

cPa DIXON, WALLER & CO., INC.

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STRASBURG SCHOOL

DISTRICT 31J

STRASBURG, COLORADO

FINANCIAL STATEMENTS

JUNE 30, 2023

**DIXON, WALLER & CO., INC.**

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**FINANCIAL STATEMENTS**

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**STRASBURG SCHOOL DISTRICT 31J**  
**ROSTER OF SCHOOL OFFICIALS**  
**June 30, 2023**

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**BOARD OF EDUCATION**

**Michael Marrero**

**President**

**Dillon Kent**

**1<sup>st</sup> Vice-President**

**Daymon Johnson**

**2<sup>nd</sup> Vice-President**

**Diana Elliott**

**Secretary**

**Julie Winter**

**Treasurer**

**SCHOOL OFFICIALS**

**Dan Hoff**

**Superintendent**

**Nancy Taylor**

**C.F.O.**

**FINANCIAL SECTION**

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

**INDEPENDENT AUDITOR'S REPORT**

**Board of Education  
Strasburg School District 31J  
Strasburg, Colorado 80136**

**Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Strasburg School District 31J, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Strasburg School District 31J's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Strasburg School District 31J, 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 Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Strasburg School District 31J, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 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 Strasburg School District 31J's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Strasburg School District 31J's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Strasburg School District 31J's ability to continue as a going concern for a reasonable period of time.

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

## **Required Supplementary Information**

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

### Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Strasburg School District 31J's basic financial statements. The accompanying combining and individual fund financial statements, other schedules and state required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, other schedules and state required schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*DeFon, Walker & Co., Inc.*

October 31, 2023

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



# Strasburg School District 31J

## Management's Discussion and Analysis For Fiscal Year Ended June 30, 2023

This is a Management Discussion and Analysis (MD&A) for Strasburg School District 31J. It offers the reader management's perspective of the financial activities of Strasburg School District 31J for the year ended June 30, 2023.

The MD&A is an element of reporting put forth by the Government Accounting Standards Board (GASB), in accordance with GASB Statement No. 34, *Basic Financial Statement and Management's Discussion and Analysis for State and Local Governments*.

### Financial Highlights

- In government-wide activities the District's net position totaled \$8,982,610 at the end of the 2023 fiscal year and \$7,959,983 at the end of the 2022 fiscal year.
- Total assets in the government funds (General, Bond Redemption, & Non-Major Government Funds) were \$10,874,619; total liabilities and deferred inflows were \$814,780; an ending fund balance of \$10,032,839.
- The ending fund balance of the General Fund was \$5,650,658 at June 30, 2023, compared to \$5,982,658 at June 30, 2022. The General Fund portion maintained a fund balance of 40% of the total General Fund budget.

### Overview of Financial Statements

The Management's Discussion & Analysis is presented as an introduction into the Strasburg School District's basic financial statements. This information is comprised in the following three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to financial statements

**Government-Wide Financial Statements:** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information about all the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. The reader should consider the impact of the pension liability when examining the net position.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused employee leave).

Government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues. The governmental activities of the District include instruction, instructional support, general and school administration, business and central services, maintenance and operations, and transportation. The business-type activity also includes food services which is funded in part from fees and federal funds administered by the state.

**Fund Financial Statements:** A fund is a grouping of related accounts that are used to maintain control over resources that have been "set apart" for specific activities. The fund financial statements provide detailed information about the

District's funds. These statements focus on those specific funds, not the District as a whole. Strasburg School District 31J, like other governmental agencies, use fund accounting to demonstrate and ensure compliance.

All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

The District does not report any proprietary fund types.

**Governmental Funds:** Most of the District's basic services are reported in governmental funds. This information is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted into cash. Governmental fund accounting may help the reader determine whether there are more or less financial resources that can be spent in the near future. The differences between the government-wide statements and the governmental funds are reconciled in the financial statements. The District reports the following funds as major governmental funds: General Fund and Bond Redemption Fund.

**Fiduciary Funds:** The District is the agent, or *Fiduciary*, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purpose. The District reports the student activities as a Fiduciary Fund.

**Supplementary Information:** In addition to the financial statements and accompanying notes, the District's financial statements also contain more detailed financial information and other supplementary information concerning the District's non-major governmental funds.

**Financial Analysis of the Governmental Funds:** The focus of the District's governmental funds is to provide information on balances of available (spendable) resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful tool in measuring the District's net resources available for spending at the end of the fiscal year. The District's unassigned fund balance in the General Fund was \$5,982,658 at June 30, 2022, compared to \$5,650,658 at June 30, 2023, that results in a change of (\$332,000) in the fund balance.

### Financial Analysis of the District as a Whole

The District's total net position on June 30, 2023, was \$8,982,610. Of the District's \$50,166,918, in total assets, \$39,292,299, reflects investment in capital assets (e.g. land, buildings, infrastructure, machinery, and equipment). The District uses capital assets to provide services to students; consequently, these assets are not available for future spending. The principal long term debt on June 30, 2023, was \$43,112,528. Current debt (due within one year) was \$1,780,445.

Table 1 provides a summary of the District's net position for 2023 compared to 2022.

NET POSITION	2023			2022		
	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
<b>ASSETS</b>						
Current and Other Assets	10,874,619	-	10,874,619	20,721,446	-	20,721,446
Capital Assets	39,292,299	-	39,292,299	32,369,922	-	32,369,922
Total Assets	50,166,918	-	50,166,918	53,091,368	-	53,091,368
Deferred Outflows	4,450,200		4,450,200	3,303,353		3,303,353
<b>LIABILITIES</b>						
Current and Other Liabilities	1,780,445	-	1,780,445	4,913,846	-	4,913,846
Long Term Liabilities	43,112,528	-	43,112,528	38,542,122	-	38,542,122
Total Liabilities	44,892,973	-	44,892,973	43,455,968	-	43,455,968
Deferred Inflows	741,535		741,535	4,978,770		4,978,770
<b>NET POSITION</b>						
Net Investment in Capital Assets	17,097,299	-	17,097,299	14,287,128	-	14,287,128
Restricted for:						
Tabor Reserve	511,000	-	511,000	498,000	-	498,000
Debt Service	2,333,777	-	2,333,777	2,295,439	-	2,295,439
Capital Outlay	1,840,150		1,840,150	6,943,459		6,943,459
Food Service	4,219		4,219	51,869		51,869
Unrestricted	(12,803,835)	-	(12,803,835)	(16,115,912)	-	(16,115,912)
NET POSITION	8,982,610	-	8,982,610	7,959,983	-	7,959,983

Table 2 shows the changes in net position for fiscal year 2023 compared to 2022.

Changes in Net Position	2023			2022		
	Governmental Activities	Business Type Activities	Total	Governmental Activities	Business Type Activities	Total
<b>Revenues</b>						
Charges for Services	918,543	-	918,543	255,420	-	255,420
Operating Grants and Contributions	1,732,532	-	1,732,532	2,108,820	-	2,108,820
Capital Grants and Contributions	819,172	-	819,172	2,481,921	-	2,481,921
Property taxes	5,059,635	-	5,059,635	5,194,569	-	5,194,569
Specific Ownership Taxes	284,531	-	284,531	257,772	-	257,772
Equalization	7,962,953	-	7,962,953	6,915,831	-	6,915,831
Earnings on investments	234,555	-	234,555	68,881	-	68,881
Other Revenues	396,020	-	396,020	189,848	-	189,848
<b>TOTAL REVENUES</b>	<b>17,407,941</b>	<b>-</b>	<b>17,407,941</b>	<b>17,473,062</b>	<b>-</b>	<b>17,473,062</b>
<b>Expenses</b>						
Instructional services	8,235,750	-	8,235,750	7,022,806	-	7,022,806
Support Services						
Students	1,249,301	-	1,249,301	983,245	-	983,245
Instructional staff	224,632	-	224,632	184,017	-	184,017
District administration	494,560	-	494,560	399,411	-	399,411
School administration	904,241	-	904,241	752,630	-	752,630
Business	207,710	-	207,710	190,298	-	190,298
Operation and maintenance of facilities	1,083,132	-	1,083,132	1,498,807	-	1,498,807
Transportation	607,255	-	607,255	473,679	-	473,679
Central	324,462	-	324,462	527,092	-	527,092
Facility	828,172	-	828,172	0	-	-
Other Support Services	-	-	-	28,401	-	28,401
Food Service	566,500	-	566,500	583,730	-	583,730
Capital outlay	-	-	-	-	-	-
Interest on Long Term Liabilities	631,504	-	631,504	644,024	-	644,024
Issue Costs	-	-	-	-	-	-
Pension and OPEB Expense (Income)	1,028,095	-	1,028,095	(3,825,863)	-	(3,825,863)
<b>TOTAL EXPENSES</b>	<b>16,385,314</b>	<b>-</b>	<b>16,385,314</b>	<b>9,462,277</b>	<b>-</b>	<b>9,462,277</b>
<b>Increase ( Decrease in Net Position )</b>	<b>1,022,627</b>	<b>-</b>	<b>1,022,627</b>	<b>8,010,785</b>	<b>-</b>	<b>8,010,785</b>

Table 3 shows Governmental Activities by Major Function comparing 2023 to 2022.

**Governmental Activities by Major Function**

	2023		2022	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instructional services	8,235,750	(6,702,436)	(7,022,806)	(5,608,003)
Support Services				-
Students	1,249,301	(793,010)	(983,245)	(727,825)
Instructional staff	224,632	(217,272)	(184,017)	(184,017)
District administration	494,560	(480,950)	(399,411)	(399,411)
School administration	904,241	(868,167)	(752,630)	(752,630)
Business	207,710	(199,818)	(190,298)	(190,298)
Operation and maintenance of facilities	1,083,132	(1,047,154)	(1,498,807)	(1,498,807)
Transportation	607,255	(517,246)	(473,679)	(388,583)
Central	324,462	(317,220)	(527,092)	(527,092)
Facility	828,172	(828,172)	-	-
Other Support Services	-	-	(28,401)	(28,401)
Food Service	566,500	(103,195)	(583,730)	25,191
Capital outlay	-	819,172	-	2,481,921
Interest on Long Term Liabilities	631,504	(631,504)	(644,024)	(644,024)
Issue Costs	-	-	-	-
Pension and OPEB Expense (Income)	1,028,095	(1,028,095)	3,825,863	3,825,863
<b>Total</b>	<b>16,385,314</b>	<b>(12,915,067)</b>	<b>(9,462,277)</b>	<b>(4,616,116)</b>

## Financial Analysis of the District's Funds

The General Fund is the major operating fund of the District. During the current fiscal year, fund balance decreased (\$332,000), from \$5,982,658 to \$5,650,658.

The Bond Redemption Fund account for property taxes restricted for the payment of general obligation debt, and had an ending fund balance at June 30, 2023 of \$2,333,777.

## General Budgetary Highlights

The District's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the General Fund. For the year ended June 30, 2023, actual expenditures of \$14,094,145, were more than budgeted expenditures by \$71,801. Actual revenue was \$13,812,145, \$880,422, more than originally budgeted. These differences can be explained by higher than anticipated specific ownership taxes, receipt of unanticipated grant funds, and unanticipated grant expenditures.

The District must maintain an emergency reserve as a part of the TABOR Amendment (Taxpayer Bill of Rights). On June 30, 2023, the General Fund TABOR reserve amounted to \$511,000.

## Capital Asset and Debt Administration

**Capital Assets:** The District's capital assets as of June 30, 2023, totaled \$39,292,298. More information on the District's capital assets can be found in Note 3 to the financial statements.

### Capital Assets ( Net of Depreciation )

	Governmental <u>2022-2023</u>	Business Type <u>2022-2023</u>	Total <u>2022-2023</u>	Governmental <u>2021-2022</u>	Business Type <u>2021-2022</u>	Total <u>2021-2022</u>
Land & Sites	796,786	-	796,786	796,786	-	796,786
Construction in Progress	-	-	-	20,601,539	-	20,601,539
Buildings & Improvements	37,995,420	-	37,995,420	10,444,547	-	10,444,547
Equipment & Vehicles	492,732	-	492,732	516,040	-	516,040
Food Service	7,360	-	7,360	11,010	-	11,010
Total Capital Assets	<u>39,292,298</u>	<u>-</u>	<u>39,292,298</u>	<u>32,369,922</u>	<u>-</u>	<u>32,369,922</u>

**Long-Term Debt:** As of June 30, 2023, the District had general obligation bonds payable of \$22,195,000. In 2020, voters approved a bond for the renovation and additional classrooms at the Elementary School along with life-safety renovations and remodel at the High School. More information on the District’s long term debt can be found in Note 4 to the financial statements.

CHANGES IN LONG TERM DEBT

	<u>Balance</u> <u>7/1/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2023</u>
Compensated Absences	103,446	43,721		147,167
2012 G.O. Bonds	3,155,000		760,000	2,395,000
2012 Bond Premium	30,580		12,830	17,750
2021 G.O. Bonds	19,800,000			19,800,000
2021 Bond Premium	4,828,941		324,055	4,504,886
Deferred Refunding	120,456		30,114	90,342
Totals	<u>28,038,423</u>	<u>43,721</u>	<u>1,126,999</u>	<u>26,955,145</u>

**Economic Factors**

Colorado School Districts are largely funded by state revenue backfilling the gap between local property tax revenue. The State of Colorado has not fully recovered from times of recession beginning in 2009-2010. The Budget Stabilization factor withholds state funding to district, Strasburg has experienced a loss of \$12,006,867 total from 2009-2023.

The District has experienced growth with the development of new housing developments. This increase has significantly impacted the elementary school, resulting in overcrowding. In November 2020, voters approved a bond to build additional classrooms, address life/safety, and sustainability improvements for the elementary and high school. The elementary school moved into the new classrooms in August 2022 and the majority of the remaining work in the elementary and the work in the high school was also completed at that time. Over the next five (5) years the District is expected to experience an increase in student count of more than 250 students.

**Long-Term Financial Planning**

The Superintendent is responsible for ensuring the District meets the requirements contained in long-term financial planning. The Board and District management recognize the importance of retaining a healthy fund balance to ensure the long-term financial stability of the District. Therefore, financial policy requires the District to maintain a fund balance of 15% of the expenditures within the general fund.

**Contacting the District’s Financial Management**

This financial report is designed to provide a general overview of the Strasburg School District’s finances for all those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer’s Office, Strasburg School District 31J, 2102 Wagner Street, Strasburg Co. 80136.

**BASIC FINANCIAL STATEMENTS**

**STRASBURG SCHOOL DISTRICT 31J**  
**STATEMENT OF NET POSITION**  
**June 30, 2023**

	<b>Governmental</b>	<b>Total</b>
	<b>Activities</b>	<b>Total</b>
<b><u>ASSETS</u></b>		
Cash and Equivalents	10,581,189	10,581,189
Accounts Receivable - Net	5,071	5,071
Grants Receivable	26,362	26,362
Property Taxes Receivable	248,900	248,900
Prepaid Assets	-	-
Inventories	13,097	13,097
Capital Assets	51,548,696	51,548,696
Accumulated Depreciation	<u>(12,256,397)</u>	<u>(12,256,397)</u>
<b><u>Total Assets</u></b>	<b><u>50,166,918</u></b>	<b><u>50,166,918</u></b>
<b><u>DEFERRED OUTFLOW OF RESOURCES</u></b>		
Pensions	4,136,533	4,136,533
Other Post Employment Benefits	223,325	223,325
Deferred Refunding	<u>90,342</u>	<u>90,342</u>
<b><u>Total Deferred Outflow of Resources</u></b>	<b><u>4,450,200</u></b>	<b><u>4,450,200</u></b>
<b><u>LIABILITIES</u></b>		
Accounts Payable	106,154	106,154
Accrued Salaries	483,683	483,683
Accrued Interest Payable	77,398	77,398
Compensated Absences	147,167	147,167
Unearned Revenue	191,043	191,043
Net Pension Liability	16,604,356	16,604,356
Net OPEB Liability	565,536	565,536
Unamortized Bond Premium	4,522,636	4,522,636
Debt Payable– Within 1 Year	775,000	775,000
Debt Payable – More Than 1 Year	<u>21,420,000</u>	<u>21,420,000</u>
<b><u>Total Liabilities</u></b>	<b><u>44,892,973</u></b>	<b><u>44,892,973</u></b>
<b><u>DEFERRED INFLOW OF RESOURCES</u></b>		
Pensions	539,950	539,950
Other Post Employment Benefits	<u>201,585</u>	<u>201,585</u>
<b><u>Total Deferred Inflow of Resources</u></b>	<b><u>741,535</u></b>	<b><u>741,535</u></b>
<b><u>NET POSITION</u></b>		
Net Investment in Capital Assets	17,097,299	17,097,299
Restricted for:		
TABOR Reserve	511,000	511,000
Food Service	4,219	4,219
Debt Service	2,333,777	2,333,777
Capital Outlay	1,840,150	1,840,150
Unrestricted	<u>(12,803,835)</u>	<u>(12,803,835)</u>
<b><u>TOTAL NET POSITION</u></b>	<b><u>8,982,610</u></b>	<b><u>8,982,610</u></b>

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

**STRASBURG SCHOOL DISTRICT 31J**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2023**

	Net (Expenses) Revenue and Changes in Net Position				
	Program Revenues		Primary Government		
	Charges for Services	Operating Grants & Contributions	Capital Grants and Contributions	Governmental Activities	Total
<b>FUNCTIONS</b>					
Instructional Services	8,235,750	290,409	1,242,905	(6,702,436)	(6,702,436)
Supporting Services:					
Students	1,249,301	436,873	19,418	(793,010)	(793,010)
Instructional Staff	224,632	-	7,360	(217,272)	(217,272)
District Administration	494,560	-	13,610	(480,950)	(480,950)
School Administration	904,241	-	36,074	(868,167)	(868,167)
Business	207,710	-	7,892	(199,818)	(199,818)
Operation & Maintenance of Facilities	1,083,132	-	35,978	(1,047,154)	(1,047,154)
Transportation	607,255	-	90,009	(517,246)	(517,246)
Central Support Facility	324,462	-	7,242	(317,220)	(317,220)
Food Service	828,172	-	-	(828,172)	(828,172)
Capital Outlay	564,840	191,261	270,384	(103,195)	(103,195)
Interest on Long Term Liabilities	-	-	819,172	819,172	819,172
Issue Costs	631,504	-	-	(631,504)	(631,504)
Net Pension Changes	-	-	-	-	-
Net OPEB Changes	1,064,647	-	-	(1,064,647)	(1,064,647)
<b>Total Governmental Activities</b>	<u>16,383,654</u>	<u>918,543</u>	<u>1,730,872</u>	<u>36,552</u>	<u>36,552</u>
			<u>819,172</u>	<u>(12,915,067)</u>	<u>(12,915,067)</u>
<b>General Revenues</b>					
Property Taxes Levied for General Purpose				5,059,635	5,059,635
Specific Ownership Taxes				284,531	284,531
Equalization				7,962,953	7,962,953
Earnings on Investments				234,555	234,555
Other Revenues				396,020	396,020
<b>Total General Revenues and Transfers</b>				<u>13,937,694</u>	<u>13,937,694</u>
<b>Change in Net Position</b>				<u>1,022,627</u>	<u>1,022,627</u>
<b>Net Position, Beginning</b>				<u>7,959,983</u>	<u>7,959,983</u>
<b>Net Position, Ending</b>				<u>8,982,610</u>	<u>8,982,610</u>

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

**STRASBURG SCHOOL DISTRICT 31J  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2023**

	<u>General</u>	<u>Bond Fund</u>	<u>Building Fund</u>
<b><u>ASSETS</u></b>			
Cash and Investments	6,224,180	2,314,277	1,283,086
Accounts Receivable	5,071	-	-
Grants Receivable	3,439	-	-
Due From Other Funds	-	-	-
Property Taxes Receivable	168,500	80,400	-
Prepaid Assets	-	-	-
Inventories	-	-	-
<u>Total Assets</u>	<u>6,401,190</u>	<u>2,394,677</u>	<u>1,283,086</u>
<b><u>LIABILITIES</u></b>			
Accounts Payable	106,025	-	-
Accrued Salaries	467,796	-	-
Due To Other Funds	-	-	-
Interest Payable	-	-	-
Unearned Revenues	-	-	-
<u>Total Liabilities</u>	<u>573,821</u>	<u>-</u>	<u>-</u>
<b><u>DEFERRED INFLOW OF RESOURCES</u></b>			
Property Taxes	<u>176,711</u>	<u>60,900</u>	<u>-</u>
<b><u>FUND BALANCES:</u></b>			
<b>Nonspendable:</b>			
Inventories	-	-	-
<b>Restricted for:</b>			
Emergencies	511,000	-	-
Preschool	-	-	-
Food Service	-	-	-
Capital Outlay	-	-	1,283,086
Debt Service	-	2,333,777	-
<b>Committed for:</b>			
Capital Outlay	-	-	-
<b>Assigned for:</b>			
Pupil Activities	-	-	-
Unassigned	5,139,658	-	-
<u>Total Fund Balances</u>	<u>5,650,658</u>	<u>2,333,777</u>	<u>1,283,086</u>
<b><u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u></b>			
	<u>6,401,190</u>	<u>2,394,677</u>	<u>1,283,086</u>

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

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
759,646	10,581,189
-	5,071
22,923	26,362
-	-
-	248,900
-	-
<u>13,097</u>	<u>13,097</u>
<u>795,666</u>	<u>10,874,619</u>
129	106,154
15,887	483,683
-	-
-	-
<u>14,332</u>	<u>14,332</u>
<u>30,348</u>	<u>604,169</u>
-	<u>237,611</u>
13,097	13,097
-	511,000
-	-
4,219	4,219
-	1,283,086
-	2,333,777
557,064	557,064
190,938	190,938
-	<u>5,139,658</u>
<u>765,318</u>	<u>10,032,839</u>
<u>795,666</u>	<u>10,874,619</u>

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

**STRASBURG SCHOOL DISTRICT 31J  
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO STATEMENT OF NET POSITION  
June 30, 2023**

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

<b>TOTAL FUND BALANCE – GOVERNMENTAL FUNDS</b>	<b>\$ 10,032,839</b>
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$51,548,696 and the accumulated depreciation is \$12,256,397.	32,292,299
Property tax revenue is recognized when earned (claim to resources established) rather than when “available”. All of the deferred property tax revenue is not available.	60,900
Accrued interest that is not due and payable on long term debt is not reported in the funds.	(77,398)
Compensated absences are not reported as a liability in the funds.	(147,167)
Long term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(22,195,000)
Unamortized bond premium is not reported as a liability in the funds.	(4,522,636)
Deferred refunding on bonds is not reported in the funds.	90,342
The District’s portion of the net pension obligation for PERA is reported on the statement of net position is not reported as a liability in the funds.	(16,604,356)
The District’s portion of the net OPEB obligation is reported on the statement of net position is not reported as a liability in the funds.	(565,536)
Net deferred pension flows	3,596,583
Net deferred OPEB flows	<u>21,740</u>
<b><u>TOTAL NET POSITION – GOVERNMENTAL ACTIVITIES</u></b>	<b><u>8,982,610</u></b>

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

STRASBURG SCHOOL DISTRICT 31J  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES – GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2023

	<u>General</u>	<u>Bond Fund</u>	<u>Building Fund</u>
<b><u>REVENUES</u></b>			
Property Taxes	3,476,966	1,702,769	-
Specific Ownership Taxes	284,531	-	-
Earnings on Investments	98,991	31,800	101,435
Other Local Sources	528,215	2,044	-
State Aid	9,219,355	-	819,172
Federal Aid	204,087	-	-
<u>Total Revenues</u>	<u>13,812,145</u>	<u>1,736,613</u>	<u>920,607</u>
<b><u>EXPENDITURES</u></b>			
Current:			
Instructional Services	7,363,561	-	-
Supporting Services:			
Students	882,905	-	-
Instructional Staff	224,632	-	-
District Administration	494,560	-	-
School Administration	904,241	-	-
Business	207,710	-	-
Operation & Maintenance of Facilities	2,321,262	-	-
Transportation	542,640	-	-
Central Support	324,462	-	-
Facility	828,172	-	-
Food Service	-	-	-
Debt Service:			
Principal Retirement	-	760,000	-
Interest and Fiscal Charges	-	938,275	-
Capital Outlay	-	-	6,580,980
<u>Total Expenditures</u>	<u>14,094,145</u>	<u>1,698,275</u>	<u>6,580,980</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<b><u>(282,000)</u></b>	<b><u>38,338</u></b>	<b><u>(5,660,373)</u></b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers	(50,000)	-	-
Proceeds From Debt	-	-	-
Premium on Bonds	-	-	-
Issue Costs	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<b><u>(332,000)</u></b>	<b><u>38,338</u></b>	<b><u>(5,660,373)</u></b>
<b><u>FUND BALANCES, Beginning</u></b>	<b><u>5,982,658</u></b>	<b><u>2,295,439</u></b>	<b><u>6,943,459</u></b>
<b><u>FUND BALANCES, Ending</u></b>	<b><u>5,650,658</u></b>	<b><u>2,333,777</u></b>	<b><u>1,283,086</u></b>

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

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
-	5,179,735
-	284,531
2,329	234,555
784,303	1,314,562
9,568	10,048,095
<u>260,816</u>	<u>464,903</u>
<u>1,057,016</u>	<u>17,526,381</u>
-	7,363,561
366,396	1,249,301
-	224,632
-	494,560
-	904,241
-	207,710
-	2,321,262
-	542,640
-	324,462
-	828,172
561,190	561,190
-	760,000
-	938,275
-	<u>6,580,980</u>
<u>927,586</u>	<u>23,300,986</u>
<u>129,430</u>	<u>(5,774,605)</u>
50,000	-
-	-
-	-
-	-
<u>50,000</u>	<u>-</u>
179,430	(5,774,605)
<u>585,888</u>	<u>15,807,444</u>
<u>765,318</u>	<u>10,032,839</u>

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

**STRASBURG SCHOOL DISTRICT 31J**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2023**

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

**NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS** **(5,774,605)**

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

Capital Outlays more than \$5,000	7,828,457	
Depreciation Expense	<u>(906,080)</u>	6,922,377

Property tax revenues received prior to the year for which they are being levied or are not “available” at year end are reported as deferred revenue in the governmental funds. They are, however recorded as revenues in the statement of activities. Deferred property tax revenues decreased this year. (120,100)

In the statement of activities compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amount paid). During the year, compensated absences decreased by this amount. (43,721)

The governmental funds report debt proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. Interest expense is recognized as it accrues in the statement of activities regardless of when it is due. The net effect of these differences follows:

Accrued Interest		-
Debt Payment		760,000
Premium Amortization		336,885
Deferred Refunding		<u>(30,114)</u>

The statement of activities reports net pension liability which is not reported in the fund financial statements.

Change in Net Pension Obligation		(6,371,808)
Change in Net OPEB Obligation		(70,483)
Deferred Flows from Net Pension Obligations		5,307,161
Deferred Flows from Net OPEB Obligations		<u>107,035</u>

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** **1,022,627**

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

STRASBURG SCHOOL DISTRICT 31J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

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**NOTE 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Strasburg School District 31J (District) conform with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

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

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Strasburg School District 31J. The District receives funding from local, state, and federal government sources and must comply with requirements of these funding source entities. The Board of Education members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

**A.      Reporting Entity**

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

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

STRASBURG SCHOOL DISTRICT 31J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

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**NOTE 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B.      Government-Wide and Fund Financial Statements**

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

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds (General Fund, Building Fund and Bond Funds) and individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

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

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

STRASBURG SCHOOL DISTRICT 31J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

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**NOTE 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

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

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

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

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

STRASBURG SCHOOL DISTRICT 31J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

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**NOTE 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D.      Fund Accounting**

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

• **Major Governmental Funds**

1. **General Fund** – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
2. **Bond Redemption Debt Service Fund** – used to account for the accumulation of resources for, and the payment of, long term general obligation debt principal, interest, and related costs.
3. **Building Fund** – this fund is used to account for all resources available for acquiring capital sites, buildings, and equipment as specified by the related bond issue.

**Cash and Investments**

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

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

**F.      Receivables**

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

STRASBURG SCHOOL DISTRICT 31J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

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**NOTE 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G.    Inventories**

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

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

**H.    Capital Assets**

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

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

The monetary threshold for capitalization of assets is \$5,000. The District's capital assets are depreciated using the straight-line method over the estimated useful lives of the fixed assets (5-40 years). Depreciation of all capital assets is charged as an expense against their operations. Depreciation is recorded in the year of acquisition and any remaining depreciation is recorded in the year of disposition.

**I.    Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position. The District records long-term debt of governmental funds at the face value. General obligation bonds are serviced from property taxes and other revenues of the Debt Service Fund. Capital leases are serviced from property taxes and other revenues of the General Fund. The long-term accumulated unpaid accrued sick leave is serviced from property taxes and other revenues by the respective fund type from future appropriations.

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J.      Constitutional Amendment**

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

On November 4, 1997 the registered voters approved a ballot resolution authorizing Strasburg School District 31J to collect, retain and expend all revenues from any source provided that no property tax mill levy be increased or any new tax be imposed.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending (excluding bonded debt service). As of June 30, 2023 the District reserved \$511,000 for this purpose.

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

**K.      Property Taxes**

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

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

**L.      Accumulated Sick Leave**

Compensated absences are made up of accumulated sick leave reported as non-current liabilities in the government-wide financial statements. As of June 30, 2023, the District has recorded an estimated liability of \$147,167 relating to accrued sick leave payable.

A summary of changes in compensated absences is as follows:

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2023</u>
Accumulated Sick Leave	<u>103,446</u>	<u>43,721</u>	<u>-</u>	<u>147,167</u>

STRASBURG SCHOOL DISTRICT 31J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

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**NOTE 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**M.    Use of Estimates**

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

**N.    GASB Statement No. 54**

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

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

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District Board of Directors (the District's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

**Fund Balance Classification Policies and Procedures**

**Committed Fund Balance Policy:**

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

**Assigned Fund Balance Policy:**

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

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 1**    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N.        GASB Statement No. 54 (Continued)**

**Order of Fund Balance Spending Policy**

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

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

**Fund Balance Classification by Fund:**

	<u>General Fund</u>	<u>Bond Redemption Fund</u>	<u>Building Fund</u>	<u>Pupil Activity Fund</u>	<u>Capital Reserve Capital Projects Fund</u>	<u>Food Service</u>	<u>Total Governmental Funds</u>
<b><u>Nonspendable:</u></b>							
Inventories	-	-	-	-	-	13,097	13,097
<b><u>Restricted:</u></b>							
Emergencies	511,000	-	-	-	-	-	511,000
Preschool	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	4,219	4,219
Capital Outlay	-	-	1,283,086	-	-	-	1,283,086
Debt Service	-	2,333,777	-	-	-	-	2,333,777
<b><u>Committed:</u></b>							
Capital Outlay	-	-	-	-	557,064	-	557,064
<b><u>Assigned:</u></b>							
Pupil Activities	-	-	-	190,938	-	-	190,938
<b><u>Unassigned</u></b>	<b><u>5,139,658</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>5,139,658</u></b>
<b>Total Fund Balances</b>	<b><u>5,650,658</u></b>	<b><u>2,333,777</u></b>	<b><u>1,283,086</u></b>	<b><u>190,938</u></b>	<b><u>557,064</u></b>	<b><u>17,316</u></b>	<b><u>10,032,839</u></b>

**O.        Deferred Outflows / Inflows of Resources**

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

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

**P.        GASB 96**

On July 1, 2022 Strasburg School District 31J adopted GASB 96, Subscription-based Information Technology Arrangements. The District will comply with GASB 96 on any long term subscription-based information technology arrangements that are individually or aggregately material to the financial statements.

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 2**      **RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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

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

	<u>Items Eliminated</u>
	<u>Transfers</u>
General Fund	(50,000)
Building Fund	-
Food Service	50,000
Bond Fund	-
	<u>0</u>

**NOTE 3**      **BUDGETARY INFORMATION**

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

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**NOTE 3**      **BUDGETARY INFORMATION (Continued)**

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

1. Prior to June 1, the Business Manager submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public notices are released to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.
4. The Business Manager is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration should be employed as a management control device during the year for the General Fund, Special Revenue Funds, Building Fund, Capital Reserve Capital Projects Fund, and Debt Service Funds.
6. Budgets for the General, Special Revenue, Building Fund, Capital Reserve Capital Projects Fund, and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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

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

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**NOTE 4**      **CASH AND EQUIVALENTS**

**Deposits**

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

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

	<u>Carrying Balance</u>	<u>Bank Balance</u>
Insured (FDIC)	250,000	250,000
Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado	4,518,225	4,854,706
Cash with County Treasurer	55,666	-
Cash with Fiscal Agent	2,302,744	-
ColoTrust – Cash Equivalent	3,454,554	-
Cash on Hand	<u>          -</u>	<u>          -</u>
<b><u>Total Cash and Deposits</u></b>	<b><u>10,581,189</u></b>	<b><u>5,104,706</u></b>

As presented above, deposits with a bank balance of \$4,854,706 and a carrying balance of \$4,518,225, as of June 30, 2023 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 5**      **CAPITAL ASSETS**

A summary of changes in capital assets is as follows:

**Governmental Activities**

	<u>Balance</u> <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</u>
<b><u>Capital Assets Not Being</u></b>				
<b><u>Depreciated</u></b>				
Land	796,786	-	-	796,786
Construction In Progress	<u>20,601,539</u>	-	<u>20,601,539</u>	-
<b><u>Total Capital Assets Not Being</u></b>				
<b><u>Depreciated</u></b>	<u>21,398,325</u>	-	<u>20,601,539</u>	<u>796,786</u>
<b><u>Capital Assets Being</u></b>				
<b><u>Depreciated</u></b>				
Buildings & Site Improvements	20,129,547	28,343,832	319,000	48,154,379
Equipment	1,213,387	53,645	22,600	1,244,432
Vehicles	1,241,611	32,519	64,814	1,209,316
Food Service Equipment	<u>148,879</u>	-	<u>5,096</u>	<u>143,783</u>
<b><u>Total Capital Assets Being</u></b>				
<b><u>Depreciated</u></b>	<u>22,733,424</u>	<u>28,429,996</u>	<u>411,510</u>	<u>50,751,910</u>
<b><u>Less Accumulated</u></b>				
<b><u>Depreciation for:</u></b>				
Building & Site Improvements	9,685,000	792,959	319,000	10,158,959
Equipment	1,048,331	44,857	22,600	1,070,588
Vehicles	890,627	64,615	64,814	890,428
Food Service Equipment	<u>137,869</u>	<u>3,650</u>	<u>5,096</u>	<u>136,423</u>
<b><u>Total Accumulated Depreciation</u></b>	<u>11,761,827</u>	<u>906,080</u>	<u>411,510</u>	<u>12,256,397</u>
<b><u>Total Capital Assets Being</u></b>				
<b><u>Depreciated, Net</u></b>	<u>10,971,597</u>	<u>27,523,915</u>	-	<u>38,495,512</u>
<b><u>Governmental Activities Capital</u></b>				
<b><u>Assets, Net</u></b>	<u>32,369,922</u>	<u>27,523,915</u>	<u>20,601,539</u>	<u>39,292,298</u>

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

**Governmental Activities:**

Instructional Programs	828,468
General Administration Support	-
Operations and Maintenance	9,347
Student Transportation Services	64,615
Food Service	<u>3,650</u>
<b><u>Total Depreciation Expense –Governmental Activities</u></b>	<b><u>906,080</u></b>

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**NOTE 6**      **PENSION PLAN**

**Defined Benefit Pension Plan**

**Summary of Significant Accounting Policies**

**Pensions.** Strasburg School District 31J participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the Pension Plan**

*Plan description.* Eligible employees of the Strasburg School District 31J are provided with pensions through the SCHDTF - a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

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

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

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

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

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

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 6**      **PENSION PLAN (Continued)**

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

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

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

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

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

*Contributions provisions as of June 30, 2023:* Eligible employees of, Strasburg School District 31J and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2022 through June 30, 2023. Employer contribution requirements are summarized in the table below.

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

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

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 6**      **PENSION PLAN (Continued)**

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Strasburg School District 31J is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Strasburg School District 31J were \$1,424,900 for the year ended June 30, 2023.

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

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

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

At June 30, 2023, the Strasburg School District 31J reported a liability of \$16,604,356 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the Strasburg School District 31J 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 Strasburg School District 31J were as follows:

Strasburg School District 31J proportionate share of the net pension liability	\$ 16,604,356
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Strasburg School District 31J	\$ 4,838,676
Total	\$ 21,443,033

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 6**      **PENSION PLAN (Continued)**

At December 31, 2022, the Strasburg School District 31J proportion was 0.091%, which was an increase of 0.003% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the Strasburg School District 31J recognized pension expense of \$1,064,647 and revenue of \$412,614 for support from the State as a nonemployer contributing entity. At June 30, 2023, the Strasburg School District 31J reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	157,142	-
Changes of assumptions or other inputs	294,117	-
Net difference between projected and actual earnings on pension plan investments	2,230,577	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	787,799	(539,950)
Contributions subsequent to the measurement date	666,898	N/A
<b>Total</b>	<b>4,136,533</b>	<b>(539,950)</b>

\$666,898 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30, 2023	
2024	395,719
2025	368,900
2026	867,639
2027	1,297,427
2028	-
Thereafter	-

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 6**      **PENSION PLAN (Continued)**

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

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

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

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

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

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

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

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

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

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

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

STRASBURG SCHOOL DISTRICT 31J  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2023

**NOTE 6**      **PENSION PLAN (Continued)**

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

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

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

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in 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.

STRASBURG SCHOOL DISTRICT 31J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

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**NOTE 6**      **PENSION PLAN (Continued)**

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

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

*Sensitivity of the Strasburg School District 31J 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:

STRASBURG SCHOOL DISTRICT 31J  
 NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 6**      **PENSION PLAN (Continued)**

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension	21,729,392	16,604,356	12,324,428

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

**Defined Contribution Pension Plans**

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

*Plan Description* – Employees of the Strasburg School District 31J that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program (PERAPlus 401(k) Plan, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 401(k) Plan. That report can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Funding Policy* – The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended June 30, 2023, program members contributed \$4,575.

STRASBURG SCHOOL DISTRICT 31J  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

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**NOTE 7**      **OTHER POST EMPLOYMENT BENEFITS**

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

**Summary of Significant Accounting Policies**

*OPEB.* Strasburg School District 31J 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 Strasburg School District 31J are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

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

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

STRASBURG SCHOOL DISTRICT 31J  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 7**     **OTHER POST EMPLOYMENT BENEFITS (Continued)**

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

*PERA Benefit Structure*

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

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

*DPS Benefit Structure*

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

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

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

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 7**      **OTHER POST EMPLOYMENT BENEFITS (Continued)**

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Strasburg School District 31J is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Strasburg School District 31J were \$71,315 for the year ended June 30, 2023.

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

At June 30, 2023, the Strasburg School District 31J reported a liability of \$565,536 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 Strasburg School District 31J proportion of the net OPEB liability was based on Strasburg School District 31J 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 Strasburg School District 31J proportion was 0.069%, which was an increase of 0.012% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the Strasburg School District 31J recognized OPEB income of \$36,552. At June 30, 2023, the Strasburg School District 31J reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 73	\$ (136,766)
Changes of assumptions or other inputs	9,090	(62,418)
Net difference between projected and actual earnings on OPEB plan investments	34,542	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	146,242	(2,401)
Contributions subsequent to the measurement date	33,378	N/A
Total	\$ 223,325	\$ (201,585)

\$33,378 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30, 2023	
2024	(26,494)
2025	(22,749)
2026	4,628
2027	23,062
2028	8,016
Thereafter	1,899

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 7**      **OTHER POST EMPLOYMENT BENEFITS (Continued)**

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

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

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

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

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)**

Age-Related Morbidity Assumptions

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

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

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

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

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

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

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

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 7      OTHER POST EMPLOYMENT BENEFITS (Continued)**

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

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

Mortality assumptions used in the December 31, 2021, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, 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.

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 7**      **OTHER POST EMPLOYMENT BENEFITS (Continued)**

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

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

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

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

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

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

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

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

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

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 7**      **OTHER POST EMPLOYMENT BENEFITS (Continued)**

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

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

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

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

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

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

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

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

*Sensitivity of the Strasburg School District 31J 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:

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 7**      **OTHER POST EMPLOYMENT BENEFITS (Continued)**

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate*	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$549,529	\$565,536	\$582,954

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

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

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

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

*Sensitivity of the Strasburg School District 31J proportionate share of the net OPEB liability to changes in the discount rate.* The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$655,624	\$565,536	\$488,482

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

**STRASBURG SCHOOL DISTRICT 31J**  
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**NOTE 8**      **RISK MANAGEMENT**

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

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

**NOTE 9**      **COLORADO SCHOOL DISTRICT SELF INSURANCE POOL**

The District belongs to the Colorado School District's Self-Insurance Pool. The Pool was established by the Colorado Association of School Boards (CASB) to provide insurance coverage to participants in the areas of General Liability, Errors and Omissions, Automobile Liability, Auto Physical Damage, Auto Personal Injury Protection, Real and Personal Property, Crime, Workers' Compensation and other coverage. The Board of Directors is composed of eight persons; seven of whom are appointed by the Board of Directors of CASB and the Executive Director of CASB. The Pool is managed by an independent manager chosen by the Board of Directors. Each member's initial contribution and subsequent contributions are determined by the Pool based on factors including, but not limited to, the Aggregate Pool claims, the cost of Administrative and other operating expenses, the number of participants, the adequacy of both Operating and Reserve Funds and other factors touching on the status of the Pool or an individual participant, and as approved by the Colorado Insurance Commissioner.

As the District did not exercise oversight responsibility nor have sufficient control over Pool activities, the Pool is not a component unit of the District and only the District's share of contributions to the Pool is recorded as Expenditures in the Insurance Reserve Fund.

The District's share in the Pool is not determinable from current information, but is estimated to be less than 1%. The District's share, if calculated, would not be material to the Pool's financial information at June 30, 2023.

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**NOTE 9      COLORADO SCHOOL DISTRICT SELF INSURANCE POOL (Continued)**

An audited summary of the Colorado School District's Pool financial information at June 30, 2022 and for the year then ended (latest information available) follows:

Total Assets	<u>77,006,177</u>
Total Liabilities	<u>41,993,151</u>
Total Equity	<u>35,013,026</u>
Revenue	32,943,304
Underwriting Expenses	<u>36,961,713</u>
Underwriting Gain (Loss)	<u>(4,018,409)</u>
Net Investment Income	568,666
Other Income	<u>19,428</u>
Net Income (Loss) Before Dividend	<u>(3,430,315)</u>
Dividend	<u>-</u>
Net Income	<u>(3,430,315)</u>
Transfer of Capital Contributions	-
Change in Non Admitted Assets	<u>-</u>
Capital Contributions from Members	<u>-</u>
Unassigned Surplus	<u>35,013,026</u>

**NOTE 10      LITIGATION**

None.

**NOTE 11      SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES**

Claims and Judgments - The District participates in a number of federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2022, significant amounts of grant expenditures have not been audited by the grantor but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the District.

**NOTE 12      JOINT VENTURES**

Not reflected in the accompanying financial statements is the District's participation in the East Central Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational services at a shared lower cost per District.

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 12    JOINT VENTURES (Continued)**

The District has one member on the Board. The Board has final authority for all budgeting and financing of the joint venture. The District's share of the joint venture is not determinable at June 30, 2023. The joint venture summary audited financial information as of June 30, 2022 is as follows:

Assets and Deferred Outflows	<u>6,704,635</u>
Liabilities and Deferred Inflows	10,072,118
Net Position	<u>(3,367,483)</u>
	<u>6,704,635</u>
Revenues	12,851,720
Expenses	<u>9,596,279</u>
Changes in Net Position	<u>3,255,441</u>

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

**NOTE 13    LONG-TERM DEBT**

The following is a summary of the transactions in the school district's long-term debt:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Current</u> <u>Portion</u>
2012 G.O. Bonds	3,155,000	-	760,000	2,395,000	775,000
2021 G.O. Bonds	19,800,000	-	-	19,800,000	-
Deferred Refunding	<u>(120,456)</u>	<u>-</u>	<u>(30,114)</u>	<u>(90,342)</u>	<u>-</u>
	<u>22,834,544</u>	<u>-</u>	<u>729,886</u>	<u>22,104,658</u>	<u>775,000</u>

STRASBURG SCHOOL DISTRICT 31J  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 June 30, 2023

**NOTE 13**      **LONG-TERM DEBT (Continued)**

**General Obligation Refunding Series 2012**

The District issued General Obligation Refunding Bonds, Series 2012, to advance refund the outstanding General Obligation Bonds, Series 2006. Payments on the 2012 series are payable semi-annually with interest ranging from 2% to 3%. The 2006 Series is considered to be defeased and the liability for the issue has been removed from the financial statements.

Below is a schedule of debt service requirements to maturity:

**2012 Refunding Issue**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	775,000	58,288
2025	800,000	36,600
2026	820,000	12,300
<b>Total</b>	<b><u>2,395,000</u></b>	<b><u>107,188</u></b>

**General Obligation Bonds Series 2021**

On January 13, 2021, the District issued \$19,800,000 in General Obligation Bonds for the purpose of making capital improvements to the District. Principal payments will be due on December 1 each year beginning December 1, 2026. Interest payments are payable semi-annually beginning June 1, 2021 with rates of 4 and 5%

Below is a schedule of debt service requirements to maturity:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	-	860,800
2025	-	860,800
2026	-	860,800
2027	620,000	845,300
2028	650,000	813,550
Thereafter	<u>18,530,000</u>	<u>7,725,250</u>
	<b><u>19,800,000</u></b>	<b><u>11,966,500</u></b>

**STRASBURG SCHOOL DISTRICT 31J**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**NOTE 14**    **INTERFUND BALANCES**

**Interfund Balances**

	<u>Transfer In</u>	<u>Transfer Out</u>
<b><u>Major Governmental Funds</u></b>		
General Fund	-	50,000
Building Fund	-	-
Bond Fund	-	-
<b><u>Non Major Governmental Funds</u></b>		
Food Service	<u>50,000</u>	-
Capital Reserve Capital Projects	<u>50,000</u>	<u>50,000</u>

These interfund balances occurred due to expenditures paid on behalf of another fund.

Interfund balances are expected to be paid within one year from the date of the financial statements.

**NOTE 15**    **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, are estimated to be \$483,683 and will be paid during the 2023-2024 fiscal year. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements.

**NOTE 16**    **INVENTORIES**

Food Service Fund inventories at June 30, 2023, consisted of USDA, purchased food, and non-food amounting to \$13,097. 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.

**NOTE 17**    **COMPLIANCE WITH BUDGET LAWS**

The following condition was noted and may be a violation of Colorado law:

Expenditures in the Food Service Fund exceeded budgeted amounts by \$94,118.

**REQUIRED SUPPLEMENTARY INFORMATION**

## BUDGETARY COMPARISONS

### General Fund

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

## PENSION AND OPEB TREND DATA

STRASBURG SCHOOL DISTRICT 31J  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES</u></b>				
<b><u>Local Sources</u></b>				
Property Taxes	3,344,353	3,472,075	3,476,966	4,891
Specific Ownership Taxes	167,882	167,882	284,531	116,649
Earnings on Investments	43,000	43,000	98,991	55,991
Tuition	260,109	260,109	290,408	30,299
Other	78,721	178,721	237,807	59,086
<b><u>State Sources</u></b>				
Equalization	7,899,750	7,953,350	7,962,953	9,603
Transportation	70,741	70,741	73,526	2,785
Small Rural Funding	218,330	218,330	218,330	-
ECEA	246,252	246,252	298,599	52,347
Other	85,306	85,306	665,947	580,641
<b><u>Federal Sources</u></b>				
Other	166,186	235,957	204,087	(31,870)
<b><u>TOTAL REVENUES</u></b>	<b><u>12,580,630</u></b>	<b><u>12,931,723</u></b>	<b><u>13,812,145</u></b>	<b><u>880,422</u></b>
 <b><u>EXPENDITURES</u></b>				
<b><u>INSTRUCTION</u></b>				
<b><u>Regular Programs</u></b>				
Salaries	4,470,362	4,663,521	4,505,709	157,812
Employee Benefits	1,579,757	1,579,757	1,742,792	(163,035)
Purchased Services – Professional	54,850	54,850	95,326	(40,476)
Purchased Services - Property	48,000	48,000	50,387	(2,387)
Purchased Services – Other	428,814	428,814	333,333	95,481
Supplies and Materials	399,499	399,499	426,436	(26,937)
Property	146,324	146,324	203,853	(57,529)
Other Objects	5,000	5,000	5,725	(725)
<b><u>Total Instruction</u></b>	<b><u>7,132,606</u></b>	<b><u>7,325,765</u></b>	<b><u>7,363,561</u></b>	<b><u>(37,796)</u></b>

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

STRASBURG SCHOOL DISTRICT 31J  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>SUPPORTING SERVICES</u></b>				
<b><u>Student Supporting Services</u></b>				
Salaries	325,557	325,557	325,779	(222)
Employee Benefits	129,089	129,089	141,182	(12,093)
Purchased Services - Professional	50,500	50,500	53,137	(2,637)
Purchased Services - Property	-	-	-	-
Purchased Services - Other	37,773	262,280	358,259	(95,979)
Supplies and Materials	3,250	3,250	4,548	(1,298)
Property	-	-	-	-
Other Objects	-	-	-	-
<b><u>Total Student Services</u></b>	<b><u>546,169</u></b>	<b><u>770,676</u></b>	<b><u>882,905</u></b>	<b><u>(112,229)</u></b>
<b><u>Instructional Staff</u></b>				
Salaries	95,983	122,939	123,489	(550)
Employee Benefits	43,780	43,780	48,195	(4,415)
Purchased Services - Professional	27,000	27,000	37,959	(10,959)
Purchased Services - Property	-	-	-	-
Purchased Services - Other	-	-	-	-
Supplies and Materials	17,150	17,150	14,989	2,161
Property	-	-	-	-
Other Objects	-	-	-	-
<b><u>Total Instructional Staff</u></b>	<b><u>183,913</u></b>	<b><u>210,869</u></b>	<b><u>224,632</u></b>	<b><u>(13,763)</u></b>
<b><u>General Administration</u></b>				
Salaries	214,902	214,902	228,343	(13,441)
Employee Benefits	64,977	64,977	80,829	(15,852)
Purchased Services – Professional	64,500	64,500	113,354	(48,854)
Purchased Services – Property	5,300	5,300	4,134	1,166
Purchased Services – Other	8,000	8,000	20,150	(12,150)
Supplies and Materials	5,400	5,400	24,016	(18,616)
Property	1,000	1,000	-	1,000
Other Objects	16,500	16,500	23,734	(7,234)
<b><u>Total General Administration</u></b>	<b><u>380,579</u></b>	<b><u>380,579</u></b>	<b><u>494,560</u></b>	<b><u>(113,981)</u></b>

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

STRASBURG SCHOOL DISTRICT 31J  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>School Administration</u></b>				
<b><u>Office of the Principal</u></b>				
Salaries	592,075	595,772	605,221	(9,449)
Employee Benefits	182,179	175,309	211,471	(36,162)
Purchased Services – Professional	5,500	-	8,350	(8,350)
Purchased Services – Property	70,000	30,000	22,228	7,772
Purchased Services – Other	301,500	1,500	18,863	(17,363)
Supplies and Materials	401,700	27,700	35,213	(7,513)
Property	-	-	-	-
Other Objects	<u>3,200</u>	<u>3,200</u>	<u>2,895</u>	<u>305</u>
<b><u>Total School Administration</u></b>	<b><u>1,556,154</u></b>	<b><u>833,481</u></b>	<b><u>904,241</u></b>	<b><u>(70,760)</u></b>
<b><u>Business Services</u></b>				
Salaries	130,609	131,234	132,400	(1,166)
Employee Benefits	37,827	37,971	44,391	(6,420)
Purchased Services – Professional	20,000	20,000	18,977	1,023
Purchased Services - Property	-	-	-	-
Purchased Services - Other	3,000	3,000	2,980	20
Supplies and Materials	181,386	181,386	7,433	173,953
Property	-	-	-	-
Other Objects	<u>3,000</u>	<u>3,000</u>	<u>1,529</u>	<u>1,471</u>
<b><u>Total Business Services</u></b>	<b><u>375,822</u></b>	<b><u>376,591</u></b>	<b><u>207,710</u></b>	<b><u>168,881</u></b>
<b><u>Operations and Maintenance</u></b>				
Salaries	673,069	664,259	603,634	60,625
Employee Benefits	252,867	243,115	241,642	1,473
Purchased Services – Professional	-	-	-	-
Purchased Services - Property	471,700	311,700	441,227	(129,527)
Purchased Services - Other	-	300,000	316,327	(16,327)
Supplies and Materials	80,000	461,000	533,840	(72,840)
Property	4,000	851,400	184,592	666,808
Other Objects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>Total Operations and Maintenance</u></b>	<b><u>1,481,636</u></b>	<b><u>2,831,474</u></b>	<b><u>2,321,262</u></b>	<b><u>510,212</u></b>

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

STRASBURG SCHOOL DISTRICT 31J  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Student Transportation</u></b>				
Salaries	238,679	243,389	276,550	(33,161)
Employee Benefits	62,937	63,822	86,496	(22,674)
Purchased Services-Professional	1,100	1,100	1,522	(422)
Purchased Services – Property	70,400	70,400	68,614	1,786
Purchased Services – Other	2,000	2,000	15,930	(13,930)
Supplies and Materials	52,000	52,000	61,009	(9,009)
Property	140,000	180,000	32,519	147,481
Other Objects	-	-	-	-
<b><u>Total Student Transportation</u></b>	<b><u>567,116</u></b>	<b><u>612,711</u></b>	<b><u>542,640</u></b>	<b><u>70,071</u></b>
<b><u>Central Support</u></b>				
Salaries	118,755	119,755	121,505	(1,750)
Employee Benefits	42,815	43,046	49,636	(6,590)
Purchased Services- Professional	5,000	5,000	12,454	(7,454)
Purchased Services – Property	-	-	-	-
Purchased Services – Other	55,000	55,000	48,134	6,866
Supplies and Materials	3,000	103,000	92,733	10,267
Property	-	-	-	-
Other Objects	-	-	-	-
<b><u>Total Central Support</u></b>	<b><u>224,570</u></b>	<b><u>325,801</u></b>	<b><u>324,462</u></b>	<b><u>1,339</u></b>
<b><u>Facility</u></b>				
Salaries	22,443	-	-	-
Employee Benefits	5,905	-	-	-
Purchased Services – Professional	-	-	34,878	(34,878)
Purchased Services – Property	-	-	-	-
Purchased Services – Other	-	-	-	-
Supplies and Materials	100,000	-	-	-
Property	2,400	-	793,294	(793,294)
Other Objects	-	-	-	-
<b><u>Total Other Support</u></b>	<b><u>130,748</u></b>	<b><u>-</u></b>	<b><u>828,172</u></b>	<b><u>(828,172)</u></b>
<b><u>Total Supporting Services</u></b>	<b><u>5,446,707</u></b>	<b><u>6,342,182</u></b>	<b><u>6,730,584</u></b>	<b><u>(388,402)</u></b>
<b><u>Appropriated Reserves</u></b>	<b><u>336,318</u></b>	<b><u>497,999</u></b>	<b><u>-</u></b>	<b><u>497,999</u></b>
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>12,915,631</u></b>	<b><u>14,165,946</u></b>	<b><u>14,094,145</u></b>	<b><u>71,801</u></b>

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

STRASBURG SCHOOL DISTRICT 31J  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(335,001)</u>	<u>(1,234,223)</u>	<u>(282,000)</u>	
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(55,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
<u>REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)</u>	<u>(385,001)</u>	<u>(1,284,223)</u>	<u>(332,000)</u>	
<u>FUND BALANCE, July 1</u>	<u>5,029,978</u>	<u>5,982,657</u>	<u>5,982,658</u>	
<u>FUND BALANCE, June 30</u>	<u>4,644,977</u>	<u>4,698,434</u>	<u>5,650,658</u>	

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

**STRASBURG SCHOOL DISTRICT 31J**  
**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY**  
**For The Last 10 Fiscal Years (As Available)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.0911%	0.0879%	0.0952%	0.0825%	0.0821%	0.0958%	0.0836%	0.0990%	0.1056%	0.1102%
District's proportionate share of the net pension liability (asset)	\$16,604,356	\$10,232,548	\$14,390,797	\$12,318,106	\$14,537,406	\$30,975,844	\$24,884,626	\$15,150,542	\$14,314,484	\$14,052,129
State's proportionate share of the net pension liability associated with the District**	\$4,838,676	\$1,173,031	-	\$1,562,390	\$1,987,783	-	-	-	-	-
District's covered payroll	\$6,991,658	\$6,180,720	\$4,781,541	\$4,843,726	\$4,513,454	\$4,418,500	\$4,477,714	\$4,426,714	\$4,424,541	\$4,441,295
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	237%	166%	300%	254%	322%	701%	556%	342%	324%	316%
Plan fiduciary net position as a percentage of the total pension liability	62%	75%	67%	65%	57%	44%	43%	59%	63%	64%

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

**STRASBURG SCHOOL DISTRICT 31J**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS - PENSION**  
**For The Last 10 Fiscal Years (As Available)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions	\$ 1,424,900	\$ 1,228,727	\$ 1,029,541	\$ 982,899	\$ 880,188	\$ 836,192	\$ 809,220	\$ 791,419	\$ 749,264	\$ 707,299
Contributions in relation to the contractually required contributions	<u>\$(1,424,900)</u>	<u>\$(1,228,727)</u>	<u>\$(1,029,541)</u>	<u>\$(982,899)</u>	<u>\$(880,188)</u>	<u>\$(836,192)</u>	<u>\$(809,220)</u>	<u>\$(791,419)</u>	<u>\$(749,264)</u>	<u>\$(707,299)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$6,991,658	\$6,180,720	\$5,178,778	\$5,067,324	\$4,601,035	\$4,435,220	\$4,399,925	\$4,462,335	\$4,438,370	\$4,426,180
Contributions as a percentage of covered payroll	20.38%	19.88%	19.88%	19.40%	19.13%	18.85%	18.39%	17.74%	16.88%	15.98%

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

**STRASBURG SCHOOL DISTRICT 31J**  
**SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY**  
**For The Last 10 Fiscal Years (As Available)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net OPEB liability (asset)	0.069%	0.057%	0.055%	0.0539%	0.0534%	0.0544%	-	-	-	-
District's proportionate share of the net OPEB liability (asset)	\$565,536	\$495,053	\$523,097	\$605,493	\$726,056	\$605,493	-	-	-	-
District's covered payroll	\$6,991,658	\$6,180,720	\$4,781,541	\$4,843,726	\$4,513,454	\$4,418,500	-	-	-	-
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	8%	8%	11%	13%	16%	14%	-	-	-	-
Plan fiduciary net position as a percentage of the total OPEB liability	39%	39%	33%	24%	17%	18%	-	-	-	-

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

**STRASBURG SCHOOL DISTRICT 31J**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS - OPEB**  
**For The Last 10 Fiscal Years (As Available)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions	\$71,315	\$ 63,043	\$ 52,824	\$ 51,687	\$ 46,931	\$ 45,240	-	-	-	-
Contributions in relation to the contractually required contributions	<u>\$(71,315)</u>	<u>\$(63,043)</u>	<u>\$(52,824)</u>	<u>\$(51,687)</u>	<u>\$(46,931)</u>	<u>\$(45,240)</u>	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-
District's covered payroll	\$6,991,658	\$6,180,720	\$5,178,778	\$5,067,324	\$4,601,035	\$4,435,220	-	-	-	-
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	-	-	-	-

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

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND OTHER SCHEDULES**

**Combining Balance Sheet – NonMajor Governmental Funds**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – NonMajor Governmental Funds**

**NON MAJOR GOVERNMENTAL FUNDS**

**Special Revenue Funds**

**Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.**

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

**Pupil Activities - This fund accounts for financial transactions of all schools in the District through individual school activity accounts.**

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

**MAJOR GOVERNMENTAL FUNDS**

**Building Fund**

**Building Fund – This fund is used to account for all resources available for acquiring capital sites, buildings, and equipment as specified by the related bond issue.**

**Bond Redemption Debt Service Fund**

**Bond Redemption Debt Service Fund – Use to account for the accumulation of resources for, and the payment of, long-term general obligation debt principal, interest, and related costs.**

STRASBURG SCHOOL DISTRICT 31J  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2023

	<u>Capital Reserve Capital Projects</u>	<u>Pupil Activities</u>	<u>Food Service</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>				
Cash and Equivalents	557,064	190,938	11,644	759,646
Accounts Receivable	-	-	-	-
Grants Receivable	-	-	22,923	22,923
Due From Other Funds	-	-	-	-
Property Taxes Receivable	-	-	-	-
Inventories	-	-	13,097	13,097
<u>Total Assets</u>	<u>557,064</u>	<u>190,938</u>	<u>47,664</u>	<u>795,666</u>
<b><u>LIABILITIES &amp; FUND BALANCES</u></b>				
<b>Liabilities</b>				
Accounts Payable	-	-	129	129
Accrued Salaries	-	-	15,887	15,887
Due To Other Funds	-	-	-	-
Unearned Revenue	-	-	14,332	14,332
<u>Total Liabilities</u>	<u>-</u>	<u>-</u>	<u>30,348</u>	<u>30,348</u>
<b>Deferred Inflow of Resources</b>				
Property Taxes	-	-	-	-
<b>Fund Balances</b>				
<b>Nonspendable</b>				
Inventories	-	-	13,097	13,097
<b>Restricted</b>				
Debt Service	-	-	-	-
Food Service	-	-	4,219	4,219
<b>Committed</b>				
Capital Outlay	557,064	-	-	557,064
<b>Assigned</b>				
Pupil Activities	-	190,938	-	190,938
<b>Unassigned</b>				
<u>Total Fund Balances</u>	<u>557,064</u>	<u>190,938</u>	<u>17,316</u>	<u>765,318</u>
<b><u>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u></b>	<b><u>557,064</u></b>	<b><u>190,938</u></b>	<b><u>47,664</u></b>	<b><u>795,666</u></b>

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

**STRASBURG SCHOOL DISTRICT 31J**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

	<u>Capital Reserve Capital Projects</u>	<u>Pupil Activities</u>	<u>Food Service</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>REVENUES</u></b>				
Earnings on Investments	2,228	-	101	2,329
Other Local Sources	242,770	350,272	191,261	784,303
State Aid	-	-	9,568	9,568
Federal Aid	-	-	<u>260,816</u>	<u>260,816</u>
<b><u>Total Revenues</u></b>	<u>244,998</u>	<u>350,272</u>	<u>461,746</u>	<u>1,057,016</u>
<b><u>EXPENDITURES</u></b>				
Supporting Services:				
Students	-	366,396	-	366,396
Food Service	-	-	<u>561,190</u>	<u>561,190</u>
<b><u>Total Expenditures</u></b>	<u>-</u>	<u>366,396</u>	<u>561,190</u>	<u>927,586</u>
<b><u>REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>244,998</u>	<u>(16,124)</u>	<u>(99,444)</u>	<u>129,430</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers	-	-	<u>50,000</u>	<u>50,000</u>
<b><u>Total Other Financing Sources (Uses)</u></b>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	244,998	(16,124)	(49,444)	179,430
<b><u>FUND BALANCES – Beginning</u></b>	<u>312,066</u>	<u>207,062</u>	<u>66,760</u>	<u>585,888</u>
<b><u>FUND BALANCES – Ending</u></b>	<u>557,064</u>	<u>190,938</u>	<u>17,316</u>	<u>765,318</u>

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

**STRASBURG SCHOOL DISTRICT 31J**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**CAPITAL RESERVE CAPITAL PROJECTS FUND**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<b><u>REVENUES</u></b>			
Earnings on Investments	11,000	2,228	(8,772)
Grant Revenue	-	-	-
Other Local	<u>242,770</u>	<u>242,770</u>	-
<u>Total Revenues</u>	<u>253,770</u>	<u>244,998</u>	<u>(8,772)</u>
<b><u>EXPENDITURES</u></b>			
Land and Land Sites	-	-	-
Building & Improvements	-	-	-
Equipment	-	-	-
Vehicles	-	-	-
Other	-	-	-
Debt Service:	-	-	-
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Contingency Reserves	<u>565,836</u>	-	<u>565,836</u>
<u>Total Expenditures</u>	<u>565,836</u>	<u>-</u>	<u>565,836</u>
<b><u>REVENUES OVER (UNDER) EXPENDITURES</u></b>	<b>(312,066)</b>	<b>244,998</b>	
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<b>(312,066)</b>	<b>244,998</b>	
<b><u>FUND BALANCE, Beginning</u></b>	<b><u>312,066</u></b>	<b><u>312,066</u></b>	
<b><u>FUND BALANCE, Ending</u></b>	<b><u>-</u></b>	<b><u>557,064</u></b>	

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

STRASBURG SCHOOL DISTRICT 31J  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
PUPIL ACTIVITY – SPECIAL REVENUE FUND  
For the Year Ended June 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<b><u>REVENUES</u></b>			
Local Sources	250,000	350,272	100,272
State Sources	-	-	-
Federal Sources	-	-	-
<u>Total Revenues</u>	<u>250,000</u>	<u>350,272</u>	<u>100,272</u>
<b><u>EXPENDITURES:</u></b>			
Students Activities	210,000	366,396	(156,396)
Contingency	<u>247,062</u>	-	<u>247,062</u>
<u>Total Expenditures</u>	<u>457,062</u>	<u>366,396</u>	<u>90,666</u>
 <b><u>REVENUES OVER (UNDER) EXPENDITURES</u></b>	 <u>(207,062)</u>	 <u>(16,124)</u>	
 <b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <b><u>REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)</u></b>	 <u>(207,062)</u>	 <u>(16,124)</u>	
 <b><u>FUND BALANCES, July 1</u></b>	 <u>207,062</u>	 <u>207,062</u>	
 <b><u>FUND BALANCES, June 30</u></b>	 <u>-</u>	 <u>190,938</u>	

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

**STRASBURG SCHOOL DISTRICT 31J**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**FOOD SERVICE – SPECIAL REVENUE FUND**  
**For the Year Ended June 30, 2023**

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<b><u>REVENUES</u></b>			
<b><u>Local Sources</u></b>			
Food Sales	153,400	191,261	37,861
Earnings on Investments	20	101	81
Other	-	-	-
<b><u>State Sources</u></b>			
School Lunches	4,502	9,568	5,066
<b><u>Federal Sources</u></b>			
School Lunches	192,390	237,150	44,760
Commodities	-	<u>23,666</u>	<u>23,666</u>
<u>Total Revenues</u>	<u>350,312</u>	<u>461,746</u>	<u>111,434</u>
<b><u>EXPENDITURES</u></b>			
Salaries	178,131	185,204	(7,073)
Employee Benefits	48,780	44,473	4,307
Purchased Services – Professional	1,200	1,010	190
Purchased Services – Property	6,500	224	6,276
Purchased Services - Other	-	-	-
Supplies and Materials	208,795	306,613	(97,818)
Capital Outlay	-	-	-
Other	-	-	-
Commodities	<u>23,666</u>	<u>23,666</u>	<u>-</u>
<u>Total Expenditures</u>	<u>467,072</u>	<u>561,190</u>	<u>(94,118)</u>
<b><u>REVENUES OVER (UNDER) EXPENDITURES</u></b>	(116,760)	(99,444)	
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<b><u>REVENUES AND SOURCES OVER (UNDER)</u></b>			
<b><u>EXPENDITURES AND USES</u></b>	(66,760)	(49,444)	
<b><u>FUND BALANCE, Beginning</u></b>	<u>66,760</u>	<u>66,760</u>	
<b><u>FUND BALANCE, Ending</u></b>	<u>-</u>	<u>17,316</u>	

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

STRASBURG SCHOOL DISTRICT 31J  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
MAJOR BUILDING FUND  
For the Year Ended June 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<b><u>REVENUES</u></b>			
Earnings on Investments	65,000	101,435	36,435
Other Local	-	-	-
Grant Revenue	<u>1,627,677</u>	<u>819,172</u>	<u>(808,505)</u>
<u>Total Revenues</u>	<u>1,692,677</u>	<u>920,607</u>	<u>(772,070)</u>
<b><u>EXPENDITURES</u></b>			
Land and Land Sites	-	-	-
Building & Improvements	8,566,259	6,580,980	1,985,279
Equipment	-	-	-
Vehicles	-	-	-
Other	-	-	-
Contingency Reserves	-	-	-
<u>Total Expenditures</u>	<u>8,566,259</u>	<u>6,580,980</u>	<u>1,985,279</u>
<b><u>REVENUES OVER (UNDER) EXPENDITURES</u></b>	<b>(6,873,582)</b>	<b>(5,660,373)</b>	
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers	-	-	-
Proceeds From Debt	-	-	-
Premium on Bonds	-	-	-
Issue Costs	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<b>(6,873,582)</b>	<b>(5,660,373)</b>	
<b><u>FUND BALANCE, July 1</u></b>	<b><u>6,943,459</u></b>	<b><u>6,943,459</u></b>	
<b><u>FUND BALANCE, June 30</u></b>	<b><u>69,877</u></b>	<b><u>1,283,086</u></b>	

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

STRASBURG SCHOOL DISTRICT 31J  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
BOND REDEMPTION FUND  
MAJOR DEBT SERVICE FUND  
For the Year Ended June 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b><u>REVENUES</u></b>			
Property Taxes	1,700,000	1,702,769	2,769
Earnings on Investments	-	2,044	2,044
Other Local	<u>29,000</u>	<u>31,800</u>	<u>2,800</u>
<u>Total Revenues</u>	<u>1,729,000</u>	<u>1,736,613</u>	<u>7,613</u>
<b><u>EXPENDITURES:</u></b>			
Debt Service:			
Principal Retirement	760,000	760,000	-
Interest and Fiscal Charges	938,275	938,275	-
Other	-	-	-
Contingency	<u>2,295,439</u>	<u>-</u>	<u>2,295,439</u>
<u>Total Expenditures</u>	<u>3,993,714</u>	<u>1,698,275</u>	<u>2,295,439</u>
<b><u>REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(2,264,714)</u>	<u>38,338</u>	
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<u>(2,264,714)</u>	<u>387,338</u>	
<b><u>FUND BALANCES, July 1</u></b>	<u>2,295,439</u>	<u>2,295,439</u>	
<b><u>FUND BALANCES, June 30</u></b>	<u>30,725</u>	<u>2,333,777</u>	

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

**STATE REQUIRED SCHEDULES**

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

**Bolded Balance Sheet**



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 0060 - Strasburg 31J  
 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
<b>Governmental</b>							
10 General Fund	5,982,658		13,762,145		14,094,145		5,650,658
18 Risk Mgmt Sub-Fund of General Fund	0		0		0		0
19 Colorado Pre-Test Program Fund	0		0		0		0
Sub-Total	5,982,658		13,762,145		14,094,145		5,650,658
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	66,760		511,745		551,750		17,316
22 Govt Designated-Purpose Grants Fund	0		0		0		0
23 Pupil Activity Special Revenue Fund	207,062		350,272		366,396		190,938
25 Transportation Fund	0		0		0		0
31 Bond Redemption Fund	2,295,439		1,736,613		1,698,275		2,333,777
39 Certificate of Participation (COP) Debt Service Fund	0		0		0		0
41 Building Fund	6,943,459		920,607		6,580,900		1,283,086
42 Special Building Fund	0		0		0		0
43 Capital Reserve Capital Projects Fund	313,066		244,998		0		557,064
46 Supplemental Cap Const, Tech, Main Fund	0		0		0		0
<b>Totals</b>	<b>15,207,444</b>		<b>17,528,382</b>		<b>21,300,386</b>		<b>10,032,839</b>
<b>Proprietary</b>							
50 Other Enterprise Funds	0		0		0		0
64 (63) Risk-Related Activity Fund	0		0		0		0
60,65-69 Other Internal Service Funds	0		0		0		0
<b>Totals</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>Fiduciary</b>							
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 6508 34 Permanent Fund	0		0		0		0
85 Foundation	0		0		0		0
<b>Totals</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>

FINAL



**Colorado Department of Education**  
**Bolded Balance Sheet Report**  
 District: 0060 - Strasburg 31J  
 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)	6,180,047	0	0	190,938	0	0	11,644	2,302,744	1,840,150	0	0	0	0	0	0	10,525,523
Cash with Fiscal Agent (8105)	44,133	0	0	0	0	0	0	11,533	0	0	0	0	0	0	0	55,667
Taxes Receivable (8121,8122)	168,500	0	0	0	0	0	0	80,400	0	0	0	0	0	0	0	248,900
Interfund Loans Receivable (8131,8132)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Intergovernmental Accounts Rec (8141)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Accounts Receivable (8142)	3,439	0	0	0	0	0	22,923	0	0	0	0	0	0	0	0	26,362
Other Receivables (8151-8154,8161)	5,071	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,071
Inventories (8171,8172,8173)	0	0	0	0	0	0	13,097	0	0	0	0	0	0	0	0	13,097
Prepaid Expenses 8181,8182)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Assets</b>	<b>6,401,189</b>	<b>0</b>	<b>0</b>	<b>190,938</b>	<b>0</b>	<b>0</b>	<b>47,664</b>	<b>2,394,677</b>	<b>1,840,150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,874,619</b>



FUND EQUITY	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 70-79	Trust & Agency Funds Fund 85	Totals
Non-spendable Fund Balance 6710	0	0	0	0	0	0	13,097	0	0	0	0	0	0	0	13,097
Restricted Fund Balance 6720	0	0	0	0	0	0	4,318	2,333,777	1,840,150	0	0	0	0	0	4,178,146
TABOR 3% Emergency Reserve 6721	511,000	0	0	0	0	0	0	0	0	0	0	0	0	0	511,000
TABOR Multi-Year 6722	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
District Emergency Reserve (letter of credit or real estate) 6723	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Colorado Preschool Program (CPP) Reserve 6724	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Full-Day Kindergarten Reserve 6725	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Risk-Related / Restricted Capital Reserve 6726	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BEST Capital Reserve 6727	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Program Reserve 6728	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Committed Fund Balance 6750	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assigned Fund Balance 6760	0	0	0	190,938	0	0	0	0	0	0	0	0	0	0	190,938
Unassigned Fund Balance 6770	5,139,658	0	0	0	0	0	0	0	0	0	0	0	0	0	5,139,658
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior Period Adjustment 6880	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Fund Equity</b>	<b>5,650,658</b>	<b>0</b>	<b>0</b>	<b>190,938</b>	<b>0</b>	<b>0</b>	<b>17,316</b>	<b>2,333,777</b>	<b>1,840,150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,032,839</b>

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 70-79	Trust & Agency Funds Fund 85	Totals
6,401,189	0	0	190,938	0	0	47,665	2,394,677	1,840,150	0	0	0	0	0	10,874,619
<b>Total Liabilities &amp; Fund Equity</b>														

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 63-64	Trust & Agency Funds 70-79	Foundations Fund 85
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Do Assets=Liability+Fund Equity														