensation and employee health insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

In the ordinary course of operations, the District can be involved in various litigation. In the opinion of management, any liability from claims or proceedings in excess of the amount covered by insurance would not have a material adverse effect on the District's net position, changes in position or cash flows.

NOTE 16 - *STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY*

A. TABOR Amendment – Tax, Spending and Debt Limitations

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which adds a new Section 20 to Article X of the Colorado constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all Colorado local governments. The initial base for local government spending and revenue limits was June 30, 1993 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. TABOR requires that revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR also requires, with certain exceptions, voter approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government. Except for bond refinancing at a lower interest rate or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or without irrevocably pledging present cash reserves for all future payments. In November 1997 the District's electorate passed a ballot issue allowing the District to collect, retain and expend revenues not withstanding TABOR'S revenue limitations.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service and expenditures of Federal Awards). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary or benefit increases. The total emergency reserve was $265,000 as of June 30, 2023.

The District's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits (and qualification of a fund as an Enterprise Fund) will require judicial interpretation.

NOTE 17 - *IMPLEMENTATION OF NEW ACCOUNTING GASB PRONOUNCEMENTS*

The District has implemented GASB Statement No. 96 *Subscription Based Information Technology Arrangements (SBITAs)* on July 1, 2022. This statement requires recognition of certain cloud-based right-to-use (RTU) software implementation and subscription assets and associated lessee liabilities that previously were classified, respectively, intangible assets-software and operating subscriptions and recognized as outflows of resources based upon the payment provisions of the contract. It establishes a single model for IT subscription accounting based upon the foundational principle that software subscriptions are financings of the right to use an underlying asset. SBITAs where the maximum possible lease term is one year or less continue to be reported as operating subscriptions. Perpetual software licenses and SBITAs that transfer ownership and contain no cancellation provisions are reported as debt by the lessee and sale of an asset by the lessor. There are no adjustments to beginning balances implement GASB 96 SBITAs. The District has identified no SBITAs with contractual terms longer than twelve months requiring recognition and disclosure under the GASB Statement No. 96, SBITAs, standard.

NOTE 18 - *RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE*

The District has corrected the presentation of Government Wide accrual of property taxes received within the 60-day recognition period. Prior period accruals were not included in the prior period Net Position. Beginning Net Position has been restated as follows:

Net Position of Governmental Activities as of June 30, 2022, *as previously stated*	$ 22,588,969
Property Tax Receivable/ Revenue Recognition	75,094
Net Position of Governmental Activities as of June 30, 2022, *as Restated*	$ 22,513,875

The District has corrected revenue recognition for certain grant funds reported in the wrong governmental fund, these monies were previously reported as due to/ from other funds, netting to zero. The transfer of funds to clear these interfund balances is not allowed under Colorado Department of Education standardized reporting; therefore, the beginning fund balances have been restated as follows:

Bond Redemption Fund Balance as of June 30, 2022, *as previously stated*	$ 3,170,257
Funding due from Building Fund	7,479,962
Bond Redemption Fund Balance as of June 30, 2022, *as Restated*	$ 10,650,218
Building Fund Balance as of June 30, 2022, *as previously stated*	$ 7,479,962
Funding due to Bond Redemption	(7,749,962)
Building Fund Balance as of June 30, 2022, *as Restated*	$ -

NOTE 19 - *SUBSEQUENT EVENTS*

Management has evaluated events subsequent to June 30, 2023 through the issuance date of this report. There have been no material events noted during this period that would impact the result reflected in this report or the District's results going forward.

REQUIRED SUPPLEMENTAL INFORMATION

BUDGETARY COMPARISON SCHEDULES FOR THE

GENERAL FUND AND SPECIAL REVENUES FUNDS

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended June 30, 2023

	GENERAL FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Property Taxes	$ 3,295,508	$ 3,634,698	$ 3,641,605	$ 6,907
Specific Ownership Taxes	260,816	247,637	329,471	81,834
Grants and Contributions	87,000	94,650	279,294	184,644
Other Local Revenues	74,750	115,100	209,731	94,631
Intergovernmental:				
Intermediate Sources	52,000	192,997	195,432	2,435
State Sources	5,289,800	4,987,872	4,964,277	(23,595)
Federal Sources	593,044	593,044	371,895	(221,149)
Total Revenues	9,652,918	9,865,998	9,991,705	125,707
EXPENDITURES:				
Instruction	6,169,877	6,068,194	6,422,553	(354,359)
Supporting Services:				
Students	188,846	259,907	276,807	(16,900)
Instructional Staff	358,206	294,932	198,972	95,960
General Administration	285,614	285,614	315,186	(29,572)
School Administration	599,902	472,410	494,005	(21,595)
Business Services	157,393	157,393	180,465	(23,072)
Operations and Maintenance	1,605,436	1,622,164	1,178,820	443,344
Transportation	390,620	398,473	309,180	89,293
Central Support	389,932	389,932	425,946	(36,014)
Food Service	-	-	647	(647)
Tabor Reserve	304,000	304,000	-	304,000
Appropriated Reserve	2,822,248	3,519,600	-	3,519,600
Total Expenditures	13,272,074	13,772,619	9,802,581	3,970,038
Excess of Revenues Over (Under) Expenditures	(3,619,156)	(3,906,621)	189,124	4,095,745
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	(200,000)	(200,000)	(142,788)	57,212
Total Other Financing Sources (Uses)	(200,000)	(200,000)	(142,788)	57,212
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(3,819,156)	(4,106,621)	46,336	4,152,957
FUND BALANCE-BEGINNING - RESTATED	3,819,156	4,106,621	4,106,920	299
FUND BALANCE-ENDING	$ -	$ -	$ 4,153,256	$ 4,153,256

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SPECIAL REVENUE FUND – FOOD SERVICE FUND
For the Fiscal Year Ended June 30, 2023

	FOOD SERVICE FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local Sources	$ 93,000	$ 107,000	$ 115,983	$ 8,983
Intergovernmental:				
State Sources	2,750	2,750	10,470	7,720
Federal Sources	68,200	131,454	154,591	23,137
Total Revenues	163,950	241,204	281,044	39,840
EXPENDITURES:				
Food Services:				
Salaries	134,229	138,586	132,019	6,567
Employee Benefits	47,163	45,457	52,399	(6,942)
Purchased Services	5,500	5,500	3,884	1,616
Supplies and Materials:				
Purchased Food/Supplies	103,800	139,500	127,614	11,816
Donated Commodities	11,000	11,000	3,519	-
Appropriated Reserve	994	-	-	-
Capital Outlay/Other	-	-	-	-
Total Expenditures	302,686	340,043	319,435	20,608
Excess of Revenues Over (Under) Expenditures	(138,736)	(98,839)	(38,391)	60,448
OTHER FINANCING SOURCES (Uses):				
Operating Transfers In	100,000	100,000	42,788	(57,212)
Total Other Financing Sources (Uses)	100,000	100,000	42,788	(57,212)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(38,736)	1,161	4,397	3,236
FUND BALANCE-BEGINNING	38,736	41,117	31,296	(9,821)
FUND BALANCE-ENDING	$ -	$ 42,278	$ 35,693	$ (6,585)

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SPECIAL REVENUE FUND – PUPIL ACTIVITY FUND
For the Fiscal Year Ended June 30, 2023

	PUPIL ACTIVITIES FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local Revenues	$ 220,000	$ 220,000	$ 253,860	$ 33,860
Total Revenues	220,000	220,000	253,860	33,860
EXPENDITURES:				
Pupil Activities	250,000	250,000	235,397	14,603
Appropriated Reserves	171,366	62,638	-	62,638
Total Expenditures	421,366	312,638	235,397	77,241
Excess of Revenues Over (Under) Expenditures	(201,366)	(92,638)	18,463	111,101
FUND BALANCE – BEGINNING	201,366	92,638	248,159	155,521
FUND BALANCE – ENDING	$ -	$ -	$ 266,622	$ 266,622

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

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

AND

SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2023

	Reporting Fiscal Year / (Measurement Date)				
Colorado PERA:	2023 / (2022)	2022 / (2021)	2021 / (2020)	2020 / (2019)	2019 / (2018)
District's proportion (percentage) of the collective net pension liability	0.0638360798%	0.0776344077%	0.0829560953%	0.0711482252%	0.0707024600%
District's proportionate share of the collective pension liability	$ 11,624,209	$ 9,034,600	$ 12,541,288	$ 10,629,390	$ 12,519,323
District's covered payroll	$ 4,924,518	$ 4,851,905	$ 4,434,964	$ 4,180,999	$ 2,886,893
District's proportionate share of the net pension liability as a percentage of its covered payroll	236%	186%	283%	254%	322%
Plan fiduciary net position as a percentage of the total pension liability	61.79 %	74.86%	66.99%	64.52%	57.01%

	Reporting Fiscal Year / (Measurement Date)			
Colorado PERA (continued):	2018 / (2017)	2017 / (2016)	2016 / (2015)	2015 / (2014)
District's proportion (percentage) of the collective net pension liability	0.0798177286%	0.0742685524%	0.0734942375%	0.0799359022%
District's proportionate share of the collective pension liability	$ 25,810,216	$ 22,112,620	$ 11,240,425	$ 10,834,000
District's covered payroll	$ 3,633,930	$ 3,563,340	$ 3,256,644	$ 3,348,736
District's proportionate share of the net pension liability as a percentage of its covered payroll	710%	621%	345%	324%
Plan fiduciary net position as a percentage of the total pension liability	43.96%	43.13%	59.16%	62.84%

NOTE: This schedule is presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS
JUNE 30, 2023

	Reporting Fiscal Year				
Colorado PERA:	2023	2022	2021	2020	2019
Statutorily required contribution	$ 991,245	$ 964,559	$ 945,214	$ 825,350	$ 774,472
District contributions in relation to the statutorily required contribution	(991,245)	(964,559)	(945,214)	(825,350)	(774,472)
District contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 4,924,518	$ 4,851,905	$ 4,754,581	$ 4,252,666	$ 4,051,429
District's contributions as a percentage of covered payroll	20.12%	19.88%	19.88%	19.40%	19.11%

	Reporting Fiscal Year			
Colorado PERA (continued):	2018	2017	2016	2015
Statutorily required contribution	$ 743,706	$ 646,380	$ 577,653	$ 550,198
District contributions in relation to the statutorily required contribution	(743,706)	(646,380)	(577,653)	(550,198)
District contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 3,705,680	$ 3,578,224	$ 3,256,644	$ 3,348,736
District's contributions as a percentage of covered payroll	20.07%	18.06%	17.74%	16.43%

2023, 2022, 2021, 2020 and 2019 contributions include $288,859, $110,574, $0, $102,243 and $102,113 respectively from the special funding situation with the State of Colorado as a non-employer contributing entity per SB 18-200.

NOTE: This schedule is presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

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

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

AND

SCHEDULE OF THE DISTRICT'S PERA COLORADO HEALTH CARE TRUST FUND CONTRIBUTIONS

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
JUNE 30, 2023

Colorado PERA HCTF:	Reporting Fiscal Year / (Measurement Date) 2023 / (2022)	2022 / (2021)	2021 / (2020)	2020 / (2019)	2019 / (2018)
District's proportion of the Net OPEB Liability	0.0485286483%	0.0506893805%	0.0479587305%	0.0464990341%	0.0459569755%
District's proportionate share of the Net OPEB Liability	$ 396,226	$ 437,097	$ 455,716	$ 522,648	$ 625,364
District's covered payroll	$ 4,924,518	$ 4,851,905	$ 4,434,964	$ 4,180,999	$ 3,886,893
District's proportionate share of the Net OPEB Liability as a percentage of its covered payroll	8.00 %	9.00%	10.28%	12.50%	16.09%
Plan fiduciary net position as a percentage of the total OPEB liability	38.57%	39.40%	32.78%	24.49%	17.03%

Colorado PERA HCTF:	Reporting Fiscal Year / (Measurement Date) 2018 / (2017)	2017 / (2016)
District's proportion of the Net OPEB Liability	0.0453620987%	0.0422151746%
District's proportionate share of the Net OPEB Liability	$ 589,525	$ 547,334
District's covered payroll	$ 3,633,930	$ 3,563,340
District's proportionate share of the Net OPEB Liability as a percentage of its covered payroll	16.22%	15.36%
Plan fiduciary net position as a percentage of the total OPEB liability	17.53%	16.72%

NOTE: This schedule is presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
SCHEDULE OF THE DISTRICT'S PERA COLORADO HEALTH CARE TRUST FUND CONTRIBUTIONS
JUNE 30, 2023

	Reporting Fiscal Year				
Colorado PERA:	2023	2022	2021	2020	2019
Contractually Required Contribution	$ 50,230	$ 49,489	$ 45,237	$ 43,377	$ 41,294
District Contributions in relation to the contractually required contribution	$ (50,230)	$ (49,489)	$ (45,237)	(43,377)	(41,294)
District contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 4,924,518	$ 4,851,905	$ 4,434,964	$ 4,252,666	$ 4,051,429
District's contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%

	Reporting Fiscal Year	
Colorado PERA:	2018	2017
Contractually Required Contribution	$ 38,108	$ 35,778
District Contributions in relation to the contractually required contribution	$ (38,108)	$ (35,778)
District contribution deficiency (excess)	$ -	$ -
District's covered payroll	$ 3,705,680	$ 3,578,224
District's contributions as a percentage of covered payroll	1.02%	1.02%

NOTE: This schedule is presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

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

OTHER SUPPLEMENTAL INFORMATION

DEBT SERVICE FUND
(BOND REDEMPTION FUND)

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
BOND REDEMPTION FUND
For the Fiscal Year Ended June 30, 2023

	BOND REDEMPTION FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local Sources:				
Property Taxes	$ 6,849,000	$ 6,849,000	$ 4,600,937	$ (2,248,063)
Interest Earnings	4,700	4,700	295,057	290,357
Total Revenues	6,853,700	6,853,700	4,895,994	(1,957,706)
EXPENDITURES:				
Debt Service:				
Principal	4,055,000	4,055,000	4,055,000	-
Interest	2,234,675	2,234,675	2,234,675	-
Other Costs	2,650	2,650	2,650	-
Bond Refunding	-	-	-	-
Appropriated Reserves	10,698,589	8,470,128	-	8,470,128
Total Expenditures	16,990,914	14,762,453	6,292,325	8,470,128
Excess of Revenues Over (Under) Expenditures	(10,137,214)	(7,908,753)	(1,396,331)	6,512,422
OTHER FINANCING SOURCES (USES):				
Operating Transfers In (Out)	-	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(10,137,214)	(7,908,753)	(1,396,331)	6,512,422
FUND BALANCE – BEGINNING RESTATED	10,137,214	7,908,753	10,650,218	2,741,465
FUND BALANCE – ENDING	$ -	$ -	$ 9,253,887	$ 9,253,887

OTHER SUPPLEMENTAL INFORMATION

BUILDING FUND

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
BUILDING FUND
For the Fiscal Year Ended June 30, 2023

	BUILDING FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Bond Proceeds	$ -	$ -	$ -	$ -
Bond Premium	-	-	-	-
Other Revenues	-	-	-	-
State Best Grant Revenues	-	-	-	-
Safety Grant Revenues	-	-	-	-
Interest and Investment Earnings	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES:				
Bond Issue Costs	-	-	-	-
Safety Grant	-	-	-	-
Facilities – Capital Outlay	-	-	-	-
Other Uses	-	12,877	-	12,877
Appropriated Reserves	-	-	-	-
Total Expenditures	-	12,877	-	12,877
Excess of Revenues Over (Under) Expenditures	-	(12,877)	-	12,877
OTHER FINANCING SOURCES (USES):				
Operating Transfers In(Out)	-	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	(12,877)	-	12,877
FUND BALANCE – BEGINNING RESTATED	-	12,877	-	(12,877)
FUND BALANCE – ENDING	$ -	$ -	$ -	$ -

OTHER SUPPLEMENTAL INFORMATION

CAPITAL RELATED FUNDS

CAPITAL RESERVE PROJECTS FUND

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
CAPITAL RESERVE PROJECTS FUND
For the Fiscal Year Ended June 30, 2023

	CAPITAL RESERVE PROJECTS FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local Sources:				
Interest Earnings	$ 15	$ 15	$ 4,779	$ 4,764
Other Local Revenues	-	11,500	11,500	-
State Grants	-	-	-	-
Total Revenues	15	11,515	16,279	4,764
EXPENDITURES:				
Facilities Acquisition and Construction:				
Supplies	-	-	9,600	(9,600)
Capital Outlay	213,943	225,443	127,383	98,060
Other Expenditures	-	-	-	-
Appropriated Reserve	100,017	84,698	-	84,698
Total Expenditures	313,960	310,141	136,983	173,158
Excess of Revenues Over (Under) Expenditures	(313,945)	(298,626)	(120,704)	177,922
OTHER FINANCING SOURCES (USES):				
Transfers In (Out)	100,000	100,000	100,000	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(213,945)	(198,626)	(20,704)	177,922
FUND BALANCE – BEGINNING	213,945	198,626	198,626	-
FUND BALANCE – ENDING	$ -	$ -	$ 177,922	$ 177,922

SUPPLEMENTARY INFORMATION

FIDUCIARY (CUSTODIAL) FUNDS

SCHOLARSHIP FUND

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
STATEMENT OF CHANGES IN FIDUCIARY LIABILITY
FIDUCIARY (CUSTODIAL) FUND – SCHOLARSHIP FUND
For the Fiscal Year Ended June 30, 2023

	SCHOLARSHIP FUND			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
ADDITIONS:				
Local Revenues	$ 1,500	$ 1,500	$ 5,424	$ 3,924
Total Additions	1,500	1,500	5,424	3,924
REDUCTIONS:				
Grants and Scholarships	94,054	94,138	8,584	85,554
Appropriated Reserves	-	-	-	-
Total Reductions	94,054	94,138	8,584	85,554
Net Activity	(92,554)	(92,638)	(3,160)	89,478
FIDUCIARY LIABILITY – BEGINNING	92,554	92,638	92,638	-
FIDUCIARY LIABILITY – ENDING	$ -	$ -	$ 89,478	$ 89,478

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
DETAIL SCHEDULE OF REVENUES – BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2023

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Revenue from Local Sources and Interest:			
Property Taxes	$ 3,634,698	$ 3,641,605	$ 6,907
Specific Ownership Taxes	247,637	329,471	81,834
Grants and Contributions	94,650	279,294	184,644
Student Fees and Gate Receipts	28,000	42,847	14,847
Rental Income	14,400	14,400	-
Other Local Revenues	20,500	40,350	19,850
Interest Earnings	52,200	112,134	59,934
Total Local Sources and Interest:	4,092,085	4,460,101	368,016
Revenue from Intermediate Sources:			
Mineral Lease	190,997	190,997	-
Division of Wildlife	2,000	4,435	2,435
Total Intermediate Sources	192,997	195,432	2,435
Revenue from State Sources:			
State Equalization	3,532,498	3,532,478	(20)
BOCES ECA	219,871	221,810	1,939
ELPA	5,788	5,788	-
Transportation Grant	53,495	55,629	2,134
ELG Coach Revenue	156,460	139,838	(16,622)
Library Grant	3,500	3,983	483
Small Rural Schools Grant	315,919	315,919	-
At Risk Supplemental Grant	3,500	3,424	(76)
State CCIC Grant	20,656	20,656	-
Early Lit Grant	46,500	46,500	-
Read Act	17,279	17,279	-
PERA on Behalf Funding	-	281,484	281,484
Vocational Education	39,000	30,760	(8,240)
BEST Grant	407,116	122,865	(284,251)
BOCES High Cost	166,290	165,864	(426)
Total State Sources	4,987,872	4,964,277	(23,595)
Revenue from Federal Sources:			
Title I	93,891	96,052	2,161
Title II A – Teacher Quality	19,958	20,233	275
ESSER III Relief Funds	349,929	105,934	(243,995)
Title IV	10,000	10,000	-
SNAP P-EBT Local	-	628	628
PK Sustain Grant	13,508	6,117	(7,391)
Forest Lands	65,000	86,944	21,944
REAP Grant	31,000	35,488	4,488
Carl Perkins Grant	7,500	8,567	1,067
Title III – ELA Enhancement	2,258	1,932	(326)
Total Federal Sources	593,044	371,895	(221,149)
TOTAL REVENUES	9,865,998	9,991,705	125,707
Transfers In	-	-	-
BUDGETARY REVENUES	$ 9,865,998	$ 9,991,705	$ 125,707

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

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
DETAIL SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES – BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended June 30, 2023

	Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES:			
INSTRUCTION:			
Salaries	$ 3,436,909	$ 3,564,278	$ (127,369)
Employee Benefits	1,430,293	1,628,274	(197,981)
Purchased Services (Including Preschool)	788,517	745,888	42,629
Supplies and Materials	296,744	382,667	(85,923)
Other Expenditures	115,731	101,446	14,285
TOTAL INSTRUCTION	6,068,194	6,422,553	(354,359)
GENERAL SUPPORTING SERVICES:			
Student Support:			
Salaries	184,521	187,021	(2,500)
Employee Benefits	72,536	88,147	(15,611)
Purchased Services	500	24	476
Supplies and Materials	1,100	701	399
Other Expenditures	1,250	914	336
Subtotal	259,907	276,807	(16,900)
Instructional Staff:			
Salaries	120,630	97,076	23,554
Employee Benefits	42,194	48,838	(6,644)
Purchased Services	125,008	48,015	76,993
Supplies and Materials	7,100	5,043	2,057
Other Expenditures	-	-	-
Subtotal	294,932	198,972	95,960
General Administration:			
Salaries	153,260	182,173	(28,913)
Employee Benefits	54,604	71,922	(17,318)
Purchased Services	64,000	48,746	15,254
Supplies and Materials	500	-	500
Other Expenditures	13,250	12,345	905
Subtotal	285,614	315,186	(29,572)
School Administration:			
Salaries	295,501	312,079	(16,578)
Employee Benefits	121,501	140,558	(19,057)
Purchased Services	43,838	34,220	9,618
Supplies and Materials	8,350	5,597	2,753
Other Expenditures	3,220	1,551	1,669
Subtotal	472,410	494,005	(21,595)
TOTAL GENERAL SUPPORT	1,312,863	1,284,970	27,893

(continued on next page)

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES – BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended June 30, 2023

(continued)	Budget	Actual	Variance Favorable (Unfavorable)
BUSINESS SUPPORTING SERVICES:			
Business Services:			
Salaries	$ 95,255	$ 107,577	$ (12,322)
Employee Benefits	37,638	45,872	(8,234)
Purchased Services	21,000	22,202	(1,202)
Supplies and Materials	500	4,814	(4,314)
Capital Outlay	3,000	-	3,000
Subtotal	157,393	180,465	(23,072)
Operations and Maintenance:			
Salaries	276,816	292,111	(15,295)
Employee Benefits	134,434	148,847	(14,413)
Purchased Services	167,794	192,198	(24,404)
Supplies and Materials	286,075	316,865	(30,790)
Capital Outlay	757,045	228,799	528,246
Subtotal	1,622,164	1,178,820	443,344
TOTAL BUSINESS SUPPORT	1,779,557	1,359,285	420,272
TRANSPORTATION:			
Salaries	197,661	210,537	(12,876)
Employee Benefits	75,572	91,225	(15,653)
Purchased Services	25,740	27,647	(1,907)
Supplies and Materials	61,500	80,134	(18,634)
Capital Outlay	110,000	-	110,000
Other Objects – Student Activity Reimbursements	(72,000)	(100,363)	28,363
TOTAL TRANSPORTATION	398,473	309,180	89,293
CENTRAL SUPPORTING SERVICES:			
Salaries	85,940	85,765	175
Employee Benefits	30,660	34,932	(4,272)
Purchased Services	191,240	205,105	(13,865)
Supplies and Materials	47,438	69,415	(21,977)
Other Expenditures	34,654	30,729	3,925
TOTAL CENTRAL SUPPORT	389,932	425,946	(36,014)
FOOD SERVICE SUPPORTING SERVICES:			
Salaries	-	451	(451)
Benefits	-	196	(196)
TOTAL FOOD SERVICE	-	647	(647)
APPROPRIATED RESERVES	3,519,600	-	3,519,600
OTHER FINANCING USES:			
Transfers Out	200,000	142,788	57,212
TOTAL BUDGETARY EXPENDITURES AND OTHER FINANCING USES	$ 13,668,619	$ 9,945,369	$ 3,723,250

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

INFORMATION REQUIRED BY
SECURITIES AND EXCHANGE COMMISSION
RULE 15c2-12
(UNAUDITED)

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
HISTORY OF DISTRICT ASSESSED VALUATION
For the Fiscal Year Ended June 30, 2010 Through 2023

Levy/ Collection Year	Assessed Valuation	Percent Change	Estimated "Actual" Valuation	Percent Change
2010-2011	$ 763,228,880	23.90%	$ 2,300,880,226	38.80%
2011-2012	870,581,230	0.14%	2,422,591,712	5.30%
2012-2013	905,446,930	4.00%	2,430,530,889	0.30%
2013-2014	790,646,190	-12.70%	2,642,335,710	8.70%
2014-2015	732,031,450	-7.40%	2,489,780,790	-5.80%
2015-2016	783,475,580	7.03%	2,285,220,650	-8.22%
2016-2017	623,081,770	-20.47%	2,027,400,520	-11.28%
2017-2018	585,410,040	-6.05%	1,946,148,510	-4.00%
2018-2019	585,955,630	.93%	1,890,714,150	-2.85%
2019-2020	584,179,890	-.003%	1,917,482,380	1.014%
2020-2021	527,235,430	-10.80%	1,748,476,040	-9.00%
2021-2022	476,710,960	-9.04%	1,696,323,360	-9.70%
2022-2023	560,088,190	8.51%	1,980,398,300	8.56%

Sources: State of Colorado
Division of Property Taxation, 2010-2023
and the Rio Blanco County Assessor's Office

General Obligation Refunding Bonds Series 2014, 2019 and 2019 B - Official Statement Table II

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
HISTORY OF DISTRICT MILL LEVIES
For the Fiscal Year Ended June 30, 2010 Through 2023

Levy/ Collection Year	General Fund Mill Levy	Bond Fund Mill Levy	Mill Levy Override	Abatements	Total Mill Levy
2010-2011	6.308	2.941	0.530	0.034	9.813
2011-2012	5.555	2.579	0.678	0.081	8.893
2012-2013	5.530	2.479	0.684	0.140	8.833
2013-2014	5.767	2.839	0.512	0.083	9.201
2014-2015	5.767	2.869	0.553	0.097	9.286
2015-2016	5.767	2.869	0.517	0.171	9.324
2016-2017	5.767	3.611	0.649	0.019	10.046
2017-2018	5.767	3.843	0.691	0.042	10.343
2018-2019	5.767	7.825	0.690	0.011	14.293
2019-2020	5.767	7.874	0.692	0.043	14.376
2020-2021	5.767	8.724	.767	.041	15.299
2021-2022	5.767	9.649	.848	.002	16.266
2022-2023	5.767	8.212	.722	.0	14.701

Sources: State of Colorado, Colorado Department of Local Affairs,
Division of Property Taxation, 2010-2023 State of Colorado Property Tax Annual Reports,
the Rio Blanco County Assessor's Office, and the District

General Obligation Refunding Bond Series 2014, 2019 and 2019 B - Official
Statement Table III

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
HISTORICAL PROPERTY TAX COLLECTION
For the Fiscal Year Ended June 30, 2010 Through 2023

Levy/ Collection Year		Taxes Levied	Current Tax Collections (1)	Percent of Levy Collected
2010-2011	$	7,489,565	7,459,678	99.6%
2011-2012		7,742,079	7,637,454	98.6%
2012-2013		7,997,813	7,938,689	99.3%
2013-2014		7,274,685	7,158,659	98.4%
2014-2015		6,797,446	6,997,171	102.9%
2015-2016		7,373,288	7,259,194	98.5%
2016-2017		6,259,479	6,170,999	98.6%
2017-2018		6,054,896	6,015,467	99.3%
2018-2019		8,374,794	8,246,349	98.5%
2019-2020		8,398,170	8,049,742	95.9%
2020-2021		8,066,175	7,990,830	99.1%
2021-2022		7,754,180	7,633,275	98.4%
2022-2023		8,233,856	8,236,041	100.02%

Source: Rio Blanco County Treasurer's Office

(1) Collections through June 2023

General Obligation Refunding Bonds Series 2014, 2019 and 2019 B – Official Statement
Table V

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
DISTRICT ENROLLMENT
For the Fiscal Year Ended June 30, 2010 Through 2023

Levy/ Collection Year	District Enrollment	Percent Increase Based Upon Total Enrollment
2010-2011	663.0	-6.22%
2011-2012	628.0	-5.28%
2012-2013	640.0	1.91%
2013-2014	649.0	1.41%
2014-2015	697.0	6.90%
2015-2016	707.0	1.40%
2016-2017	745.0	5.10%
2017-2018	742.0	-0.04%
2018-2019	758.0	2.15%
2019-2020	721.5	-4.82%
2020-2021	655.5	-9.10%
2021-2022	694.0	5.87%
2022-2023	685.5	-9.8%

Source: Colorado Department of Education; The District

General Obligation Refunding Bonds Series 2014, 2019 and 2019 B - Official Statement Table VIII

RIO BLANCO COUNTY (MEEKER) SCHOOL DISTRICT RE-1
GENERAL FUND BUDGET SUMMARY AND COMPARISON (ACTUAL TO DATE)
For the Fiscal Year Ended June 30, 2023

	Budget 2022-2023	Budget 2023-2024	Year to Date Actual (1) 2023-2024
Beginning Fund Balance	$ 4,106,621	$ 4,146,433	$ 4,146,433
Other Local Sources	4,092,084	4,305,914	45,585
Intermediate	192,997	122,000	-
State Sources	4,987,872	5,309,032	480,547
Federal Sources	593,044	538,726	79,843
Total Revenues	9,998,917	10,275,672	605,975
Transfer (To) From Other Funds	(200,000)	(200,000)	-
Beginning Fund Balance and Reserves	13,772,618	14,222,106	4,752,408
Expenditures			
Instruction	6,908,647	7,489,719	1,415,277
Supporting Services	3,040,372	3,333,982	1,149,650
Total Expenditures	9,949,019	10,823,701	2,564,927
Ending Fund Balance	$ 3,823,599	$ 3,398,405	$ 2,187,481

Source: The District's 2022-2023 Budget document, 2023-2024 Budget document, and the District

(1) Actual unaudited figures through November 30, 2023

General Obligation Refunding Bond Series 2014, 2019 and 2019 B - Official Statement
Table IX

COLORADO DEPARTMENT OF EDUCATION REQUIREMENTS

ELECTRONIC FINANCIAL DATA
INTEGRITY CHECK FIGURES

AND

BOLDED BALANCE SHEET REPORT

Colorado Department of Education
Auditors Integrity Report
District: 2710 - Meeker RE-1
Fiscal Year 2022-23
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number		Beg Fund Balance & Prior Per Adj (6880*) +	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses -	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance =
Governmental					
10	General Fund	4,106,920	9,848,917	9,802,580	4,153,256
18	Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19	Colorado Preschool Program Fund	0	0	0	0
Sub- Total		4,106,920	9,848,917	9,802,580	4,153,256
11	Charter School Fund	0	0	0	0
20,26-29	Special Revenue Fund	0	0	0	0
06	Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07	Total Program Reserve Fund	0	0	0	0
21	Food Service Spec Revenue Fund	31,296	323,832	319,435	35,693
22	Govt Designated-Purpose Grants Fund	0	0	0	0
23	Pupil Activity Special Revenue Fund	248,159	253,860	235,397	266,622
25	Transportation Fund	0	0	0	0
31	Bond Redemption Fund	10,650,218	4,895,994	6,292,325	9,253,887
39	Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41	Building Fund	0	0	0	0
42	Special Building Fund	0	0	0	0
43	Capital Reserve Capital Projects Fund	198,626	116,279	136,983	177,922
46	Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals		15,235,218	15,438,883	16,786,721	13,887,380
Proprietary					
50	Other Enterprise Funds	0	0	0	0
64 (63)	Risk-Related Activity Fund	0	0	0	0
60,65-69	Other Internal Service Funds	0	0	0	0
Totals		0	0	0	0
Fiduciary					
70	Other Trust and Agency Funds	0	0	0	0
72	Private Purpose Trust Fund	0	0	0	0
73	Agency Fund	92,638	5,424	8,584	89,478
74	Pupil Activity Agency Fund	0	0	0	0
79	GASB 34:Permanent Fund	0	0	0	0
85	Foundations	0	0	0	0
Totals		92,638	5,424	8,584	89,478

FINAL

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

Colorado Department of Education

Bolded Balance Sheet Report

District: 2710 - Meeker RE-1

Fiscal Year 2022-23

Colorado School District/BOCES

	Governmental							Proprietary						Fiduciary		
ASSETS	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	Foundations Fund 85	Totals
Cash and Investments (8100-8104,8111)	4,653,781	0	0	266,622	0	0	23,118	8,662,879	139,474	0	0	0	0	89,478	0	13,835,352
Cash with Fiscal Agent (8105)	266,113	0	0	0	0	0	0	570,474	0	0	0	0	0	0	0	836,587
Taxes Receivable (8121,8122)	16,226	0	0	0	0	0	0	20,534	0	0	0	0	0	0	0	36,760
Interfund Loans Receivable (8131,8132)	0	0	0	0	0	0	0	0	0	0	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	0
Grants Accounts Receivable (8142)	155,070	0	0	0	0	0	14,012	0	0	0	0	0	0	0	0	169,082
Other Receivables (8151-8154,8161)	12,049	0	0	0	0	0	2,371	0	0	0	0	0	0	0	0	14,420
Inventories (8171,8172,8173)	0	0	0	0	0	0	1,523	0	0	0	0	0	0	0	0	1,523
Prepaid Expenses 8181,8182)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Current Assets (8191-8194,8199)	0	0	0	0	0	0	0	0	38,448	0	0	0	0	0	0	38,448
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	5,103,240	0	0	266,622	0	0	41,023	9,253,887	177,922	0	0	0	0	89,478	0	14,932,172

LIABILITIES & FUND EQUITY	Governmental							Proprietary						Fiduciary		
LIABILITIES	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	Foundations Fund 85	Totals
Interfund Payables (7401,7402)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Intergovernmental Payables (7411)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Payables (7421-7423)	16,733	0	0	0	0	0	0	0	0	0	0	0	0	0	0	16,733
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses (7461)	890,424	0	0	0	0	0	0	0	0	0	0	0	0	0	0	890,424
Payroll Ded. and Withholdings (7471-7473)	346	0	0	0	0	0	0	0	0	0	0	0	0	0	0	346
Unearned Revenue (7481)	6,200	0	0	0	0	0	5,330	0	0	0	0	0	0	0	0	11,530
Grants Deferred Revenue (7482)	36,280	0	0	0	0	0	0	0	0	0	0	0	0	0	0	36,280
Total Liabilities	949,984	0	0	0	0	0	5,330	0	0	0	0	0	0	0	0	955,313

	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	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Non-spendable Fund Balance 6710	0	0	0	0	0	0	1,523	0	38,448	0	0	0	0	0	0	39,970
Restricted Fund Balance 6720	0	0	0	266,622	0	0	0	9,253,887	0	0	0	0	0	0	0	9,520,509
TABOR 3% Emergency Reserve 6721	265,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	265,000
TABOR Multi-Year 6722	0	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	0
Colorado Preschool Program (CPP) Reserve 6724	0	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	0
Risk-Related / Restricted Capital Reserve 6726	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BEST Capital Reserve 6727	0	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	0
Committed Fund Balance 6750	0	0	0	0	0	0	34,170	0	139,474	0	0	0	0	0	0	173,645
Assigned Fund Balance 6760	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unassigned Fund Balance 6770	3,888,256	0	0	0	0	0	0	0	0	0	0	0	0	89,478	0	3,977,734
Invested in Capital Assets, Net of Related Debt 6790	0	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	0
Unrestricted Net Assets 6792	0	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	0
Total Fund Equity	4,153,256	0	0	266,622	0	0	35,693	9,253,887	177,922	0	0	0	0	89,478	0	13,976,858

	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	Foundations Fund 85	Totals
Total Liabilities & Fund Equity	5,103,240	0	0	266,622	0	0	41,023	9,253,887	177,922	0	0	0	0	89,478	0	14,932,172

	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	Foundations Fund 85
For Each Fund Type: Do Assets=Liability+Fund Equity	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes