MOFFAT CONSOLIDATED SCHOOL DISTRICT NO. 2

FINANCIAL STATEMENTS

June 30, 2024

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FINANCIAL SECTION

JOHN CUTLER & ASSOCIATES

Board of Education
Moffat Consolidated School District No. 2
Moffat, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Moffat Consolidated School District No. 2 (the "District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Moffat Consolidated School District No. 2 as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows, 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 (GAAS). 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 Moffat Consolidated School District No. 2 and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required budgetary and pension information on pages 41-45 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 (GASB) 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financials and schedules, state compliance as listed in the table of contents, 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 financials and schedules and state compliance are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

John Cutler & Associates, LLC

April 21, 2025

MOFFAT CONSOLIDATED SCHOOL DISTRICT #2
MANAGEMENT'S DISCUSSION AND ANALYSIS
For Fiscal Year Ended June 30, 2024

Moffat Consolidated School District #2 covers approximately 500 square miles in Saguache County located in the south central region of Colorado. The District serves the northeast one-third of Saguache County which includes the communities of Moffat and Crestone. Approximately 217 students are served in educational programs provided through the Moffat PK-12 School and the Crestone Charter School.

The discussion and analysis of the Moffat School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the District's financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader's understanding of the District's overall financial performance.

Financial Highlights

Key financial highlights for the fiscal year ended June 30, 2024 are as follows:

- In total the District's overall net position is $13,582,457 which represents an increase of $292,621 from the previous year.

- Revenues of $6,568,956 were collected during the year in Governmental Funds. These revenues included taxes, grants and entitlements, general interest and other revenues.

- The District had $5,885,572 in expenditures. Revenues (primarily property taxes and State grants and entitlements) of $6,568,956 were adequate to provide for these expenditures.

- The District's food service expenses exceeded revenues by $52,270 and a transfer of $31,328 from the General Fund to Food Service Fund was made, thus spending down the fund balance by $20,942. It is expected in the coming years that the General Fund will continue to supplement the revenue in the Food Service Fund. Increased food costs and supply chain issues presented additional challenges this year, while the District also extended breakfast service to Crestone Charter School. Efforts at all levels are made to curb spending and create revenue to eliminate the need for this transfer from the General Fund; however, this is difficult in small school districts due to the economy of size and depressed economic factors as well as increased costs created by State & Federal regulations requiring the use of fresh fruits and vegetables and whole grains.

Overview of the Basic Financial Statements

The annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Moffat Consolidated School District as a financial whole, or as an entire operating activity. Information for Crestone Charter School has been presented separately as a discretely presented component unit required by the State of Colorado. The basic financial statements consist of three parts: the management's discussion and analysis (this section), the basic financial statements and required supplementary information.

The basic financial statements include two kinds of statements and present different views of the District. The basic statements are government-wide statements that provide both long-term and short-term information about the District. Fund financial statements provide the next level of detail. For governmental funds, the statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also report the District's operations in more detail than the government–wide statements by providing information about the District's most significant funds with all other non-major funds presented in total in a single column. For the Moffat Consolidated School District the General Fund is the most significant fund. The General Fund for Moffat Consolidated School District includes expenditures for the instructional programs, including the Moffat Preschool.

REPORTING THE DISTRICT AS A WHOLE

Statement of Net Position and Statement of Activities

While this report contains all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during the fiscal year 2024?" The statement of net position and of activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting. The accrual basis of accounting recognizes all of the current year's revenues and expenses regardless of when cash was received or paid.

The focus of these government-wide statements is on the overall financial position and activities of the District. These financial statements are constructed around the concept of a primary government, the District, and its component units. The two statements report the District's net position and changes in net position. The change in net position is important because it identifies whether the financial position of the District has improved or diminished for the District as a whole. The cause of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws, enrollment levels, statutorily required reserves, facility conditions, required educational programs and other factors.

Governmental Activities - Governmental activities are generally financed through taxes, intergovernmental revenues and other non-exchange revenues. Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.

FUND FINANCIAL STATEMENTS

Fund financial reports provide detailed information about the District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, the fund financial statements focus on the School District's most significant funds. The District's major governmental funds include the General Fund and the Bond Redemption Fund. Moffat Consolidated School District has three other funds aggregated on the governmental fund financial statements (Food Services Special Revenue, Student Activity Special Revenue and Capital Reserve Capital Projects Funds). Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

Governmental Funds – The District's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year-end for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs. The relationship, or differences, between governmental activities reported in the statement of net assets and the statement of activities and the governmental funds is reconciled in the financial statements. Moffat Consolidated School District maintains five governmental funds - General, Capital Projects, Food Service, Student Activity and Bond Redemption Fund.

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

Financial Analysis of the District as a Whole

The statement of net position reports all financial and capital resources. The statement presents assets and liabilities in order of relative liquidity. The difference between the District's assets, deferred outflows, liabilities, and deferred inflows is its net position.

Moffat Consolidated School District #2
Condensed Statement of Net Position as of June 30, 2023 and 2024

	2023		2024	
	Governmental Activities	Component Unit Crestone Charter School	Governmental Activities	Component Unit Crestone Charter School
Current & Other Assets	$ 5,228,982	$ 2,703,578	$ 6,036,082	$ 3,652,743
Capital Assets	15,875,286	4,872,323	15,087,543	4,242,338
Total Assets	21,104,268	7,575,901	21,123,625	7,895,081
Deferred Outflows	955,287	372,074	1,352,560	574,378
Current Liabilities	(654,606)	(363,039)	(460,637)	(596,245)
Long-Term Liabilities	(7,825,079)	(1,776,831)	(8,239,429)	(2,511,394)
Total Liabilities	(8,479,685)	(2,139,870)	(8,700,066)	(3,107,639)
Deferred Inflows	(290,034)	(40,369)	(196,417)	(95,222)

Net Position Invested in Capital Assets	*12,584,009*	5,327,519	12,231,463	4,690,796
Restricted	*100,000*	45,400	100,000	59,000
Restricted for BEST Reserve			-	330,000
Unrestricted	*605,827*	394,817	1,248,239	186,857
Total Net Position	$ 13,289,836	$ 5,767,736	$ 13,579,702	$ 5,266,653

The effect of the PERA pension and OPEB on the District's total net position for the fiscal year 2023 and 2024 is summarized below:

	Fiscal Year 2023	Fiscal Year 2024
Net Position (GAAP Basis)	$ 13,289,836	$ 13,579,702
GASB 68 - Pension	3,686,817	4,655,566
GASB 75 - OPEB	181,732	153,371
Net Position Excluding Pension and OPEB	$ 17,158,385	$ 18,388,639

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

	Fiscal Year 2023	Fiscal Year 2024
Net Position (GAAP Basis)	$ 605,827	$ 1,248,239
GASB 68 - Pension	3,686,817	4,655,566
GASB 75 - OPEB	181,732	153,371
Net Position Excluding Pension and OPEB	$ 4,474,376	$ 6,057,176

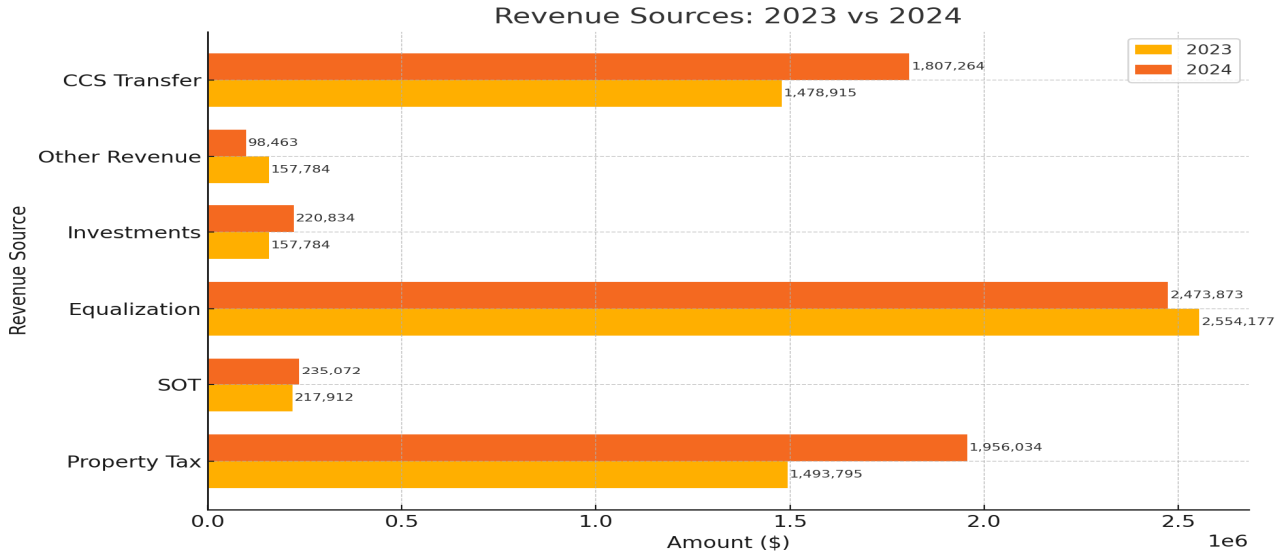
The statement of activities shows the cost of program services and the changes for services and grants offsetting those services. This identifies the cost of these services supported by property taxes and state entitlements. The table below shows the governmental activities, the total costs of services by function and the net cost of services:

	2023			2024	
		Component Unit			Component Unit
	Governmental Activities	Crestone Charter School		Governmental Activities	Crestone Charter School
Program Revenues:					
Charges for Services	$ 63,693	$ -		$ 8,633	$ 1,772
Operating Grants & Contributions	2,260,646	687,905		1,913,227	606,155
Capital Grants & Contributions	2,840	10,350		29,814	-
General Revenues:					
Taxes	1,711,707	-		1,956,034	-
State Equalization	2,554,177	1,478,915		2,473,873	1,807,264
Other	864,346	33,456		329,489	15,651
Total Revenue	7,457,409	2,210,626		6,711,070	2,430,842
Expenses					
Instructional	3,669,757	2,076,018		3,634,030	2,932,006
Supporting Services	3,284,765	-		2,654,687	
Student Support Services	-	-		-	-
General Administration	-	-		-	-
Business Support	-	-		-	-
Operations & Maintenance	-	-		-	-
Central Support	-	-		-	-
Food Service	-	-		-	-
Other	-	-		-	-
Interest on Long-term Debt	142,380	-		132,487	-
Total Expenses	7,096,902	2,076,018		6,421,204	2,932,006
Change in Net Position	$ 360,507	$ 134,608		$ 289,866	$ (501,164)

Moffat Consolidated School District #2				
Net Cost of Governmental Activities FY 23 and FY 24 Comparison				
	FY 2023		FY 2024	
	Expenses	Net Cost of Services	Expenses	Net Cost of Services
Instruction	3,669,757	-1,529,946	3,634,030	-2,510,533
Supporting Services Student Support	3,284,765	-3,097,397	2,654,687	-1,826,510
Instructional Staff				
General Administration				
School Administration				
Business Support				
Operation & Maintenance				
Student Transportation				
Central Support & Other Interest on Lng-Term Debt	142,380	-142,380	132,487	-132487
TOTAL	7,096,902	-4,769,723	6,421,204	-4,469,530

The primary source of operating revenue for the School District comes from the School Finance Act of 1994. Each FTE (full-time equivalent) generated $19,273 for the 2023-2024 program, which is $2,074.82 per FTE more than during the 2022-2023 school year. The funded pupil count for the District was 196.4 FTE during FY 2023-2024.

The following chart shows the District revenues by revenue source for the General Fund only.



NOTE: Transfers & CCS PP Revenue are reductions of total revenue shown above. The money goes from the General Fund to other funds.

Financial Analysis of the District's Funds

Governmental Funds

The focus of the District's governmental funds report is to provide information on short-term income, expenses and the balance of spendable resources. This information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a measure of the District's net resources available for spending at the end of the fiscal year.

General Fund (Including the Preschool Fund)

The General Fund is the major operating fund of the District, providing the majority of the resources for the educational and support programs. Before June 30th of each year the Board of Education approves a budget based on enrollment projections for the coming year. The budget may be revised until December 31st of each year to more accurately reflect anticipated revenue and expenditures as well as student count.

General Fund revenues totaling $6,002,523 were $349,790 less than anticipated in the budget. Actual expenditures of $5,257,143 were $3,747,915 under the budgeted figure. Moffat Consolidated School District has traditionally budgeted all beginning balances and reserves to allow for expenditure of these funds in case of a catastrophic expense. The $3,892,517 June 30th fund balance includes reserves for TABOR and accrued salaries. The increase in fund balance of the General Fund from FY 2023 is $614,052.

Capital Projects Fund

The District is utilizing the Capital Projects Fund to set aside funds for capital projects and purchases. As of June 30, 2024 the Fund Balance showed a total of $402,448. This fund received revenues through a transfer of funds from the General Fund.

Food Services Special Revenue Fund

The Food Service Fund is one of the Special Revenue Funds in the District. Although our student participation in the hot lunch program is high, the small student population creates a challenge in funding and program expenditures exceed revenues. A transfer from the General Fund of $31,328 allowed this fund to meet its expenditures. It is expected that a transfer of funds to support the Food Service Fund will continue in coming years.

Governmental Activities

Bond Redemption

The Bond Redemption Fund is considered a part of the governmental funds and provides the means for repayment of the District's long-term debts. Long-Term Liabilities for general obligation debt is $3,273,793 and are not due and payable in the 2024 fiscal year.

Capital Assets

The District began the year with Net Capital Assets of $15,875,286. Including the Moffat School facility, vehicles, equipment and routine depreciation of assets, the ending balance for the District's Capital Assets is $15,276,161 as of June 30, 2023. A summary of changes in capital assets:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Non-Depreciable Total	$ 188,618	$ -	$ -	$ 188,618
Land, Building & Site Improvements	18,287,296	-	-	18,287,296
Equipment & Vehicles	1,893,596	-	-	1,893,596
Total Depreciable Assets	20,180,892	-	-	20,180,892
Less Accumulated Depreciation For:				
Building & site Improvements	3,272,775	493,111	-	3,765,886
Equipment & Vehicles	1,221,449	106,014	-	1,327,463
Total Accumulated Deprecaiton	4,494,224	599,125	-	5,093,349
Depreciable Assets Net	15,686,668	(599,125)	-	15,087,543
Total Capital Assets Net	$ 15,875,286	(599,125)	$ -	$ 15,276,161

Economic Factors and Next Year's Budget

The District continues to monitor the economic situation of the local area, surrounding areas and the State. The state of affairs in Colorado has and will continue to cause careful planning. The Colorado legislature has put the burden of reporting the employee's retirement (Colorado PERA) unfunded liability on each district. The District's carryover will allow the School District to act instead of react to the financial woes of the State and Country. Moffat Consolidated School District is the smallest district in the State of Colorado with a charter school. The enrollment at the charter school is approximately 46 percent of the total District student population. This factor creates challenges in budgeting due to economy of size and the splitting of the District's student population. Approximately sixty-six percent of the District's student population qualifies for free/reduced lunches through the national program. This statistic speaks loudly of our local economic struggles.

Contact the District's Financial Management Team

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the money it received. If you have questions about this report or would like further financial information, contact the Superintendent or Business Director, Moffat Consolidated School District #2, PO Box 428, 501 Garfield Avenue, Moffat, CO 81143.

Respectfully Submitted,

Joe Torrez, Superintendent

Rebecca Quintana, Business Director

BASIC FINANCIAL STATEMENTS

MOFFAT SCHOOL DISTRICT NO. 2

STATEMENT OF NET POSITION
June 30, 2024

	GOVERNMENTAL ACTIVITIES	COMPONENT UNIT Crestone Charter School
ASSETS		
Cash and Investments	$ 5,081,058	$ 2,707,743
Taxes Receivable	414,095	-
Grants Receivable	128,510	463,353
Accounts Receivable	212,802	30,807
Prepaid Items	8,514	-
Inventories	2,485	-
Prepaid Expenses	-	2,382
Capital Assets, Not Depreciated	188,618	448,458
Capital Assets, Depreciated Net of Accumulated Depreciation	15,087,543	4,242,338
TOTAL ASSETS	21,123,625	7,895,081
DEFERRED OUTFLOWS OF RESOURCES		
Related to Pensions	1,329,483	559,134
Related to OPEB	23,077	15,244
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,352,560	574,378
LIABILITIES		
Accounts Payable	182,797	256,351
Accrued Salaries and Benefits	140,374	57,812
Unearned Revenues	134,711	282,082
Noncurrent Liabilities		
Net Pension Liability	5,074,477	2,454,162
Net OPEB Liability	120,254	57,232
Due Within One Year	268,410	-
Due in More Than One Year	2,776,288	-
TOTAL LIABILITIES	8,697,311	3,107,639
DEFERRED INFLOWS OF RESOURCES		
Related to Pensions	140,223	70,184
Related to OPEB	56,194	25,038
TOTAL DEFERRED INFLOWS OF RESOURCES	196,417	95,222
NET POSITION		
Net Investment in Capital Assets	12,231,463	4,690,796
Restricted for BEST Reserve	-	330,000
Restricted for Emergencies	100,000	59,000
Unrestricted	1,250,994	186,857
TOTAL NET POSITION	$ 13,582,457	$ 5,266,653

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

MOFFAT SCHOOL DISTRICT NO. 2

STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and and Changes in Net Position	Component Unit
PRIMARY GOVERNMENT						
Governmental Activities						
Instruction	$ 3,631,175	$ -	$ 1,123,497	$ -	$ (2,507,678)	$ -
Supporting Services	2,654,687	8,633	789,730	29,814	(1,826,510)	-
Interest and Fiscal Charges	132,487	-	-	-	(132,487)	-
Total Governmental Activities	6,418,349	8,633	1,913,227	29,814	(4,466,675)	-
COMPONENT UNIT						
Crestone Charter School	$ 2,932,006	$ 1,772	$ 606,155	$ -		(2,324,079)
		GENERAL REVENUES				
		Local Property Taxes			1,525,587	1,807,264
		Specific Ownership Taxes			235,072	-
		Mill Levy Override			195,375	-
		State Equalization			2,473,873	-
		Other Revenues			98,363	-
		Earnings on Investments			220,834	15,651
		Unrestricted State Aid			10,192	-
		TOTAL GENERAL REVENUES			4,759,296	1,822,915
		CHANGE IN NET POSITION			292,621	(501,164)
		NET POSITION, Beginning			13,289,836	5,737,817
		NET POSITION, Ending			$ 13,582,457	$ 5,236,653

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

MOFFAT SCHOOL DISTRICT NO. 2

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024

	GENERAL	BOND REDEMPTION	NONMAJOR FUNDS	TOTALS 2024
ASSETS				
Cash and Investments	$ 3,910,056	$ 757,381	$ 413,621	5,081,058
Taxes Receivable	336,978	77,117	-	414,095
Grants Receivable	128,510	-	-	128,510
Accounts Receivable	202,439	-	10,363	212,802
Inventories	2,485	-	-	2,485
Prepaid Expenses	-	-	8,514	8,514
Due from Other Funds	227,812	-	163,987	391,799
TOTAL ASSETS	$ 4,808,280	$ 834,498	$ 596,485	$ 6,239,263
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 182,797	$ -	$ -	$ 182,797
Accrued Salaries and Benefits	140,374	-	-	140,374
Due to Other Funds	243,896	-	147,903	391,799
Unearned Revenues	134,711	-	-	134,711
Deferred Tax Revenues	211,230	50,293	-	261,523
TOTAL LIABILITIES	913,008	50,293	147,903	1,111,204
FUND BALANCES				
Nonspendable	-	-	8,514	8,514
Restricted for Emergencies	100,000	-	-	100,000
Restricted for Debt Service	-	784,205	-	784,205
Restricted for Preschool Expenses	153,363	-	-	153,363
Restricted for Food Service	-	-	10,615	10,615
Assigned for Student Activities	-	-	35,519	35,519
Unassigned	3,641,909	-	393,934	4,035,843
TOTAL FUND BALANCES	3,895,272	784,205	448,582	5,128,059
TOTAL LIABILITIES AND FUND BALANCES	$ 4,808,280	$ 834,498	$ 596,485	

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	15,276,161
Long-term liabilities, including bonds payable ($3,016,033) and accrued compensated absences of ($28,665) are not due and payable in the current period and are not reported in the funds.	(3,044,698)
Property tax revenue is recognized when earned (claim to resources established) rather than when "available". All of the deferred property tax is not available.	261,523
Long-term liabilities and assets related to pensions are not due and payable in the current period and therefore, are not reported in the funds. This liability includes net pension liability ($5,074,477), net OPEB liability ($120,254), deferred outflows related to pensions and OPEB $1,352,560, and deferred inflows related to pensions and OPEB ($196,417).	(4,038,588)
Net position of governmental activities	$ 13,582,457

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

MOFFAT SCHOOL DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2024

	GENERAL	BOND REDEMPTION	NONMAJOR FUNDS	TOTALS 2024
REVENUES				
Local Sources	$ 1,970,913	$ 361,294	$ 83,639	$ 2,415,846
State Sources	3,074,359	-	8,004	3,082,363
Federal Sources	957,151	-	113,493	1,070,644
TOTAL REVENUES	6,002,423	361,294	205,136	6,568,853
EXPENDITURES				
Current				
Instruction	3,471,307	-	24,695	3,496,002
Supporting Services	1,782,981	-	216,342	1,999,323
Debt Service				
Principal	-	257,760	-	257,760
Interest and Fiscal Charges	-	132,487	-	132,487
TOTAL EXPENDITURES	5,254,288	390,247	241,037	5,885,572
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	748,135	(28,953)	(35,901)	683,281
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	131,328	131,328
Transfers Out	(131,328)	-	-	(131,328)
TOTAL OTHER FINANCING SOURCES (USES)	(131,328)	-	131,328	-
NET CHANGE IN FUND BALANCES	616,807	(28,953)	95,427	683,281
FUND BALANCES, Beginning	3,278,465	813,158	353,155	4,444,778
FUND BALANCES, Ending	$ 3,895,272	$ 784,205	$ 448,582	$ 5,128,059

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

MOFFAT SCHOOL DISTRICT NO. 2

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

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

Net change in fund balances - total governmental funds	$	683,281
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation expense for the year.		(599,125)
Deferred Charges related to pensions and OPEB are not recognized in the governmental funds. However, for the government-wide funds that amounts are capitalized and amortized.		(170,039)
Some expenses reported in the statement of activities do not require current financial resources and are not reported in the funds. These are capital lease payments and changes in accrued compensated absences.		246,579
Change in net position of governmental activities	$	292,621

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Moffat Consolidated School District No. 2 (the "District") conform to generally accepted accounting principles as applicable to governmental units. Following is a summary of the more significant policies:

Reporting Entity

The financial reporting entity consists of the District and organizations for which the District is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the District. In addition, any legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability exists if the District appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on the District.

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).

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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the District is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

Program revenues include 1) charges to students or other customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Internally dedicated resources are reported as general revenues rather than as program revenues.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the 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. Fiduciary funds utilize the accrual basis of accounting.

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations.

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

In the fund financial statements, the District reports the following major funds:

The *General Fund* is the District's primary operating fund; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.

The *Bond Redemption Fund* Accounts for the issuance and payment of debt for the District.

Assets, Liabilities and Fund Balance/Net Position

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.

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

Inventories – Inventories of proprietary funds are valued at the lower of cost (first-in, first-out) or market.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Capital Assets – Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position and balance sheets 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 and fund balance 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 the liabilities, the statement of financial position and balance sheets 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 and fund balance that applies to a futures period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Unearned Revenues – The unearned revenues include amounts received but not yet available for expenditure.

Vacation, Sick Leave, and Other Compensated Absences – District employees are entitled to certain compensated absences based on their length of employment and are allowed to accumulate unused absences. These compensated absences are recognized as current salary costs when accrued in the proprietary fund types and when paid in the governmental fund types. A long-term liability has been recorded in the government-wide financial statements for the accrued compensated absences.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Long-Term Debt – 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 governmental activities, business-type activities, or proprietary funds. The District records long-term debt of governmental funds at face value. Capital leases are serviced from property taxes and other revenues of the General Fund.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures.

Net Position– The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets is intended to reflect the portion of net position which are associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Net Position are liquid assets, which have third party limitations on their use.

Unrestricted Net Position represents assets that do not have any third party limitation on their use. While School management may have categorized and segmented portion for various purposes, the School Board has the unrestricted right to revisit or alter these managerial decisions.

Fund Balance Classification – The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable – This classification includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. The District considers its prepaid expenses and inventories as nonspendable as of June 30, 2024.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. They have also restricted funds for Preschool expenses, debt service, and food service.

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

- Assigned – These amounts do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes. The District considers funds held for students are assigned for student activities.

- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned fund balances.

Property Tax Revenues

Property taxes are levied on December 15 based on the assessed value of property as certified by the County Assessor on October 1. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent and penalties and interest may be assessed by the County Treasurer on the post mark day following these dates. The tax sale date is the first Thursday of November. Under Colorado Law, all property taxes become due and payable on January 1, in the year following that in which they are levied.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

Budgets are adopted for all funds, except the Building Fund on a basis consistent with generally accepted accounting principles. 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. All annual appropriations lapse at fiscal year end.

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

- 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.

- Public hearings are conducted by the Board of Education to obtain taxpayer comments.

- Prior to June 30, the budget is adopted by formal resolution.

- Expenditures may not legally exceed appropriations at the fund level.

- Revisions that alter the total expenditures of any fund must be approved by the Board of Education.

- Budgeted amounts reported in the accompanying financial statements are as originally adopted or amended by the Board of Education.

- Encumbrances represent a commitment for the estimated amount of expenditures which could ultimately result from the fulfillment of uncompleted purchase orders and contracts. Encumbrances lapse at the end of each fiscal year (June 30). Lapsed encumbrances are then reviewed by department heads to determine those which will remain canceled and those which will be reinstated and paid from appropriations for the following year. Encumbrances are therefore not considered expenditures until an actual liability is incurred. Encumbrances are not shown as a reservation of fund equity at fiscal year-end because they have lapsed and are pending reinstatement.

NOTE 3: CASH AND INVESTMENTS

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

Petty Cash	$ 100
Deposits	538,672
Investments	4,542,286
Total Cash and Investments	**$ 5,081,058**

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. 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 regulations.

At June 30, 2024, State regulatory commissioners have indicated that all financial institutions holding deposits for the District are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The District has no policy regarding custodial credit risk for deposits.

At June 30, 2024, the District had deposits with financial institutions with a carrying amount of $538,672. The bank balances with the financial institutions were $564,104. Of these balances, $250,000 was covered by federal depository insurance and $314,104 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

Interest Rate Risk

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

NOTE 3: CASH AND INVESTMENTS (Continued)

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

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

The above investments are authorized for all funds and fund types used by Colorado school districts.

Local Government Investment Pools

The District had invested $4,542,286 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAm by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to $1.00. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions.

Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables.

NOTE 4: INTERFUND BALANCES AND TRANSFERS

Interfund Balances at June 30, 2024 are as follows:

	Due To	Due From
General Fund	$ 243,896	$ 227,812
Food Service Fund	147,903	63,987
Capital Reserve Fund	-	100,000
Total	**$ 391,799**	**$ 391,799**

NOTE 5: CAPITAL ASSETS

	Balances 6/30/2023	Additions	Deletions	Balances 6/30/2024
Governmental Activities				
Capital Assets, not depreciated				
Land and Construction in Progress	$ 188,618	$ -	$ -	$ 188,618
Capital Assets, depreciated				
Buildings	16,624,737	-	-	16,624,737
Site Improvements	1,662,559	-	-	1,662,559
Vehicles	641,280	-	-	641,280
Equipment	1,252,316	-	-	1,252,316
Total Capital Assets, depreciated	20,180,892	-	-	20,180,892
Less Accumulated Depreciation				
Buildings	2,589,517	416,770	-	3,006,287
Site Improvements	663,258	76,341	-	759,599
Vehicles	617,147	21,847	-	638,994
Equipment	604,302	84,167	-	688,469
Total Accumulated Depreciation	4,494,224	599,125	-	5,093,349
Total Capital Assets, depreciated, Net	15,686,668	(599,125)	-	15,087,543
Governmental Activities, Capital Assets, Net	**$ 15,875,286**	**$ (599,125)**	**$ -**	**$ 15,276,161**

Depreciation expense was charged to the supporting services function of the District.

NOTE 6: ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, at June 30, 2024, are estimated to be $140,374. Accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the various funds.

NOTE 7: LONG-TERM DEBT

Following is a summary of long-term debt transactions for the governmental activities for the year ended June 30, 2024.

	Balance 6/30/2023	Additions	Reductions	Balance 6/30/2024	Due In One Year
Debt from Direct Borrowings					
General Obligation Bonds	$ 3,273,793	$ -	$ 257,760	$ 3,016,033	$ 268,410
Compensated Absences	17,484	11,181	-	28,665	-
Total	**$ 3,291,277**	**$ 11,181**	**$ 257,760**	**$ 3,044,698**	**$ 268,410**

Compensated absences are expected to be liquidated with revenues of the General Fund.

Series 2013 General Obligation Bonds

On December 9, 2013, the District issued General Obligation Bonds Series 2013 for the construction of the new school building and facilities in the amount of $4,552,677. The Bonds were used to match $12,124,993 in State of Colorado – BEST program funds as required under the State of Colorado Building Excellent Schools Today Qualified School Construction Program. The Series 2013 Matching Money Bonds were issued at an interest rate of 4.187%. Principal is due annually on December 1, and interest is due semiannually on June 1, and December 1. Final payment is due December 1, 2033. Payments are made through the Bond Redemption Fund.

Series 2010 General Obligation Bonds

On April 27, 2010, the District issued General Obligation Bonds Series 2010 for the construction of the Crestone Charter School building and facilities in the amount of $726,519. The Bonds were used to match $5,327,806 in State of Colorado – BEST program funds as required under the State of Colorado Building Excellent Schools Today Qualified School Construction Program. The Series 2010 Matching Money Bonds were issued at an interest rate of 3.84%. Principal is due annually on December 1, and interest is due semiannually on June 1, and December 1. Final payment is due December 1, 2029. Payments are made through the Bond Redemption Fund.

NOTE 7: LONG-TERM DEBT (Continued)

Annual debt service requirements to maturity for the bonds are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 268,410	$ 119,772	$ 388,182
2026	279,501	108,451	387,952
2027	291,049	96,661	387,710
2028	303,077	84,387	387,464
2029	315,601	71,603	387,204
2030-2034	1,558,395	163,930	1,722,235
Total Debt Service Requirements	**$ 3,016,033**	**$ 644,804**	**$ 4,660,837**

NOTE 8: JOINTLY GOVERNED ORGANIZATIONS

BOCES

Not reflected in the accompanying financial statements is the District's participation in the Southeastern Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational services at a shared lower cost per District. The District has one member on the Board. The Board has final authority for all budgeting and financing of the joint venture. The BOCES by-laws indicate that the entity is to have perpetual existence, but in the event of its dissolution, all assets shall be divided among member school districts on a pro rate basis determined by the BOCES board. The BOCES financial statements can be obtained at their office located at 7784 Saddle Club Drive in Lamar, CO 81052.

NOTE 9: DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Pensions. The District's 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.

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

Plan description. Eligible employees of the District are provided with pensions through the SCHDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly.

PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports. Benefits provided as of December 31, 2023. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement.

Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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, 2024: Eligible employees of the Districts 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, 2023 through June 30, 2024.

Employer contribution requirements are summarized in the table below:

	July 1, 2023 Through June 30, 2024
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).

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from District were $428,862 for the year ended June 30, 2024.

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 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. The direct distribution from the State was suspended in 2020. To compensate PERA for the suspension, C.R.S. §§ 24-51-414(6-8) required restorative payment by providing an accelerated payment in 2022.

In 2022, the State Treasurer issued payment for the direct distribution of $225 million plus an additional amount of $380 million. Due to the advanced payment made in 2022, the State reduced the distribution in 2023 to $35 million. Additionally, the newly added C.R.S. § 24-51-414(9) providing compensatory payment of $14.561 million for 2023 only.

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, 2023, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TPL to December 31, 2023. The District's proportion of the net pension liability was based on the District's contributions to the SCHDTF for the calendar year 2023 relative to the total contributions of participating employers and the State as a nonemployer contributing entity

At June 30, 2024, the District reported a liability of $5,074,477 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with District were as follows:

District's proportionate share of the net pension liability	$5,074,477
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	108,881
Total	$5,183,358

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

At December 31, 2023, the District's proportion was .002870%, which was an increase of .004465% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District's recognized pension expense of $637,454 and revenue of $10,192 for support from the State as a nonemployer contributing entity. At June 30, 2024, the District's 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	$240,626	N/A
Changes of assumptions or other inputs	N/A	N/A
Net difference between projected and actual earnings on pension plan investments	363,761	N/A
Changes in proportion and differences between contributions recognized and proportionate share of contributions	511,194	$140,223
Contributions subsequent to the measurement date	213,902	N/A
Total	$1,329,483	$140,223

$213,902 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, 2025. 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,	
2025	$291,171
2026	$304,394
2027	$268,102
2028	$111,691

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

Actuarial assumptions. The TPL in the December 31, 2022, 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	1.00%

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

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis. Pre-retirement mortality assumptions were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

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

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

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

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

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

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, 2022, valuation were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies prepared at least every five years and asset/liability studies performed every three to 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%.

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero.

- Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225 million 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.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

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

- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension	$6,785,420	$5,074,477	$3,647,758

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

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Summary of Significant Accounting Policies

OPEB. The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Summary of Significant Accounting Policies (Continued)

For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

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

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

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.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

General Information about the OPEB Plan (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.

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.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

General Information about the OPEB Plan (Continued)

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were $18,219 for the year ended June 30, 2024.

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

At June 30, 2024, the District reported a liability of $120,254 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TOL to December 31, 2023. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the District's proportion was .0168%, which was a decrease of .00022% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized OPEB income of $10,142. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	N/A	$24,647
Changes of assumptions or other inputs	$1,414	12,751
Net difference between projected and actual earnings on OPEB plan investments	3,719	N/A
Changes in proportion and differences between contributions recognized and proportionate share of contributions	11,394	18,796
Contributions subsequent to the measurement date	6,550	N/A
Total	$23,077	$56,194

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

$6,550 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, 2025. 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,	
2025	($11,993)
2026	($12,144)
2027	($5,634)
2028	($2,805)
2029	($5,562)
Thereafter	($1,528)

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

Actuarial assumptions. The TOL in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	School 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 Safety Officers	3.40%-11.00%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans[1]	7.00% in 2023, gradually decreasing to 4.50% in 2033
Medicare Part A premiums	3.50% in 2023, gradually increasing to 4.50% in 2035
DPS benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

[1] UnitedHealthcare MAPD PPO plans are 0% for 2023.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

Each year the per capita health care costs are developed by plan option; currently based on 2023
premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-68	2.2%	2.3%
69	2.8%	2.2%
70	2.7%	1.6%
71	3.1%	0.5%
72	2.3%	0.7%
73	1.2%	0.8%
74	0.9%	1.5%
75-85	0.9%	1.3%
86 and older	0.0%	0.0%

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$1,692	$1,406	$579	$481	$1,913	$1,589
70	$1,901	$1,573	$650	$538	$2,149	$1,778
75	$2,100	$1,653	$718	$566	$2,374	$1,869

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$6,469	$5,373	$4,198	$3,487	$6,719	$5,581
70	$7,266	$6,011	$4,715	$3,900	$7,546	$6,243
75	$8,026	$6,319	$5,208	$4,101	$8,336	$6,563

The 2023 Medicare Part A premium is $506 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, 2022, 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.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

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

Year	PERACare Medicare	Medicare Part A
2023	7.00%	3.50%
2024	6.75%	3.50%
2025	6.50%	3.75%
2026	6.25%	3.75%
2027	6.00%	4.00%
2028	5.75%	4.00%
2029	5.50%	4.00%
2030	5.25%	4.25%
2031	5.00%	4.25%
2032	4.75%	4.25%
2033	4.50%	4.25%
2034	4.50%	4.25%
2035+	4.50%	4.50%

Mortality assumptions used in the December 31, 2022, 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 Safety Officers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

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

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

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 Safety Officers) 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 Safety Officers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

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

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

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

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

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 Safety Officers 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 Safety Officers 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, 2022, 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 2023 plan year.

- The morbidity rates used to estimate individual retiree and spouse costs by age and by gender were updated effective for the December 31, 2022, actuarial valuation. The revised morbidity rate factors are based on a review of historical claims experience by age, gender, and status (active versus retired) from actuary's claims data warehouse.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

- 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.

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.

The actuarial assumptions used in the December 31, 2022, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years, and asset/liability studies, performed every three to 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.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

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

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

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate[1]	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$116,802	$120,254	$124,008

[1]For the January 1, 2024, plan year.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

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, 2023, 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.

- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.

NOTE 10: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a $24 million payment received on December 4, 2023, and a $2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were $1.033 million and $24.967 million, respectively.

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

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-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	$142,035	$120,254	$101,620

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

NOTE 11: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District participates in the Colorado School District Self Insurance Pool. The Pool insures property and liability exposures through contributions made by member districts.

NOTE 11: RISK MANAGEMENT (Continued)

The District does not maintain an equity interest in the self insurance pool. The District funds its pool contributions, outside insurance purchases, deductibles, and uninsured losses through the General Fund.

The District is fully self insured for unemployment compensation and has a $1,000 deductible for property insurance.

The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial or District coverage in any of the past three years.

NOTE 12: COMMITMENTS AND CONTINGENCIES

Claims and Judgments

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other 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, 2024, significant amounts of grant expenditures have not been audited but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

Tabor Amendment

In November 1992, Colorado voters passed the Tabor Amendment to the State Constitution which limits state and local government tax powers and imposes spending limitations. In November 1998, electors within the District authorized the District to collect, retain and expend all revenues collected or received by the District effective for the 1996-97 fiscal year and each subsequent year thereafter, notwithstanding the limitations of the Amendment. The Tabor Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment. A reservation of equity in the General Fund in the amount of $100,000 has been recorded as an emergency reserve in accordance with the Amendment.

NOTE 13: SUBSEQUENT EVENTS

Potential subsequent events were considered through April 21, 2025. It was determined that no events are required to be disclosed through this date.

REQUIRED SUPPLEMENTARY INFORMATION

MOFFAT SCHOOL DISTRICT NO. 2

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2024

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Local Sources	$ 1,837,473	$ 1,970,913	$ 133,440
State Sources	3,022,974	3,074,359	51,385
Federal Sources	1,491,866	957,151	(534,715)
TOTAL REVENUES	6,352,313	6,002,423	(349,890)
EXPENDITURES			
Instruction	3,624,152	3,471,307	152,845
Student Support Services	584,069	421,700	162,369
Instructional Staff Support Services	59,679	27,859	31,820
General Administration Support Services	275,199	61,512	213,687
School Administration Support Services	181,369	187,467	(6,098)
Business Support Services	227,647	192,650	34,997
Operations and Maintenance of Plant Services	595,175	420,596	174,579
Student Transportation Services	266,756	343,758	(77,002)
Central Support Services	276,851	126,914	149,937
Other Support Services	45,810	-	45,810
Food Services	51,753	525	51,228
Property	-	-	-
Reserves	2,816,598	-	2,816,598
TOTAL EXPENDITURES	9,005,058	5,254,288	3,750,770
OTHER FINANCING SOURCES (USES)			
Transfers to Other Funds	(148,309)	(131,328)	(16,981)
TOTAL OTHER FINANCING SOURCES (USES)	(148,309)	(131,328)	(16,981)
CHANGE IN FUND BALANCE	(2,801,054)	616,807	3,417,861
FUND BALANCES, Beginning	2,801,054	3,278,465	477,411
FUND BALANCES, Ending	$ -	$ 3,895,272	$ 3,895,272

See the accompanying independent auditors' report.

MOFFAT SCHOOL DISTRICT NO. 2

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
STATEWIDE SCHOOL DIVISION TRUST FUND

Years Ended December 31,
(School Division Trust Fund Measurement Date)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
District's proportionate share of the Net Pension Liablility	0.0250%	0.0297%	0.0248%	0.0268%	0.2430%	0.0256%	0.0292%	0.0259%	0.0241%	0.0287%
District's proportionate share of the Net Pension Liablility	$ 3,447,583	$ 3,542,767	$ 7,373,564	$ 8,317,594	$ 4,459,497	$ 3,954,323	$ 4,393,184	$ 3,024,709	$ 4,378,549	$ 5,074,477
State of Colorado's Proportionate Share of the Net Pension Liability associated with the District	-	-	-	-	596,812	501,556	-	346,744	988,031	108,881
Total portion of the Net Pension Liability associated with the District	$ 3,447,583	$ 3,542,767	$ 7,373,564	$ 8,317,594	$ 5,056,309	$ 4,455,879	$ 4,393,184	$ 3,371,453	$ 5,366,580	$ 5,183,358
District's covered payroll	$ 1,058,958	$ 1,008,697	$ 1,159,942	$ 1,205,004	$ 1,471,900	$ 1,608,572	$ 1,582,753	$ 1,634,210	$ 2,006,493	$ 1,786,139
District's proportionate share of the Net Pension Liablility as a percentage of its covered payroll	325.6%	351.2%	635.7%	690.3%	343.5%	277.0%	277.6%	206.3%	267.5%	290.2%
Plan fiduciary net position as a percentage of the total pension liability	62.8%	59.2%	43.1%	44.0%	57.0%	64.5%	67.0%	74.9%	61.8%	64.7%

See the accompanying independent auditors' report.

MOFFAT SCHOOL DISTRICT NO. 2

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
STATEWIDE SCHOOL DIVISION TRUST FUND

Years Ended June 30,

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statutorily required contributions	$ 174,854	$ 179,229	$ 216,291	$ 227,614	$ 281,580	$ 326,509	$ 314,652	$ 348,629	$ 405,155	$ 428,862
Contributions in relation to the Statutorily required contributions	174,854	179,229	216,291	227,614	281,580	326,509	314,652	348,629	405,155	428,862
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 1,093,473	$ 1,058,958	$ 1,159,942	$ 1,205,004	$ 1,471,900	$ 1,608,572	$ 1,582,753	$ 1,752,145	$ 1,837,745	$ 1,786,139
Contributions as a percentage of covered payroll	15.99%	16.93%	18.65%	18.89%	19.13%	20.30%	19.88%	19.90%	22.05%	24.01%

See the accompanying independent auditors' report.

MOFFAT SCHOOL DISTRICT NO. 2

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
HEALTH CARE TRUST FUND

Years Ended December 31,
(Health Care Trust Fund Measurement Date)

	2016	2017	2018	2019	2020	2021	2022	2023
District's proportionate share of the Net OPEB Liability	0.0149%	0.0152%	0.0159%	0.0167%	0.0169%	0.0169%	0.0190%	0.0168%
District's proportionate share of the Net OPEB Liability	$ 182,079	$ 189,918	$ 217,990	$ 194,463	$ 159,793	$ 146,336	$ 155,253	$ 120,254
District's covered payroll	$ 1,159,942	$ 1,205,004	$ 1,471,900	$ 1,608,572	$ 1,582,753	$ 1,634,210	$ 2,006,493	$ 1,786,139
District's proportionate share of the Net OPEB Liability as a percentage of its covered payroll	15.70%	15.76%	14.81%	12.09%	10.10%	8.95%	7.74%	6.73%
Plan fiduciary net position as a percentage of the total OPEB liability	16.7%	17.5%	17.0%	24.5%	32.8%	39.4%	38.6%	46.2%

Notes

This schedule is reported as of December 31, as that is the plan year end.

This schedule will report ten years of data when it is available.

See the accompanying independent auditors' report.

MOFFAT SCHOOL DISTRICT NO. 2

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
HEALTH CARE TRUST FUND

Years Ended June 30,

	2017	2018	2019	2020	2021	2022	2023	2024
Statutorily required contributions	$ 11,831	$ 12,291	$ 15,013	$ 16,407	$ 16,144	$ 17,872	$ 18,745	$ 18,219
Contributions in relation to the Statutorily required contributions	11,831	12,291	15,013	16,407	16,144	17,872	18,745	18,219
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 1,159,942	$ 1,205,004	$ 1,470,900	$ 1,608,572	$ 1,582,753	$ 1,752,145	$ 1,837,745	$ 1,786,139
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

Notes
This schedule will report ten years of data when it is available.

See the accompanying independent auditors' report.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

MOFFAT SCHOOL DISTRICT NO. 2

BOND REDEMPTION DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2024

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Local Sources	$ 423,400	$ 361,294	$ (62,106)
TOTAL REVENUES	423,400	361,294	(62,106)
EXPENDITURES			
Debt Service			
Principal Payments	257,760	257,760	-
Interest and Fees	132,742	132,487	255
Reserves	887,521	-	887,521
TOTAL EXPENDITURES	1,278,023	390,247	887,776
CHANGE IN FUND BALANCE	(854,623)	(28,953)	825,670
FUND BALANCE, Beginning	854,623	813,158	(41,465)
FUND BALANCE, Ending	$ -	$ 784,205	$ 784,205

See the accompanying independent auditors' report.

MOFFAT SCHOOL DISTRICT NO. 2

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2024

	SPECIAL REVENUE		CAPITAL PROJECT	
	FOOD SERVICE	PUPIL ACTIVITY	CAPITAL RESERVE	Totals
ASSETS				
Current Assets				
Cash and Investments	$ 75,654	$ 35,519	$ 302,448	$ 413,621
Accounts Receivable	10,363	-	-	10,363
Prepaid	8,514	-	-	8,514
Due from Other Funds	63,987	-	100,000	163,987
TOTAL ASSETS	$ 158,518	$ 35,519	$ 402,448	$ 596,485
LIABILITIES				
Due to Other Funds	147,903		-	147,903
TOTAL LIABILITIES	147,903	-	-	147,903
FUND BALANCE				
Nonspendable	8,514	-	-	8,514
Restricted for Food Service	2,101	-	-	2,101
Assigned for Student Activities	-	35,519	-	35,519
Unassigned	-	-	402,448	402,448
TOTAL FUND BALANCES	10,615	35,519	402,448	448,582
TOTAL LIABILITIES AND FUND BALANCE	$ 158,518	$ 35,519	$ 402,448	$ 596,485

See the accompanying independent auditors' report.

MOFFAT SCHOOL DISTRICT NO. 2

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Year Ended June 30, 2024

	SPECIAL REVENUE		CAPITAL PROJECT	
	FOOD SERVICE	STUDENT ACTIVITY	CAPITAL RESERVE	Totals
REVENUES				
Local Sources	$ 24,055	$ 43,351	$ 16,233	$ 83,639
State Sources	8,004	-	-	8,004
Federal Sources	113,493	-	-	113,493
TOTAL REVENUES	145,552	43,351	16,233	205,136
EXPENDITURES				
Instructional Program	-	24,695	-	24,695
Food Services	197,797	-	-	197,797
Property	25	-	18,520	18,545
TOTAL EXPENDITURES	197,822	24,695	18,520	241,037
EXCESS OF REVENUES OVER EXPENDITURES	(52,270)	18,656	(2,287)	(35,901)
OTHER FINANCING SOURCES (USES)				
Transfers In	31,328	-	100,000	131,328
TOTAL OTHER FINANCING SOURCES	31,328	-	100,000	131,328
NET CHANGE IN FUND BALANCE	(20,942)	18,656	97,713	95,427
FUND BALANCE, Beginning	31,557	16,863	304,735	353,155
FUND BALANCE, Ending	$ 10,615	$ 35,519	$ 402,448	$ 448,582

See the accompanying independent auditors' report.

MOFFAT SCHOOL DISTRICT NO. 2

FOOD SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2024

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Local Sources	$ 75,055	$ 24,055	$ (51,000)
State Sources	700	8,004	7,304
Federal Sources	122,833	113,493	(9,340)
TOTAL REVENUES	198,588	145,552	(53,036)
EXPENDITURES			
Salaries	96,817	76,755	20,062
Benefits	39,030	16,537	22,493
Purchased Services	8,700	10,037	(1,337)
Food, Commodities and Supplies	108,570	94,468	14,102
Property	5,000	25	4,975
Reserves	20,000		20,000
TOTAL EXPENDITURES	278,117	197,822	80,295
EXCESS OF REVENUES OVER EXPENDITURES	(79,529)	(52,270)	27,259
OTHER FINANCING SOURCES (USES)			
Transfers from Other Funds	59,529	31,328	(28,201)
NET CHANGE IN FUND BALANCE	(20,000)	(20,942)	(942)
FUND BALANCE, Beginning	20,000	31,557	11,557
FUND BALANCE, Ending	$ -	$ 10,615	$ 10,615

See the accompanying independent auditors' report.

MOFFAT SCHOOL DISTRICT NO. 2

STUDENT ACTIVITY FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2024

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Local Sources	$ 180,045	$ 43,351	$ 43,351
TOTAL REVENUES	180,045	43,351	43,351
EXPENDITURES			
Instructional Program	205,535	24,695	180,840
Reserves	75,230	-	75,230
TOTAL EXPENDITURES	280,765	24,695	256,070
CHANGE IN FUND BALANCE	(100,720)	18,656	299,421
FUND BALANCE, Beginning	100,720	16,863	(83,857)
FUND BALANCE, Ending	$ -	$ 35,519	$ 215,564

See the accompanying independent auditors' report.

MOFFAT SCHOOL DISTRICT NO. 2

CAPITAL RESERVE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2024

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES			
Local Sources	$ 5,426	$ 16,233	$ 10,807
TOTAL REVENUES	5,426	16,233	10,807
EXPENDITURES			
Property	268,000	18,520	249,480
Reserves	559,064	-	559,064
TOTAL EXPENDITURES	827,064	18,520	808,544
OTHER FINANCING SOURCES			
Transfers from Other Funds	130,000	100,000	(30,000)
TOTAL OTHER FINANCING SOURCES	130,000	100,000	(30,000)
CHANGE IN FUND BALANCE	(691,638)	97,713	789,351
FUND BALANCE, Beginning	691,638	304,735	(386,903)
FUND BALANCE, Ending	$ -	$ 402,448	$ 402,448

See the accompanying independent auditors' report.

STATE COMPLIANCE

Colorado Department of Education

Auditors Integrity Report

District: 2800 - Moffat 2
Fiscal Year 2023-24
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number		Beg Fund Balance & Prior Per Adj (6880*) +	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses -	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance =
Governmental					
10	General Fund	3,058,914	3,818,244	3,355,124	3,522,035
18	Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19	Colorado Preschool Program Fund	219,549	245,586	91,899	373,237
Sub- Total		3,278,464	4,063,831	3,447,023	3,895,271
11	Charter School Fund	1,865,425	2,412,956	2,155,870	2,122,512
20,26-29	Special Revenue Fund	0	0	0	0
06	Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07	Total Program Reserve Fund	0	0	0	0
21	Food Service Spec Revenue Fund	31,557	176,881	197,822	10,616
22	Govt Designated-Purpose Grants Fund	0	0	0	0
23	Pupil Activity Special Revenue Fund	95,109	31,043	25,408	100,744
25	Transportation Fund	0	0	0	0
31	Bond Redemption Fund	813,156	361,294	390,247	784,203
39	Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41	Building Fund	0	0	0	0
42	Special Building Fund	0	0	0	0
43	Capital Reserve Capital Projects Fund	701,686	146,426	25,305	822,806
46	Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals		6,785,397	7,192,431	6,241,675	7,736,153
Proprietary					
50	Other Enterprise Funds	0	0	0	0
64 (63)	Risk-Related Activity Fund	0	0	0	0
60,65-69	Other Internal Service Funds	0	0	0	0
Totals		0	0	0	0
Fiduciary					
70	Other Trust and Agency Funds	0	0	0	0
72	Private Purpose Trust Fund	0	0	0	0
73	Agency Fund	0	0	0	0
74	Pupil Activity Agency Fund	0	0	0	0
79	GASB 34:Permanent Fund	0	0	0	0
85	Foundations	0	0	0	0
Totals		0	0	0	0

FINAL