

**ELBERT SCHOOL DISTRICT #200
ELBERT, COLORADO**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2023**

**ELBERT SCHOOL DISTRICT #200
ELBERT, COLORADO**

ROSTER OF SCHOOL OFFICIALS

JUNE 30, 2023

BOARD OF EDUCATION

Del Olkjer - President
Tracy Ardrey - Vice President
Bev McGuire - Secretary
Bev McGuire - Treasurer
Janet Maloney - Member
Tom Gresham - Member
Wendy Walp - Member

ADMINISTRATIVE STAFF

Kelli Thompson
Superintendent of Schools

Emily Cornell
Business Manager

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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

Elbert School District #200 Management's Discussion and Analysis 2022-23

As management of the Elbert School District #200, we offer readers of the District's Basic Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and financial statements, which immediately follow this section.

Financial Highlights

- The primary government has government-wide net position totaling over \$14,222,771 at the end of the current fiscal year. This is a decrease in net position of (\$203,645) due to additional depreciation of existing and new assets that are not recorded in the fund financial.
- Governmental activities have an unrestricted net position (deficit) of (\$1,658,462). As required by the Governmental Accounting Standards Board, much of this deficit is the result of the implementation of GASB 68/71 & 75 (Net Pension and OPEB Liabilities).
- Fund balance of the District's governmental funds increased by \$301,680 in 2022-23. This increase was a fund balance increase from six funds.

Overview of the Financial Statements

The Management's Discussion and Analysis is intended to serve as an introduction to the District's financial statements. The Elbert School District #200's basic financial statements are comprised of two components, Basic Financial Statements and Supplemental Information. The Basic Financial Statements have the three sections: 1) Government-wide Financial Statements and 2) Fund Financial Statements, and 3) Notes to the Financial Statements. The Other Supplementary Information is comprised of the combining and individual fund statements and schedules.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers a broad overview of Elbert School District #200's financial activities in a manner similar to a private sector business.

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

The statement of activities presents information showing how the net position of the District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying events occur, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (example: levied but uncollected property taxes and earned but unused employee's vacation leave).

The government-wide financial statements consolidate governmental and internal service type activities that are principally supported by taxes and intergovernmental revenues from business-type activities that are intended to recover all or most of their costs through user fees and charges. Governmental activities consolidate all of the following Elbert School District #200 funds: General Fund, Food Service Fund, Designated Purpose Grants Fund, Pupil Activity Fund, Capital Projects Fund and Bond Redemption Fund.

Fund Financial Statements

These statements focus on individual parts of the District. The District's operations are in more detail than the government-wide statements.

Governmental Funds

The governmental funds statements show how basic services such as instruction were financed in the short-term as well as what remains (fund balances) for the future spending (budgeting).

The District adopts an annual appropriated budget for each of the individual governmental funds. A budgetary comparison schedule for the general fund is included in the fund financial statements to demonstrate compliance with the adopted budget.

Notes to the Financial Statements

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

Required Other Supplementary Information

In addition to the financial statements and accompanying notes, this report also contains required supplemental information concerning the District's Special Revenue Funds. The combining statements of the special revenue governmental funds are presented after the notes to the financial statements.

Government-wide Financial Analysis

Government-wide Net Position

The assets of Elbert School District #200 are classified as current assets and capital assets. Cash, property taxes receivables and governmental accounts receivables are the current assets. These assets are available to provide the resources for the near-term operations of the District. Capital assets are used in the operations of the District. These assets include land, buildings, equipment and vehicles.

The assets of the District exceed liabilities by \$14,222,079. The liabilities of the district 2022-23 school-year were accounts payable, accrued salaries and benefits, capital lease payable, net pension and OPEB liabilities and matching bonds payable of \$1,647,946.

	2023	2022
Assets:		
Current Assets	\$ 3,713,340	\$ 3,455,887
Capital Assets – Net	17,017,699	17,558,828
Deferred Outflows of Resources	2,187,923	1,163,494
Capital Assets & Deferred Outflows of Financial Resources	<u>22,918,962</u>	<u>22,178,209</u>
Liabilities:		
Current Liabilities	179,564	193,526
Non-current Liabilities	6,926,058	5,785,010
Deferred Inflows of Resources	1,591,261	1,773,257
Total Liabilities & Deferred Inflows of Financial Resources	<u>8,696,883</u>	<u>7,751,793</u>
Net Position:		
Net Invested in Capital Assets	15,509,271	15,910,882
Restricted Net Position	371,962	345,658
Unrestricted Net Position	<u>(1,659,154)</u>	<u>(1,830,124)</u>
Total Net Position(Deficit)	<u>14,222,079</u>	<u>14,426,416</u>
Total Liabilities, Deferred Outflows and Net Position	<u>\$ 22,918,962</u>	<u>\$22,178,209</u>

The following is a comparison of the District's general revenues, program revenues and governmental activities for the years 2021-22 and 2022-23:

	2023	2022
Program Revenues:		
Charges for Services	\$ 363,724	\$ 288,822
Operating Grants	544,454	797,915
Capital Grant & Contributions	(409,461)	(409,461)
Total Program Revenues	498,717	677,276
General Revenues:		
Taxes	942,167	955,079
State Equalization	2,874,815	2,714,066
Investment Earnings	62,094	4,358
Gain(Loss) on Capital Asset Disposals	2,500	8,930
Other Revenue	32,599	15,233
Total General Revenues	3,914,175	3,697,666
Total Revenues	4,412,892	4,374,942
Expenses:		
Instruction	2,489,167	1,688,323
Supporting Services	2,128,062	1,310,742
Total Expenses	4,617,229	2,999,065
Change in Net Position	(204,337)	1,375,877
Net Position - Beginning	14,426,416	13,050,539
Net Position Ending	\$ 14,222,079	\$14,426,416

A summary of the District's capital assets is as follows:

	Balance 6/30/22	Additions	Deletions	Balance 6/30/23
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 335,215	\$ -	\$ -	\$ 335,215
Capital assets being depreciated:				
Buildings	3,315,587	-	-	3,315,587
Equipment	616,964	17,668	-	634,632
Transportation equipment	526,170	-	-	526,170
Total capital assets being depreciated	4,458,721	17,668	-	4,476,389
Accumulated Depreciation				
Buildings	(600,214)	(78,815)	-	(679,029)
Equipment	(295,718)	(45,454)	-	(341,172)
Transportation equipment	(397,704)	(25,067)	-	(422,771)
Total accumulated depreciation	(1,293,636)	(149,336)	-	(1,442,972)
Net Capital Assets	\$ 3,500,300	\$ (131,668)	\$ -	\$ 3,368,632

The District does not maintain separate infrastructure assets as all infrastructure has been included with the related capital assets.

Long-Term Liabilities

The following is a summary of the District's outstanding long term liabilities:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Due within</u> <u>One Year</u>
General Obligation Bonds, Series 2012	\$ 1,787,464	\$ -	\$ 139,518	\$ 1,647,946	\$ 139,518
Capital Leases Payable	9,600	-	9,600	-	9,600
Accrued compensated absences	6,634	-	6,634	-	-
Total	<u>\$1,803,698</u>	<u>\$ -</u>	<u>\$155,752</u>	<u>\$ 1,647,946</u>	<u>\$ 149,118</u>

The change in liability balances from June 30, 2022 to 2023 reflects principal payments made during the fiscal year as well as actuarially determined adjustments required for the District's pension plan. Additional information regarding the District's liabilities can be found in Note 6 to the financial statements on page 23

Financial Analysis of the Government's Funds

Elbert School District #200 uses fund accounting to ensure and demonstrate compliance with finance-related legal, federal, and state requirements.

The General Fund is the primary major governmental fund (General Fund, Food Service Fund, Designated Purpose Grants Fund, Pupil Activity Fund, Capital Projects Fund and Bond Redemption Fund) for Elbert School District #200. The ending fund balance for the General Fund 2022-23 is \$2,872,675. Tabor reserves of \$129,000 are set aside. The fund balance is an increase from 21-22 of \$174,498.

The Special Revenue funds (Food Service Fund, Pupil Activity and Designated Purpose Grants Fund), Building Fund, Capital Projects Fund and the Bond Redemption Fund are the remaining funds that make up the major governmental fund.

The Designated Purpose Grants Fund is for our Title programs and the REAP grant.

The Pupil Activity Fund balance decreased by (\$7,263). The end of the year fund balance was \$77,260.

The Capital Project Fund balance was increased by \$98,278 This increase was from more transfers than budgeted and Impact Fees.

The Food Service fund is funded by the sale of lunches and monies from the federal lunch program. The fund balance increased by \$22,171 and has an ending fund balance of \$36,594.

General Fund Budgetary Highlights

The District budget is prepared according to Colorado law. The most significant budgeted fund is the General Fund.

Elbert School District #200 began budget development for the 2022-23 budget in February of 2022. In February all teaching staff and department heads are given budget requests for their input into the needs of the District.

A mid-year analysis for 2022-23 is completed in early March and enrollment projections and revenues estimated to begin a preliminary budget, which is submitted in first draft form to the Board of Education. The Accountability Committee, representing students, staff and citizens of the community review budget prior to a Budget Workshop held in May. The Board has budget discussion on the draft proposed budget in April, May and June. Adoption of the 2022-23 District budget occurred in June of 2022.

The 2022-23 Budget included the following:

- Received Rural Education Achievement Program grant of \$27,751.00 which allowed for enhancing teacher/staff development, enhanced educational programs through the use of technology, i.e., supplementing the Title I Program, summer school, educational information technology between staff and students. Other uses of these funds have been used for innovative programs.
- The school website was updated and enhanced for student, staff and community contact. The State passed the Public School Financial Transparency Act, Article 44 of Title 22, C.R.S. Part 3 which has various reports, statements and documents on the school website for public viewing.
- At the High School level a CTE program for agricultural sciences was started in 16-17 which also includes a Future Farmers of America Program. This is the seventh year for FFA and the fourth year for growing the agricultural curriculum to the point that there is a 4 year range of classes for high school students. Woodshop is a CTE program now with four Woodworking classes.
- Since the building has been open for eight complete years, more maintenance has been needed to take place. In April 2019, we entered into an annual maintenance program for the HVAC system with MTech. After three years of the maintenance plan, the HVAC System is working well. The District renewed the HVAC System maintenance plan in April 2022 for another three years at the same annual rate.
- All Staff received a stipend from a Rural School initiative that allowed for each staff member to receive an extra duty stipend for excess jobs assigned in growing student count times in the fall of 2022. In May of 2023 staff received Signing Extra Duty pay. In 2022-2023 all staff was increased a step.

Economic Factors and Next Year's Budgets

The ever-changing financial crisis of the school funding in Colorado has caused the Elbert School District 200 Board of Education to be very conservative with all funding and expenditures.

According to the Education Act of 2009 (SB09-163), the State issues Performance Framework ratings for every public school in the state. The PF ratings gives each school a performance grade based on the state of Colorado Measures of Academics (CMAS) given to all students third through eleventh grades. Schools receiving an unsatisfactory grade for two or more years will be turned into a charter school under state law. Elbert School District #200 continues to be accredited.

The student population at the school has been relatively stable. No surges in growth have occurred in any given year except in the year 2003-04 when the funded pupil count increased by 16 students. The 2004-05 budget year student count decreased by 5 students. The 2005-06 year funded population was 269.5. The 2006-07 year saw another year of declining enrollment in which the October 1 funded pupil count was 238. The 2007-08 funded pupil count was 235.5 which was a decrease of 2.5 students from the year prior. The 2008-09 funded pupil count was 252.5 which was an increase of 17 from 07-08. The 2009-10 funded pupil count was 223 which is a decrease of 29.5 from 08-09. The 2010-11 funded pupil count was 233.9 which is an increase of 10.9 from 09-10. The 2011-12 funded pupil count was 222.4 which is a decrease of 11.5 from 10-11. The 2012-13 funded pupil count was 214.3 which is a decrease of 8.1 from 2011-12. The enrollment for 2013-14 of the funded pupil count was 200.4. The enrollment for the 2014-15 of the funded pupil count was 209.6. Enrollment for 2015-16 of the funded pupil count was 205.1. Enrollment for 2016-2017 of the funded pupil count was 203.3. Enrollment for 2017-2018 determined by the funded pupil count was 206.5. Enrollment for 2018-2019 determined by the funded pupil count was 211.5. Enrollment for 2019-20 determined by the funded pupil count was 227.5. Enrollment for 2020-21 determined by the funded pupil count was 255.5. Enrollment for 2021-22 determined by the funded pupil count was 259.5. Enrollment for 2023-23 determined by the funded pupil count was 253.5

Contacting the District's Financial Management

This report is designed to provide the District's citizens, taxpayers, parents, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives and expends. If you have questions about this report or need additional financial information, contact the Business Management Office, Elbert School District #200, 24489 Main St., Elbert, CO 80106.

FINANCIAL SECTION

Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

Board of Education
Elbert County School District No. 200
Elbert, Colorado

Independent Auditors' Report

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of Elbert County School District No. 200, as of and for the year ended June 30, 2023, and the related notes to the financial statements which collectively comprise Elbert County School District No. 200'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 and each major fund of the Elbert County School District No. 200 as of June 30, 2023, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Financial Statements section of our report. We are required to be independent of the Elbert County School District No. 200 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 Elbert County School District No. 200's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibility 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. 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 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 Elbert County School District No. 200'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 Elbert County School District No. 200'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.

Report on Summarized Comparative Information

We have previously audited the Elbert County School District No. 200 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 28, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that a management's discussion and analysis, budgetary comparison information, historical pension information and other post-employment benefit plan information listed in the tables 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 Elbert County School District No. 200's basic financial statements. The individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mayberry + Company, LLC

Englewood, Colorado
October 31, 2023

BASIC FINANCIAL STATEMENTS

The Basic Financial Statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all government-wide and fund level activity as of June 30, 2023.

ELBERT SCHOOL DISTRICT #200

Statement of Net Position
June 30, 2023

	Governmental Activities
	<hr/>
ASSETS AND DEFERRED OUTFLOWS OF FINANCIAL RESOURCES	
Assets	
Current Assets	
Cash and Investments	\$ 3,639,962
Cash with Fiscal Agent	28,165
Taxes Receivable	29,924
Grants Receivable	7,948
Other Accounts Receivable	1,248
Inventory	2,707
Capital and Other Assets	
BEST Grant Receivable	13,649,067
Capital Assets not Being Depreciated	335,215
Capital Assets Being Depreciated	4,476,389
Accumulated Depreciation	<u>(1,442,972)</u>
Total Assets	<u>20,727,653</u>
Deferred Outflows of Financial Resources	
Net Pension Deferred Outflows	2,124,880
Net OPEB Deferred Outflows	<u>63,043</u>
Total Deferred Outflows of Financial Resources	<u>2,187,923</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF FINANCIAL RESOURCES	<u>\$ 22,915,576</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION	
Liabilities	
Current Liabilities	
Accounts Payable	607
Accrued Interest	4,128
Accrued Salaries & Benefits	124,530
Unearned Revenue	1,913
Other Current Liabilities	45,000
Noncurrent Liabilities	
Due Within One Year	139,518
Due In More Than One Year	<u>6,786,540</u>
Total Liabilities	<u>7,102,236</u>
Deferred Inflows of Financial Resources	
Net Pension Deferred Inflows	1,517,041
Net OPEB Deferred Inflows	<u>74,220</u>
Total Deferred Inflows of Financial Resources	<u>1,591,261</u>
Net Position	
Net Investment in Capital Assets	15,509,271
Restricted Net Position	371,962
Unrestricted Net Position	<u>(1,659,154)</u>
Total Net Position	<u>14,222,079</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS AND NET POSITION	<u>\$ 22,915,576</u>

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

ELBERT SCHOOL DISTRICT #200

Statement of Activities
For the Year Ended June 30, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		
Primary Government					
Governmental Activities					
Instruction	\$ 2,489,167	\$ 179,351	\$ 272,759	\$ -	\$ (2,037,057)
Supporting Services	2,128,062	184,373	271,695	(409,461)	(2,081,455)
Total Primary Government	<u>\$ 4,617,229</u>	<u>\$ 363,724</u>	<u>\$ 544,454</u>	<u>\$ (409,461)</u>	<u>(4,118,512)</u>
General Revenues					
Property Taxes					814,167
Specific Ownership Taxes					128,000
State Equalization					2,874,815
Investment Earnings					62,094
Gain (Loss) on Capital Asset Disposals					2,500
Other Revenues					32,599
Total General Revenues					<u>3,914,175</u>
Change in Net Position					(204,337)
Beginning Net Position					<u>14,426,416</u>
Ending Net Position					<u>\$ 14,222,079</u>

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

ELBERT SCHOOL DISTRICT #200
 Balance Sheet
 Governmental Funds
 June 30, 2023

	Special Revenue			
	General Fund	Food Service Fund	Designated Grants Fund	Pupil Activity Fund
ASSETS				
Cash and Investments	\$ 2,955,370	\$ 30,174	\$ (5,000)	\$ 77,260
Cash with Fiscal Agent	21,265	-	-	-
Taxes Receivable	22,607	-	-	-
Interfund Accounts Receivable	-	3,386	-	-
Grants Receivable	1,573	1,375	5,000	-
Other Accounts Receivable	-	1,248	-	-
Inventory	-	2,707	-	-
TOTAL ASSETS	<u>\$ 3,000,815</u>	<u>\$ 38,890</u>	<u>\$ -</u>	<u>\$ 77,260</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE				
Liabilities				
Interfund Accounts Payable	\$ 3,386	\$ -	\$ -	\$ -
Accounts Payable	228	379	-	-
Accrued Salaries & Benefits	124,526	4	-	-
Unearned Revenue	-	1,913	-	-
Unearned Revenue Grants	-	-	-	-
Total Liabilities	<u>128,140</u>	<u>2,296</u>	<u>-</u>	<u>-</u>
Fund Balance				
Nonspendable Fund Balance	-	2,707	-	-
Restricted Fund Balance				
Restricted for Debt Service	-	-	-	-
Restricted for TABOR Emergencies	129,000	-	-	-
Committed Fund Balance	-	33,887	-	77,260
Unassigned Fund Balance	2,743,675	-	-	-
Total Fund Balance	<u>2,872,675</u>	<u>36,594</u>	<u>-</u>	<u>77,260</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 3,000,815</u>	<u>\$ 38,890</u>	<u>\$ -</u>	<u>\$ 77,260</u>

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

Debt Service		Capital Projects	Totals	
Bond Redemption	Capital Reserve			
Fund	Project Fund	2023	2022	
\$ 228,745	\$ 326,992	\$ 3,613,541	\$ 3,337,111	
6,900	-	28,165	7,129	
7,317	-	29,924	27,796	
-	-	3,386	19,462	
-	-	7,948	4,229	
-	-	1,248	33	
-	-	2,707	3,398	
<u>\$ 242,962</u>	<u>\$ 326,992</u>	<u>\$ 3,686,919</u>	<u>\$ 3,399,158</u>	
\$ -	\$ -	\$ 3,386	\$ 19,462	
-	-	607	-	
-	-	124,530	111,185	
-	-	1,913	3,847	
-	-	-	9,169	
-	-	<u>130,436</u>	<u>143,663</u>	
-	-	2,707	3,398	
242,962	-	242,962	229,658	
-	-	129,000	116,000	
-	326,992	438,139	324,262	
-	-	2,743,675	2,582,177	
<u>242,962</u>	<u>326,992</u>	<u>3,556,483</u>	<u>3,255,495</u>	
<u>\$ 242,962</u>	<u>\$ 326,992</u>	<u>\$ 3,686,919</u>	<u>\$ 3,399,158</u>	

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ELBERT SCHOOL DISTRICT #200

**Reconciliation of Governmental Fund Balances
to Governmental Activities Net Position
June 30, 2023**

Fund Balance - Governmental Funds		\$ 3,556,483
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds		
Capital assets, not being depreciated	\$ 335,215	
Capital assets, being depreciated	4,476,389	
Accumulated depreciation	<u>(1,442,972)</u>	3,368,632
Certain long-term assets are not available to pay for current year expenditures and are therefore not reported in the funds		
Long-Term BEST Grant Receivable		13,649,067
Certain long-term pension and OPEB related costs and adjustments are not available to pay or payable currently and are therefore not reported in the funds		
Pension Liability		
Net pension deferred outflows	2,124,880	
Net pension liability	(5,104,163)	
Net pension deferred inflows	<u>(1,517,041)</u>	(4,496,324)
OPEB Liability		
Net OPEB deferred outflows	63,043	
Net OPEB liability	(173,949)	
Net OPEB deferred inflows	<u>(74,220)</u>	(185,126)
Internal Service operations primarily benefit Governmental Activities		
Internal Service Funds Net Position		(18,579)
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.		
Bonds payable	(1,647,946)	
Accrued interest payable	<u>(4,128)</u>	(1,652,074)
Total Net Position - Governmental Activities		<u>\$ 14,222,079</u>

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

ELBERT SCHOOL DISTRICT #200
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	<u>Special Revenue</u>			
	<u>General Fund</u>	<u>Food Service Fund</u>	<u>Designated Grants Fund</u>	<u>Pupil Activity Fund</u>
REVENUES				
Local Sources	\$ 882,713	\$ 52,541	\$ -	\$ 113,417
Intermediate Sources	39	-	-	-
State Sources	3,188,642	971	2,402	-
Federal Sources	82,231	64,886	80,098	-
TOTAL REVENUES	<u>4,153,625</u>	<u>118,398</u>	<u>82,500</u>	<u>113,417</u>
EXPENDITURES				
Current:				
Instruction	2,085,922	-	82,500	91,218
Pupil Support	101,967	-	-	-
Staff Support	233,342	-	-	-
General Administration	205,398	-	-	-
School Administration	260,463	-	-	-
Business Services	140,682	-	-	-
Operations and Maintenance	503,547	-	-	-
Transportation	155,726	-	-	-
Other Central Support	8,809	-	-	-
Risk Management	126,885	-	-	-
Food Service	-	151,227	-	-
Facilities	-	-	-	-
Debt Service	-	-	-	-
TOTAL EXPENDITURES	<u>3,822,741</u>	<u>151,227</u>	<u>82,500</u>	<u>91,218</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	330,884	(32,829)	-	22,199
OTHER FINANCING SOURCES (USES)				
Transfers	(156,386)	55,000	-	(29,462)
CHANGE IN FUND BALANCE	174,498	22,171	-	(7,263)
BEGINNING FUND BALANCE	2,698,177	14,423	-	84,523
ENDING FUND BALANCE	<u>\$ 2,872,675</u>	<u>\$ 36,594</u>	<u>\$ -</u>	<u>\$ 77,260</u>

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

Debt Service		Capital Projects		Totals	
Bond	Capital				
Redemption	Reserve				
Fund	Project Fund	2023		2022	
\$ 205,204	\$ 27,797	\$ 1,281,672	\$	1,118,723	
-	-	39		57	
-	-	3,192,015		2,948,824	
-	-	227,215		563,101	
<u>205,204</u>	<u>27,797</u>	<u>4,700,941</u>		<u>4,630,705</u>	
-	-	2,259,640		2,308,226	
-	-	101,967		97,846	
-	-	233,342		212,795	
750	-	206,148		182,640	
-	-	260,463		221,117	
-	-	140,682		122,977	
-	-	503,547		438,104	
-	-	155,726		153,106	
-	-	8,809		9,831	
-	-	126,885		122,376	
-	-	151,227		133,065	
-	50,325	50,325		11,181	
<u>191,150</u>	<u>10,042</u>	<u>201,192</u>		<u>291,100</u>	
<u>191,900</u>	<u>60,367</u>	<u>4,399,953</u>		<u>4,304,364</u>	
13,304	(32,570)	300,988		326,341	
-	130,848	-		-	
13,304	98,278	300,988		326,341	
<u>229,658</u>	<u>228,714</u>	<u>3,255,495</u>		<u>2,929,154</u>	
<u>\$ 242,962</u>	<u>\$ 326,992</u>	<u>\$ 3,556,483</u>	<u>\$</u>	<u>3,255,495</u>	

ELBERT SCHOOL DISTRICT #200

**Reconciliation of Governmental Changes in Fund Balance
to Governmental Activities Change in Net Position
For the Year Ended June 30, 2023**

Change in Fund Balance - Governmental Funds	\$	300,988	
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level			
Capitalized Asset Purchases	\$	17,668	
Depreciation Expense		<u>(149,336)</u>	(131,668)
The long-term BEST grant receivable is being amortized based on the depreciation of the underlying building that is the basis of the grant			
Amortization of BEST grant receivable			(409,461)
Internal Service operations primarily benefit Governmental Activities			
Change in net assets - Internal Service Funds			(30,308)
Pension and OPEB expense at the fund level represent cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.			
Pension Liability			
Current year change and amortization of deferred outflows - net		1,017,104	
Change in net pension liability		(1,306,579)	
Current year change and amortization of deferred inflows - net		<u>182,494</u>	(106,981)
OPEB Liability			
Current year change and amortization of deferred outflows - net		7,325	
Change in OPEB liability		9,779	
Current year change and amortization of deferred inflows - net		<u>(498)</u>	16,606
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level.			
Principal payments on bonds payable		139,518	
Principal payments on capital leases		9,600	
Change in accrued interest payable		735	
Change in accrued compensated absences		<u>6,634</u>	<u>156,487</u>
Total Net Position - Governmental Activities	\$		<u><u>(204,337)</u></u>

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

ELBERT SCHOOL DISTRICT #200
Statement of Net Position
Proprietary Funds
Self Insurance Fund
June 30, 2023

	<u>Internal Service Fund</u>	
	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and Investments	\$ <u>26,421</u>	\$ <u>56,729</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION		
Liabilities		
Other Current Liabilities	\$ 45,000	\$ 45,000
Net Position		
Unrestricted Net Position	<u>(18,579)</u>	<u>11,729</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 26,421</u>	<u>\$ 56,729</u>

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

ELBERT SCHOOL DISTRICT #200
Statement of Revenues, Expenses and Change in Net Position
Proprietary Funds
Self Insurance Fund
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	<u>Internal Service Fund</u>	
	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Employee Premiums	\$ 121,396	\$ 156,241
OPERATING EXPENSES		
Risk Management	<u>151,720</u>	<u>161,300</u>
OPERATING INCOME (LOSS)	(30,324)	(5,059)
OTHER REVENUES (EXPENSES)		
Investment Earnings	<u>16</u>	<u>27</u>
CHANGE IN NET POSITION	(30,308)	(5,032)
BEGINNING NET POSITION	<u>11,729</u>	<u>16,761</u>
ENDING NET POSITION	<u>\$ (18,579)</u>	<u>\$ 11,729</u>

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

ELBERT SCHOOL DISTRICT #200
Statement of Cash Flows
Proprietary Funds
Self Insurance Fund
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	<u>Internal Service Fund</u>	
	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities		
Cash Received from Local Sources	\$ 121,396	\$ 156,241
Cash Paid to Vendors	<u>(151,720)</u>	<u>(161,300)</u>
Net Cash Provided (Used) by Operating Activities	(30,324)	(5,059)
Cash Flows Provided (Used) by Noncapital Finance Activities		
Investment Earnings	<u>16</u>	<u>27</u>
Net Increase (Decrease) in Cash	(30,308)	(5,032)
Cash, Beginning	<u>56,729</u>	<u>61,761</u>
Cash, Ending	<u>\$ 26,421</u>	<u>\$ 56,729</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) for Operating Activities:		
Operating Income (Loss)	<u>\$ (30,324)</u>	<u>\$ (5,059)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (30,324)</u></u>	<u><u>\$ (5,059)</u></u>

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

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Elbert County School District No. 200 (the District) was formed in 1880 encompassing approximately 141 square miles of southern Elbert County, Colorado. The District operates under an elected Board of Education with five members and provides educational services to approximately 250 students.

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

Reporting Entity

In evaluating how to define the government, for financial reporting purposes, the District's management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board ("GASB") Statement No. 14, "The Financial Reporting Entity", and as amended.

Based upon the application of these criteria, no additional organizations are includable within the District's reporting entity.

Jointly Governed Organizations

The District participates in with the Pikes Peak Board of Cooperative Educational Services (BOCES). The District has one member on the Board, which is selected by participating districts. This Board has final authority for all budgeting and financing of the joint venture. The District's June 30, 2023, contribution amounted to \$34,315.

The District's share of annual contributions to the joint venture was approximately 8% for the year ended June 30, 2023.

Complete financial statements for BOCES can be obtained at their administrative offices at 2883 South Circle Drive, Colorado Springs, Colorado 80906.

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information of the District as a whole. The reporting information includes all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements

The statement of activities of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. General revenues consist of taxes and others sources not described above.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds (General Fund, Food Service Fund, Designated Grants Fund, Pupil Activity Fund, Bond Redemption Fund and Capital Projects Fund) are reported as separated columns in the fund financial statements.

The District reports the following major governmental funds:

General Fund – This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

Special Revenue (Food Service, Designated Grants and Pupil Activity) Funds – These funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted to expenditures for specified purposes.

Debt Service (Bond Redemption) – This fund is used to account for the repayment of the District’s general obligation indebtedness.

Capital Project (Capital Reserve) – This fund accounts for the District’s routine capital projects.

Additionally, the District reports the following proprietary fund:

Internal Service Fund - The internal service fund is used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the District, generally on a cost reimbursement basis. The District accounts for its self-funded insurance in an internal service fund. This is presented as a part of the District’s internal activities.

The District does not maintain any Fiduciary funds.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the same time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available as allowed by the per pupil operating revenue formula approved by the State legislature or within sixty days after year end. These revenues could include federal, state, and county grants, and some charges for services. Grants are only recognized to the extent allowable expenditures have been incurred. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

**ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds. All annual appropriations lapse at fiscal year end.

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- Budgets are required to be filed with the Commissioner of Education within thirty days after the beginning of the fiscal year.
- Budgets may be revised until January 31st of the budget year.
- Expenditures may not legally exceed appropriations at the fund level.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted and amended by the Board of Education.
- Encumbrance accounting is not utilized.

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

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

Inventories – Inventory of the proprietary fund is valued at the lower of cost (first-in, first-out) or market.

Due To and Due From Other Funds – Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

Capital Assets – Capital assets used in governmental activities operations are shown on the government-wide financial statements. These assets are not shown in the governmental funds and are therefore listed as a reconciling item between the two presentations. Property and equipment acquired or constructed for governmental fund operations are recorded as expenditures in the fund making the disbursement and capitalized at cost in the government-wide presentation. No depreciation has been provided on capital assets in the governmental funds.

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Property and equipment is stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

Depreciation has been provided over the estimated useful lives of the asset in the government-wide presentation as well as in the proprietary fund. The District capitalizes assets with an original value of at least \$3,000 and a useful life in excess of one year. Depreciation is calculated using the straight-line method over the following useful lives:

Buildings and Site Improvements	20-50 years
Vehicles	8 years
Other Equipment	5-20 years

Taxes Receivable – Property taxes are recognized as revenue in the year in which they are intended to finance operating expenses, pursuant to the Colorado school district funding formula. As 2022 property taxes were both measurable and available at June 30, 2023, the District has recognized a receivable (net of uncollectible portion) for property taxes levied January 1, 2023 but not collected by June 30, 2023.

Accumulated unpaid sick and vacation and other pay are serviced from other revenues in the General Fund. These liabilities are only recorded on the government-wide financial statements as they are not expected to be financed from current resources. At June 30, 2023, the District has recorded accrued leave as disclosed in Note 6.

Long-Term Debt – The District’s general obligation bonds are accounted for in the Debt Service Fund. Principal repayments are shown as expenditures in the fund level financial statements. The District’s capital leases are paid through the General Fund and are shown as expenditures in that fund.

For the government-wide presentation, principal payments are reclassified as reductions in the outstanding obligation balances.

Deferred outflows/inflows of resources - In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has several items that qualify for reporting in this category, all related to outstanding pension and OPEB obligations and further described in Note 7 and 9.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows related to pension liabilities and OPEB liabilities as further described in Note 7 and 9.

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Net Position/Fund Balances - In the government-wide financial statements and for the proprietary fund statements, net position are either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as "nonspendable" include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balance are reported as "restricted" when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

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, and at their highest level of action are reported as "committed" fund balance.

Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Net Position/ Fund Balance and Flow Assumptions

All other remaining governmental balances are reported as unassigned.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues and Expenditures/Expenses

Revenues and Expenditures/Expenses – Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees, and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred.

Property Tax Revenues – Property taxes are levied on December 15 based on the assessed value of property as certified by the county assessor on August 17. Assessed values are an approximation of market value. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent and penalties and interest may be assessed by the County Treasurer on the post mark day following these dates. The tax sale date is the first Thursday of November.

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District’s financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

NOTE 2: CASH AND INVESTMENTS

A reconciliation of the cash components on the balance sheet to the cash categories in this footnote are as follows:

Deposits	\$ 1,933,567
Investments	<u>1,706,395</u>
Total	<u>\$ 3,639,962</u>
Government-wide - unrestricted	\$ 3,506,081
Government-wide - restricted	<u>133,881</u>
Total	<u>\$ 3,639,962</u>

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 2: CASH AND INVESTMENTS (Continued)

Deposits

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government’s deposits may not be returned to it. The District’s deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution’s internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. 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.

Custodial Credit Risk – Deposits

At June 30, 2023, all of the District’s deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

	<u>Bank Balance</u>	<u>Carrying Balance</u>
FDIC Insured	\$ 250,000	\$ 250,000
PDPA Collateralized*	1,727,113	1,683,567
Total	<u>\$1,977,113</u>	<u>\$1,933,567</u>

*Not in District's name

Investments

Credit Risk

Colorado statutes specify which instruments units of local government may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of the U.S. local government entities
- Bankers’ acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

The District’s investment policy limits its investments to those allowed by Colorado Revised Statute 24-75-601.1 as described above. For the fiscal year ended June 30, 2023, the District did not have any investments requiring disclosure.

During the year ended June 30, 2023, the District invested funds in Colotrust. As an investment pool, it operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. It invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pool operates similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. This fund is rated AAAM by the Standard and Poor’s Corporation. As the investment is completely liquid, there is no weighted average maturity.

The District’s Colotrust investments consist of the following:

Colotrust- Unrestricted	\$ 1,343,769
Colotrust- Restricted for Debt Service	<u>133,881</u>
Total Investments	<u>\$ 1,706,395</u>

Concentration of Credit Risk

The District places no limit on the amount that may be invested in any one issuer.

Interest Rate Risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase unless authorized by the local board. 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, other than those contained in state statutes.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2023, the District did not have any investments requiring safekeeping.

NOTE 3: INVENTORIES

Food Service Fund inventory of \$2,707 as of June 30, 2023, consisted of \$450 of purchased food and \$2,256 in commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 4: CAPITAL ASSETS

Activity for capital assets is summarized below:

	<u>Balance 6/30/22</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/23</u>
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 335,215	\$ -	\$ -	\$ 335,215
Capital assets being depreciated:				
Buildings	3,315,587	-	-	3,315,587
Equipment	616,964	17,668	-	634,632
Transportation equipment	526,170	-	-	526,170
Total capital assets being depreciated	<u>4,458,721</u>	<u>17,668</u>	<u>-</u>	<u>4,476,389</u>
Accumulated Depreciation				
Buildings	(600,214)	(78,815)	-	(679,029)
Equipment	(295,718)	(45,454)	-	(341,172)
Transportation equipment	(397,704)	(25,067)	-	(422,771)
Total accumulated depreciation	<u>(1,293,636)</u>	<u>(149,336)</u>	<u>-</u>	<u>(1,442,972)</u>
Net Capital Assets	<u>\$ 3,500,300</u>	<u>\$ (131,668)</u>	<u>\$ -</u>	<u>\$ 3,368,632</u>

Depreciation expense for Governmental Activities was charged to functions of the primary government as follows:

Instruction	\$ 80,381
Supporting services	<u>68,955</u>
Total depreciation	<u>\$ 149,336</u>

NOTE 5: ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2023 is reflected as a liability in the respective funds in the accompanying financial statements as follows:

General Fund	\$ 124,526
Food Service Fund	<u>4</u>
Total Accrued Salaries and Benefits	<u>\$ 124,530</u>

**ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023**

NOTE 6: LONG-TERM DEBT

The following is a summary of long-term obligation transactions of the District for the year ended June 30, 2023:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Due within</u> <u>One Year</u>
General Obligation Bonds, Series 2012	\$ 1,787,464	\$ -	\$ 139,518	\$ 1,647,946	\$ 139,518
Capital Leases Payable	9,600	-	9,600	-	9,600
Accrued compensated absences	6,634	-	6,634	-	-
Total	\$ 1,803,698	\$ -	\$ 155,752	\$ 1,647,946	\$ 149,118

An interest summary of the District's long-term debt is as follows:

	<u>Accrued</u> <u>Interest</u>	<u>Interest</u> <u>Paid</u>	<u>Interest</u> <u>Expense</u>
General obligation bonds, Series 2012	\$ 4,128	\$ 51,632	\$ 55,760
Capital Leases Payable	-	441	441
Total	\$ 4,128	\$ 52,073	\$ 56,201

General Obligation Bonds

In November of 2012, the District authorized issuance of its General Obligation Bond Series 2012 (Matching Money Bonds) to the State of Colorado in the aggregate principal amount of \$2,874,635. Interest payments are due semi-annually on June 1 and December 1, commencing on June 1, 2013 through December 1, 2032 at a rate of 3.0059%.

The future minimum bond payments at June 30, 2023, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 143,712	\$ 47,376	\$ 191,088
2025	148,032	42,991	191,023
2026	152,482	38,474	190,956
2027	157,065	33,822	190,887
2028	161,786	29,030	190,816
2029-2033	884,869	68,069	952,938
Total	\$ 1,647,946	\$ 259,762	\$ 1,907,708

Capital Leases Payable

In 2018, the District entered into a capital lease agreement with Mercedes-Benz Financial Services LLC for the acquisition of a 14 passenger school bus. The agreement requires annual lease payments of \$10,042 beginning in August of 2018 and ending in August 2022. During the current fiscal year, the District paid off the lease agreement.

**ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023**

NOTE 7: DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Pensions. The district participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. As of June 30, 2023, 43 employees were members of the PERA Plan.

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

General Information about the Pension Plan

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

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

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

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

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

**ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023**

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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.

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

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

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

**ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023**

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions**

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

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the DISTRICT is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the DISTRICT were \$435,253 for the year ended June 30, 2023.

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

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 proportion of the net pension liability was based on the District contributions to the SCHDTF for the calendar year 2022 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

At June 30, 2023 the District reported a liability of \$5,104,163 for its proportionate share of the net pension liability that reflected a reduction in its overall proportionate share of the liability due to support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ (5,104,163)
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	\$ (1,151,768)
Total	\$ (6,255,931)

At December 31, 2022, the District proportion was 0.02803%, which was a decrease of 0.00460% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the District recognized pension expense of \$553,541 and revenue of \$1,151,768 for support from the State as a nonemployer contributing entity. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 55,146	\$ -
Changes of assumptions or other inputs	\$ 101,739	\$ -
Net difference between projected and actual earnings on pension plan investments	\$ 1,595,312	\$ (1,030,701)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ 148,685	\$ (486,340)
Contributions subsequent to the measurement date	\$ 223,998	\$ -
Total	\$ 2,124,880	\$ (1,517,041)

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

\$223,998 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Fiscal Year Totals
2023	\$ (44,652)
2024	(90,120)
2025	119,785
2026	398,828
Total	\$ 383,841

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

Actuarial cost method	Entry Age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increase, 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 (automatic) ¹	1.00%
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

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

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

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

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

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

**ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023**

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.
Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

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

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

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

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

Asset Class	Target Allocation	30 Year Expected
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%	

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

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

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

	1% Decrease (6.25%)	Current Discount Rate	1% Increase (8.25%)
Proportionate share of the net pension asset (liability)	\$ (6,679,594)	\$ (5,104,163)	\$ (3,788,517)

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

NOTE 8: DEFINED CONTRIBUTION PENSION PLAN

Voluntary Investment Program

Plan Description - Employees of the District that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S, as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 8: DEFINED CONTRIBUTION PENSION PLAN (continued)

Voluntary Investment Program (continued)

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. The District does not contribute to the plan. Employees are immediately vested in their own contributions, employer contributions, if any, and investment earnings. For the year ended June 30, 2023 program members contributed \$9,010.

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

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

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

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

General Information about the OPEB Plan (Continued)

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

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

PERA Benefit Structure

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

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

DPS Benefit Structure

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

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

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

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 \$22,052 for the year ended June 30, 2023.

At June 30, 2023, the District reported a liability of \$173,949 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 proportion of the net OPEB liability was based on District 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 Districts proportion was 0.02130%, which was a decrease of 0.00001% from its proportion measured as of December 31, 2021.

For the year ended June 30,2023, the District recognized OPEB expense of \$5,744. 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	Deferred Inflows
Difference between expected and actual experience	\$ 19	\$ (39,607)
Changes of assumptions or other inputs	\$ 2,744	\$ (18,115)
Net difference between projected and actual earnings on pension plan investments	\$ 19,079	\$ (7,938)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ 29,990	\$ (8,560)
Contributions subsequent to the measurement date	\$ 11,211	\$ -
Total	\$ 63,043	\$ (74,220)

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

\$11,211 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	Fiscal Year Totals
2024	\$ (8,881)
2025	(10,685)
2026	(3,321)
2027	4,919
2028	(3,394)
2029	(1,026)
Total	\$ (22,388)

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

Actuarial cost method	Entry Age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increase, including wage inflation	3.40-11.00%
Long-term investment rate of return, net of pension plan	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA Benefit Structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	6.50% in 2022, gradually decreasing to 4.50% in 2030
Medicare Part A premiums	3.75% for 2022, 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

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

Beginning January 1, 2022, the per capita health care costs are developed by plan option; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

AGE-RELATED MORBIDITY ASSUMPTIONS		
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 Retiree/Spouse		MAPD PPO #1 with Medicare Part A Retiree/Spouse	
	Male	Female	Male	Female
65	\$ 1,704	\$ 1,450	\$ 6,514	\$ 5,542
70	1,976	1,561	7,553	5,966
75	2,128	1,681	8,134	6,425

Sample Age	MAPD PPO #2 with Medicare Part A Retiree/Spouse		MAPD PPO #2 with Medicare Part A Retiree/Spouse	
	Male	Female	Male	Female
65	\$ 583	\$ 496	\$ 4,227	\$ 3,596
70	676	534	4,901	3,872
75	728	575	5,278	4,169

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

Sample Age	MAPD HMO (Kaiser) with Medicare Part A Retiree/Spouse		MAPD HMO (Kaiser) with Medicare Part A Retiree/Spouse	
	Male	Female	Male	Female
65	\$ 1,923	\$ 1,634	\$ 6,752	\$ 5,739
70	2,229	1,761	7,826	6,185
75	2,401	1,896	8,433	6,657

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

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

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

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

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

ELBERT SCHOOL DISTRICT #200
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2023

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

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

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

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

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

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

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

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

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

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

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

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

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates			
	1% Decrease	Current Trend Rate	1% Increase
Initial PERACare Medicare trend rate	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Proportionate share of the net OPEB asset (liability)	\$ (169,026)	\$ (173,949)	\$ (179,306)

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

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

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

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

Sensitivity of the District 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:

Discount Rate	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension asset (liability)	\$ (201,659)	\$ (173,949)	\$ (150,249)

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

NOTE 10: RISK MANAGEMENT

The District participates in Colorado School District Self-Insurance Pool. The pool is a separate legal entity established by the member school districts pursuant to the provisions of Colorado Revised Statute and the Colorado Constitution. In 1985, the District Board approved a resolution that authorized the District to participate in the pool. The District has participated each year since then.

It is the intent of the members of the Pool to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of the Pool against stated liability or loss to the limit of the financial resources of the Pool.

It is also the intent of the members to have the Pool provide continuing stability and availability of needed coverage at reasonable cost. All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its members.

The Pool is a separate legal entity and the District does not approve budgets nor does it have the ability to significantly affect the operations of the unit.

The District is exposed to various risks of loss related to torts, thefts of damage to, or destruction of assets; errors or omissions; injuries to volunteers; or acts of God. The District maintains commercial insurance coverage for general liability, workers compensation, property, vehicle damage and liability, umbrella, management liability and public official bond. The District did not have any claim settlements in excess of coverage for the last three years. Complete financial statements for the Pool can be obtained at their offices.

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 11: SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES

Claims and Judgments - The District participates in a number of federal and state programs that are fully or partially funded by grants received from other government entities. 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. At June 30, 2023, significant amounts of grant expenditures have not been audited but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

Tabor Amendment- In November 1992, the voters of Colorado approved Amendment I, 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 local governments, including school districts. The District's financial activity provides the basis for calculation of future limitations adjusted for allowable increases tied to inflation and enrollment growth.

At a November 2001 election, the following question was passed -

SHALL ELBERT SCHOOL DISTRICT 200 BE AUTHORIZED TO COLLECT, RETAIN AND EXPEND ALL REVENUES AND OTHER FUNDS COLLECTED DURING 2002 AND EACH SUBSEQUENT YEAR FROM ANY SOURCE, NOTWITHSTANDING THE LIMITATIONS OF ARTICLE X SECTION 20 OF THE COLORADO CONSTITUTION, EFFECTIVE, JANUARY 1, 2002, PROVIDE, HOWEVER, THAT NO PROPERTY TAX MILL LEVY SHALL BE INCREASED AT ANY TIME NOR SHALL ANY NEW TAX BE IMPOSED WITHOUT THE PRIOR APPROVAL OF THE VOTERS OF ELBERT SCHOOL DISTRICT 200?

The Tabor Amendment requires the District to establish a reserve for emergencies. At June 30, 2023, the District's reserve of \$129,000 was recorded as a reservation of fund balance in the General Fund and a restriction of Government Activities Net Position.

NOTE 12: INTERFUND ACTIVITY

The District has recorded the following routine operating transfers through June 30, 2023.

General Fund	
Transfer to Food Services Fund	\$ (55,000)
Transfer to Capital Reserve Project Fund	<u>(101,386)</u>
Net General Fund	(156,386)
Food Service Fund	
Transfer from General Fund	55,000
Pupil Activity Fund	
Transfer to Capital Reserve Project Fund	(29,462)
Capital Reserve Project Fund	
Transfer from General Fund	101,386
Transfer from Pupil Activity	<u>29,462</u>
Net Capital Reserve Projects Fund	<u>130,848</u>
Net Interfund Transfers	<u>\$ -</u>

**ELBERT SCHOOL DISTRICT #200
 NOTES TO THE FINANCIAL STATEMENT
 JUNE 30, 2023**

NOTE 12: INTERFUND ACTIVITY(Continued)

The District has recorded the following internal balances as of year ended June 30, 2023.

	<u>Interfund</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 3,386	\$ -
Food Service Fund	-	3,386
	<u>\$ 3,386</u>	<u>\$ 3,386</u>

NOTE 13: BEST GRANT/FACILITY IMPROVEMENTS

The District received a BEST grant through the Colorado Department of Education for facility improvements that commenced during fiscal year 2013 with the District providing an upfront match payment held in escrow of \$2,874,635 plus an additional \$500,000 match funded through the State’s Assistance Fund (BEST grant). The State funded their portion of this program, \$17,303,278, through Certificate of Participation issuances. The State coordinated the payment to the contractors with no funding flowing through the District other than for reimbursable costs that the District incurs. The District will not receive clear title to the improvements until the State has repaid the certificates. At that point, the District will record a capital asset and related accumulated depreciation for the cost of the BEST improvements, along with offsetting reduction of the outstanding long-term grant receivable.

The improvements completed by the BEST grant and local contribution totaled \$20,474,416 and have a depreciated value of \$16,224,054 as of June 30, 2023. The remaining value of the State’s contribution, which has been booked as a long-term grant receivable in the governmental activities, was \$13,649,067 as of June 30, 2023.

NOTE 14: DEFICIT UNRESTRICTED NET POSTION

The Governmental Activities has a deficit unrestricted net position of \$1,738,462, primarily due to the PERA net pension liability of \$5,104,163 and net OPEB liability of \$173,949, further described in Notes 7 and 9. As the District has no control over pension and OPEB benefits or contribution rates, we expect this deficit to continue going forward.

The District Internal Service Fund has a deficit net position of \$18,579. This will be recovered through additional assessments as deemed necessary based on claims.

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REQUIRED SUPPLEMENTARY INFORMATION
Pension and OPEB Schedules (Unaudited)

ELBERT SCHOOL DISTRICT #200

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION ASSET (LIABILITY)
PERA Pension Plan
Last 10 Fiscal Years

<u>Fiscal Year</u>	<u>District's proportion of the net pension asset (liability)</u>	<u>District's proportionate share of the net pension asset (liability)</u>	<u>Non-employer contributing entity's total proportionate share of the net pension asset (liability)</u>	<u>Total proportionate share associated with District</u>	<u>District's covered payroll</u>	<u>District's proportionate share of the net pension asset (liability) as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
June 30, 2014	0.035023%	\$ (4,467,237)	\$ -	\$ (4,467,237)	\$ 1,411,906	316.40%	64.07%
June 30, 2015	0.033268%	\$ (4,508,900)	\$ -	\$ (4,508,900)	\$ 1,393,680	323.52%	62.84%
June 30, 2016	0.033826%	\$ (5,173,428)	\$ -	\$ (5,173,428)	\$ 1,474,123	350.95%	59.16%
June 30, 2017	0.033134%	\$ (10,714,213)	\$ -	\$ (10,714,213)	\$ 1,487,095	720.48%	43.13%
June 30, 2018	0.031467%	\$ (10,175,153)	\$ -	\$ (10,175,153)	\$ 1,451,515	701.00%	43.96%
June 30, 2019	0.029683%	\$ (5,256,071)	\$ (632,244)	\$ (5,888,315)	\$ 1,631,862	322.09%	57.01%
June 30, 2020	0.029836%	\$ (4,457,376)	\$ (501,724)	\$ (4,959,100)	\$ 1,742,023	255.87%	64.52%
June 30, 2021	0.031542%	\$ (4,768,527)	\$ -	\$ (4,768,527)	\$ 1,708,674	279.08%	66.99%
June 30, 2022	0.032633%	\$ (3,797,584)	\$ (390,571)	\$ (4,188,155)	\$ 2,039,442	186.21%	74.86%
June 30, 2023	0.028030%	\$ (5,104,163)	\$ (1,151,768)	\$ (6,255,931)	\$ 2,248,208	227.03%	61.79%

Note: All amounts are as of plan calculation dates which are for the calendar year prior to the date shown.

See the accompanying Independent Auditors' Report.

ELBERT SCHOOL DISTRICT #200

SCHEDULE OF DISTRICT'S CONTRIBUTIONS

PERA Pension Plan

Last 10 Fiscal Years

<u>Fiscal Year</u>	<u>Contractually required contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
June 30, 2014	\$ 219,269	\$ (219,269)	\$ -	\$ 1,411,906	15.53%
June 30, 2015	\$ 228,982	\$ (228,982)	\$ -	\$ 1,393,680	16.43%
June 30, 2016	\$ 255,466	\$ (255,466)	\$ -	\$ 1,474,123	17.33%
June 30, 2017	\$ 269,610	\$ (269,610)	\$ -	\$ 1,487,095	18.13%
June 30, 2018	\$ 270,417	\$ (270,417)	\$ -	\$ 1,451,515	18.63%
June 30, 2019	\$ 312,175	\$ (312,175)	\$ -	\$ 1,631,862	19.13%
June 30, 2020	\$ 337,604	\$ (337,604)	\$ -	\$ 1,742,023	19.38%
June 30, 2021	\$ 331,141	\$ (331,141)	\$ -	\$ 1,708,674	19.38%
June 30, 2022	\$ 405,441	\$ (405,441)	\$ -	\$ 2,039,442	19.88%
June 30, 2023	\$ 435,253	\$ (435,253)	\$ -	\$ 2,248,208	19.36%

Note: All amounts are as of plan calculation dates which are for the calendar year prior to the date shown.

See the accompanying Independent Auditors' Report.

ELBERT SCHOOL DISTRICT #200

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
 NET OPEB ASSET (LIABILITY)
 PERA Health Care Trust Fund
 Last 10 Fiscal Years⁽¹⁾

Fiscal Year Ended	District's proportion of the net OPEB asset (liability)	District's proportionate share of the net OPEB asset (liability)	District's covered payroll	District's proportionate share of the net OPEB asset (liability) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
June 30, 2017	0.018833%	\$ (244,183)	\$ 1,487,095	16.42%	16.70%
June 30, 2018	0.017879%	\$ (232,357)	\$ 1,451,515	16.01%	17.53%
June 30, 2019	0.019294%	\$ (262,509)	\$ 1,631,862	16.09%	17.03%
June 30, 2020	0.019488%	\$ (219,046)	\$ 1,742,023	12.57%	24.49%
June 30, 2021	0.018235%	\$ (173,270)	\$ 1,708,674	10.14%	32.78%
June 30, 2022	0.021307%	\$ (183,728)	\$ 2,039,442	9.01%	39.40%
June 30, 2023	0.021305%	\$ (173,949)	\$ 2,248,208	7.74%	38.57%

Note: All amounts are as of plan calculation dates which are for the calendar year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

ELBERT SCHOOL DISTRICT #200

SCHEDULE OF DISTRICT'S CONTRIBUTIONS - OPEB

PERA Health Care Trust Fund

Last 10 Fiscal Years⁽¹⁾

<u>Fiscal Year</u>	<u>Contractually required contributions</u>	<u>Actual contributions</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
June 30, 2017	\$ 15,168	\$ (15,168)	\$ -	\$ 1,487,095	1.02%
June 30, 2018	\$ 14,805	\$ (14,805)	\$ -	\$ 1,451,515	1.02%
June 30, 2019	\$ 16,645	\$ (16,645)	\$ -	\$ 1,631,862	1.02%
June 30, 2020	\$ 17,769	\$ (17,769)	\$ -	\$ 1,742,023	1.02%
June 30, 2021	\$ 17,428	\$ (17,428)	\$ -	\$ 1,708,674	1.02%
June 30, 2022	\$ 20,802	\$ (20,802)	\$ -	\$ 2,039,442	1.02%
June 30, 2023	\$ 22,932	\$ (22,932)	\$ -	\$ 2,248,208	1.02%

Note: All amounts are as of plan calculation dates which are for the calendar year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

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BUDGETARY COMPARISON SCHEDULES
(Required Supplementary Information)

ELBERT SCHOOL DISTRICT #200
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	2023			
	Original & Final		Variance with Final	2022
	Budget	Actual	Budget	Actual
REVENUES				
Local Sources				
Property Taxes	\$ 624,382	\$ 614,127	\$ (10,255)	\$ 616,088
Specific Ownership Taxes	98,990	128,000	29,010	130,736
Delinquent Taxes	1,000	974	(26)	2,277
Tuition From Individuals	11,000	28,202	17,202	9,495
Investment Earnings	4,000	50,966	46,966	3,669
Rent Revenue	-	10,440	10,440	-
Sale of Fixed Assets	-	2,500	2,500	-
Instructional Materials Fees	31,200	37,768	6,568	42,569
Other Local	24,000	9,736	(14,264)	8,993
Total Local Sources	<u>794,572</u>	<u>882,713</u>	<u>88,141</u>	<u>813,827</u>
Intermediate Sources				
Mineral Leases	56	39	(17)	57
State Sources				
State Share (Equalization)	2,870,053	2,874,815	4,762	2,714,066
State Transportation	22,000	24,085	2,085	24,791
State Grants from CDE				
State ELPA	-	386	386	-
READ Act	6,500	-	(6,500)	-
State Grants to Libraries	3,500	4,500	1,000	4,500
Small Rural Schools Additional Funding	116,990	116,990	-	99,407
Additional As- Risk Funding	950	833	(117)	1,063
READ Act	-	2,618	2,618	6,452
One-Time Mitigation At-Risk Funding	-	-	-	5,418
State Grants from Other Agencies				
State Vocational Education	-	5,664	5,664	12,500
State PERA Contribution	-	126,837	126,837	46,479
Other Agency State Grants	-	-	-	10,131
Other State Grants (Passthrough Agencies)	-	31,914	31,914	20,137
Total State Sources	<u>3,019,993</u>	<u>3,188,642</u>	<u>168,649</u>	<u>2,944,944</u>
Federal Sources				
Federal Grants from CDE				
ESSER III 90% – LEA Allocation	-	-	-	186,928
ESSER II Distribution 90%	-	-	-	83,174
SNAP: P-EBT Admin Grants	-	1,281	1,281	-
State Library Program	-	6,000	6,000	-
Child Care Assistance Block Grant (Child Care Stabilization)	30,393	35,287	4,894	-
Other Federal Grants (Passthrough Agencies)	-	39,663	39,663	124,456
Total Federal Sources	<u>30,393</u>	<u>82,231</u>	<u>51,838</u>	<u>394,558</u>
TOTAL REVENUES	<u>3,845,014</u>	<u>4,153,625</u>	<u>308,611</u>	<u>4,153,386</u>

See the accompanying Independent Auditors' Report

(Continued)

ELBERT SCHOOL DISTRICT #200
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 General Fund
 For the Year Ended June 30, 2023
 (With Comparative Totals for the Year Ended June 30, 2022)

(Continued)

EXPENDITURES

Current:

Instruction

	2023			2022
	Original & Final Budget	Actual	Variance with Final Budget	Actual
Salaries	1,279,339	1,364,118	(84,779)	1,348,256
Benefits	416,661	533,818	(117,157)	440,557
PS-Professional	2,000	2,010	(10)	4,492
PS-Property	-	-	-	2,386
PS-Other	87,780	94,053	(6,273)	72,319
Supplies	129,155	82,095	47,060	103,965
Property	13,100	9,828	3,272	200,905
Total Instruction	<u>1,928,035</u>	<u>2,085,922</u>	<u>(157,887)</u>	<u>2,172,880</u>

Supporting Services

Pupil Support

Salaries	72,117	74,066	(1,949)	70,142
Benefits	19,742	18,621	1,121	18,586
PS-Other	1,300	-	1,300	350
Supplies	12,900	9,280	3,620	8,768
Total Pupil Support	<u>106,059</u>	<u>101,967</u>	<u>4,092</u>	<u>97,846</u>

Staff Support

Salaries	55,283	62,268	(6,985)	83,756
Benefits	17,545	16,322	1,223	23,492
PS- Professional	81,961	75,659	6,302	33,653
PS-Other	75,498	56,091	19,407	49,290
Supplies	11,300	17,210	(5,910)	22,040
Property	5,500	5,792	(292)	564
Total Staff Support	<u>247,087</u>	<u>233,342</u>	<u>13,745</u>	<u>212,795</u>

General Administration

Salaries	113,010	118,764	(5,754)	110,700
Benefits	29,607	32,038	(2,431)	29,365
PS- Professional	61,981	29,957	32,024	19,092
PS-Other	3,650	1,128	2,522	1,404
Supplies	16,500	15,474	1,026	13,072
Property	250	375	(125)	-
Other Expenses	7,960	7,662	298	8,257
Total General Administration	<u>232,958</u>	<u>205,398</u>	<u>27,560</u>	<u>181,890</u>

School Administration

Salaries	189,465	201,427	(11,962)	166,182
Benefits	62,870	55,711	7,159	53,183
PS-Other	500	-	500	-
Supplies	3,000	3,325	(325)	1,752
Property	600	-	600	-
Other Expenses	475	-	475	-
Total School Administration	<u>256,910</u>	<u>260,463</u>	<u>(3,553)</u>	<u>221,117</u>

See the accompanying Independent Auditors' Report
 (Continued)

ELBERT SCHOOL DISTRICT #200
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	2023		Variance with Final Budget	2022 Actual
	Original & Final Budget	Actual		
(Continued)				
EXPENDITURES (Continued)				
Supporting Services (Continued)				
Business Services				
Salaries	94,591	101,643	(7,052)	85,100
Benefits	25,691	31,233	(5,542)	29,127
PS- Professional	7,200	7,200	-	7,200
PS-Other	1,700	606	1,094	1,550
Total Business Services	<u>129,182</u>	<u>140,682</u>	<u>(11,500)</u>	<u>122,977</u>
Operations and Maintenance				
Salaries	121,396	126,498	(5,102)	113,890
Benefits	36,765	30,579	6,186	29,356
PS- Professional	55,000	95,165	(40,165)	77,138
PS- Property	45,000	40,178	4,822	44,730
PS-Other	8,750	11,121	(2,371)	9,390
Supplies	165,000	180,814	(15,814)	159,703
Property	5,000	19,192	(14,192)	3,896
Total Operations and Maintenance	<u>436,911</u>	<u>503,547</u>	<u>(66,636)</u>	<u>438,103</u>
Transportation				
Salaries	49,028	61,148	(12,120)	60,216
Benefits	14,413	16,601	(2,188)	17,270
PS- Professional	30,000	4,260	25,740	7,940
PS-Other	1,000	5,757	(4,757)	4,862
Supplies	45,000	67,960	(22,960)	62,818
Property	2,500	-	2,500	-
Total Transportation	<u>141,941</u>	<u>155,726</u>	<u>(13,785)</u>	<u>153,106</u>
Other Central Support				
PS-Other	<u>10,000</u>	<u>8,809</u>	<u>1,191</u>	<u>9,831</u>
Risk Management				
PS-Other	<u>126,885</u>	<u>126,885</u>	<u>-</u>	<u>122,376</u>
Total Supporting Services	<u>1,687,933</u>	<u>1,736,819</u>	<u>(48,886)</u>	<u>1,560,041</u>
Debt Service				
Principal	-	-	-	76,137
Contingency	<u>2,417,007</u>	-	<u>2,417,007</u>	-
TOTAL EXPENDITURES	<u>6,032,975</u>	<u>3,822,741</u>	<u>2,210,234</u>	<u>3,809,058</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(2,187,961)	330,884	2,518,845	344,328
OTHER FINANCING SOURCES (USES)				
Transfers	<u>(165,000)</u>	<u>(156,386)</u>	<u>8,614</u>	<u>(201,251)</u>
CHANGE IN FUND BALANCE	<u>(2,352,961)</u>	<u>174,498</u>	<u>2,527,459</u>	<u>143,077</u>
BEGINNING FUND BALANCE	<u>2,382,961</u>	<u>2,698,177</u>	<u>315,216</u>	<u>2,555,100</u>
ENDING FUND BALANCE	<u>\$ 30,000</u>	<u>\$ 2,872,675</u>	<u>\$ 2,842,675</u>	<u>\$ 2,698,177</u>

See accompanying Independent Auditors' Report.

SPECIAL REVENUE FUNDS

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted to expenditures for specified purposes:

The District reports the following Special Revenue Funds:

Food Service Fund – Accounts for District’s food service operations

Designated Purpose Grants Fund – Accounts for restricted state and federal grants that are obtained primarily to provide for specific instructional programs

Pupil Activity Fund – Accounts for the District’s pupil related activities

ELBERT SCHOOL DISTRICT #200
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Food Service Fund
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	2023			2022 Actual
	Original & Final Budget	Actual	Variance with Final Budget	
REVENUES				
Local Sources				
Investment Earnings	\$ 510	\$ 13	\$ (497)	\$ 8
Food Service Revenue	35,800	52,537	16,737	6,989
Other Local	12,675	(9)	(12,684)	-
Total Local Sources	48,985	52,541	3,556	6,997
State Sources				
State Grants from CDE				
State Matching Child Nutrition	650	754	104	650
School Lunch Protection	50	218	168	-
Total State Sources	700	972	272	650
Federal Sources				
Federal Grants from CDE				
National School Lunch Program	21,000	36,058	15,058	374
SNAP: P-EBT Admin Grants	-	-	-	614
Seamless Summer Option (SSO) - Lunch	-	-	-	93,072
Supply Chain Assistance (SCA)	-	25,319	25,319	-
Federal Grants from Other State Agencies				
National School Lunch Program - Commodities	7,000	3,508	(3,492)	5,643
Total Federal Sources	28,000	64,885	36,885	99,703
TOTAL REVENUES	77,685	118,398	40,713	107,350
EXPENDITURES				
Supporting Services				
Food Service				
Salaries	71,536	72,236	(700)	53,952
Benefits	21,250	20,336	914	15,392
PS-Other	2,878	1,958	920	1,133
Supplies	6,160	2,486	3,674	5,484
Food	29,747	50,702	(20,955)	51,463
Commodities	15,000	3,509	11,491	5,643
TOTAL EXPENDITURES	146,571	151,227	(4,656)	133,067
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(68,886)	(32,829)	36,057	(25,717)
OTHER FINANCING SOURCES (USES)				
Transfers	55,000	55,000	-	26,251
CHANGE IN FUND BALANCE	(13,886)	22,171	36,057	534
BEGINNING FUND BALANCE	13,886	14,423	537	13,887
ENDING FUND BALANCE	\$ -	\$ 36,594	\$ 36,594	\$ 14,423

See accompanying Independent Auditors' Report.

ELBERT SCHOOL DISTRICT #200
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Designated Grants Fund
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	2023			2022 Actual
	Original & Final Budget	Actual	Variance with Final Budget	
REVENUES				
State Sources				
State Grants from CDE				
State Gifted and Talented	\$ 2,700	\$ -	\$ (2,700)	\$ -
Other State Grants (Passthrough Agencies)	-	2,402	2,402	3,229
Total State Sources	<u>2,700</u>	<u>2,402</u>	<u>(298)</u>	<u>3,229</u>
Federal Sources				
Federal Grants from CDE				
NCLB Title I, Part A - Imp Basic Prgrms Oper by Sch	34,653	34,653	-	27,630
NCLB Title III, Part A - Eng Lang Acq	88	-	(88)	-
NCLB Title II, Part A - Teacher & Principal Trng	7,694	7,694	-	6,731
ESSA, Title IV-A: Stud Supp and Acad Enrich Grants	10,000	10,000	-	10,000
Direct Federal Revenue				
NCLB, Title VI, Part B, Sub-Part I: REAP: Rural Ed	<u>27,751</u>	<u>27,751</u>	<u>-</u>	<u>24,478</u>
Total Federal Sources	<u>80,186</u>	<u>80,098</u>	<u>(88)</u>	<u>68,839</u>
TOTAL REVENUES	<u>82,886</u>	<u>82,500</u>	<u>(386)</u>	<u>72,068</u>
EXPENDITURES				
Instruction				
Salaries	36,595	49,748	(13,153)	42,206
Benefits	12,323	7,694	4,629	6,731
PS-Other	29,243	25,008	4,235	23,081
Supplies	<u>50</u>	<u>50</u>	<u>-</u>	<u>50</u>
TOTAL EXPENDITURES	<u>78,211</u>	<u>82,500</u>	<u>(4,289)</u>	<u>72,068</u>
CHANGE IN FUND BALANCE	4,675	-	(4,675)	-
BEGINNING FUND BALANCE	-	-	-	-
ENDING FUND BALANCE	<u>\$ 4,675</u>	<u>\$ -</u>	<u>\$ (4,675)</u>	<u>\$ -</u>

See accompanying Independent Auditors' Report.

ELBERT SCHOOL DISTRICT #200
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Pupil Activity Fund
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	2023			2022 Actual
	Original & Final Budget	Actual	Variance with Final Budget	
REVENUES				
Local Sources				
Investment Earnings	\$ 50	\$ 36	\$ (14)	\$ 30
Pupil Activity Revenues	35,000	113,381	78,381	73,528
Total Local Sources	<u>35,050</u>	<u>113,417</u>	<u>78,367</u>	<u>73,558</u>
EXPENDITURES				
Instruction				
PS-Professional	40,000	91,218	(51,218)	63,278
Contingency	(4,950)	-	(4,950)	-
TOTAL EXPENDITURES	<u>35,050</u>	<u>91,218</u>	<u>(56,168)</u>	<u>63,278</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	-	22,199	22,199	10,280
OTHER FINANCING SOURCES (USES)				
Transfers	-	(29,462)	(29,462)	-
CHANGE IN FUND BALANCE	-	(7,263)	(7,263)	10,280
BEGINNING FUND BALANCE	-	84,523	84,523	74,243
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 77,260</u>	<u>\$ 77,260</u>	<u>\$ 84,523</u>

See accompanying Independent Auditors' Report.

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OTHER SUPPLEMENTARY INFORMATION

DEBT SERVICE FUND

Debt Service Funds These funds are used to account for the repayment of the District's general obligation indebtedness.

The District has the following debt service fund:

Bond Redemption Fund

ELBERT SCHOOL DISTRICT #200
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Bond Redemption Fund
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	2023			2022 Actual
	Final Budget	Actual	Variance with Final Budget	
REVENUES				
Local Sources				
Property Taxes	\$ 199,000	\$ 198,745	\$ (255)	\$ 205,134
Delinquent Taxes	-	321	321	844
Investment Earnings	-	6,138	6,138	418
TOTAL REVENUES	<u>199,000</u>	<u>205,204</u>	<u>6,204</u>	<u>206,396</u>
EXPENDITURES				
Supporting Services				
General Administration				
PS- Professional	-	750	(750)	750
Debt Service				
Interest	-	51,632	(51,632)	55,765
Principal	199,000	139,518	59,482	135,447
Total Debt Service	199,000	191,150	7,850	191,212
TOTAL EXPENDITURES	<u>199,000</u>	<u>191,900</u>	<u>7,100</u>	<u>191,962</u>
CHANGE IN FUND BALANCE	-	13,304	13,304	14,434
BEGINNING FUND BALANCE	-	229,658	229,658	215,224
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 242,962</u>	<u>\$ 242,962</u>	<u>\$ 229,658</u>

See accompanying Independent Auditors' Report.

CAPITAL PROJECTS FUND

Capital Reserve Project Fund - This fund accounts for the District's routine capital projects.

ELBERT SCHOOL DISTRICT #200
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Capital Reserve Project Fund
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	2023			2022 Actual
	Final Budget	Actual	Variance with Final Budget	
REVENUES				
Local Sources				
Investment Earnings	\$ 200	\$ 4,926	\$ 4,726	\$ 208
Sale of Fixed Assets	-	-	-	11,500
Other Local	-	22,871	22,871	6,237
Total Local Sources	200	27,797	27,597	17,945
EXPENDITURES				
Facilities/Capital Outlay				
PS- Property	-	32,325	(32,325)	-
Buildings	32,325	-	32,325	-
Equipment	165,500	-	165,500	11,181
Other	193,761	18,000	175,761	-
Total Facilities/Capital Outlay	391,586	50,325	341,261	11,181
Debt Service				
Interest	-	441	(441)	3,264
Principal	-	9,601	(9,601)	20,487
Total Debt Service	-	10,042	(10,042)	23,751
Contingency	(290,000)	-	(290,000)	-
TOTAL EXPENDITURES	101,586	60,367	41,219	34,932
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(101,386)	(32,570)	68,816	(16,987)
OTHER FINANCING SOURCES (USES)				
Transfers	101,386	130,848	29,462	175,000
CHANGE IN FUND BALANCE	-	98,278	98,278	158,013
BEGINNING FUND BALANCE	-	228,714	228,714	70,701
ENDING FUND BALANCE	\$ -	\$ 326,992	\$ 326,992	\$ 228,714

See accompanying Independent Auditors' Report.

INTERNAL SERVICE FUND

Internal Service Fund - This fund accounts for the District's self-funded insurance.

ELBERT SCHOOL DISTRICT #200
Schedule of Revenues, Expenses and Changes in Net Position
Budget and Actual
Self Insurance Fund
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)

	2023			2022 Actual
	Final Budget	Actual	Variance with Final Budget	
OPERATING REVENUES				
Investment Earnings	\$ 30	\$ 16	\$ (14)	\$ 27
Employee Premiums	199,970	121,396	(78,574)	156,241
Total Local Sources	200,000	121,412	(78,588)	156,268
OPERATING EXPENSES				
PS- Professional	200,000	151,720	48,280	161,300
CHANGE IN NET POSITION (GAAP BASIS)	-	(30,308)	(30,308)	(5,032)
BEGINNING NET POSITION	-	11,729	11,729	16,761
ENDING NET POSITION	\$ -	\$ (18,579)	\$ (18,579)	\$ 11,729

See accompanying Independent Auditors' Report.

STATE COMPLIANCE

This report includes information required by the Colorado Department of Education.



Colorado Department of Education
Auditors Integrity Report
 District: 0950 - Elbert 200
 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	2,698,177		3,997,239		3,822,741		2,872,675
18 Risk Mgmt Sub-Fund of General Fund	0		0		0		0
19 Colorado Preschool Program Fund	0		0		0		0
Sub- Total	2,698,177		3,997,239		3,822,741		2,872,675
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	14,423		173,398		151,227		36,594
22 Govt Designated-Purpose Grants Fund	0		82,500		82,500		0
23 Pupil Activity Special Revenue Fund	84,523		83,955		91,218		77,260
25 Transportation Fund	0		0		0		0
31 Bond Redemption Fund	229,658		205,205		191,900		242,962
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	228,714		158,644		60,367		326,992
46 Supplemental Cap Const, Tech, Main Fund	0		0		0		0
Totals	3,255,494		4,700,942		4,399,952		3,556,484
Proprietary							
50 Other Enterprise Funds	0		0		0		0
64 (63) Risk-Related Activity Fund	11,729		16		30,324		-18,579
60,65-69 Other Internal Service Funds	0		0		0		0
Totals	11,729		16		30,324		-18,579
Fiduciary							
70 Other Trust and Agency Funds	0		0		0		0
72 Private Purpose Trust Fund	0		0		0		0
73 Agency Fund	0		0		0		0
74 Pupil Activity Agency Fund	0		0		0		0
79 GASB 34:Permanent Fund	0		0		0		0
85 Foundations	0		0		0		0
Totals	0		0		0		0

FINAL



Colorado Department of Education
Bolded Balance Sheet Report

District: 0950 – Elbert 200
 Fiscal Year 2022-23

Colorado School District/BOCES

ASSETS	Governmental										Proprietary					Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45,47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals		
Cash and Investments (8100-8104,8111)	2,955,370	0	0	72,260	0	0	30,174	228,745	326,992	0	0	0	0	0	0	3,639,962		
Cash with Fiscal Agent (8105)	21,265	0	0	0	0	0	0	6,900	0	0	0	0	0	0	0	28,166		
Taxes Receivable (8121,8122)	22,607	0	0	0	0	0	0	7,317	0	0	0	0	0	0	0	29,924		
Interfund Loans Receivable (8131,8132)	0	0	0	0	0	0	3,386	0	0	0	0	0	0	0	0	3,386		
Intergovernmental Accounts Rec (8141)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Grants Accounts Receivable (8142)	1,573	0	0	5,000	0	0	1,375	0	0	0	0	0	0	0	0	7,948		
Other Receivables (8151-8154,8161)	0	0	0	0	0	0	1,248	0	0	0	0	0	0	0	0	1,248		
Inventories (8171,8172,8173)	0	0	0	0	0	0	2,707	0	0	0	0	0	0	0	0	2,707		
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total Assets	3,000,815	0	0	77,260	0	0	38,890	242,962	326,992	0	0	26,421	0	0	0	3,713,340		

See accompanying Independent Auditors' Report.

See accompanying Independent Auditors' Report.

	Governmental										Proprietary				Fiduciary	
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
LIABILITIES & FUND EQUITY																
LIABILITIES																
Interfund Payables (7401,7402)	3,386	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,386
Other Payables (7421-7423)	227	0	0	0	0	0	379	0	0	0	0	0	0	0	0	606
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses (7461)	124,526	0	0	0	0	0	4	0	0	0	0	0	0	0	0	124,530
Payroll Ded. and Withholdings (7471-7473)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unearned Revenue (7481)	0	0	0	0	0	0	1,913	0	0	0	0	0	0	0	0	1,913
Grants Deferred Revenue (7482)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Current Liabilities (7491,7492,7499)	0	0	0	0	0	0	0	0	0	0	45,000	0	0	0	0	45,000
Total Liabilities	128,140	0	0	0	0	0	2,296	0	0	0	45,000	0	0	0	0	175,436

