

**HAYDEN SCHOOL DISTRICT RE-1**

---

**FINANCIAL STATEMENTS**

**AND**

**INDEPENDENT AUDITOR'S REPORT**

---

**JUNE 30, 2022**

**FINANCIAL STATEMENTS - 2022**

**HAYDEN SCHOOL DISTRICT RE-1**  
ROUTT COUNTY

**OFFICIALS**  
June 30, 2022

**BOARD OF EDUCATION**

Tammie Delaney, President

Kevin Lind, Vice-President

Ryan Wattles, Treasurer

Alicia Doolin, Secretary

Jody Camilleti, Director

**ADMINISTRATIVE STAFF**

Christy Sinner  
Superintendent of Schools

Edward Anderson  
Director of Finance

## TABLE OF CONTENTS

	<b>PAGE</b>
INDEPENDENT AUDITORS' REPORT	1-3
MANAGEMENT DISCUSSION & ANALYSIS	4-8
BASIC FINANCIAL STATEMENTS	
District-wide Financial Statements	
Statement of Net Position	12
Statement of Activities	13-14
Fund Financial Statements	
Balance Sheet – Governmental Funds	15-16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position of Governmental Activities	18
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	19-20
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Notes to Financial Statements	25-51
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule – General Fund	53-58
Schedule of the District's Proportionate Share of the Net Pension Liability	59
Schedule of District's Contributions – PERA Pension Plan	60
Schedule of District's Proportionate Share of the Net OPEB Liability	61
Schedule of District's Contributions – OPEB	62
SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule – Food Services Fund	65-66
Budgetary Comparison Schedule – Pupil Activity Fund	67-68
Budgetary Comparison Schedule – Bond Redemption Fund	69-70
Budgetary Comparison Schedule – Building Fund	71-72
Budgetary Comparison Schedule – Capital Projects Fund	73-74
REPORTS AND SCHEDULES REQUIRED BY OUTSIDE ENTITIES	
Auditors Integrity Report	78
Bolded Balance Sheet Report	79-81

**TABLE OF CONTENTS, Continued**

	<b>PAGE</b>
REPORTS AND SCHEDULES FOR REPORTING REQUIRES OF UNIFORM GUIDANCE	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i>	83-84
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Requirements by the Uniform Guidance	85-86
Schedule of Findings and Questioned Costs	87-88
Schedule of Expenditures of Federal Financial Awards	89



## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
Hayden School District RE-1

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Hayden School District RE-1, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Hayden School District RE-1's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Hayden School District RE-1, as of June 30, 2022, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Hayden School District RE-1 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hayden School District RE-1's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

#### **Meeker Office**

685 Main St, Suite 2, PO Box 1109, Meeker, CO 81641

☎ : 970-878-5219

✉ : 970-878-3210 ✉ : rangely@colocpa.com

#### **Rangely Office**

118 W Main St, PO Box 770, Rangely, CO 81648

☎ : 970-675-2222

☎ : 970-675-2220 ✉ : rangely@colocpa.com

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hayden School District RE-1's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hayden School District RE-1's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, General Fund budgetary comparison schedule, schedule of the District's Proportionate Share of the Net Pension Liability, schedule of District's Contributions – PERA Pension Plan, schedule of District's Proportionate Share of the Net OPEB Liability, schedule of District's Contributions – OPEB on pages 4-8 and 53-62 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Hayden School District RE-1's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Report on Other Legal and Regulatory Requirements**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Colorado Department of Education Auditor's Integrity and Bolded Balance Sheet reports on pages 78-81 are presented for state regulatory compliance and are not a required part of the financial statements. The Colorado Department of Education Auditor's Integrity and Bolded Balance Sheet reports are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2022, on our consideration of the Hayden School District RE-1's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Hayden School District RE-1's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hayden School District RE-1's internal control over financial reporting and compliance.

*ColoCPA Services, PC*

ColoCPA Services, PC  
December 8, 2022

## MANAGEMENT DISCUSSION & ANALYSIS

It is a privilege to present to you the financial picture of Hayden School District RE-1. The discussion and analysis of Hayden School District RE-1's financial performance provides an overall review of the District's financial activities for the year ended June 30, 2022. The intent of the discussion and analysis is to look at the District's financial performance as a whole; readers should also review the notes to the basic financial statements to enhance their understanding of the District's financial performance.

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

### Financial Highlights

- Total net position of the District is \$42,469,537, which includes \$71,978,410 in total assets, \$1,672,734 in deferred out flows, \$27,599,823 in total liabilities, and \$3,581,784 in deferred inflows. The total assets include \$9,405,991 in current assets and \$62,572,419 in long-term assets.
- Total general revenues were \$7,710,076 and total program revenues were \$2,701,081. During the year, the District had expenses that were \$6,763,034. This resulted in an increase in total net position of \$3,648,123 from the previous year.

### Using the Annual Financial Report

Within the annual report is a series of financial statements and notes to those statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and include fixed assets and depreciation on those assets.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Hayden School District RE-1's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information including fund financial statements that focus on individual parts of the Districts operations in more detail than the government-wide statements.

### Government-wide Financial Statements.

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

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year.

Both of the government-wide financial statements distinguish functions of the District, that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges.

The government-wide financial statements of the District have only one category:

- 1) **Governmental Activities** - All of the District's basic services are included here, such as instruction, administration and community services. Property taxes and state and federal subsidies and grants finance most of these activities.

**Fund financial statements** - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds** - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the governments near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the two.

The Hayden School District RE-1 adopts a one-year budget for its funds. A budgetary comparison statement has been provided for the funds to demonstrate compliance with the year ended June 30, 2022 budget.

#### **Financial Analysis of the District as a Whole**

Most of the District's net position is invested in capital assets (buildings, land, vehicles and equipment). The remaining unrestricted net position is a combination of designated and undesignated amounts. The designated balances are amounts set aside by management to finance future purchases or capital projects as planned by the District.

The results of this year's operations are reported in the Statement of Activities. Specific charges, grants, revenues and subsidies that directly relate to specific expense categories are represented to determine the final amount of the District's activities that are supported by other general revenues. The two largest general revenues are the local taxes that are assessed to community taxpayers and state equalization that is provided by the State of Colorado.

Table A-1  
Fiscal Year Ended June 30, 2022  
Hayden School District RE-1 Net Position

	FY22 Total	FY21 Total
Current Assets	\$ 9,405,991	\$ 7,702,979
Capital and Other Assets	62,572,419	64,128,199
Total Assets	<u>71,978,410</u>	<u>71,831,178</u>
Deferred Outflows	<u>1,672,734</u>	<u>2,633,750</u>
Current and Other Liabilities	1,324,516	1,049,707
Long Term Liabilities	26,275,307	29,676,164
Total Liabilities	<u>27,599,823</u>	<u>30,725,871</u>
Deferred Inflows	<u>3,581,784</u>	<u>4,925,482</u>
Net Position:		
Net invested in Capital Assets	36,358,005	34,498,006
Restricted	3,032,152	2,610,017
Unrestricted	3,079,380	1,705,553
Total Net Position	<u>\$ 42,469,537</u>	<u>\$ 38,813,735</u>

Table A-2  
Fiscal Year Ended June 30, 2022  
Hayden School District RE-1  
Changes in Net Position

	<u>FY22 Total</u>	<u>FY21 Total</u>
Revenues		
Program Revenues		
Charges for Services	\$ 273,798	\$ 213,973
Operating Grants	2,203,769	1,420,325
Capital Grants & Contributions	223,514	7,383,701
General Revenues		
Property Taxes	5,675,810	5,596,490
Specific Ownership Taxes	388,104	391,714
Mineral Lease	78,205	42,581
State Equalization	1,489,474	1,276,676
Investment Earnings	14,130	6,073
Other Revenue	55,353	44,183
Gain (Loss) on Capital Asset Disposals	9,000	(502,110)
Total Revenues	<u>10,411,157</u>	<u>15,873,606</u>
Expenses		
Instruction	2,149,467	1,074,194
Supporting Services	3,824,587	2,083,421
Interest on Long-Term Debt	788,980	819,619
Total Expenses	<u>6,763,034</u>	<u>3,977,234</u>
Increase (Decrease) in Net Position	3,648,123	11,896,372
Net Position Beginning	38,813,575	53,646,378
Prior Period Restatement	7,839	(26,729,175)
Net Position Ending	<u>\$ 42,469,537</u>	<u>\$ 38,813,575</u>

## **The District Funds**

At June 30, 2022 the District governmental funds reported a combined fund balance of \$8,083,821, which is an increase of \$1,386,098 from the June 30, 2021 balances.

## **General Fund Budget**

During the fiscal year, the board of education authorizes revisions to the original budget to accommodate differences from the original budget to the actual expenditures of the District. All adjustments are again confirmed at the time the annual audit is accepted, which is after the end of the fiscal year. A schedule showing the District's original and final budget amounts compared with amounts actually paid and received in the general fund is provided on pages 53 through 58 of the audit.

## **Capital Assets**

At June 30, 2022, the District had \$36,358,005 invested in a broad range of capital assets net of depreciation and related debt, including: land, buildings, improvements, vehicles, furniture and equipment. This represents additions of \$424,674 and depreciation of \$1,980,545 for a net decrease of \$1,555,780 from the prior year.

## **Debt Administration**

As of June 30, 2022, the District had bonds payable.

## **Economic Factors and Future Budgets**

The District has experienced steady enrollment for several years, and all indications show that the trend will continue for the foreseeable future. The state formula for funding school districts in Colorado is tied directly to the number of pupils enrolled, along with inflation based adjustments. This has kept total revenues flat for several years and will most likely continue into the future.

Local and intermediate sources provided 66 percent of all funding of the District. The state share is 21 percent, and the federal share is 13 percent. Expenditures include 42 percent for direct instruction of students, 9 percent for support services, 8 percent for general and school administration, 9 percent for operations and maintenance (including utilities), 5 percent for property (including construction of new school), 18 percent for debt service, and 9 percent for student transportation and all other expenses.

## **Contacting the District Financial Management**

Our financial report is designed to provide our citizens, taxpayers, parents, students, investors, and creditors with a general overview of the District's finances and to show the Board's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, please contact Hayden School District RE-1, 300 Breeze Basin Blvd, PO Box 70, Hayden, Colorado 81639, (970) 276-3864.

**PAGE INTENTIONALLY LEFT BLANK**

## **FINANCIAL STATEMENTS**

**PAGE INTENTIONALLY LEFT BLANK**

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

STATEMENT OF NET POSITION  
June 30, 2022

	<u>Primary Governmental Activities</u>
<b>ASSETS</b>	
Cash and Investments	\$ 8,378,805
Cash with Fiscal Agent	114,859
Property Taxes Receivable	135,942
Grants Receivable	630,867
Other Accounts Receivable	102,781
Inventory	2,606
Prepaid Expenses	40,131
Capital Assets, Nondepreciable	1,926,746
Capital Assets, Net	<u>60,645,673</u>
<b>TOTAL ASSETS</b>	<u><b>71,978,410</b></u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflows Related to Pensions	1,645,551
Deferred Outflows Related to Post Employment Benefit (OPEB)	<u>27,183</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u><b>1,672,734</b></u>
<b>LIABILITIES</b>	
Accounts Payable	289,651
Accrued Interest	63,755
Accrued Salaries and Benefits	415,010
Payroll Taxes and Deductions Payable	148,051
Unearned Revenue	60,020
Unearned Revenue Grants	348,029
Noncurrent Liabilities:	
Due Within One Year	848,570
Due in More Than One Year	<u>25,426,737</u>
<b>TOTAL LIABILITIES</b>	<u><b>27,599,823</b></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows Related to Property Taxes	61,409
Deferred Inflows Related to Pensions	3,369,598
Deferred Inflows Related to OPEB	<u>150,777</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u><b>3,581,784</b></u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	36,358,005
Restricted	3,032,152
Unrestricted	<u>3,079,380</u>
<b>TOTAL NET POSITION</b>	<u><u><b>\$ 42,469,537</b></u></u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2022

		<u>Program Revenues</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
FUNCTIONS/PROGRAMS			
Primary Government			
Governmental Activities			
Instruction	\$ 2,149,467	\$ 269,020	\$ 467,736
Supporting Services	3,824,587	4,778	1,736,033
Interest Expense	<u>788,980</u>	<u>-</u>	<u>-</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 6,763,034</u>	<u>\$ 273,798</u>	<u>\$ 2,203,769</u>

General Revenues:

Taxes:

  Property Taxes

  Specific Ownership Taxes

Mineral Lease

State Equalization

Other Revenues

Investment Earnings

Loss on disposal of assets

    Total General Revenues

    Change in Net Position

Net Position - Beginning

  Prior Period Adjustment

    Net Position - Ending

<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position Primary Government Governmental Activities</u>
\$ 88,767	\$ (1,323,944)
134,747	(1,949,029)
<u>-</u>	<u>(788,980)</u>
 <u>\$ 223,514</u>	 <u>(4,061,953)</u>
	5,675,810
	388,104
	78,205
	1,489,474
	55,353
	14,130
	<u>9,000</u>
	<u>7,710,076</u>
	3,648,123
	38,813,575
	<u>7,839</u>
	<u>\$ 42,469,537</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

**BALANCE SHEET - GOVERNMENTAL FUNDS**

June 30, 2022

	General Fund	Special Revenue	
		Food Service Fund	Pupil Activity Fund
<b>ASSETS</b>			
Cash and Investments	\$ 4,114,267	\$ 10,104	\$ 106,469
Cash with Fiscal Agent	53,564	-	-
Property Taxes Receivable	89,781	-	-
Interfund Accounts Receivable	-	17,810	-
Grants Receivable	599,167	-	-
Other Accounts Receivable	84,025	17,424	1,332
Inventory	-	2,606	-
Prepaid Expenses	40,131	-	-
<b>TOTAL ASSETS</b>	<u>\$ 4,980,935</u>	<u>\$ 47,944</u>	<u>\$ 107,801</u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 236,556	\$ 975	\$ 2,241
Interfund Accounts Payable	16,799	-	1,011
Accrued Salaries and Benefits	400,339	14,671	-
Payroll Taxes and Deductions Payable	144,572	3,479	-
Unearned Revenue	56,750	3,270	-
Unearned Revenue Grants	348,029	-	-
<b>TOTAL LIABILITIES</b>	<u>1,203,045</u>	<u>22,395</u>	<u>3,252</u>
<b>DEFERRED INFLOWS OF FINANCIAL RESOURCES</b>			
Deferred Inflows	40,557	-	-
<b>TOTAL DEFERRED INFLOWS OF FINANCIAL RESOURCES</b>	<u>40,557</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>			
Nonspendable	312,312	6,441	-
Restricted for:			
Labor emergencies	283,912	-	-
BEST Capital Reserve	-	-	-
Debt Service	-	-	-
Committed	1,048,682	19,108	104,549
Assigned	-	-	-
Unassigned	2,092,427	-	-
<b>TOTAL FUND BALANCE</b>	<u>3,737,333</u>	<u>25,549</u>	<u>104,549</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<u>\$ 4,980,935</u>	<u>\$ 47,944</u>	<u>\$ 107,801</u>

<u>Debt Service</u> <u>Bond Redemption</u> <u>Fund</u>	<u>Capital Projects</u>		<u>Total</u> <u>Governmental</u> <u>Funds</u>
	<u>Building</u> <u>Fund</u>	<u>Capital Reserve</u> <u>Project Fund</u>	
\$ 2,602,067	\$ 700	\$ 1,545,198	\$ 8,378,805
10,874	50,421	-	114,859
46,161	-	-	135,942
-	-	-	17,810
-	31,700	-	630,867
-	-	-	102,781
-	-	-	2,606
-	-	-	40,131
<u>\$ 2,659,102</u>	<u>\$ 82,821</u>	<u>\$ 1,545,198</u>	<u>\$ 9,423,801</u>
\$ -	\$ 49,879	\$ -	\$ 289,651
-	-	-	17,810
-	-	-	415,010
-	-	-	148,051
-	-	-	60,020
-	-	-	348,029
-	49,879	-	1,278,571
20,852	-	-	61,409
20,852	-	-	61,409
-	-	-	318,753
-	-	-	283,912
-	-	252,829	252,829
2,638,250	-	-	2,638,250
-	-	-	1,172,339
-	32,942	1,292,369	1,325,311
-	-	-	2,092,427
<u>2,638,250</u>	<u>32,942</u>	<u>1,545,198</u>	<u>8,083,821</u>
<u>\$ 2,659,102</u>	<u>\$ 82,821</u>	<u>\$ 1,545,198</u>	<u>\$ 9,423,801</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**PAGE INTENTIONALLY LEFT BLANK**

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

**RECONCILIATION OF BALANCE SHEET TO THE STATEMENT OF NET POSITION  
June 30, 2022**

Balance sheet - total fund balances		\$ 8,083,821
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported in the funds.		62,572,419
Long-term liabilities, including net pension liability, bonds payable, and capital leases payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		(26,275,307)
Accrued interest is not due or payable in the current period and, therefore, is not reported as a liability in the funds.		(63,755)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	1,645,551	
Deferred outflows of resources related to OPEB	27,183	
Deferred inflows of resources related to pensions	(3,369,598)	
Deferred inflows of resources related to OPEB	<u>(150,777)</u>	
Net deferred outflows (inflows)		<u>(1,847,641)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>		<b><u>\$ 42,469,537</u></b>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2022

	General Fund	Special Revenue	
		Food Service Fund	Pupil Activity Fund
REVENUES			
Local Sources	\$ 4,788,897	\$ 4,786	\$ 86,485
Intermediate Sources	51,117	-	-
State Sources	2,032,921	2,174	-
Federal Sources	1,156,801	182,531	-
<b>TOTAL REVENUES</b>	<b>8,029,736</b>	<b>189,491</b>	<b>86,485</b>
EXPENDITURES			
Instruction	3,688,625	-	69,978
Student Support	267,255	-	-
Instructional Support	299,290	-	-
General Administration	409,269	-	-
School Administration	318,184	-	-
Business Services	322,074	-	-
Operations and Maintenance	789,084	-	-
Student Transportation	234,650	-	-
Central Support	321,218	-	-
Food Services	-	216,806	-
Property	253,408	-	-
Debt Service:			
Principal	1,469	-	-
Interest	9	-	-
<b>TOTAL EXPENDITURES</b>	<b>6,904,535</b>	<b>216,806</b>	<b>69,978</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,125,201</b>	<b>(27,315)</b>	<b>16,507</b>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	9,000	-	-
Transfers in (out)	(1,022,019)	32,039	(2,212)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(1,013,019)</b>	<b>32,039</b>	<b>(2,212)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPEND- ITURES AND OTHER FINANCING USES</b>	<b>112,182</b>	<b>4,724</b>	<b>14,295</b>
PRIOR PERIOD ADJUSTMENT	7,839	-	-
FUND BALANCE, BEGINNING OF YEAR	3,617,312	20,825	90,254
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 3,737,333</b>	<b>\$ 25,549</b>	<b>\$ 104,549</b>

<u>Debt Service</u>	<u>Capital Projects</u>		<u>Total</u>
<u>Bond Redemption</u>	<u>Building</u>	<u>Capital Reserves</u>	<u>Governmental</u>
<u>Fund</u>	<u>Fund</u>	<u>Project Fund</u>	<u>Funds</u>
\$ 1,931,202	\$ 3	\$ 3,405	\$ 6,814,778
27,088	-	-	78,205
-	134,747	-	2,169,842
-	-	-	1,339,332
<u>1,958,290</u>	<u>134,750</u>	<u>3,405</u>	<u>10,402,157</u>
-	-	-	3,758,603
-	-	-	267,255
-	-	-	299,290
-	-	-	409,269
-	-	-	318,184
-	-	-	322,074
-	-	-	789,084
-	-	-	234,650
-	-	-	321,218
-	-	-	216,806
-	225,383	-	478,791
816,773	-	-	818,242
791,584	-	-	791,593
<u>1,608,357</u>	<u>225,383</u>	<u>-</u>	<u>9,025,059</u>
<u>349,933</u>	<u>(90,633)</u>	<u>3,405</u>	<u>1,377,098</u>
-	-	-	9,000
<u>17,984</u>	<u>(7,312)</u>	<u>981,520</u>	<u>-</u>
<u>17,984</u>	<u>(7,312)</u>	<u>981,520</u>	<u>9,000</u>
367,917	(97,945)	984,925	1,386,098
-	-	-	7,839
<u>2,270,333</u>	<u>130,887</u>	<u>560,273</u>	<u>6,689,884</u>
<u>\$ 2,638,250</u>	<u>\$ 32,942</u>	<u>\$ 1,545,198</u>	<u>\$ 8,083,821</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**PAGE INTENTIONALLY LEFT BLANK**

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2022**

Net change in fund balances - total governmental funds	\$ 1,386,098
Amounts reported for governmental activities in the statement of net activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$1,980,454) exceeded capital outlay (\$424,674) in the current period.	(1,555,780)
Repayment of long-term liability principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of debt repayment.	818,242
Payment of interest is an expenditure in the governmental funds, but accrued interest is accounted for in the statement of activities. This is the change in accrued interest payable.	2,613
Accrued compensated absences are not considered current liabilities, therefore, are not recorded as expenditures in the governmental funds. This is the change in accrued compensated absences.	(14,922)
Governmental funds report District pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.	2,960,502
Governmental funds recognize OPEB contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to OPEB on a full accrual perspective.	<u>51,370</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 3,648,123</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**PAGE INTENTIONALLY LEFT BLANK**

**NOTES TO FINANCIAL STATEMENTS**

# HAYDEN SCHOOL DISTRICT RE-1, COLORADO

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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

The accounting policies of Hayden School District RE-1 conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

#### **A. Reporting Entity**

In evaluating how to define the District for financial reporting entity purposes, management uses the criteria set forth in Statement No. 14 of the Governmental Accounting Standards Board entitled "The Financial Reporting Entity" (GASB 14). Under GASB 14, the financial reporting entity consists of: a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

#### **B. Description of Government-Wide Financial Statements**

During fiscal year 2004, the District adopted GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued June 1999; GASB Statement No. 37, *Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, an amendment to GASB Statements No. 21 and No. 34, issued in June 2001, and; GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, issued in 2001.

The Statement of Net Position and the Statement of Activities display information about the government-wide entity as a whole. The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Non-exchange Transactions."

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from general revenues.

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense to each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

The government-wide financial statements report information on all of the activities of the District. The effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function 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 identified as program revenues are reported as general revenues.

# HAYDEN SCHOOL DISTRICT RE-1, COLORADO

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### B. Description of Government-Wide Financial Statements, continued

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### C. 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*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund financial statements 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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within 60 days of fiscal year end. For this purpose, the District considers revenues, other than property taxes, that are susceptible to accrual to be available if they are collected within 90 days of fiscal year end. 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 and claims and judgments, are recorded only when payment is due.

#### D. Fund Accounting

The accounts of the School District are organized on the basis of funds and account groups, each of which is considered a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following funds are currently being used by the District:

#### Governmental Fund Types

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

**Food Service Fund** - Food Service Fund is used to record financial transactions related to food service operations. The Food Services Fund is reflected as a Special Revenue Fund.

**Pupil Activity Fund** - The Pupil Activity Fund is used to account for transactions related to extra-curricular activities. Pupil Activity Fund is reflected as a Special Revenue Fund.

**Capital Projects Fund** - Capital Projects Funds are used to account for the purposes of acquisition of sites, buildings, equipment, and vehicles. The Capital Reserve Fund and Building Fund are reflected as Capital Projects Funds.

**Debt Service Fund** - This fund was established to account for the repayment of the School District general obligation debt. The Bond Redemption Fund is reflected as a Debt Service Fund.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**E. Capital Assets**

Capital assets, which include land, building, building improvements and equipment are reported in the governmental activities column in the government-wide financial statements. Land, buildings and building improvements are recorded at historical cost or estimated historical cost if purchased or constructed. The capitalization threshold for equipment is a unit cost of \$5,000 or more. Donated capital assets are recorded at estimated fair market value at date of donation.

Depreciation has been provided over the estimated useful lives of the asset in the government-wide presentation. Depreciation is calculated using the straight-line method over following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings, building improvements, and site improvements	25-50
Administrative software/systems and equipment	5-20

**F. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds 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 debt service expenditures.

**G. Budgets and Budgetary Accounting**

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

1. Budgets are required by state law for all funds. By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
2. Public hearings are conducted by the Board of Education to obtain taxpayer comments.
3. Prior to June 30, the budget is adopted by formal resolution.
4. Expenditures may not legally exceed appropriations at the fund level.
5. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
6. Budgeted amounts reported in the accompanying financial statements are originally adopted or amended by the Board of Education.
7. Supplemental budgets are adopted as necessary and required.
8. Encumbrance accounting is not utilized.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**H. Property Taxes Receivable and Reserve for Uncollectable – Taxes**

Property taxes are levied on or before December 10 on property assessed as of January 1, (lien date) of each year. Tax bills are mailed on or before January 31 of the following year. The taxes are collectible in two installments, due February 28, and June 15, or in full by April 30. Property taxes are recognized as revenue, as of June 30, 2022, based on taxes collected and projected through August 31, 2022. The following is a summary of the property taxes receivable, net:

	<u>General</u>	<u>Bond</u>	<u>Total</u>
Property taxes receivable	\$ 89,781	\$ 46,161	\$ 135,942
Less allowance for uncollectable	<u>(40,557)</u>	<u>(20,852)</u>	<u>(61,409)</u>
 Total	 <u>\$ 49,224</u>	 <u>\$ 25,309</u>	 <u>\$ 74,533</u>

**I. Accrued Compensated Absences**

The District has 3 types of leave with Accrued Vacation being the only leave paid at termination and is maxed out as employees are eligible to accrue annual leave up to a maximum of two times (2X) their eligibility or a max of 40 days. Sick Leave is comprised of PTO (Paid Time Off) which is based on the number of days staff works with the maximum yearly accrual of 12 days a year for those staff who work 208 days. Any unused PTO rolls over to Accrued leave at year-end. Accrued leave maxes out at 60 days an employee can be paid at half the current substitute pay for hours over 60 at year-end and/or upon retirement.

All employees, regardless of position, will be awarded annual leave by length of contract criteria. One leave day awarded per month. The District allows eligible employees to accrue leave up to a maximum of 60 days. Upon termination, the full accumulation is paid. The estimated liability is reflected as a long-term liability. Payments for unused leave are typically funded through the General Fund.

**J. Inventory**

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

**K. Accrued Salaries and PERA**

The liability at June 30, 2022 for salaries earned by employees who contract for a period less than 12 months and receive payment over a twelve month period is reflected in the accompanying statements. The accrued liabilities are computed on these salaries and is shown as a liability.

**L. Net Position and Fund Balances**

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

- Invested in Capital Assets, Net of Related Debt – this category groups all capital assets into one component. Accumulated depreciation and the outstanding debt balances that are attributable to (already invested in) the acquisition, construction or improvement of these assets reduce this category.
- Restricted – assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by various enabling legislation.
- Unrestricted – represents the amount which is not restricted for any purpose. It is the District’s policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available.

# HAYDEN SCHOOL DISTRICT RE-1, COLORADO

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

#### **L. Net Position and Fund Balances, continued**

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

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The board establishes (and modifies or rescinds) fund balance commitments as action items in board meetings. A fund balance commitment is further indicated in the budget document as a designation or commitment on the fund. Assigned fund balance is established by the board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure for which any could be used.

#### **NOTE 2 – JOINTLY GOVERNED ORGANIZATION**

Pursuant to an agreement authorized by State Statutes, Hayden School District RE-1 joined with five other local school districts to establish and operate the Northwest Colorado Board of Cooperative Educational Services. The five other Districts are as follows:

- East Grand Schools
- South Routt Schools
- North Park Schools
- Steamboat Springs Schools
- West Grand Schools

The District has included in the accompanying financial statements, assistance passed through from BOCES and District disbursements to BOCES as revenues and expenditures, respectively, in the General Fund. The District does not retain any ongoing financial interest in either assets or liabilities of BOCES.

**NOTE 3 - DEFINED BENEFIT PENSION PLAN**

**Summary of Significant Accounting Policies**

*Pensions.* Hayden School District RE-1 participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pensions liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the Pension Plan**

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

*Benefits provided as of December 31, 2021.* PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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

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

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

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

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 3 - DEFINED BENEFIT PENSION PLAN, Continued**

**General Information about the Pension Plan, continued**

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

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the 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, 2022.* Eligible employees and Hayden School District RE-1 and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-401. Eligible employees are required to contribute 10.50% of their PERA-includable salary during the period of July 1, 2021 through June 30, 2022. Employer contribution requirements are summarized in the table below:

	July 1, 2021 Through June 30, 2022
Employer contribution rate	10.90%
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	9.88%
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%
<b>Total employer contribution rate to the SCHDTF</b>	<b>19.88%</b>

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Hayden School District RE-1 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Hayden School District RE-1 were \$675,528 for the year ended June 30, 2022.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 3 - DEFINED BENEFIT PENSION PLAN, Continued**

**General Information about the Pension Plan, continued**

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million (actual dollars) direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. In addition to the \$225 million (actual dollars) direct distribution due July 1, 2022, House Bill (HB) 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of \$380 million (actual dollars), upon enactment, with reductions to future direct distributions scheduled to occur July 1, 2023, and July 1, 2024.

**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, 2021, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the TPL to December 31, 2021. The Hayden School District RE-1 proportion of the net pension liability was based on Hayden School District RE-1 contributions to the SCHDTF for the calendar year 2021 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2021, the Hayden School District RE-1 reported a liability of \$6,616,574 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the Hayden School District No. RE-1 as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with Hayden School District No. RE-1 were as follows:

Hayden School District No. RE-1 proportionate share of the net pension liability	\$ 5,999,539
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Hayden School District No. RE-1	617,035
Total	\$ 6,616,574

At December 31, 2021, the Hayden School District No. RE-1 proportion was 0.05155%, which was a decrease of 0.00517% from its proportion measured as of December 31, 2020.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 3 - DEFINED BENEFIT PENSION PLAN, Continued**

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

For the year ended June 30, 2022, the Hayden School District RE-1 recognized pension income of \$2,960,502 and revenue of \$73,428 for support from the State as a nonemployer contributing entity. At June 30, 2022, the Hayden School District RE-1 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 246,076	\$ -
Changes of assumptions or other inputs	503,924	-
Net difference between projected and actual earnings on pension plan investments	294,816	2,641,474
Changes in proportion and differences between contributions recognized and proportionate share of contributions	243,290	728,124
Contributions subsequent to the measurement date	357,445	N/A
Total	\$ 1,645,551	\$ 3,369,598

\$357,445 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 ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended June 30:</b>	
2023	\$ 301,763
2024	846,729
2025	659,213
2026	273,787

# HAYDEN SCHOOL DISTRICT RE-1, COLORADO

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### NOTE 3 - 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 total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

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

<sup>1</sup>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 TPL as of December 31, 2021, includes the anticipated adjustments to contribution rates and the AI cap, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

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

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

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

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

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

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

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

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

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 3 - DEFINED BENEFIT PENSION PLAN, Continued**

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

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

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:

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rates in effect for each year, including the scheduled increases in Senate Bill (SB) 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 3 - DEFINED BENEFIT PENSION PLAN, Continued**

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

- Employer contributions 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, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered AI cap, from 1.25% to 1.00%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

*Sensitivity of the Hayden School District RE-1 proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 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 liability	\$ 8,830,830	\$ 5,999,539	\$ 3,636,932

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

**NOTE 4 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN**

**Summary of Significant Accounting Policies**

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

**General Information about the OPEB Plan**

*Plan description.* Eligible employees of the Hayden School District RE-1 are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, 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 from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (ACFR) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

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

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

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

*PERA Benefit Structure*

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for 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.

**NOTE 4 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued**

**General Information about the OPEB Plan, continued**

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

*DPS Benefit Structure*

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Hayden School District RE-1 is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF Hayden School District RE-1 were \$34,660 for the year ended June 30, 2022.

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

At June 30, 2022, the Hayden School District RE-1 reported a liability of \$289,727 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2021, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the TOL to December 31, 2021. The Hayden School District RE-1 proportion of the net OPEB liability was based on Hayden School District RE-1 contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, the Hayden School District RE-1 proportion was 0.03360%, which was an increase of 0.00079% from its proportion measured as of December 31, 2020.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 4 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued**

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

For the year ended June 30, 2022, the Hayden School District RE-1 recognized OPEB income of \$51,370. At June 30, 2022 the Hayden School District RE-1 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$531	\$70,472
Changes of assumptions or other inputs	6,122	15,345
Net difference between projected and actual earnings on OPEB plan investments	2,190	20,049
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	44,911
Contributions subsequent to the measurement date	18,340	N/A
<b>Total</b>	<b>\$27,183</b>	<b>\$150,777</b>

\$18,340 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year ended June 30:</b>	
2023	\$41,682
2024	44,316
2025	34,140
2026	17,730
2027	2,236
Thereafter	1,830

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 4 – DEFINED BENEFIT OTHER POST EMPLOYMENT (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, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method	Entry age			
Price inflation	2.30%			
Real wage growth	0.70%			
Wage inflation	3.00%			
Salary increases, including wage inflation				
Member other than State Troopers	3.3%-10.9%	3.4%-11.0%	3.2%-11.3%	2.8%-5.3%
State Troopers	3.2%-12.4%	N/A	3.2%-12.4%	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%			
Discount rate	7.25%			
Health care cost trend rates				
PERA benefit structure:				
Service-based premium subsidy	0.00%			
PERACare Medicare plans	4.5% in 2021, 6.0% in 2022 gradually decreasing to 4.5% in 2029			
Medicare Part A premiums	3.75% in 2021, gradually increasing to 4.5% in 2029			
DPS benefit structure:				
Service-based premium subsidy	0.00%			
PERACare Medicare plans	N/A			
Medicare Part A premiums	N/A			

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

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2020, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2021 for the PERA Benefit Structure:

<u>Medicare Plan</u>	<u>Initial Costs for Members without Medicare Part A</u>		
	<u>Monthly Cost</u>	<u>Monthly Premium</u>	<u>Monthly Cost Adjusted to Age 65</u>
Medicare Advantage/Self-Insured Rx	\$ 633	\$ 230	\$ 591
Kaiser Permanente Medicare Advantage HMO	596	199	562

The 2021 Medicare Part A premium is \$471 (actual dollars) per month.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

**NOTE 4 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued**

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

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 heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2020, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

<b>Year</b>	<b>PERACare Medicare Plans</b>	<b>Medicare Part A Premiums</b>
2021	4.50%	3.75%
2022	5.80%	3.75%
2023	5.60%	4.00%
2024	5.40%	4.00%
2025	5.30%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions used in the December 31, 2020 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the determination of the TOL for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

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

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

The 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.

# HAYDEN SCHOOL DISTRICT RE-1, COLORADO

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### NOTE 4 – DEFINED BENEFIT OTHER POST EMPLOYMENT (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 State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

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

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

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

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

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

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

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

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

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

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

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2021 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A 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.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 4 – DEFINED BENEFIT OTHER POST EMPLOYMENT (OPEB) PLAN, Continued**

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

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

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

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

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

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

*Sensitivity of the Hayden School District RE-1 proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.* The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	3.50%	4.50%	5.50%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$281,406	\$289,727	\$299,365

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 4 – DEFINED BENEFIT OTHER POST EMPLOYMENT (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, 2021, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

*Sensitivity of Hayden School District RE-1 proportionate share of the net OPEB liability to changes in the discount rate.* The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 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	\$336,487	\$289,727	\$249,785

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

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 5 - CASH AND INVESTMENTS**

The District's bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Authority's custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral included municipal bonds, U.S. government securities, mortgage, and deeds of trust.

State statutes authorized the District to invest in obligation of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school, authority, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

The District's investment policy is not more restrictive than State statutes. The District's investments are concentrated in local government investment pools, U.S. government and agency securities, and bank CDs.

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair value arising from increasing interest rates.

Investments held as of June 30, 2022 are as follows:

<u>June 30, 2022</u>	<u>Cost</u>	<u>Market Value</u>
COLOTRUST	\$ 6,649,596	\$ 6,649,596
Mutual Funds - Zions	<u>1,534,320</u>	<u>1,535,342</u>
Total Investments	<u>\$ 8,183,916</u>	<u>\$ 8,184,938</u>

The District has invested \$6,649,596 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST operated similarly to a money market fund and each share is equal to \$1.00. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. At June 30, 2022 the District's investment in the COLOTRUST was rated AAAM by Standard & Poor's.

The mutual funds are held with Zions Bank. These investments are valued at the proportionate share of ownership of the quoted market price of the underlying assets.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

**NOTE 5 - CASH AND INVESTMENTS, Continued**

At June 30, 2022, cash and investments consisted of the following:

Deposits:	
Cash and Deposits	\$ 244,288
Investments:	
ColoTrust	6,649,596
Mutual Funds - Zions	<u>1,535,342</u>
Net Cash and Investments	<u>\$ 8,429,226</u>
Classifications:	
Restricted – Tabor Amendment – Emergency Reserve	\$ 283,912
Restricted for bond redemption	2,602,067
Committed for food service	10,104
Committed for student activities	106,469
Assigned for capital projects	<u>1,596,319</u>
Total Designated	4,598,871
Unreserved	<u>3,830,355</u>
TOTAL	<u>\$ 8,429,226</u>

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 6 - CAPITAL ASSETS**

**A. Governmental Activities**

Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated:				
Land	\$ 1,135,353	\$ 781,393	\$ -	\$ 1,916,746
Water Rights	10,000	-	-	10,000
Construction in progress	<u>22,165,256</u>	<u>-</u>	<u>22,165,256</u>	<u>-</u>
Total Capital Assets Not Being Depreciated	<u>23,310,609</u>	<u>781,393</u>	<u>22,165,256</u>	<u>1,926,746</u>
Capital Assets Being Depreciated:				
Buildings & Improvements	1,759,601	51,717,689	-	53,477,290
Site Improvements	-	8,605,566	-	8,605,566
Transportation Equipment	972,249	-	-	972,249
Other Equipment	<u>549,768</u>	<u>165,855</u>	<u>-</u>	<u>715,623</u>
Total Capital Assets Being Depreciated	<u>3,281,618</u>	<u>60,489,110</u>	<u>-</u>	<u>63,770,728</u>
Less: Accumulated Depreciation:				
Buildings & Improvements	(526,030)	(1,424,117)		(1,950,147)
Site Improvements	-	(344,222)	-	(344,222)
Transportation Equipment	(486,007)	(95,933)	-	(581,940)
Other Equipment	<u>(132,564)</u>	<u>(116,182)</u>	<u>-</u>	<u>(248,746)</u>
Total Accumulated Depreciation	<u>(1,144,601)</u>	<u>(1,980,454)</u>	<u>-</u>	<u>(3,125,055)</u>
Total Capital Assets Being Depreciated, Net	<u>2,137,017</u>	<u>58,508,656</u>	<u>-</u>	<u>60,645,673</u>
Governmental Activities Net Capital Assets	<u>\$ 25,447,626</u>	<u>\$59,290,049</u>	<u>\$22,165,256</u>	<u>\$ 62,572,419</u>

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

Governmental Activities:	
Instruction	\$ 297,068
Supporting Services	<u>1,683,386</u>
Total depreciation expense – governmental activities	<u>\$ 1,980,454</u>

**NOTE 7 – INVENTORY**

Food Service Fund inventory as of June 30, 2022 of \$2,606 consisted of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 8 - CHANGES IN GENERAL LONG-TERM DEBT**

The following is a summary of changes in Long-Term Liabilities:

	July 1, 2021 Balance	Additions	Deductions	June 30, 2022 Balance	Due in One Year
2018 GO Bonds	\$ 20,741,921	\$ -	\$ ( 816,773)	\$ 19,925,148	\$ 848,570
Lease Obligations	1,470	-	(1,470)	-	-
Net Pension Liability	8,575,079	-	(2,575,540)	5,999,539	-
Net OPEB Liability	311,725	-	(21,998)	289,727	-
Accrued Compensated Absences	45,971	14,922	-	60,893	-
<b>Total</b>	<b>\$ 29,676,166</b>	<b>\$ 14,922</b>	<b>\$(3,415,781)</b>	<b>\$ 26,275,307</b>	<b>\$ 848,570</b>

**General Obligation Bonds Payable**

On December 6, 2018, the School District issued \$22,296,400 of general obligation bonds used to help construct a consolidated PK-12 facility as well as renovate and incorporate the existing elementary school facility into the new PK-12 facility. The issuance bears an interest rate of 3.893 percent. Interest is payable semi-annually on June 1 and December 1 of each year. Principal is payable over a period of twenty years and is payable annually on December 1 of each year.

Principal and interest is payable on the outstanding obligations as follows:

Fiscal Year	Principal	Interest	Total Payments
2023	\$ 848,570	\$ 759,169	\$ 1,607,739
2024	881,605	725,491	1,607,096
2025	915,925	690,502	1,606,427
2026	951,582	654,151	1,605,733
2027	988,627	616,385	1,605,012
2028-2032	5,551,301	2,461,921	8,013,222
2033-2037	6,719,334	1,271,153	7,990,487
2038-2039	3,068,204	120,584	3,188,788
<b>Total</b>	<b>\$ 19,925,148</b>	<b>\$ 7,299,356</b>	<b>\$ 27,224,504</b>

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 8 - CHANGES IN GENERAL LONG-TERM DEBT, Continued**

**Capital Leases**

In August 2016, the School District entered into a copier lease agreement with Great America Financial Services. Monthly payments of \$739 are due through August 2021, at an estimated interest rate of 5.0%. In the event of default, all past due, current, and future amounts will become immediately due and payable plus lessor's booked residual both discounted at 4 percent per year, interest payable on all past due amounts at 1.5%, be required to return equipment at lessee's expense to lessor, demand payment of all out-of-pocket costs incurred by the lessor, and exercise any other right, remedy or privilege available under applicable laws. The individual assets were not capitalized by the District. The lease was completed as of June 30, 2022.

**Accrued Compensated Absences**

All employees, regardless of position, will be awarded annual leave by length of contract criteria. One leave day awarded per month. The District allows eligible employees to accrue leave up to a maximum of 60 days. Upon termination, the full accumulation is paid. The estimated liability is reflected as a long-term liability. Payments for unused leave are typically funded through the General Fund.

**NOTE 9 – ACCRUED SALARIES AND BENEFITS**

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2022, are as follows:

General Fund	\$ 544,911
Food Service Fund	<u>18,150</u>
Total Accrued Salaries and Benefits	<u>\$ 588,135</u>

**NOTE 10 – INTERFUND ACTIVITY**

Transfers to and from other funds at June 30, 2022 consisted of the following:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Bond Fund	\$ 17,984
General Fund	Food Service Fund	32,039
Pupil Activity Fund	General Fund	2,212
Building Fund	General Fund	7,312
General Fund	Capital Reserves Project Fund	<u>981,520</u>
		<u>\$1,041,067</u>

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 10 – INTERFUND ACTIVITY, Continued**

Transfers among Funds are provided for as part of the Annual Budget process. Transfers are used to move revenues from the Fund required to collect the revenue to the Fund required or authorized to expend them. All interfund transfers for the fiscal year were routine in nature.

The School District also reported balances that were due (to) from other funds as follows:

	Interfund	
	Receivable	Payable
General Fund	\$ -	\$ 16,799
Food Service	17,810	-
Pupil Activity	-	1,011
Bond Redemption	-	-
Building	-	-
Balance	<u>\$ 17,810</u>	<u>\$ 17,810</u>

**NOTE 11 – COMMITMENTS AND CONTINGENCIES**

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

In November 1992, Colorado Voter's amended Article X of the Colorado Constitution with the addition of Section 20, referred to as Tabor. The bill limits state and local government tax powers and imposes spending limitations. The School District is subject to the Amendment. Tabor requires advance voter approval, under specific guidelines, for the increase of any new tax or mill levy above that for the prior year. These provisions were applied in the November, 1994 election.

Tabor also requires the establishment of emergency reserves restricted for specified uses as outlined in the Bill. For the year ended June 30, 2022, the required 3% reserve was \$283,912.

The School District has outstanding BEST grant related construction commitments of \$96,029 of which \$34,999 is expected to be funded by the School District. The School District had \$50,421 remaining in construction escrow funds as of June 30, 2022.

**NOTE 12 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to tort, thefts of or damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters.

For liability and property claims, the School District is involved with Glatfelter Public Practice, a separate and legal entity program manager for educational institutions, municipalities and water/sewer entities.

Their purpose is to provide general liability, property, and workers compensation coverage and to assist members in preventing and reducing losses and injuries to property and to persons or property which might result in claims being made against members, their employees, and officers.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 13 – PRIOR PERIOD ADJUSTMENTS**

Adjustment to reconcile the General Fund balances for fiscal year 2022 were adjustments that should have been for fiscal year 2021. The following are the changes to beginning Net Position and General Fund Balance:

	<u>Net Position</u>	<u>General Fund Balance</u>
As previously reported June 30, 2021	<u>\$ 38,813,575</u>	<u>\$ 3,617,312</u>
Prior period adjustments: Reconciliation adjustments	<u>7,839</u>	<u>7,839</u>
Restated balance, July 1, 2021	<u>\$ 38,821,414</u>	<u>\$ 3,625,151</u>

**NOTE 14 – SUBSEQUENT EVENTS**

The School District has evaluated subsequent events through December 8, 2022, the date at which the financial statements were available to be issued, and determined that there are no events that occurred that requires disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION**

## HAYDEN SCHOOL DISTRICT RE-1, COLORADO

### BUDGET COMPARISON SCHEDULE GENERAL FUND For the Year Ended June 30, 2022

	Budget	
	Original	Final
<b>REVENUES</b>		
Local sources		
Property taxes	\$ 3,226,566	\$ 3,770,347
Specific ownership taxes	315,004	315,004
Delinquent taxes	29,826	29,826
Tuition from individuals	83,592	83,592
Investment earnings	-	-
Pupil activity	23,859	23,859
Fees	19,448	19,448
Donations	354,022	354,022
Sale of assets	11,500	11,500
Other local	15,120	15,120
Intermediate sources		
Mineral lease	40,000	27,039
State sources		
State equalization	2,074,962	1,451,015
Transportation	37,140	37,140
State grants from CDE		
State ELPA prof dev and student support	3,227	3,227
State ELPA	2,881	2,881
Full day kindergarten facility grant	90,000	90,000
Comp health - student wellness	24,500	24,500
State grants to libraries	4,500	4,500
School health professional	75,458	75,458
Small rural schools additional funding	153,488	153,488
Additional at-risk funding	1,244	1,244
READ act	11,415	11,415
State grants from other agencies		
Vocational education	22,524	22,524
School nurse	10,757	10,757
CDHS OEC grant	-	-
State PERA Contribution	-	-
State provided by BOCES	1,600	1,600
Other state	7,048	7,048
Federal sources		
Federal grants from CDE		
Title I	49,941	49,941
Corona virus funding	3,989	3,989
Title II-A	-	-
ARP - ESSER III	-	-
RR ESSER I	20,388	20,388
CARES Geer Rise grant	301,581	1,011,180
Natl Forest	13,449	13,449
School RN Workforce grant	-	-
ARPA CO Library grant	6,000	6,000
Other CDE	-	-
Direct federal revenue		
REAP grant	43,295	43,295
Federal provided by BOCES	7,733	7,733
Federal Perkins Title I Sub-recipient	-	-
<b>TOTAL REVENUES</b>	<b>\$ 7,086,057</b>	<b>\$ 7,702,529</b>

<u>Actual</u>	<u>Variance from final budget</u>
\$ 3,742,336	\$ (28,011)
388,104	73,100
5,871	(23,955)
117,629	34,037
7,083	7,083
26,752	2,893
38,186	18,738
407,583	53,561
9,000	(2,500)
55,353	40,233
51,117	24,078
1,489,474	38,459
39,746	2,606
-	(3,227)
1,829	(1,052)
88,767	(1,233)
24,500	-
4,500	-
2,797	(72,661)
153,488	-
2,296	1,052
11,415	-
21,610	(914)
15,065	4,308
3,427	3,427
73,428	73,428
87,436	85,836
13,143	6,095
75,198	25,257
-	(3,989)
3,991	3,991
69,888	69,888
57,967	37,579
685,108	(326,072)
13,449	-
14,517	14,517
5,625	(375)
6	6
43,295	-
63,693	55,960
<u>124,064</u>	<u>124,064</u>
<u>\$ 8,038,736</u>	<u>\$ 336,207</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

BUDGET COMPARISON SCHEDULE - CONTINUED

GENERAL FUND

For the Year Ended June 30, 2022

EXPENDITURES	Budget	
	Original	Final
Instruction		
Salaries	\$ 2,462,458	\$ 2,359,345
Benefits	1,033,374	962,260
PS - Professional	68,921	191,552
PS - Property	18,000	18,000
PS - Other	86,410	86,410
Supplies	80,603	88,478
Property	9,412	30,000
Other expenses	10,558	17,420
Supporting services		
Students		
Salaries	294,320	283,686
Benefits	122,359	111,456
PS - Professional	12,654	61,429
PS - Other	22,415	22,415
Supplies	33,349	7,195
Property	13,545	-
Other expenses	678	658
Instructional		
Salaries	160,200	127,944
Benefits	94,706	45,559
PS - Professional	46,310	11,000
PS - Other	58,700	58,700
Supplies	72,667	167,100
Property	10,300	10,000
Other expenses	-	-
General administration		
Salaries	207,502	188,493
Benefits	106,915	76,676
PS - Professional	57,880	25,500
PS - Property	5,000	5,000
PS - Other	36,000	36,000
Supplies	12,360	28,505
Other expenses	4,635	8,124
School administration		
Salaries	267,569	230,263
Benefits	143,654	80,961
PS - Professional	2,935	2,500
PS - Other	3,400	3,400
Supplies	1,545	1,500
Other expenses	1,751	1,700
Business services		
Salaries	125,415	145,792
Benefits	47,357	48,054
PS - Professional	20,767	80,500
PS - Property	-	-
PS - Other	17,343	17,343
Supplies	1,442	1,400
Other expenses	144	140

<u>Actual</u>	<u>Variance from final budget</u>
\$ 2,184,575	\$ 174,770
858,241	104,019
77,878	113,674
19,841	(1,841)
151,130	(64,720)
186,010	(97,532)
176,629	(146,629)
34,321	(16,901)
143,826	139,860
52,892	58,564
51,030	10,399
3,551	18,864
15,846	(8,651)
-	-
110	548
122,423	5,521
39,590	5,969
(1,009)	12,009
2,000	56,700
136,286	30,814
-	10,000
6,082	(6,082)
200,336	(11,843)
79,356	(2,680)
31,538	(6,038)
7,003	(2,003)
44,309	(8,309)
37,662	(9,157)
9,065	(941)
228,330	1,933
83,449	(2,488)
1,040	1,460
4,782	(1,382)
583	917
-	1,700
123,868	21,924
54,928	(6,874)
88,900	(8,400)
13,223	(13,223)
40,570	(23,227)
585	815
-	140

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

BUDGET COMPARISON SCHEDULE - CONTINUED

GENERAL FUND

HAYDEN SCHOOL DISTRICT RE-1, COLORADO

	Budget	
	Original	Final
EXPENDITURES, Continued		
Supporting services, continued		
Operations and maintenance		
Salaries	\$ 228,070	\$ 202,584
Benefits	95,257	85,626
PS - Professional	126,027	95,000
PS - Property	102,000	102,000
PS - Other	69,000	69,000
Supplies	157,384	246,010
Property	950,000	558,000
Other expenses	515	500
Student transportation		
Salaries	147,128	136,163
Benefits	43,791	44,702
PS - Professional	3,850	2,500
PS - Property	39,300	39,300
PS - Other	3,200	3,200
Supplies	51,037	63,872
Other expenses	515	(20,094)
Central support		
PS - Professional	158,825	206,200
PS - Other	70,640	70,640
Supplies	107,523	78,100
Property	-	-
Other expenses	-	-
Debt service		
Interest	-	-
Principal	-	-
	8,129,615	7,625,761
TOTAL EXPENDITURES		
	(1,043,558)	76,768
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		
OTHER FINANCING SOURCES (USES)		
Transfers out	(160,773)	(1,145,187)
Fund balance appropriation	(869,033)	(1,935,907)
	(1,029,806)	(3,081,094)
TOTAL OTHER FINANCING SOURCES (USES)		
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	(2,073,364)	(3,004,326)
PRIOR PERIOD ADJUSTMENT	-	-
FUND BALANCE, BEGINNING OF YEAR	2,500,000	3,479,735
FUND BALANCE, END OF YEAR	\$ 426,636	\$ 475,409

<u>Actual</u>	<u>Variance from final budget</u>
\$ 209,281	\$ (6,697)
89,101	(3,475)
79,946	15,054
117,226	(15,226)
67,060	1,940
220,434	25,576
253,408	304,592
6,036	(5,536)
132,106	4,057
45,316	(614)
2,451	49
42,640	(3,340)
1,505	1,695
62,497	1,375
(51,865)	31,771
171,707	34,493
80,830	(10,190)
51,700	26,400
16,980	(16,980)
(6,081)	6,081
9	(9)
1,469	(1,469)
<u>6,904,535</u>	<u>721,226</u>
<u>1,134,201</u>	<u>1,057,433</u>
(1,022,019)	123,168
-	1,935,907
<u>(1,022,019)</u>	<u>2,059,075</u>
112,182	3,116,508
7,839	7,839
<u>3,617,312</u>	<u>137,577</u>
<u>\$ 3,737,333</u>	<u>\$ 3,254,085</u>

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PERA PENSION PLAN  
Last 10 Fiscal Years

Year Ended*	District's Proportion of the Net Pension Asset (Liability)	District's Proportionate Share of the Net Pension Asset (Liability)	Non-Employer Contributing Entity's Total Proportionate Share of the Net Pension Asset (Liability)	Total Proportionate Share Associated With District	District's Covered Payroll	District's Proportionate Share of the Pension Asset (Liability) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2014	0.068734%	\$ (8,766,967)	\$ -	\$(8,766,967)	\$2,691,691	325.70%	64.07%
6/30/2015	0.069775%	(9,456,903)	-	(9,456,903)	2,842,943	332.64%	62.84%
6/30/2016	0.070233%	(10,741,574)	-	(10,741,574)	2,990,336	359.21%	59.16%
6/30/2017	0.071678%	(21,341,367)	-	(21,341,367)	3,173,424	672.50%	43.13%
6/30/2018	0.070981%	(22,952,652)	-	(22,952,652)	3,229,368	710.75%	43.96%
6/30/2019	0.055841%	(9,887,827)	(1,189,390)	(11,077,217)	3,069,890	322.09%	57.01%
6/30/2020	0.054234%	(8,102,468)	(912,017)	(9,014,485)	5,779,675	140.19%	64.52%
6/30/2021	0.056721%	(8,575,079)	-	(8,575,079)	3,244,792	264.27%	66.99%
6/30/2022	0.051554%	(5,999,539)	(617,035)	(6,616,574)	3,398,029	176.56%	74.86%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

\* The data provided in the schedule is based as of the measurement date of PERA's net pension liability, which is as of the calendar year end that occurred before the District's fiscal year end.

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO****SCHEDULE OF DISTRICT'S CONTRIBUTIONS  
PERA PENSION PLAN  
Last 10 Fiscal Years**

<u>Year Ending*</u>	<u>Statutorily Required Contributions</u>	<u>Actual Contributions</u>	<u>Contributions Excess/ Deficiency</u>	<u>District's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
6/30/2014	\$ 430,317	\$ 430,317	\$ -	\$ 2,691,691	15.99%
6/30/2015	480,263	480,263	-	2,842,943	16.89%
6/30/2016	530,423	530,423	-	2,990,336	17.74%
6/30/2017	583,250	583,250	-	3,173,424	18.38%
6/30/2018	609,994	609,994	-	3,229,368	18.89%
6/30/2019	587,270	587,270	-	3,069,890	19.13%
6/30/2020	1,120,101	1,120,101	-	5,779,675	19.38%
6/30/2021	634,322	634,322	-	3,244,792	19.55%
6/30/2022	675,528	675,528	-	3,398,029	19.88%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

\* The data provided in the schedule is based as of the measurement date of PERA's net pension liability, which is as of the calendar year end that occurred before the District's fiscal year end.

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
Last 10 Fiscal Years**

Year Ended*	District's Proportion of the Net OPEB Asset (Liability)	District's Proportionate Share of the Net OPEB Asset (Liability)	District's Covered Payroll	District's Proportionate Share of the OPEB Asset (Liability) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as A Percentage of the Total OPEB Liability
6/30/2017	0.040743%	\$ (528,244)	\$ 3,173,424	16.646%	16.70%
6/30/2018	0.040331%	(524,141)	3,229,368	16.230%	17.53%
6/30/2019	0.000363%	(493,837)	3,069,890	16.086%	17.03%
6/30/2020	0.035467%	(398,651)	5,779,675	6.897%	24.49%
6/30/2021	0.032805%	(311,725)	3,244,792	9.607%	32.78%
6/30/2022	0.033599%	(289,727)	3,398,029	8.526%	39.40%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

\* The data provided in the schedule is based as of the measurement date of PERA's net OPEB liability, which is as of the calendar year end that occurred before the District's fiscal year end.

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO****SCHEDULE OF DISTRICT'S CONTRIBUTIONS****OPEB**

Last 10 Fiscal Years

<u>Year Ending*</u>	<u>Statutorily Required Contributions</u>	<u>Actual Contributions</u>	<u>Contributions Excess/ Deficiency</u>	<u>District's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
6/30/2017	\$ 32,369	\$ 32,369	\$ -	\$ 3,173,424	1.02%
6/30/2018	32,940	32,940	-	3,229,368	1.02%
6/30/2019	31,313	31,313	-	3,069,890	1.02%
6/30/2020	58,953	58,953	-	5,779,675	1.02%
6/30/2021	33,097	33,097	-	3,244,792	1.02%
6/30/2022	34,660	34,660	-	3,398,029	1.02%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

\* The data provided in the schedule is based as of the measurement date of PERA's net OPEB liability, which is as of the calendar year end that occurred before the District's fiscal year end.

The accompanying "Notes to Financial Statements" are an integral part of this statement.

**PAGE INTENTIONALLY LEFT BLANK**

**SUPPLEMENTARY INFORMATION**

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

BUDGETARY COMPARISON SCHEDULE  
 FOOD SERVICES FUND  
 For the Year Ended June 30, 2022

	Budget	
	Original	Final
<b>REVENUES</b>		
Local Sources		
Food service revenue	\$ 64,416	\$ 2,551
Interest income	116	116
State Sources		
State Grants from CDE		
State child nutrition match	1,016	1,016
Other Agency State Grants	691	1,304
Federal Sources		
Federal Grants from CDE		
National School Lunch Program	51,078	88,835
Federal Grants from Other State Agencies		
National School Lunch Program - Commodities	4,651	4,651
	<u>121,968</u>	<u>98,473</u>
<b>TOTAL REVENUES</b>		
<b>EXPENDITURES</b>		
Supporting Services		
Food service		
Salaries	101,096	96,006
Benefits	36,166	60,851
PS - Other	1,803	1,803
Supplies	3,605	3,605
Food	61,859	66,483
Commodities	12,646	12,646
Other	2,266	2,266
	<u>219,441</u>	<u>243,660</u>
<b>TOTAL EXPENSES</b>		
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(97,473)</u>	<u>(145,187)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	125,643	145,187
Fund balance appropriation	(56,183)	(13,515)
	<u>69,460</u>	<u>131,672</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		
<b>EXCESS OF REVENUES UNDER EXPENDITURES AND OTHER FINANCING USES</b>	<u>(28,013)</u>	<u>(13,515)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>30,000</u>	<u>20,825</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 1,987</u>	<u>\$ 7,310</u>

<u>Actual</u>	<u>Variance from final budget</u>
\$ 4,778 8	\$ 2,227 (108)
1,012	(4)
1,162	(142)
171,870	83,035
<u>10,661</u>	<u>6,010</u>
<u>189,491</u>	<u>91,018</u>
102,917	(6,911)
38,707	22,144
480	1,323
1,198	2,407
57,328	9,155
15,945	(3,299)
231	2,035
<u>216,806</u>	<u>26,854</u>
<u>(27,315)</u>	<u>117,872</u>
32,039	(113,148)
-	13,515
<u>32,039</u>	<u>(99,633)</u>
4,724	18,239
<u>20,825</u>	<u>-</u>
<u>\$ 25,549</u>	<u>\$ 18,239</u>

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

BUDGET COMPARISON SCHEDULE  
PUPIL ACTIVITY FUND  
For the Year Ended June 30, 2022

	Budget	
	Original	Final
REVENUES		
Local Sources		
Pupil activity	\$ -	\$ -
Fees	-	-
Investment earnings	-	-
	-	-
TOTAL REVENUES	-	-
EXPENDITURES		
Instruction		
Supplies	100,000	91,404
Other	-	-
	-	-
TOTAL EXPENDITURES	100,000	91,404
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(100,000)	(91,404)
OTHER FINANCING SOURCES (USES)		
Transfers in (out)	-	-
	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-
EXCESS OF REVENUES UNDER EXPENDITURES AND OTHER FINANCING USES	(100,000)	(91,404)
FUND BALANCE, BEGINNING OF YEAR	100,000	91,404
FUND BALANCE, END OF YEAR	\$ -	\$ -

<u>Actual</u>	<u>Variance from final budget</u>
\$ 78,334	\$ 78,334
8,119	8,119
32	32
86,485	86,485
65,711	25,693
4,267	(4,267)
69,978	21,426
16,507	107,911
(2,212)	(2,212)
(2,212)	(2,212)
14,295	105,699
90,254	(1,150)
\$ 104,549	\$ 104,549

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

BUDGET COMPARISON SCHEDULE  
 BOND REDEMPTION FUND  
 For the Year Ended June 30, 2022

	Budget	
	Original	Final
<b>REVENUES</b>		
Local Sources		
Property taxes	\$ 1,625,000	\$ 1,945,000
Delinquent taxes/penalties	-	-
Investment earnings	-	-
Intermediate Sources		
Mineral lease	-	-
	1,625,000	1,945,000
<b>TOTAL REVENUES</b>	<b>1,625,000</b>	<b>1,945,000</b>
<b>EXPENDITURES</b>		
Support Services		
Business Services		
PS - Professional	850	850
Debt Service		
Principal	848,600	848,600
Interest	775,550	1,095,550
	1,625,000	1,945,000
<b>TOTAL EXPENDITURES</b>	<b>1,625,000</b>	<b>1,945,000</b>
<b>EXCESS OF REVENUES OVER     (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in (out)	-	-
Fund balance appropriation	-	(2,248,389)
	-	(2,248,389)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(2,248,389)</b>
<b>EXCESS OF REVENUES UNDER EXPENDITURES   AND OTHER FINANCING USES</b>	<b>-</b>	<b>(2,248,389)</b>
<b>FUND BALANCE,   BEGINNING OF YEAR</b>	<b>-</b>	<b>2,248,389</b>
<b>FUND BALANCE,     END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>

<u>Actual</u>	<u>Variance from final budget</u>
\$ 1,924,146	\$ (20,854)
3,457	3,457
3,599	3,599
27,088	27,088
1,958,290	13,290
-	850
816,773	31,827
791,584	303,966
1,608,357	336,643
349,933	349,933
17,984	17,984
-	2,248,389
17,984	2,266,373
367,917	2,616,306
2,270,333	21,944
\$ 2,638,250	\$ 2,638,250

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

BUDGET COMPARISON SCHEDULE  
BUILDING FUND  
For the Year Ended June 30, 2022

	Budget	
	Original	Final
REVENUES		
Local Sources		
Interest earned	\$ -	\$ -
State Sources		
CO BEST grant	<u>1,171,000</u>	<u>1,091,000</u>
TOTAL REVENUES	<u>1,171,000</u>	<u>1,091,000</u>
EXPENDITURES		
Facilities		
Property	<u>1,171,000</u>	<u>1,241,347</u>
TOTAL EXPENDITURES	<u>1,171,000</u>	<u>1,241,347</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(150,347)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in (out)	35,130	-
Fund balance appropriation	<u>(50,000)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(14,870)</u>	<u>-</u>
EXCESS OF REVENUES UNDER EXPENDITURES AND OTHER FINANCING USES	(14,870)	(150,347)
FUND BALANCE, BEGINNING OF YEAR	<u>50,000</u>	<u>150,347</u>
FUND BALANCE, END OF YEAR	<u>\$ 35,130</u>	<u>\$ -</u>

<u>Actual</u>	<u>Variance from final budget</u>
\$ 3	\$ 3
<u>134,747</u>	<u>(956,253)</u>
<u>134,750</u>	<u>(956,250)</u>
<u>225,383</u>	<u>1,015,964</u>
<u>225,383</u>	<u>1,015,964</u>
<u>(90,633)</u>	<u>59,714</u>
<u>(7,312)</u>	<u>(7,312)</u>
<u>-</u>	<u>-</u>
<u>(7,312)</u>	<u>(7,312)</u>
<u>(97,945)</u>	<u>52,402</u>
<u>130,887</u>	<u>(19,460)</u>
<u>\$ 32,942</u>	<u>\$ 32,942</u>

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

BUDGET COMPARISON SCHEDULE  
CAPITAL RESERVE PROJECT FUND  
For the Year Ended June 30, 2022

	Budget	
	Original	Final
REVENUES		
Local Sources		
Interest earned	\$ 1,000	\$ -
TOTAL REVENUES	1,000	-
EXPENDITURES		
Facilities		
Property	-	60,000
TOTAL EXPENDITURES	-	60,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,000	(60,000)
OTHER FINANCING SOURCES (USES)		
Transfers in	-	1,000,000
Fund balance appropriation	(970)	(1,188,473)
TOTAL OTHER FINANCING SOURCES (USES)	(970)	(188,473)
EXCESS OF REVENUES OVER EXPEND- ITURES AND OTHER FINANCING USES	30	(248,473)
FUND BALANCE, BEGINNING OF YEAR	310,000	560,273
FUND BALANCE, END OF YEAR	\$ 310,030	\$ 311,800

<u>Actual</u>	<u>Variance from final budget</u>
<u>\$ 3,405</u>	<u>\$ 3,405</u>
<u>3,405</u>	<u>3,405</u>
<u>-</u>	<u>60,000</u>
<u>-</u>	<u>60,000</u>
<u>3,405</u>	<u>63,405</u>
<u>981,520</u>	<u>(18,480)</u>
<u>-</u>	<u>1,188,473</u>
<u>981,520</u>	<u>1,169,993</u>
<u>984,925</u>	<u>1,233,398</u>
<u>560,273</u>	<u>-</u>
<u><u>\$ 1,545,198</u></u>	<u><u>\$ 1,233,398</u></u>

**PAGE INTENTIONALLY LEFT BLANK**

**REPORTS AND SCHEDULE REQUIRED  
BY OUTSIDE ENTITIES**

**PAGE INTENTIONALLY LEFT BLANK**



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 2760 – Hayden RE-1  
 Fiscal Year 2021-22  
 Colorado School District/BOCES

**Revenues, Expenditures, & Fund Balance by Fund**

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	-	0001-0999 Total Expenditures & Other Uses	=	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
<b>Governmental</b>							
01 General Fund	3,625,151		7,016,719		6,904,537		3,737,333
18 Risk Mgmt Sub-Fund of General Fund	0		0		0		0
19 Colorado Preschool Program Fund	0		0		0		0
<b>Sub-Total</b>	<b>3,625,151</b>		<b>7,016,719</b>		<b>6,904,537</b>		<b>3,737,333</b>
11 Charter School Fund	0		0		0		0
20 26-39 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	20,825		221,529		216,805		45,549
22 Govt Designated-Purpose Grants Fund	0		0		0		0
23 Pupil Activity Special Revenue Fund	90,254		84,273		69,978		104,549
45 Transportation Fund	0		0		0		0
31 Bond Redemption Fund	2,270,333		1,976,275		1,608,357		2,638,250
39 Certificate of Participation (COP) Debt Service Fund	0		0		0		0
41 Building Fund	130,887		127,448		225,383		32,942
42 Special Building Fund	0		0		0		0
43 Capital Reserve Capital Projects Fund	560,273		984,926		0		1,545,198
46 Supplemental Cap Const., Tech, Main Fund	0		0		0		0
<b>Proprietary</b>	<b>10,491,160</b>		<b>10,491,160</b>		<b>9,075,061</b>		<b>8,089,093</b>
50 Other Enterprise Funds	0		0		0		0
64 (63) Risk-Related Activity Fund	0		0		0		0
60 65-69 Other Internal Service Funds	0		0		0		0
<b>Fiduciary</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
70 Other Trusts 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
<b>Totals</b>	<b>14,116,311</b>		<b>14,116,311</b>		<b>13,079,598</b>		<b>11,117,426</b>
<b>FINAL</b>							

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



**Colorado Department of Education**  
**Bolded Balance Sheet Report**  
 District: 2760 - Hayden RE-1  
 Fiscal Year 2021-22  
 Colorado School District/BOCES

	Governmental					Proprietary					Fiduciary					
	General Funds 10,112-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
<b>ASSETS</b>																
Cash and Investments (8100-8104,8111)	4,114,267	0	0	106,469	0	0	10,104	2,602,067	1,545,899	0	0	0	0	0	0	8,378,806
Cash with Fiscal Agent (8105)	53,564	0	0	0	0	0	0	10,874	50,421	0	0	0	0	0	0	114,859
Taxes Receivable (8121,8122)	49,224	0	0	0	0	0	0	25,309	0	0	0	0	0	0	0	74,533
Interfund Loans Receivable (8131,8132)	13,354	0	0	0	0	0	26,898	0	0	0	0	0	0	0	0	40,252
Intergovernmental Accounts Rec (8141)	88	0	0	0	0	0	0	0	0	0	0	0	0	0	0	88
Grants Accounts Receivable (8142)	599,079	0	0	0	0	0	14,960	0	31,700	0	0	0	0	0	0	645,739
Other Receivables (8151-8154,8161)	84,025	0	0	1,333	0	0	2,463	0	0	0	0	0	0	0	0	87,821
Inventories (8171,8172,8173)	0	0	0	0	0	0	2,606	0	0	0	0	0	0	0	0	2,606
Prepaid Expenses 8181,8182)	40,131	0	0	0	0	0	0	0	0	0	0	0	0	0	0	40,131
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Assets</b>	<b>4,953,731</b>	<b>0</b>	<b>0</b>	<b>107,802</b>	<b>0</b>	<b>0</b>	<b>57,031</b>	<b>2,630,250</b>	<b>1,628,019</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,384,834</b>

	Governmental				Proprietary				Fiduciary							
	General Funds 10-12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
<b>LIABILITIES &amp; FUND EQUITY</b>																
<b>LIABILITIES</b>																
Interfund Payables (7401,7402)	30,153	0	0	1,011	0	0	9,087	0	0	0	0	0	0	0	0	40,252
Other Payables (7421-7423)	236,555	0	0	2,241	0	0	975	0	0	0	0	0	0	0	0	239,771
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	49,879	0	0	0	0	0	0	49,879
Bonds Payables (7441-7445,7451,7452,7455)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses (7461)	294,195	0	0	0	0	0	12,116	0	0	0	0	0	0	0	0	306,311
Payroll Ded. and Withholdings (7471-7473)	250,716	0	0	0	0	0	6,034	0	0	0	0	0	0	0	0	256,750
Unearned Revenue (7481)	316,002	0	0	0	0	0	3,270	0	0	0	0	0	0	0	0	319,272
Grants Deferred Revenue (7482)	88,777	0	0	0	0	0	0	0	0	0	0	0	0	0	0	88,777
Deferred Inflow (7800)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Liabilities</b>	<b>1,216,398</b>	<b>0</b>	<b>0</b>	<b>3,253</b>	<b>0</b>	<b>0</b>	<b>31,482</b>	<b>0</b>	<b>49,879</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,301,012</b>

Governmental

Proprietary

Fiduciary

FUND EQUITY

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60, 70-79	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Non-spendable Fund Balance 6710	312,312	0	0	0	0	0	6,441	0	0	0	0	0	0	0	0	318,753
Restricted Fund Balance 6720	0	0	0	0	0	0	0	2,638,250	0	0	0	0	0	0	0	2,638,250
TABOR 3% Emergency Reserve 6721	283,912	0	0	0	0	0	0	0	0	0	0	0	0	0	0	283,912
TABOR Multi-Year 6722	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
District Emergency Reserve (letter of credit or real estate) 6723	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Colorado Preschool Program (CPP) Reserve 6724	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Full-Day Kindergarten Reserve 6725	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Risk-Related / Restricted Capital Reserve 6726	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BEST Capital Reserve 6727	0	0	0	0	0	0	0	0	252,829	0	0	0	0	0	0	252,829
Total Program Reserve 6728	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Committed Fund Balance 6750	1,048,682	0	0	104,549	0	0	19,108	0	0	0	0	0	0	0	0	1,172,339
Assigned Fund Balance 6760	0	0	0	0	0	0	0	0	1,325,311	0	0	0	0	0	0	1,325,311
Unassigned Fund Balance 6770	2,084,589	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,084,589
Invested in Capital Assets, Net of Related Debt 6790	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Restricted Net Assets 6791	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets 6792	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prior Period Adjustment 6880	7,839	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,839
<b>Total Fund Equity</b>	<b>3,737,333</b>	<b>0</b>	<b>0</b>	<b>104,549</b>	<b>0</b>	<b>0</b>	<b>25,549</b>	<b>2,638,250</b>	<b>1,578,140</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,083,822</b>

	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 20, 22-29	Supplemental Cap Const Fund 06	Total Program Reserve Fund 07	Food Service Special Revenue Fund 21	Debt Service Funds 30-39	Capital Projects Funds 40-45, 47-49	Supplemental Cap Const Fund 46	Other Enterprise Funds 50, 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 60, 70-79	Trust & Agency Funds 70-79	Foundations Fund 85	Totals
Total Liabilities & Fund Equity	4,953,731	0	0	107,802	0	0	57,031	2,638,250	1,628,019	0	0	0	0	0	0	9,388,834

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

Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

**REPORTS AND SCHEDULE FOR REPORTING  
REQUIREMENTS OF UNIFORM GUIDANCE**



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Education  
Hayden School District RE-1

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hayden School District RE-1, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Hayden School District RE-1's basic financial statements, and have issued our report thereon dated December 8, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Hayden School District RE-1's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Hayden School District RE-1's internal control. Accordingly, we do not express an opinion on the effectiveness of Hayden School District RE-1's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Hayden School District RE-1's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Meeker Office**

685 Main St, Suite 2, PO Box 1109, Meeker, CO 81641

☎ : 970-878-5219

✉ : 970-878-3210 ✉ : rangely@colocpa.com

**Rangely Office**

118 W Main St, PO Box 770, Rangely, CO 81648

☎ : 970-675-2222

☎ : 970-675-2220 ✉ : rangely@colocpa.com

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*ColoCPA Services, PC*

ColoCPA Services, PC  
December 8, 2022



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Education  
Hayden School District RE-1

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Hayden School District RE-1's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Hayden School District RE-1's major federal programs for the year ended June 30, 2022. Hayden School District RE-1's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Hayden School District RE-1 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Hayden School District RE-1 and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Hayden School District RE-1's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Hayden School District RE-1's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Hayden School District RE-1's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a

**Meeker Office**

685 Main St, Suite 2, PO Box 1109, Meeker, CO 81641

☎ : 970-878-5219

✉ : 970-878-3210 ✉ : rangely@colocpa.com

**Rangely Office**

118 W Main St, PO Box 770, Rangely, CO 81648

☎ : 970-675-2222

✉ : 970-675-2220 ✉ : rangely@colocpa.com

reasonable user of the report on compliance about Hayden School District RE-1's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Hayden School District RE-1's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Hayden School District RE-1's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Hayden School District RE-1's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*ColoCPA Services, PC*

ColoCPA Services, PC  
December 8, 2022

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2022**

**Part I: Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Noncompliance material to financial statements notes	None noted

*Federal Awards*

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that required to be reported in accordance with <i>Title 2 U.S. Code of Federal Regulations Part 200</i>	None noted
Major program- ESF - GEER RISE	ALN #84.425C
Dollar threshold used to identify Type A from Type B programs	\$ 750,000
Identified as low-risk auditee	No

**Part II: Findings Related to Financial Statements**

Findings related to financial statements as required by Government Auditing Standards	None noted
Auditor-assigned reference number	Not applicable

**Part III: Findings Related to Federal Awards**

Internal control findings	None noted
Compliance findings	None noted
Questioned costs	None noted
Auditor-assigned reference number	Not applicable

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2022**

**Note:** There were no findings for the fiscal year ended June 30, 2021.

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2022

Program Title	Federal ALN Number	Grant Project Code	Expenditures
United States Department of Education			
Passed through Colorado Department of Education:			
Title II Part A - Teacher and Principal Training and Recruiting	84.367	4367	\$ 3,991
Title I Part A - Improving Basic Programs Operated by Schools	84.010	5010	49,941
CDC Nursing Workforce	93.354	7354	14,517
Title I Part A - ESSA	84.010	4010	25,263
ESSER III ARP 9.5% State Set-Aside Supplement	84.425U	4418	69,888
ESSER I CARES 9.5% State Set-Aside - ESSER Rapid Request	84.425D	4448	57,967
ESF - GEER RISE	84.425C	6425	685,108
Title VI Part B Sub-part I - REAP	84.358	4358	43,295
Title III Part A - English Language Acquisition	84.365	4365	897
ARP IDEA Part B	84.027X	6027 <b>A</b>	52,291
Passed through State Board of Community Colleges:			
Carl Perkins Title I - Vocational Education	84.048	4048	10,505
Passed through South Routt School District RE-3:			
Carl Perkins Title I - Vocational Education	84.048	4048	<u>124,064</u>
Total United States Department of Education			<u>1,137,727</u>
National Endowment for the Humanities			
Passed through Colorado Department of Education:			
State Library Program	45.310	7310	<u>5,625</u>
Total National Endowment for the Humanities			<u>5,625</u>
United States Department of Agriculture:			
Passed through Routt County Treasurer:			
Schools and Roads - Grants to States	10.665	7665 <b>B</b>	13,449
Passed through Colorado Department of Human Services:			
Food Distribution Commodities	10.555	4555 <b>C</b>	10,661
Passed through Colorado Department of Education:			
SNAP: P-EBT Mini Grant	10.649	4649	614
Supply Chain Assistance	10.555	6555 <b>C</b>	11,468
Summer Food Service Program for Children	10.559	4559 <b>C</b>	14,373
Seamless Summer Option - Lunch	10.555	5555 <b>C</b>	<u>145,415</u>
Total United States Department of Agriculture			<u>195,980</u>
Total Federal Expenditures			<u><u>\$ 1,339,332</u></u>

Additional Information for Clusters:

<b>A</b> - IDEA Cluster	\$ 52,291
<b>B</b> - Forest Service Schools and Roads Cluster	\$ 13,449
<b>C</b> - Child Nutrition Cluster	\$181,917

**HAYDEN SCHOOL DISTRICT RE-1, COLORADO**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the year Ended June 30, 2022

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Hayden School District RE-1 and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* for Federal Awards ("Uniform Guidance"). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

**NOTE B – DETERMINING THE VALUE OF NON-CASH AWARDS EXPENDED**

Food commodities are valued at the assessed value provided by the federal agency.

**NOTE C – SUB RECIPIENTS**

Hayden School District RE-1 did provide federal awards received to a sub recipient during the year ended June 30, 2022.

**NOTE D – INDIRECT FACILITIES AND ADMINISTRATION COSTS**

Hayden School District RE-1 does not opt to use the 10% de minimis cost rate allowed in Title 2, U.S. Code of Federal Regulations (C.F.R.), Part 200.414, Indirect (F&A) Costs.

**PAGE INTENTIONALLY LEFT BLANK**