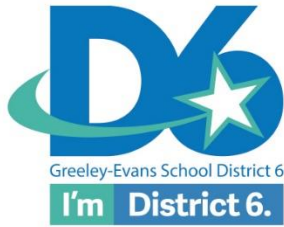




Annual Comprehensive Financial Report



**Weld County School District 6
Greeley-Evans, Colorado
For the year ended June 30, 2022**



Annual Comprehensive Financial Report



Weld County School District 6
**Annual Comprehensive
Financial Report**
For the Fiscal Year Ended June 30, 2022

Prepared by:
Weld County School District 6
Finance Department
Greeley, Colorado

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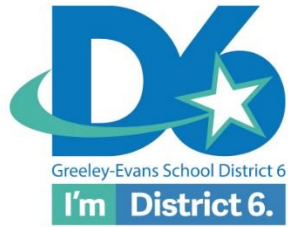
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Introductory Section

Letter of Transmittal

GFOA Certificate of Achievement
for Excellence in Financial Reporting

ASBO Certificate of Excellence
in Financial Reporting

Organizational Chart

List of Elected Officials





December 7, 2022

To the Members of the Board of Education and Citizens of Weld County School District 6,

Colorado law requires that every Colorado local government conduct an annual audit of their financial statements. The law states the audit must be performed by an independent certified public accountant and be in accordance with generally accepted auditing standards (GAAS). The Annual Comprehensive Financial Report for Weld County School District 6, for the fiscal year ended June 30, 2022, is submitted herewith to fulfill this state requirement.

The report consists of management's representations concerning the financial aspects of Weld County School District 6. Consequently, responsibility for both the accuracy of the data and the completeness and fairness of the information presented, including all disclosures, rests with the Finance Department of Weld County School District 6. To provide a reasonable basis for making these representations, management of Weld County School District 6 has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Weld County School District 6's financial statements in conformity with GAAP. Because the cost of the internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, the attached data is accurate in all material respects and is reported in a manner designed to present, fairly, the financial position and results of all operations of the District. All disclosures necessary to enable the reader to gain an understanding of Weld County School District 6's financial activities have been included.

CliftonLarsonAllen, LLP, a firm of licensed certified public accountants, have audited Weld County School District 6's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent audit concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2022 are fairly presented in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Independent Auditors' Report on the District's financial statements is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Weld County School District 6 was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District's Single Audit Report for the fiscal year ended June 30, 2022.

Readers of this report are encouraged to consider the information presented here in conjunction with additional information presented in Management's Discussion and Analysis found on pages 21 through

35 of this report. All disclosures necessary to enable the reader to gain an understanding of the financial activities for the fiscal year ended June 30, 2022, have been included.

Profile of the District

Weld County School District 6 (the District) is a political subdivision of the State of Colorado and a corporate body organized in 1870. The District currently owns approximately 450 acres of land, including 37 schools and support sites. There are 37 schools and support facilities that total 2.5 million square feet of building space and range in age of establishment from 1910-2022. The District boundaries have been redrawn numerous times over the last 135 years, the last redistricting occurring in 1964, enlarging District 6 to its current 75 square miles. The District is an independent school district that is a public corporation duly organized and existing under the constitution and laws of the State of Colorado.

Based in Greeley, Colorado, the District is located 50 miles north of Denver and 17 miles east of Loveland. A seven-member Board of Education bears overall responsibility for the District. The Board of Education adopts the budget, selects management, significantly influences operations, and is primarily accountable for fiscal matters. Board members are elected by registered voters, each member is elected at-large (the District is not divided into representative areas), and serve two or four-year terms.

Approximately 22,100 students attend school at the District's 34 schools and educational programs. The District's K-12 enrollment has shown an increase over the prior fiscal year. There are approximately 5,167 students eligible to utilize the District's bus services each day, and the District's Nutrition Department serves over 15,100 meals daily for breakfast, lunch and snacks.

Weld County School District 6's excellent schools encompass eleven traditional elementary schools (K-5), six K-8 schools, four middle schools, one alternative middle school, three traditional high schools, two alternative high schools, one high school of innovation, an online school, and five charter schools. The District offers additional opportunities including:

- Early College Academy is an opportunity for students to obtain a two-year associates degree from Aims Community College while simultaneously earning a high school diploma;
- A Performing Arts Magnet high school program (Central High School);
- A Science, Math, Engineering and Technology (STEM) high school magnet program at Northridge High School and a similar focus program at McAuliffe K-8;
- U.S. Marine JROTC Program at Northridge High School;
- The Health Science Academy and advanced manufacturing at Greeley Central High School, and has enrolled 100+ students interested in careers in the healthcare industry;
- Numerous Advanced Placement (college level) courses at our three traditional high schools, and a regional International Baccalaureate Programme (Greeley West High School);
- Brentwood Middle School designated as an IB World School by the International Baccalaureate Programme;
- A program for Deaf and Hard of Hearing students, Kindergarten-8th grade, at Chappelow Arts and Literacy Magnet School;
- An Arts and Literature Magnet K-8 School (Chappelow Arts and Literacy Magnet School);
- A National AVID demonstration school at Greeley West High School;
- A premier learning resource facility (Poudre Learning Center) for interdisciplinary study of the Cache la Poudre River is shared by District 6 and three neighboring school districts;
- Fred Tjardes School of Innovation is a K-8 School that focuses on a project-based learning model that engages a diverse population of students in authentic learning;
- D6 Online Academy a public school for grades K-12;

District 6 engages every student in a personalized, well-rounded
and excellent education, preparing students to be college and career ready.

- The Tointon Academy of Pre-Engineering focuses on teaching engineering concepts and career awareness using Project Lead The Way to guide the curriculum taught in the school;
- The Poudre Learning Center is an outdoor educational facility for interdisciplinary learning that focuses on history, science, economics, stewardship, and aesthetics of the Cache la Poudre River.
- Five Charter Schools focused on alternate instruction methods.

The District is fully accredited by the Colorado Department of Education Accreditation and Accountability Unit. The District is subject to periodic monitoring, to ensure continued compliance with accreditation standards. Additionally, the District is in compliance with the state required financial policies and procedures.

The District has maintained agreements with five charter schools; Union Colony Schools, Frontier Academy, University Schools, West Ridge Academy and Salida del Sol Academy. The charter schools are public schools authorized by the District in accordance with the laws of the State of Colorado to provide alternatives for parents, pupils and teachers. Additionally, the schools have separate governing boards but are fiscally dependent on the District for the majority of funding as allowed under the school finance act and under the general supervision of the District's Board of Education. The charter schools meet the requirements under Governmental Accounting Standards to be presented as discrete component units.

The Board of Education is required to adopt a final budget no later than June 30 prior to the beginning of the subsequent fiscal year, but may be revised prior to January 31 of the budget year. This annual budget serves as the foundation for the District's financial planning and control. The District maintains extensive budgetary controls to ensure compliance with legal requirements, District administration guidelines, and Board of Education policies. The level of budgetary control, meaning the level at which expenditures cannot legally exceed the appropriated amount, is established at the individual fund level. The budget development process evaluates compensation and benefit expenses, utilities and fixed costs at the district level, and discretionary spending at the department and school level.

Academic Achievements

- One of the most important goals of any public education entity is to support students in receiving their high school diploma. In 2021, District 6 had a graduation rate of 84.1 percent, outpacing the state of Colorado which was at 81.7%. Each year the District has seen marked improvement in its graduation rate; back in 2007, the graduation rate was only 68.7 percent. The District's most at-risk students are also graduating at high rates, which have improved significantly over the last decade. For example, the graduation rate for English language learners was 72.6% percent in 2021, which is five percent higher than the state average of 67.5 percent. Students with disabilities graduated at 70.9% compared to the state average of 66.4%. Furthermore, 81.1% of our students who are economically disadvantaged graduated in comparison to the state average of 70.6%. In fact, all student groups are outpacing the state average in graduation rates. In addition, District 6 students go on to a variety of colleges and universities, certificate programs, military service and careers.
- District 6 offers 12 Academies with 27 different career pathway programs for students. Our Academies provide career exploration, concurrent enrollment courses, industry certifications, industry tours, job shadows, internship and apprenticeship opportunities in a variety of pathways. District 6 hosts a variety of career pathway programs. Advanced manufacturing, health science, engineering, culinary arts, fine and performing arts, and construction are just a few of the exciting programs available. District 6 also offers a Marine Junior Reserve Officer Training Corps program and an International Baccalaureate program. District 6 partners with post-secondary institutions across Colorado (Aims Community College, University of Northern Colorado, and Metro State University) to provide our students with amazing post-secondary opportunities. In the Fall 2023, five additional pathways will be available through the Career and Technical Education Center including, Welding, Cosmetology, IT-Cybersecurity, Electrical, and Early Childhood Education.

District 6 engages every student in a personalized, well-rounded and excellent education, preparing students to be college and career ready.

- Concurrent enrollment is integral to providing a seamless path from secondary to post-secondary for our students, earning both college and high school credit. Concurrent enrollment classes are offered in the high schools, on the college campus, or online. Thirteen of our 24 CTE teachers are endorsed to teach concurrent enrollment classes within their pathway. In the 2021-2022 school year, approximately 1,397 classes were taken by D6 students earning 3,510 credits.
- With the continued support of our Mill Levy Override dollars, District 6 has purchased over the past five years, new curriculum resources including secondary language arts, social studies, science, and elementary social studies, science, math and most recently literacy. These high quality instructional resources provide teachers with the means to support students in their learning, meeting the expectations of the Colorado Academic Standards.
- In its fourteenth year of implementation district-wide, AVID Secondary provides an academic elective class scheduled during the regular school day that prepares students to succeed in rigorous curricula. Greeley West High School is a Demonstration AVID School and one of very few nationwide. AVID Elementary is in its fifth year of implementation, and provides academic strategies in reading, writing, and collaboration, an emphasis on inquiry through higher-order thinking, and organizational components for all students across the grade levels. Both AVID Secondary and AVID Elementary focus on a school-wide college-going and career-ready culture for all students. The goal of the AVID program is to prepare students with the skills they will need to follow their chosen career path, be it college, technical school, military, trade school, or other post-secondary training in order to become economically independent, community-minded citizens.
- With the generous donation support from The Success Foundation, we've been able to add 4 more SmartLabs this year for a total of 14 SmartLabs in District 6. The SmartLab is a student-centered learning space that allows students to engage in Project Based learning as they utilize a variety of technologies, both physical and digital. SmartLabs allow students to take ownership of their learning. Exposing learners to advanced technology from a very young age is vital in preparing them for our modern world. With students coming from diverse backgrounds and many not having access to technology in their homes, it is critical to provide equitable access at school. Leveraging technology increases engagement, initiative, innovation, and opens up opportunities that would otherwise not be possible. SmartLabs allow students to engage in curriculum-based learning, meeting Colorado State Standards, while also developing soft skills needed for their future success.
- Just over 1,500 District 6 students participate in Advanced Placement (AP) classes. In 2022, 109 charter school and non-charter school students were named AP scholars, and four students earned the AP Capstone Diploma. AP courses offer students the opportunity to experience a learning environment of high expectations and rigorous, focused instruction. District 6's highly qualified AP teachers develop class syllabi that are audited by College Board examiners to ensure that courses meet the same clearly defined criteria throughout the nation.
- This year, District 6 opened a new K-8 school, Tointon Academy of Pre-Engineering. For this school year, grades PreK-6 were enrolled for a total of 740 students. Next year, the school will expand to offer school for through 7th grade, and in 2024, the school will enroll to capacity by adding the 8th grade students. The Tointon Academy of Pre-Engineering focuses on teaching students engineering concepts and career awareness across grade levels and content areas. District 6 has selected *Project Lead The Way* as the curriculum for the engineering focus and is working on partnering with a Colorado college of engineering and local engineers. Like other District 6 schools, Tointon has the core subject areas of math, literacy, science and social studies, as well as electives such as music, physical education, art and more.
- The Colorado Department of Education has lifted the school performance rating pause, and has resumed producing the transitional district and school performance frameworks based on continued state assessment and data collections. The accountability clock has also been resumed, although there are no automatic movements on the clock for this year. Therefore, our 2021 district rating is at

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Improvement. The school ratings are similar to last year, with 13 schools rated at Performance, the highest rating under Colorado's school accountability model. In addition, 12 schools were rated at Improvement, the next highest rating. There are only 4 schools rated at Priority Improvement, and none of our schools were rated at the lowest rating, Turnaround. This is a significant positive change in the schools' ratings. In 2014, 11 schools were rated at Performance and 10 were rated as Priority Improvement Turnaround.

Economic Condition and Outlook

National Economy

The U.S. and Colorado economies continue to grow, but inflation has taken its toll. Rapidly rising prices from energy and housing, to food and vehicles have eroded real gains in earnings and income, household financial cushions, consumer spending, business activity, and trade. Imposing and persistent inflationary pressures have also prompted the Federal Reserve to raise interest rates and reduce asset purchases, measures that have increased borrowing costs and have further influenced access to credit, asset prices, business activity, and construction. Indeed, inflation and the associated monetary policy response have emerged as the primary threats to the economic expansion. While inflationary risks are more balanced in the current outlook and data indicate inflation may have peaked in June, unexpected price shocks due to energy markets, the war in Ukraine, or further supply-chain disruptions continue to pose risks to the forecast.

Other areas of the economy continue to recover impressively. The labor market is strong, with a low unemployment rate and employment reaching or exceeding pre-pandemic levels in most sectors. Although tighter monetary policy is expected to cool labor demand, the forecast anticipates that with near-record levels of job openings, there is room to rein in inflationary pressures without decreasing employment levels. The forecast assumes tighter monetary policy will result in a lower inflationary environment without pushing the economy into recession, though this is a narrow path with significant downside risk.

Colorado Economy

The Colorado economy continues to expand, with positive consumer spending and a robust labor market indicating continued growth. Jobs are abundant, and ample household savings have helped to shrink the gap between rising incomes and even more quickly rising prices. But inflation has taken its toll. Rapid price hikes from energy and housing, to food and vehicles have eroded real gains in earnings and income, household financial cushions, consumer spending, business activity, and trade. Imposing and persistent inflationary pressures have prompted the Federal Reserve to raise interest rates and reduce asset purchases, measures that have increased borrowing costs and have further influenced access to credit, asset prices, business activity, and construction. Indeed, the risk of a near-term recession has escalated considerably. The coming months will illuminate the inflation response to monetary policy treatment, as well as any persistent impacts for households and businesses. This forecast anticipates continued, yet slowing, expansion, but the path forward has narrowed. With a worsening economic outlook around the world, the possibility of a national downturn looms.

The aggressive monetary policy response to inflation and a faltering global economy pose significant risks to the economic outlook, elevating the risk of recession during the forecast period. Estimates of the TABOR surplus and TABOR refund obligation represent the amount by which state revenue subject to TABOR is expected to exceed the Referendum C cap. Therefore, any error in the General Fund or cash funds revenue forecasts will result in an error of an equal amount in the TABOR refund forecast. Any forecast error for inflation or population growth will also impact the TABOR situation by resulting in higher or lower allowable growth in the Referendum C cap. In an environment where large TABOR refunds are expected, TABOR insulates the General Fund budget from the impacts of error in

the General Fund revenue forecast. Greater than expected General Fund revenue will result in a larger General Fund obligation for TABOR refunds, with no net impact on the amount available for the General Fund budget. Lower than expected General Fund revenue will result in a smaller obligation for TABOR refunds, and will impact the budget only if the error is great enough to erase the entire projected TABOR surplus. By contrast, error in the forecast for cash fund revenue subject to TABOR poses a risk to the outlook for the General Fund budget. Greater than expected revenue from cash fund sources would increase the General Fund obligation for TABOR refunds, thereby reducing the amount available for the budget.

Cash fund revenue subject to TABOR totaled \$2.69 billion in FY 2021-22, an increase of 20.0 percent from prior year levels, according to preliminary data. Nearly 70 percent of this increase is attributable to rising severance tax collections, which surged alongside rising oil and natural gas prices in 2022. Cash fund revenue subject to TABOR is expected to continue rising through the forecast period, albeit at a slower pace, reaching \$2.77 billion in FY 2022-23, \$2.87 billion in FY 2023-24, and \$2.93 billion in FY 2024-25. Strong growth in transportation related-revenue is expected to offset declines in severance tax revenue and various other cash fund revenue streams throughout the forecast period.

The General Fund is expected to end FY 2022-23 with a 13.2 percent reserve, \$250.6 million below the statutorily required 15.0 percent reserve. This amount incorporates FY 2022-23 appropriations after enactment of the budget package and other legislation, as well as corrections to transfers to and from the General Fund enacted in legislation passed near the end of the 2022 legislative session.

For FY 2023-24, the state aid requirement for public schools is expected to increase by at least \$197 million on a year-over-year basis. Total program requirements will increase by \$514 million. Although the estimated funded pupil count is expected to decrease by about 20,511 pupils on a year-over-year basis, inflation expectations for 2022 have increased since the March forecast from 7.0 percent to 8.2 percent. On a year-over-year basis, revenue available for the local share will increase by up to \$317 million. This assumes that assessed values increase by \$12.5 billion relative to FY 2022-23, while specific ownership tax collections increase by 3 percent. The temporary assessment rate reductions for certain property types under Senate Bill 22-238 result in a smaller increase in the local share than would have otherwise occurred.

Enrollment is a major determinant of required formula funding (total program), since funding is allocated on a per pupil basis. Similarly, assessed values on real property determine a school district's property tax base, which, along with a school district's total program mill levy, is the major determinant of the local share of school district funding. This school finance funding update assumes FY 2023-24 enrollment estimates based on the December 2021 Legislative Council Staff forecast for K-12 enrollment, combined with the removal of preschoolers from enrollment totals per the provisions of House Bill 22-1295. These estimates will be updated in December 2022.

This forecast assumes assessed value estimates from the December 2021 Legislative Council Staff forecast, adjusted downwards per the provisions of SB 22-238, totaling \$152 billion. In addition, specific ownership tax receipts are assumed to increase by 3 percent from the level appropriated for FY 2022-23. Given the enactment of SB 22-238, which temporarily reduces the assessment rate on certain types of properties in tax years 2023 and 2024, assessed values are expected to be lower and the December 2021 forecast may overestimate the actual totals as a result. The fiscal note for SB 22-238 estimates that the local share will be reduced by \$183.2 million in FY 2023-24 as a result of the assessment rate reductions under the bill. Similar to K-12 enrollment, assumptions for assessed values and the impact of the rate reduction will be updated with more complete information in December 2022. This forecast also incorporates increased mill levies for some school districts according to the correction schedule required by House Bill 21-1164.

For FY 2023-24, the available contribution for school finance from the State Education Fund is expected to increase by \$197 million relative to FY 2022-23 levels. Expenditures from the State Public School Fund will decrease by \$7 million, while the General Fund requirement will increase by \$6 million on a year-over-year basis. These estimates assume a \$1 billion ending balance for the State Education Fund in FY 2023-24, and the budget stabilization factor is maintained at its current level. The Colorado Constitution requires the State Education Fund to receive one-third of 1 percent of taxable income. In FY 2022-23, the State Education Fund is expected to receive \$1,044.6 million as a result of this requirement, with similar amounts in the following years of the forecast period.

Local Economy

Larimer and Weld counties comprise the diverse economies of the northern region. Following the recession, the labor market in the northern region began to heal quickly, but as the broader economic recovery has continued, the region has lagged behind the rest of the state. While the area has seen strong price appreciation for residential housing in recent years, residential construction slowed in early 2022. After suffering a significant disruption to nonresidential construction following the recession, activity appears to be rebounding in 2022.

The region's labor market saw some of the fastest job growth and lowest unemployment rates in the state leading up to 2020. Following the recession, the region's labor market was quick to improve but has since struggled to keep up with the rest of the state as the recovery has continued. Year-to-date job growth registered 4.1 percent as of June 2022, compared to 4.8 percent for the state overall. Further, while Colorado as a whole has exceeded pre-recession employment levels by about 37,000 jobs, employment in the northern region remains 5,500 jobs below pre-recession levels. The region is experiencing a relatively low unemployment rate compared to the state as a whole, however; regional unemployment registered 2.7 percent in June 2022 compared with the statewide rate of 2.9 percent. The northern region's labor market, especially in Weld County, is dependent on the oil and gas industry, where employment levels remain about 4,000 jobs below pre-recession levels. Employment is not expected to fully recover until pandemic conditions improve and energy markets return to pre-crisis levels.

The northern region produces about a quarter of Colorado's agricultural value due to the heavy concentration of the livestock industry in Weld County. The region's agricultural sector faced significant headwinds in 2020 caused by supply chain disruptions, COVID-19 outbreaks in meat processing facilities, wildfires, and severe drought. The cattle and calf inventory grew only 1.9 percent through 2020, a slowdown from 8.0 percent growth in 2019. As the negative effects of COVID-19 have begun to abate and pasture conditions have modestly improved, cattle and calf inventories have rebounded, growing 4.0 percent in 2021, and 2.1 percent year-to-date as of June 2022.

Weld County's economic activity, largely driven by oil and gas, faced headwinds as a result of the recession. Demand for oil and gas fell significantly as a result of the recession and pandemic-related restrictions, causing prices and production levels to fall. However, with the sharp rebound in energy prices, the oil and gas industry profits and associated tax revenue have shot upwards. Employment and production levels, however, have not experienced the same rapid growth, with both remaining below pre-recession levels. Oil and gas production throughout the state declined significantly as a result of the collapse in demand and significant declines in prices. Oil production in the northern region fell by 11.9 percent in 2020 and another 10.4 percent in 2021. However, year-to-date as of June 2022, oil production has grown by 6.2 percent. Natural gas production, particularly in the northern region, did not suffer as badly as oil production. Production continued to grow in 2020, before shrinking by 2.9 percent in 2021 and by an additional 1.1 percent as of June 2022. Higher than average prices throughout 2022 and increased demand for oil and gas in the near- and medium-term is expected to spur additional production in the region.

Household behavior during and after the pandemic-induced recession spurred incredibly fast home price appreciation across the region, just as it did across the state and country. The average single family home sale price in the region jumped 17.0 percent year-to-date in 2022 to \$605,000, following a similar 16.8 percent jump in 2021. Home price appreciation is expected to cool in the near term as a result of rising interest rates. Sizable differences remain with respect to the two counties that make up the northern region; the average single family home sale price in July 2022 was about \$559,000 in Weld County. Residential housing construction activity has also been strong in the northern region, with 9 percent growth in 2021 and 27 percent growth year-to-date in 2022. While overall activity has been strong, a significant divergence between the Greeley area and the Fort Collins area began in 2022. Total housing permit growth in the Greeley area (Weld County) has increased over 25 percent. Affordability concerns and more open land has likely attracted more construction activity to the Greeley area.

The effects of the COVID-induced recession materialized for nonresidential construction in 2021 for the northern region, with the value of new projects declining by 29.7 percent, the number of projects declining by 8.1 percent, and total square footage declining by 0.7 percent compared to 2020. However, through June 2022, nonresidential construction has picked up, with the value of projects increasing by 15.6 percent over the same period in 2021, the square footage of projects increasing by 90.6 percent, while the total number of projects has declined by only 1.8 percent. Future commercial construction activity will depend on the trajectory of the economy, energy markets, and interest rates.

Long-Term Financial Planning

Each year the state budget is crafted by the governor and legislature to determine how much of the total budget will be allocated to K-12 education. The state economic picture is important to the District because the primary source of funding for the District's General Operating Fund is received through the state's School Finance Act established by the state legislature. During the Great Recession, state revenue shortfalls forced cuts to K-12 education even though expectations for constitutionally mandated funding increases existed under Amendment 23. After the state sets the total funding for K-12 public education, each local district determines how to fund its specific system and allocate resources to every school within its district.

K-12 education makes up approximately 33% of the state's general fund budget. It is to be expected that when the state faces a budget crisis, it will impact the education budget in some way. In fiscal year 2010-11, an additional factor, the negative factor also known as the budget stabilization factor, was included in the school finance formula. This factor acts as a reduction to other existing factors and does not reduce the base funding a district receives through the school finance funding formula. This factor was made permanent with the passage of Senate Bill 11-230 as a budget stabilization measure for the state. The budget stabilization factor has ebbed and flowed since its introduction in 2011. In 2020-21 the budget stabilization grew to an amount beyond any amount in previous years in response to the catastrophic budget predictions in response to the pandemic. Fortunately, as the pandemic progressed and the economy stabilized, the amount of the budget stabilization factor has returned to amounts comparable prior to COVID. Since the inception of the budget stabilization factor, Weld County School District 6 has had a cumulative impact of \$238.5 million.

The 2021-22 state average per pupil revenue (PPR) by formula is estimated to be \$9,924; however, the negative factor reduces that amount to \$9,560, a reduction of \$364 per student. In comparison, Weld County School District 6 per pupil revenue prior to the negative factor would be \$9,980 reduced by the negative factor of \$367 to \$9,613.

The goals utilizing the District's financial resources for the 2021-2022 school year are very strategic. These goals include –

- Aligning the budget to the District strategic plan, Innovation 2030. The document spells out the Mission, Vision, Values and Beliefs and Goals of the District. The main focus is to engage every student in a personalized, well-rounded and excellent education, preparing students to be college and career ready.
- The District shall reserve 6% of the prior year's operating revenue designated as a 3% TABOR reserve and a 3% Board reserve.
- In November 2017, voters living in Greeley and Evans approved a 10 mill Mill Levy Override for Greeley-Evans School District 6. For seven years, District 6 will have these additional operating dollars to do some very important work in the areas of safety and security, academic achievement, technology, deferred maintenance, curriculum, career pathways, classified salary support and charter school transfers.
- The District Board of Education has approved a ballot initiative for the November 2022 election, to extend the Mill Levy Override for an additional 10 years. This initiative was passed by voters in the 2022 election.
- The Success Foundation continues to be a strong supporter for Weld County School District 6 and aligns with the Academic Achievement and School Leadership Department goals and initiatives. For the 2021-22 school year, The Success Foundation supported the funding of SmartLabs at Prairie Heights and Franklin Middle Schools, Tointon Academy of Pre-Engineering K-8, and Maplewood Elementary School.
- The District will continue to collaborate with The Success Foundation to support the financial commitments and fundraising in order to expand SmartLabs to other schools within the system as well as other ongoing educational needs.
- There have been some very serious capital needs arising in the District. In 2018, the District contracted with educational facility planners and architects to develop a Facilities Master Plan. The team was hired to conduct an analysis of the current educational programs, assess the facilities, and study options and priorities for resolving the schools' challenges and needs for continued growth and success. The consultant's reports described the adequacy and conditions of the District's schools.
- The Facilities Master Plan detail was utilized to place an initiative on the ballot for the fall of 2019 to address aging and schools over capacity. It was determined at that time the average age of the district schools was 46 years. The constituents of the Greeley-Evans community approved a ballot measure authorizing the sale of \$395 million in bonds. In January of 2020, the District sold the first issuance of bonds, totaling \$250 million. The remaining approved bonds from the 2019 ballot measure were sold in July 2021, totaling \$145 million.
- The District has been working with a demographer over the past couple of years to study options for boundary changes and to address overcrowding in several schools. The approved changes include a new boundary for Tointon Academy of Pre-Engineering; creation of a new middle school boundary for the replacement of Madison P-K8 school that will open in the Fall 2023; balance enrollment in schools that are over capacity; remove temporary, portable classrooms from many schools; and improve and better align feeder schools, so more students advance from elementary to middle school together.

District 6 engages every student in a personalized, well-rounded
and excellent education, preparing students to be college and career ready.

- Activities which support sound fiscal management include balancing of the budget for the 2022-2023 school year by monitoring expenditures, seeking new grant funding and aligning current grant resources, and strategically and conservatively planning the spending of excess fund balance.
- The District did not spend any fund balance for 2020-2021 and spent a portion of fund balance in the Athletics Fund and the Bond Redemption Fund in the 2021-2022 year. Based on the adopted budget for 2022-2023, there is not a plan to spend any fund balance of the General Fund.

Relevant Financial Policies

The District's system of internal controls is designed to provide reasonable, but not absolute, assurance that assets are adequately safeguarded, transactions are accurately recorded and expenditures are properly authorized. Those controls also assure the reliability of financial records for preparing financial statements and maintaining the accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from that control. The evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework.

The District's accounting and budget systems are integrated and this facilitates budgetary control. Also, the systems include integrity checks and balances which help assure that only valid transactions occur. The District's existing systems of budgetary and accounting controls are designed to provide reasonable assurance that errors or irregularities of a material nature are prevented or are detected in a reasonable period of time. We believe that the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The District's internal control structure is subject to periodic review by management and the internal audit staff.

Major Initiatives

Strategic Plan – Innovation2030

The District 6 Mission, Vision, Values and Beliefs were adopted by the Board of Education in May 2020 and they finalized the Focus Areas and Goals for the new plan shortly after. A Steering Committee, comprised of District leaders, began work identifying the Objectives and Outcomes in the fall of 2020 and early 2021, a large team with community-wide representation came together to begin creating the action plans that were launched to the Greeley-Evans community during the 2021-2022 school year. Frequent updates about the work outlined in Innovation2030 are made to the Board of Education.

The work of a school district is complex, requiring a detailed and responsive strategic plan with a strong foundation. The District 6 strategic plan is collaboratively created, incorporating the voices and responding to the needs of the Greeley-Evans community. The Mission, Vision, Values and Beliefs lay the foundation for Innovation2030 and provide a strong focus for the work. The plan itself is layered and each tier is increasingly detailed. An accountability structure of Outcomes and Measures is built into the plan, assuring progress is made and identified.

Mission

District 6 engages every student in a personalized, well-rounded and excellent education, preparing students to be college and career ready.

Vision

District 6 engages, empowers and inspires today's students in partnership with families and communities to succeed in tomorrow's world.

Values and Beliefs

- Our students come first.
- We know every child can achieve.
- We believe diversity is a strength.
- We ensure safe, secure and healthy schools.
- We build positive relationships with students, families and communities.
- We promote access, opportunity and choice.
- We commit to hiring and retaining quality staff.
- We commit to excellence, innovation and continuous improvement.

Focus Areas

The Focus Areas are four areas where the district focuses its energy and effort in order to accomplish the mission and vision identified by the Board of Education.

- ***Student Learning & Achievement***
District 6 engages all students in a challenging and personalized education, preparing each student to be career and college ready.
- ***Strengthening Partnerships***
District 6 enhances student success by communicating, engaging and collaborating with our communities and school partners.
- ***Climate & Culture***
District 6 cultivates a safe, healthy and inclusive learning environment for all, embracing our diversity and engaging all stakeholders.
- ***Operational & Organizational Effectiveness***
District 6 ensures innovation, transparency and accountability to our community through measurable outcomes and continuous improvement.

Embracing Diversity

District 6 has developed and established a committee that ensures equitable practices for all students and staff members. The District's Equity Leadership Committee's commitment is to increase knowledge and awareness of District 6 cultural diversity, to enhance district employees' cultural proficiency, and to promote practices among the staff members that are inclusive of all cultures. Some tasks that are continuously targeted by this committee are:

- The identification of conditions for learning that helps students be successful, and the establishment of norms and expectations related to a culturally responsive climate.
- The identification and evaluation of policies and practices that impact students who are culturally and/or linguistically diverse. For example, a review of leadership opportunities for minority teachers and students might lead toward the implementation of policies that incorporate such opportunities.
- The development of an electronic dashboard that illustrates the cultural and linguistic diversity of District 6 students and their progress toward success using a variety of indicators including:
 - Academic achievement data
 - Language acquisition data
 - Number of advanced classes in which linguistically and culturally diverse students are enrolled

District 6 engages every student in a personalized, well-rounded
and excellent education, preparing students to be college and career ready.

- Graduation data
- The development and delivery of a series of online and face to face professional development modules to develop the cultural proficiency of staff members.
- Increase use of effective instructional strategies for English learners.
- Increase the number of teachers who are CLD certified.
- Increase the percentage of highly qualified minority certified and classified employees.
- Increase the percentage of minority teachers who participate in the Principal Leadership Cohort.
- Celebrate and highlight cultural events in the district and the community.

Bond Program

In October 2018, Greeley-Evans School District 6 contracted with an architectural firm, the Cunningham Group, to conduct a Facility Needs Assessment on every school and building in District 6. A 60-member Community Facilities Planning Team began meeting to advise the Facility Needs Assessment and identify priorities for addressing the facility needs in District 6. In May, the Community Facilities Planning Team recommended that the Board of Education consider putting a Bond Issue on the ballot.

The Facility Needs Assessment report revealed that every school in District 6, including charter schools, needed repairs, renovations, and sometimes, replacement and rebuilding. The overall needs in the District are nearly \$1 billion. Five schools - Greeley West, Madison Elementary, Scott Elementary, Brentwood Middle and Bella Romero Academy K-3 Campus - were all recommended for tear down and replacement. The cost of trying to renovate and repair these schools is approaching the cost of a total replacement, and structural issues are so significant that a complete rebuild is recommended for these schools. In addition, the study cited needed repairs and renovations at every school, including enhancements for safety and security, removal of asbestos, and replacement and repairs to larger systems, such as heating and air conditioning and roofs. Improvements to instructional spaces, including career and college readiness programs, were also recommended.

On November 5, 2019, voters in Greeley and Evans approved a \$395 million bond issue to improve school facilities throughout Greeley-Evans School District 6. This is the first time District 6 has asked for a large bond issue to repair, replace and renovate its buildings since 2003.

Every school in District 6, including charter schools, have or will receive money for structural upgrades from this Bond Issue. Specific items included in this Bond Issue are:

- Replacement of Greeley West High School, increasing the capacity from 1,000 to 1,800
- Replacement of Madison Elementary School, and rebuilding a K-8, based on input from the community
- Construction of Tointon Academy of Pre-Engineering a new PK-8 school in District 6, with a capacity of approximately 950 students.
- A 50,000-square-foot addition to McAuliffe STEM Academy K-8 school to address overcrowding. Right now, the school is 450 students over capacity.
- A 35,000-square-foot addition to Chappelow Arts Magnet K-8 to address overcrowding
- Building additions at Meeker and Billie Martinez Elementary Schools
- Enhancements to safety and security, including securing entrances at all schools and replacing door hardware and locks.
- Replacement of Jefferson High School and the addition of the Career and Technical Education Center.
- Accessibility improvements in accordance with the Americans With Disabilities Act (ADA)
- Roof repairs and replacements on some sites.
- Heating, ventilation and cooling system upgrades at some sites.
- Funds for every school for instructional and career and college preparation upgrades

District 6 engages every student in a personalized, well-rounded and excellent education, preparing students to be college and career ready.

- Charter schools will receive money for repairs, renovations, safety and security and instructional upgrades.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* and the Association of School Business Officials International (ASBO) awarded a *Certificate of Excellence in Financial Reporting* to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2021. In order to be awarded a Certificate of Achievement and the Certificate of Excellence, the District published an easily readable and efficiently organized Annual Comprehensive Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement and the Certificate of Excellence are valid for a period of one year. The District has received a Certificate of Achievement for nineteen consecutive years and a Certificate of Excellence for the last twenty-one years. We believe our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement and Certificate of Excellence programs' requirements and we are submitting it to both GFOA and ASBO to determine its eligibility for another certification.

The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. We would like to express our sincere appreciation to all members of the department for the contributions made in the preparation of this report. We also thank the District's independent auditors, CliftonLarsonAllen, LLP, for the professional manner in which they accomplished the audit. We would also like to thank the members of the Weld County School District 6 Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible manner.

Respectfully submitted,



Meggan Sponsler, CPA
Chief Financial Officer



Mandy Hydock
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Weld County School District 6
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Weld County School District 6

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'William A. Sutter'.

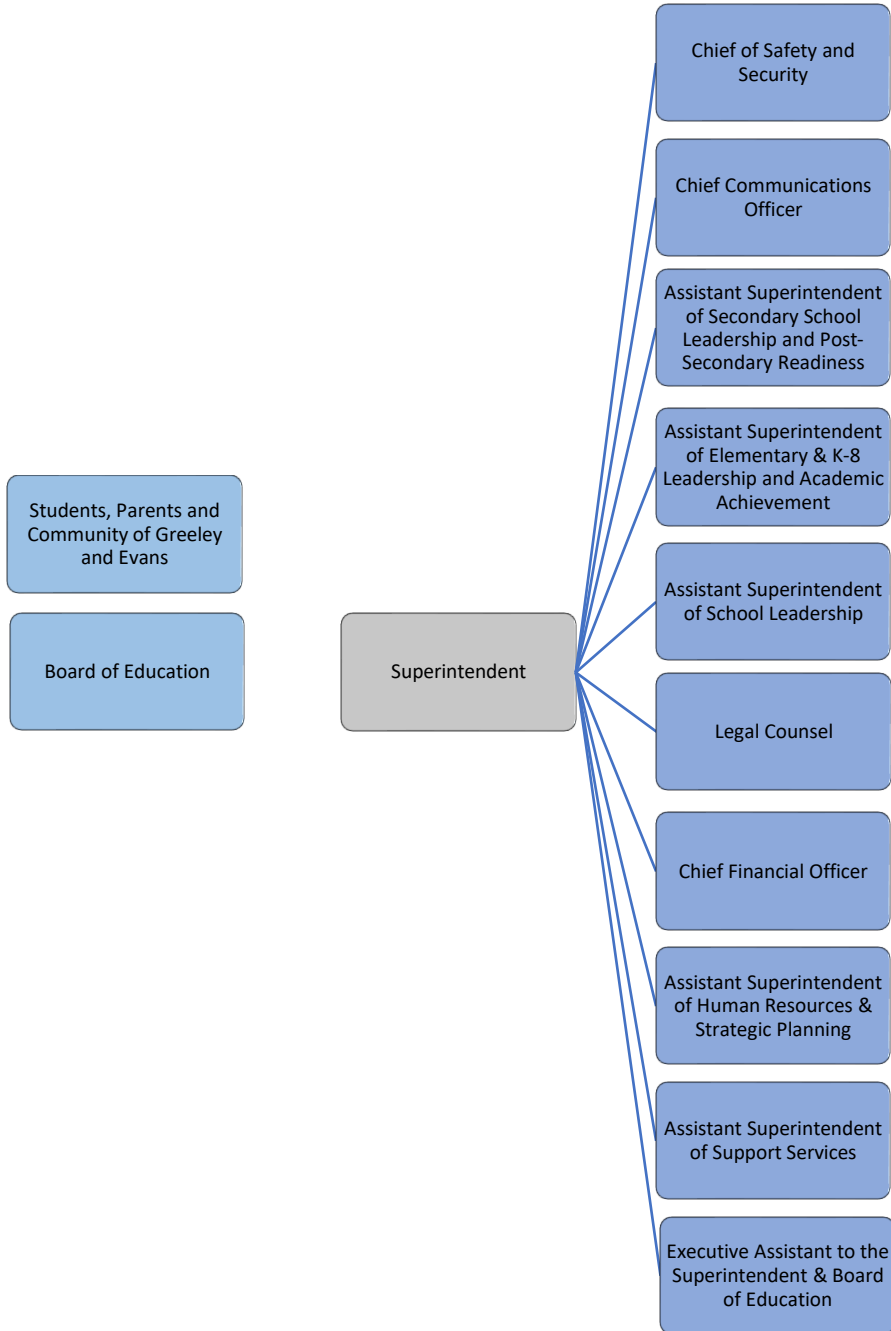
William A. Sutter
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



Organizational Chart





June 30, 2022

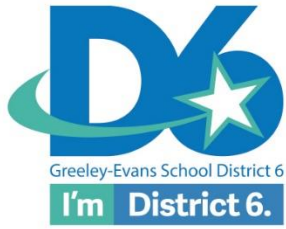
List of Elected Officials

Elected Officials – Board of Education		<u>Term Expires</u>
President	Michael Mathews	2025
Vice President	Terri Pappas	2023
Director	Kyle Bentley	2025
Director	Natalie Mash	2023
Director	Pepper Mueller	2023
Director	Rob Norwood	2025
Director	Taylor Sullivan	2025

Appointed Officials – Board of Education	
Secretary	Kristina Crain
Treasurer	Meggan Sponsler

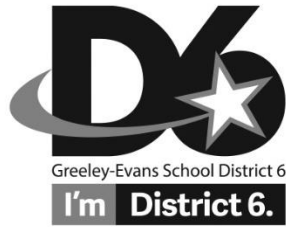
Superintendent’s Executive Cabinet

Superintendent of Schools.....	Deirdre Pilch, Ed.D.
Assistant Superintendent of Elementary/K-8 Leadership & Academic Achievement....	Stacie Datteri, Ed.D.
Assistant Superintendent of Secondary Leadership and Post-Secondary Readiness.....	Anthony Asmus
Assistant Superintendent of School Leadership.....	Wes Tuttle
Assistant Superintendent of Support Services.....	Kent Henson
Assistant Superintendent of Human Resources & Strategic Planning	Annette Overton
Chief Financial Officer.....	Meggan Sponsler
Director of Communications.....	Theresa Myers
Chief of Safety and Security.....	John Gates
Legal Counsel.....	Nathan Fall



Annual Comprehensive Financial Report





Annual Comprehensive Financial Report



Financial Section

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Supplementary Information





INDEPENDENT AUDITORS' REPORT

Board of Education
Weld County School District 6
Greeley, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Weld County School District 6 (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary schedules for the General Fund, budgetary schedules for the Food Service Fund, budgetary schedules for the Designated Special Purpose Grants Fund, schedule of the District's proportionate share of the net pension liability, schedule of the district contributions, schedule of the District's proportionate share of the net OPEB liability, and the schedule of the District contributions, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining balance sheet – nonmajor governmental funds, combining statement of revenues, expenditures, and changes in fund balance – nonmajor governmental funds, budgetary comparison schedule for the Building Fund, budgetary comparison schedule for the Capital Projects Fund, budgetary comparison schedule for the Student Activities Fund, budgetary comparison schedule for the Student Athletics Fund, budgetary comparison schedule for the School Development Fund, and the budgetary comparison schedule for the Bond Redemption Fund, the Auditors Integrity Report, and the 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* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the budgetary comparison schedules, the Auditors Integrity Report, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

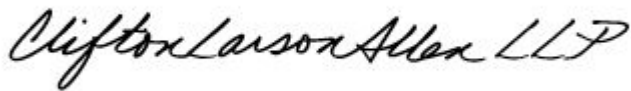
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and the statistical section but does not include the basic financial statements and our auditors' 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2022, on our consideration of the District'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 District'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 the District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Broomfield, Colorado
December 7, 2022



Annual Comprehensive Financial Report



Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) is a component of required supplementary information used to introduce the basic financial statements and provide an analytical overview of the District's financial activities.



MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

As management of Weld County School District 6 (the District), Greeley-Evans, Colorado, we offer readers of the District's Annual Comprehensive Financial Report this narrative, overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, basic financial statements and notes to the basic financial statements to enhance their understanding of the school District's financial performance.

Financial Highlights

At June 30, 2022:

- Governmental Accounting Standards Board Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions* was implemented by the District during the fiscal year ended June 30, 2015 and continues to significantly impact the District's government-wide statements. GASB 68 revised and established new financial reporting requirements for governments that provide their employees with pension benefits. The District provides its employees with pension benefits through a multiple employer cost-sharing defined retirement program administered by the Public Employees' Retirement Association of Colorado (PERA).
- Among other requirements, the District is required to report its proportionate share of the total PERA net pension liability (NPL) in its government-wide financial statements. The District's share of the PERA NPL is \$207.7 million as of June 30, 2022. Inclusion of this figure in the government-wide financial statements does not indicate that the District has a liability to pay the amount shown. The District's liability is limited to the annually required contributions established by the State Legislature.
- Due to the effect of GASB 68, the District has a positive net position. The governmental assets and deferred outflows of resources exceed its liabilities and deferred inflows of resources by \$35.4 million.
- Governmental Accounting Standards Board No. 75 (GASB 75), *Accounting and Financing Reporting for Postemployment Reporting for Postemployment Benefits Other Than Pensions*, revised and established financial reporting requirements for governments that provide their employees with other post employment benefits (OPEB). The District provides its employees with OPEB through the Health Care Trust Fund (HCTF), a cost-sharing multiple employer defined benefit OPEB plan administered by PERA.
- Similar to GASB 68, GASB 75 requires the District to report its proportionate share of the total PERA HCTF net OPEB liability in its government-wide financial statements. The District's share of the PERA HCTF net OPEB liability is \$10 million as of June 30, 2022.
- Fund level statements, including the General Fund statements, are not impacted by GASB 68 and GASB 75 reporting.
- The net position of the District governmental activities includes \$187.1 million net investment in capital assets; net position of \$59.4 million restricted for debt payments, required emergency reserves, mill levy override, operational funds, and food service operations; and an unrestricted net position negative balance of \$211.1 million. The unrestricted balance is negative due to the effects of GASB 68. The unrestricted balance is also different than what would be reflected on a governmental fund accounting basis due to the accounting treatment in the government-wide statements. Under governmental fund accounting, long-term compensated absences and long-term debt are not recorded in governmental funds as a liability because they are not payable with current funds.
- The total net position of the District's governmental activities increased by \$121.4 million during fiscal year 2021-2022. The increase in net position on a government-wide basis is similar to the increase in fund balance on a governmental fund basis, however, several large factors impact differences between the two methods. The reconciliation between the two methods is found on page 42. The pension expense reconciling items on page 42 shows the effect of GASB 68 on net position.

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

- Fund balance of the District's governmental funds increased by \$33.4 million resulting in an ending fund balance of \$364.7 million. The General Fund had an increase in fund balance of \$22.5 million as a result of multiple projects not complete as of the fiscal year end, unfilled classified positions, conservative budget planning and spending, and unanticipated revenues were earned.
- During the current fiscal year, the fund balance in the General Fund increased by \$22.5 million. The per pupil funding for the District for the 2021-2022 fiscal year was \$9,013, compared to the fiscal year 2020-2021 funding of \$8,023, an increase of \$990.
- Total actual revenue from local sources received in the General Fund was positive as compared to the revised budgeted revenue in total. The anticipated local revenues were greater than the budgeted figures as a result of the receipt of significant uncollected property taxes. Additionally, local revenues increased due to various unanticipated local revenues being received. State funding increased during the 2021-2022 fiscal year. There was an increase in state equalization funding by \$1.7 million as compared to what was budgeted.
- The District was also able to reduce actual expenditures by \$19.6 million against the General Fund budget. The positive expenditure variances include instructional program savings primarily as a result of budget cuts during the pandemic and conservative spending. Included in the \$19.6 million is \$14 million in mill levy override projects started, but not completed by year-end.
- The District's capital assets increased by \$162.1 million, net of depreciation, during the current fiscal year to \$419.9 million at June 30, 2022. The increase is due to various facility upgrades, including several roofs, boiler replacements, building automated system upgrades at various schools, and multiple bond projects in process. Additionally, various projects were funded with mill levy override revenues.
- The District's long-term obligations increased by \$159.3 million to \$484.2 million. The primary increase was due to an issuance of GO Bonds for \$145 million. Additional discussion on long-term debt may be found on page 65.

Overview of the Financial Statements

The annual report consists of four parts: Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information and Supplementary Information. The Basic Financial Statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements, which provide additional and more detailed information. Included as Required Supplementary Information is budget-to-actual information related to the District's General Fund, Designated Special Purpose Grants Fund, the Food Service Fund, required pension information, and required other post-employment benefits information. The Supplementary Information section contains budget-to-actual information for all other funds (as required by law), as well as additional information that further explains and supports the financial statements, including combining schedules.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader of the District's Annual Comprehensive Financial Report a broad overview of the financial activities in a manner similar to a private sector business. The government-wide financial statements include the statement of net position and the statement of activities.

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

The statement of activities presents information showing how the net position of the District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flow may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the District that are supported from taxes and intergovernmental revenues (governmental activities). Governmental activities consolidate governmental funds including the General Fund, Debt Service Fund, Capital Projects Funds, and Special Revenue Funds.

The government-wide financial statements can be found on pages 39-40 of this report.

Fund Financial Statements

Funds are accounting devices the District uses to track specific sources of funding and spending on particular programs. Some funds are required by state law. Other funds control and manage money for particular purposes (such as repaying its long-term debt) or to demonstrate proper expenditure of certain revenues (such as federal grants). All of the funds of the District have been divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide statements, the 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 financial 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 District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains nine different governmental funds. The major funds are the General Fund, the Capital Projects Fund, Food Service Fund, Designated Special Purpose Grants Fund, Bond Redemption Fund, and the Building Fund. They are presented separately in the fund financial statements. The Student Activity Fund, Student Athletic Fund, and School Development Fund are presented as non-major funds in the fund financial statements.

The District adopts an annual appropriated budget for each of the individual governmental funds. A budgetary comparison schedule for the General Fund, Designated Purpose Grants Fund, and Food Service Fund are included in the required supplementary information to demonstrate compliance with the adopted budget. The remaining governmental funds budgetary comparisons are reported as supplementary information.

The basic governmental fund financial statements can be found on pages 41-44 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because these sources of funds are not available to support the District's direct educational programs. The accounting method used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements are presented on page 45-46.

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

Component Units

A statement of net position and statement of activities for the discretely presented component units (charter schools) has been included. The component units have been included to provide more complete information regarding public school activities within the District. Each component unit has a separately issued financial statement available.

The combining Component Unit Statements are presented on pages 47-48.

Notes to Basic Financial Statements

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 49-89 of this report.

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (General Fund, major Special Revenue Funds budget-to-actual schedules and pension schedules) and supplementary information. Supplementary information includes budget-to-actual information for all funds (other than the General Fund, Designated Special Purpose Grants Fund, and Food Service Fund, which are included as required supplementary information) as dictated by state law.

Government-Wide Financial Analysis

The assets of the District are classified as current assets and noncurrent assets. Cash, investments, receivables, inventories, and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the District.

Noncurrent assets include capital assets used in the operations of the District. Capital assets are land, water rights, improvements, buildings, equipment and vehicles. Capital assets are discussed in greater detail later in the analysis.

Deferred outflows of resources are a consumption of net position that is applicable to a future reporting period. This has a positive effect on net position, similar to assets.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2022-2023. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2022-2023.

Deferred inflows of resources are an acquisition of net position that is applicable to a future reporting period. This has a negative effect on net position, similar to liabilities.

Net position is the residual of all elements presented in a statement of financial position equal to assets plus deferred outflows less liabilities less deferred inflows.

The assets and deferred outflows of resources exceed the liabilities and deferred inflows of resources of the government by \$35.4 million with an unrestricted negative balance of \$211.1 million at June 30, 2022.

Net investment in capital assets of \$187.1 million represents the investment in capital assets (e.g., land, land improvements, buildings, equipment, and vehicles), less related debt used to acquire these assets that are still outstanding. The District uses these capital assets to provide services to its constituents; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets cannot be liquidated to pay the debt.

Net position of \$27.8 million, accumulated due to voter approved bonded debt, has been restricted to provide resources to liquidate the current general obligation bond principal and related interest payments.

Weld County School District 6 voters approved a Mill Levy Override in November 2017. There were approximately \$19.7 million of voter approved funds that were received during the 2021-2022 fiscal year. Not all of these funds were spent by year-end; therefore, the district has a \$14.1 million restriction for the mill levy override.

The net position of Preschool and Dental Funds, which are combined in the General Fund, and the Food Service Funds of \$8.8 million are restricted for the respective funds use only. There is \$1 million of restricted funds for the School Development Fund. The required emergency reserves of \$7.7 million have also been restricted.

Unrestricted net position is different than what would be reflected on a governmental fund accounting basis. This is due to the impact of capital assets and long-term liabilities, such as the net pension liability relating to GASB 68, net OPEB liability relating to GASB 75, compensated absences payable, bonds payable and other long-term liabilities, on net position in comparison with the governmental fund accounting basis. The \$5.3 million compensated absences payable is reported as a portion of the noncurrent liabilities on the government-wide statements because they are not payable with current funds. The net pension liability is reported similarly with a balance of \$207.7 million and the net OPEB liability had a balance of \$10 million.

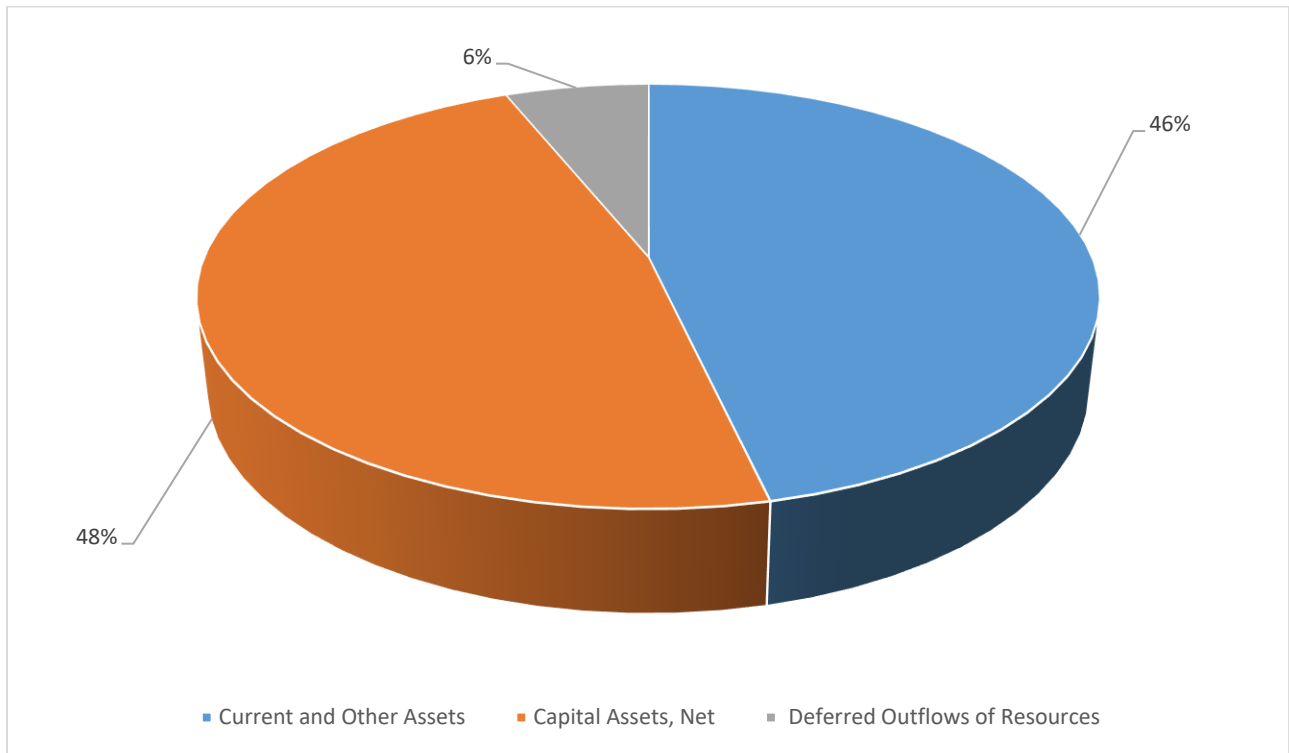
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

Table 1
Comparative Summary of Net Position
as of June 30, 2022 and 2021

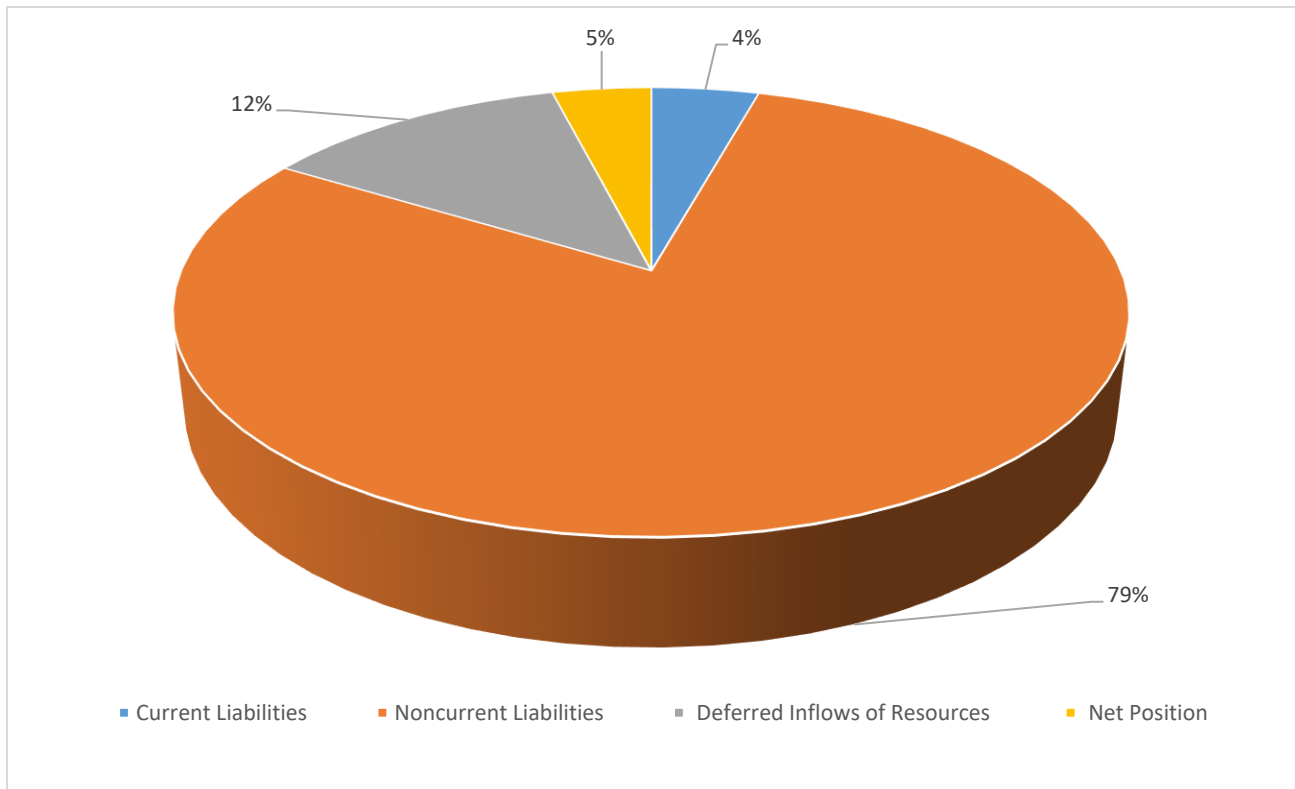
	Governmental Activities		Percentage Change
	2022	2021	
Assets			
Current and Other Assets	\$ 410,680,034	\$ 385,281,862	6.6%
Capital Assets, Net	419,936,381	255,790,514	64.2%
Total Assets	830,616,415	641,072,376	29.6%
Deferred Outflows of Resources			
Deferred Charges on Bond Refunding	180,934	361,868	-50.0%
Deferred Pension Outflows	52,977,570	84,207,447	-37.1%
Deferred OPEB Outflows	1,197,420	895,568	33.7%
Total Deferred Outflows of Resources	54,355,924	85,464,883	-36.4%
Liabilities			
Current Liabilities	38,396,792	45,837,485	-16.2%
Noncurrent Liabilities	701,967,965	633,201,902	10.9%
Total Liabilities	740,364,757	679,039,387	9.0%
Deferred Inflows of Resources			
Deferred Pension Inflows	105,187,293	129,400,221	-18.7%
Deferred OPEB Inflows	4,000,746	4,080,891	-2.0%
Total Deferred Inflows of Resources	109,188,039	133,481,112	-18.2%
Net Position			
Net Investment in Capital Assets	187,127,419	187,726,933	-0.3%
Restricted	59,424,204	62,835,859	-5.4%
Unrestricted	(211,132,080)	(336,546,032)	37.3%
Total Net Position	\$ 35,419,543	\$ (85,983,240)	141.2%

**MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2022**

Government-Wide Total Assets and Deferred Outflows of Resources



Government-Wide Total Liabilities, Deferred Inflows of Resources and Total Net Position



Governmental activities increased the net position of the district by \$121.4 million.

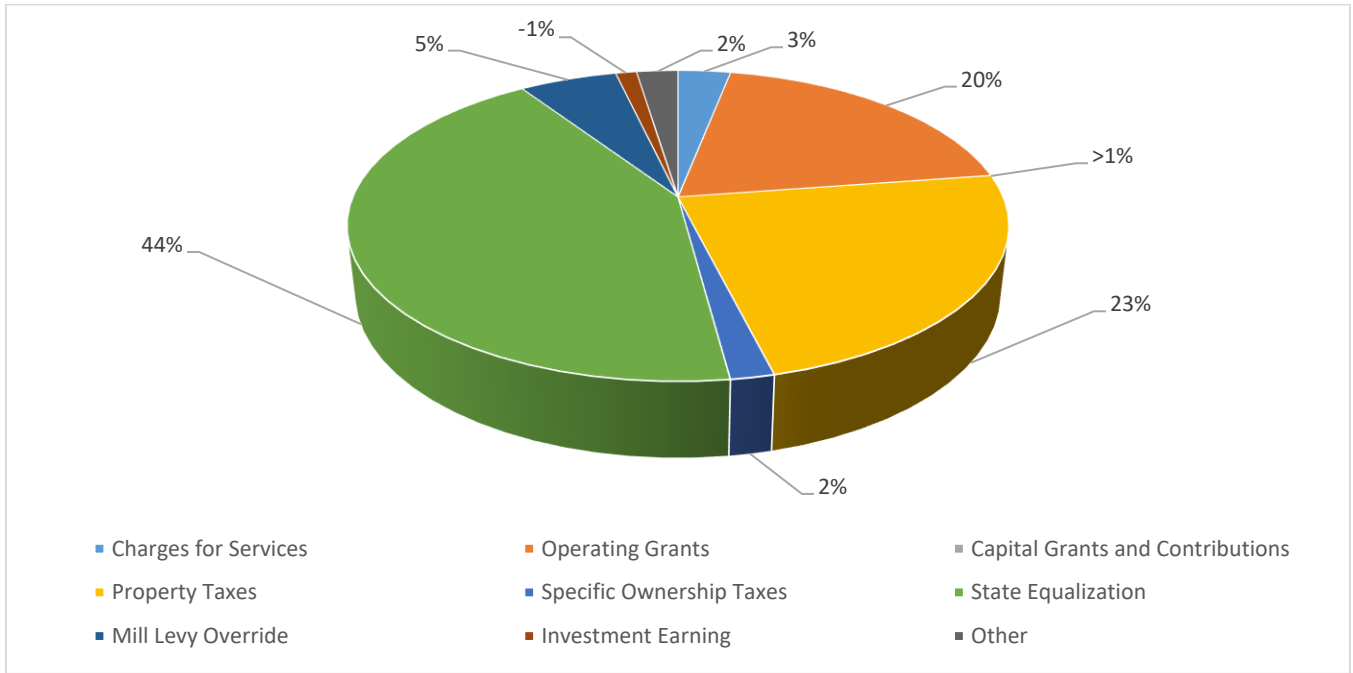
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

Table 2
Comparative Summary of the Statement of Activities
For the Years Ended June 30, 2022 and 2021

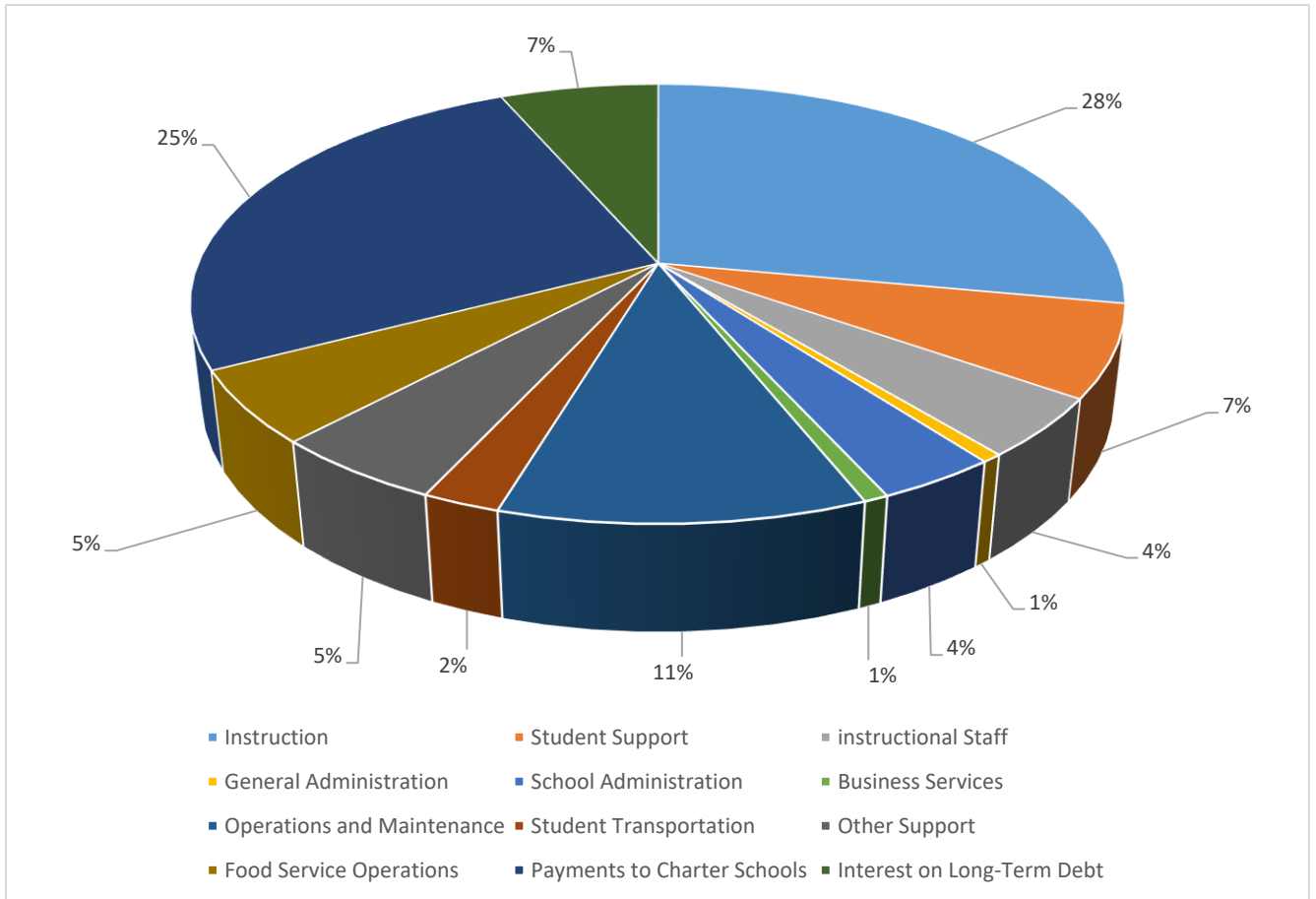
	Governmental Activities		Percentage Change
	2022	2021	
Revenues:			
Program Revenues			
Charges for Services	\$ 10,613,988	\$ 8,428,081	25.9%
Operating Grants	67,765,635	65,250,040	3.9%
Capital Grants and Contributions	95,703	2,437,410	-96.1%
General Revenues			
Property Taxes	81,120,406	92,665,789	-12.5%
Specific Ownership Taxes	6,262,705	5,854,553	7.0%
State Equalization	148,094,015	114,328,891	29.5%
Mill Levy Override	19,685,689	22,831,908	-13.8%
Investment Earnings	(4,228,461)	858,510	-592.5%
Other	8,374,157	7,681,542	9.0%
Total Revenues	337,783,837	320,336,724	5.4%
Expenses:			
Governmental Activities			
Instruction	60,425,447	57,223,505	5.6%
Support Services			
Student Support	14,627,254	12,454,191	17.4%
Instructional Staff	9,450,255	7,292,385	29.6%
General Administration	1,311,791	1,112,323	17.9%
School Administration	7,701,297	7,069,809	8.9%
Business Services	1,563,697	1,484,841	5.3%
Operations & Maintenance	23,134,270	12,606,597	83.5%
Student Transportation	4,917,431	3,063,601	60.5%
Other Support	11,072,370	20,960,520	-47.2%
Food Service Operations	11,555,488	7,581,174	52.4%
Payments to Charter Schools	56,471,522	50,511,298	11.8%
Interest on Long-Term Debt	14,150,232	10,291,968	37.5%
Total Expenses	216,381,054	191,652,213	12.9%
Increases in Net Position	121,402,783	128,684,511	-5.7%
Net Position - Beginning	(85,983,240)	(214,667,751)	71.6%
Net Position - Ending	\$ 35,419,543	\$ (85,983,240)	120.3%

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022**

Government-Wide Revenues



Government-Wide Expenses



MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

Governmental Activities

Key elements of the change in net position for governmental activities are as follows -

- The Colorado Public School Finance Act provides for the majority of the funding of local school districts based on a funded per pupil count formula and a maximum property tax mill levy for each school district. State equalization aid increased by \$33.8 million during the fiscal year, with property taxes decreasing by \$11.5 million during the year. The economic condition of the State continued to improve during the early portion of the 2021-2022 fiscal year which enabled the State Legislature to increase school funding for the 2021-2022 fiscal year. The State was able to decrease the budget stabilization factor by \$100 million in the school funding formula and State funding included a 3% decrease in base per pupil funding. The per pupil funding for the District for the 2021-2022 fiscal year was \$9,013, compared to the fiscal year 2020-2021 funding of \$8,023, an increase of \$990.
- Total governmental activities expenses increased by \$24.7 million. This significant change is the result of primarily increased personnel costs for salaries and benefits. There were also significant bond project expenses that lead to an increase in operations and maintenance costs.
- Changes in the actuarially calculated net pension liability and related deferred outflows and deferred inflows of resources led to a decrease of \$84.7 million in governmental activities expenses.
- Instructional, student support and instructional staff support expenses increased relating primarily to the increase of personnel costs related to salary and benefits.
- Operations & maintenance expenses increased due to various bond projects and grant related expenditures.
- The District's expenses predominantly relate to instruction and support services, which include support for students and instructional staff, administration, operations and maintenance, and transportation. Given that Weld County School District 6 is a service organization providing educational services to students, the majority of the expenses are paid in the form of compensation (salaries and benefits) to the District's employees.

Financial Analysis of the Government's Funds

As noted earlier, the district uses fund accounting to ensure and demonstrate compliance with finance-related legal, federal and state requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the District itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's Board of Education.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$364.7 million, an increase of \$33.4 million in comparison with the prior year. Approximately 16.7% of this total amount, \$61.1 million, constitutes unassigned fund balance. The remainder of the fund balance is classified as follows –

- Nonspendable – Inventory in the amount of \$482,339 and prepaid items of \$998,559, which in total is less than 1% of total fund balances.
- Restricted – the following fund balances have restricted uses and include TABOR of \$7.6 million and 2.1% of total fund balance, debt service of \$29.1 million (8%) of total fund balance, the building fund of \$219.7 million and 60.2% of total fund balance, mill levy override of \$14.1 million (3.9%), food services of

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

\$6.1 million (1.7%), and school development of \$1 million (.3%) of total fund balance. Additionally, the General Fund (which includes Dental Fund and the Preschool Fund), has fund balances which are limited in use by program requirements. The total fund balance for these funds was \$2.1 million.

- Committed – The General Fund includes an emergency reserve balance of \$7.6 million (2.1% of fund balance), the Risk Management Fund (\$1.9 million and 0.5%), and the Platte Valley Youth Services Fund (\$740 and less than 1%).
- Assigned – the Capital Projects Fund ended the year with a balance of \$10.9 million (3% of fund balance), student activity fund of \$1.5 million (0.41%), and the student athletics fund of \$0.2 million (0.05%).

The fund balance of the District's general fund increased by \$22.5 million during the current fiscal year. This increase is a result of mill levy override funding revenues, delinquent tax collections, specific ownership taxes, oil and gas revenue collections, state equalization, and savings in salaries and benefits due to several positions being unfilled. There were several mill levy override projects started in the 2021-2022 fiscal year that are to be completed in the 2022-2023 fiscal year.

The Debt Service Fund has a total fund balance of \$29.1 million, all of which is restricted for the payment of debt service. The fund balance of the Debt Service Fund has adequate resources accumulated to carry forward to the 2022-2023 fiscal year to fund the District's long-term debt principal and interest payments.

The fund balance of the Capital Projects fund increased by \$47k for a total ending fund balance of \$10.9 million. The majority of the capital improvement work was paid by the Building Fund. There are several projects started in 2022-2023 that will be covered by the Capital Projects Fund.

The Food Service Fund ended the fiscal year with a fund balance of \$6.6 million, which is an increase of \$2.8 million. The increase was a result of additional federal revenue received.

The Designated Special Purpose Grants Fund met the criteria to be reported as a major special revenue fund. Revenues of \$41.3 million were offset by equal expenditures.

The District passed a \$395 million bond issue in November 2019 and issued \$250 million of the bonds in January 2020 and issued \$145 million in July 2021. As a result, the Building Fund had a total ending fund balance of \$219.8 million.

General Fund Budgetary Highlights

Colorado local government uniform accounting and budget laws require that a budget be adopted and reported for all funds. Total expenditures for each fund may not exceed the amount appropriated. Appropriations for a fund may be increased provided they are offset by unanticipated revenue. All appropriations lapse at the end of the fiscal year. Supplemental appropriations that alter the total expenditures of any fund must be approved by the Board of Education.

All District budgets are prepared and adopted in accordance with Colorado school district budget law with annual appropriated budgets for each of the District's funds. Expenditures and adopted budgets are compared on a regular basis by the finance department to ensure that budgets are not exceeded at the fund level, which is the legal level of compliance.

The 2022 fiscal year budget was adopted in June 2021, with revised budget additional appropriations authorized by the Board of Education in January 2022 which included certification of the mill rate for taxation purposes for the fiscal year. Final budgeted revenues increased from original budgeted revenues, from \$249.1 million to \$253 million, due to the mill levy override revenue being revised for the increase in assessed valuation. Additionally, there was a supplemental funding bill passed by state legislation increasing state equalization funds. Final budgeted expenditures increased from \$245.4 million to \$249.4 million primarily to support mill levy override expenditures as promised to our taxpayers as well as to account for the increased cost of utilities. Additionally, the increase was to support due to an increase of salary expenses due to various percent increase for all employees, benefit requirements (PERA required contributions increased), healthcare and utility costs.

MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2022

As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Actual expenditures of the General Fund including other financing uses amount to \$234.3 million. Unassigned fund balance represents 26.2% of expenditures while total fund balance represents 40.8% of budget expenditures.

The components of the fund balance are as follows -

Table 3
Fund Balance Components: General Fund
June 30, 2022 and 2021

	General Fund	
	2022	2021
Nonspendable for:		
Prepayments	\$ 1,601	\$ 1,169
Inventories	576,002	758,572
Restricted for:		
TABOR	7,675,690	7,156,379
Mill Levy Override	14,116,642	15,254,904
Preschool Fund	807,955	430,031
Dental Fund	1,298,150	1,132,495
Committed for:		
General Fund	7,675,690	7,156,379
Risk Management Fund	1,905,401	1,634,888
Platte Valley Youth Services Fund	740	427
Unassigned	61,467,792	39,515,129
Total Fund Balance	\$ 95,525,663	\$ 73,040,373

Capital Assets

The District’s investment in capital assets for its governmental activities as of June 30, 2022, amounts to \$419.9 million (net of accumulated depreciation). This investment in capital assets includes land, water rights, buildings, equipment, and construction in progress. The District’s investment in capital assets for the current fiscal year increased by 39% primarily due to various capital asset additions.

Major capital asset events during the current fiscal year included the following –

- Bond supported school improvement projects various HVAC upgrades several schools, including a new boiler at Greeley Central High School which was a total net investment of \$748k. Additionally, a portion of a new room was funded at Heath Middle School (\$1.5 million) and a new door and hardware at Scott Elementary School (\$51.9k), and
- Major roof repairs or roof replacements at Maplewood, Jackson, and Monfort Elementary Schools; Bella Romero 4-8 K-8 School; and Jefferson High and Northridge High Schools which totaled over \$2.1 million for the combined projects.
- A \$130k boiler replacement at Dos Rios Elementary School funded by the Mill Levy Override.
- A continuation of the district-wide security camera installation project with more cameras installed at Central, Northridge and Early College High Schools as well as Prairie Heights Middle School for an investment of \$40k. This expansion was funded with Mill Levy Override dollars.

MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2022

- A \$70k remodel in the Administration Building to expand the office space for the Student Information System department and provide easier access for the public.
- Complete perimeter fencing for the District Sports Complex totaling \$131.8k. This was funded by the Capital Projects Fund.
- As of June 30, 2022, significant bond projects in process include the McAuliffe K-8 STEM Academy and Chappelow K-8 Arts Magnet remodel and school expansion; Greeley West High School rebuild; new PK-8 Tointon Pre-Engineering Academy School; Maplewood Elementary School, Heath and Franklin Middle Schools, as well as Greeley Central, Northridge, and Jefferson High Schools safety security improvements; building expansions at Meeker and Martinez Elementary Schools; replacement construction for Jefferson High School, including a Career and Technical Center and Madison Elementary School. All of these projects net \$152.8 million.
- Additional mill levy override investments of over \$2 million were made in technology, HVAC upgrades, instructional SmartLab installations at various schools, security cameras, and IT cooling/power.

The following table summarizes the capital assets for governmental activities:

Table 4
Capital Assets (net of accumulated depreciation)
As of June 30, 2022 and 2021

	Governmental Activities	
	2022	2021
Land	\$ 11,681,622	\$ 11,275,222
Water Rights	200,605	200,605
Construction in Progress	268,230,204	107,747,083
Buildings	124,443,298	125,603,560
Transportation Equipment	2,798,010	2,186,490
Other Equipment	11,012,383	8,777,556
Leased Asset – Buildings	1,311,597	1,667,341
Leased Asset – Equipment	258,662	347,856
Total Capital Assets	\$ 419,936,381	\$ 257,805,713

Additional information on the District’s capital assets can be found in Note 4 on pages 62-63 of this report.

Long-Term Debt

At June 30, 2022, the District had total bonded debt outstanding of \$386.6 million backed by the full faith and credit of the District, with \$8.9 million due in one year.

Table 5
General Obligation Bonds
As of June 30, 2022, and 2021

	Total School District	
	2022	2021
Governmental Activities:		
General Obligation Bonds	\$ 386,635,121	\$ 257,150,451
Total Long-Term Debt	\$ 386,635,121	\$ 257,150,451

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

The District's general obligation bonds increased by \$129.4 million, which is due to the issuance of bonds amounting to \$145 million.

The District's taxpayers approved, through election, in fiscal year 2012-2013, a bond of \$8.2 million to assist in the funding of a Building Excellent Schools Today (BEST) grant through the Colorado Department of Education. The grant contributed \$21 million to assist in the building of Prairie Heights Middle School which replaced John Evans Middle School. The total cost of the project is \$29.2 million.

The November 2020 bond issue funding will be used for structural replacements and upgrades. The Greeley West High School replacement building and the new Tointon Academy of Pre-Engineering PK-8 opened in the August 2022. Madison Elementary School and Jefferson High School with a Career and Technical Center are in the process of being built and will open in August 2023. McAuliffe STEM Academy K-8 and Chappelow K-8 schools completed major renovations and additions to address capacity needs. Lastly, all schools will benefit from upgrades to roofs, HVAC systems, enhancements to safety and security and improvements made in accordance to the Americans with Disabilities Act.

Colorado Revised Statute (C.R.S.) 22-42-104 states that a school district shall have a limit of bonded indebtedness determined by a specified formula. The District's outstanding debt is below the limit. At June 30, 2022, overall legal debt limit was \$357 million with a legal debt margin of \$542.3 million.

The District maintains an "AA-" rating from Standard & Poor's and Fitch Ratings and an "Aa2" rating from Moody's Investors Services.

Additional information on the District's long-term obligations can be found in Note 6 on pages 65-68 of this report.

Factors Bearing on the District's Future

Each year the state budget is crafted by the governor and legislature to determine how much of the total budget will be allocated to K-12 education. The state economic picture is important to the district because a major source of funding for the district's General Operating Fund is received through the state's School Finance Act (SFA), established by the state legislature. After the state sets the total funding for K-12 public education, each local district determines how to fund its specific system and allocate resources to every school within its district.

At the State level, the budget stabilization factor will be reduced by \$100 million for 2022-2023 to \$321.2 million. Other factor's impacting the district's future include -

- The District will be receiving approximately \$9,613 per pupil (FTE basis) in 2022-2023, compared to the 2021-2022 funding of \$9,013 (as of the end of the fiscal year) per pupil. The District's per pupil funding prior to the negative factor would be \$9,980. The Weld County School District 6 cumulative impact is \$238.5 million as a result of state budget cuts.
- The funded pupil count is the real driver of school funding. The SFA identifies a per-pupil funding amount, and the number of full-time students enrolled in a district determines the amount of total funding. The funded pupil count refers to the number of full-time students enrolled in a district. Not all students (kindergartners, for example) attend school on a full-time basis; the funded pupil count is different from the total enrollment, or district membership. The official pupil count occurs each October 1 and results in the funded pupil count numbers. The budget implications are substantial if projected enrollment growth is not realized. If an unexpected shortfall in actual enrollment occurs, this information is generally received after the close of the first quarter of the fiscal year and many staffing and programmatic changes cannot be made without significant impacts to students. For this reason, the district generally undertakes a reasonable, yet conservative, projection methodology to reduce the risk of a funding shortfall compared to expected revenues.
- On November 5, 2019, voters approved ballot measure 4C, which authorized the issuance of General Obligation Bonds and the mill levy of property taxes to increase debt by up to \$395 million. District taxes were increased by up to \$34.5 million annually to create healthy and safe learning spaces for students,

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

address significant capacity issues, plan for projected student growth and create learning spaces to enhance college and career readiness by: Constructing and equipping a new high school to replace the current Greeley West High School; building a new Jefferson High School and Career and Technical Education center; constructing and equipping a new PK-8 Tointon Pre-Engineering Academy; making improvements and additions to renovate, update and increase capacity at selected K-8 schools; constructing and equipping a new school to replace the current Madison Elementary School; building additions at Meeker and Billie Martinez Elementary Schools and Franklin and Heath Middle Schools; repairing and renovating aging facilities, including charter schools; and making safety and security improvements to existing schools, including charter schools.

- The voters of the Greeley-Evans community extended the 10 mill Mill Levy Override for an additional 10 years. The original Mill Levy was approved in 2017. These resources will be used in the areas of safety and security, academic achievement, technology, deferred maintenance, curriculum, career pathways, classified salary support and charter school transfers.
- The Success Foundation, a Colorado nonprofit corporation, supports the District for the purpose of supporting the students, staff and community involved with Weld County School District 6. This foundation is a legally separate entity created to secure and distribute contributions from individuals and businesses to enhance the educational opportunity of the students of the Greeley-Evans community.
- Under state law, the District may contract with individuals and organizations for the operation of schools, referred to as "charter schools," within the District. For purposes of the School Finance Act, pupils enrolled in a charter school in the District are included in the pupil enrollment of the District. Such charter schools are financed, in part, from a portion of the District's revenues received under the School Finance Act. The District is required to pay a charter school a certain percentage of per pupil revenues for each pupil enrolled in such charter school, less certain central administrative costs. Mill levy funds are allocated to the charter schools based on each school's funded pupil count. The addition of new charter schools or expansion of existing charter schools could negatively impact the District's finances.
- Colorado's public school finance laws are subject to review and examination through the judicial process, and are subject to legislative changes as well. There is no assurance that there will not be any change in, interpretation of, or addition to the applicable laws (including but not limited to the School Finance Act), provisions, and regulations which would have a material effect, directly or indirectly, on the affairs of the District.
- The Public Employees' Retirement Association (PERA) of Colorado, the pension plan that covers all District employees, will currently hold steady at a contribution rate of 21.4%. The annual PERA costs will impact the District financially, and the District continues to factor this employee benefit in the annual budgets.
- With the ongoing uncertainty with State funding, the District continues to review budget reductions, cost containment measures, and funding reallocations to continue focusing its financial resources on student achievement in the classroom in its long-term planning.
- Rising nationwide healthcare costs are a consideration as the District evaluates the benefits provided to employees. The District has a growing concern about how to manage increases in benefits costs that significantly exceed the increases in revenues from year to year.
- Funding for the 2022-2023 fiscal year generally takes into consideration recent quarterly economic forecasts, primarily the March 2022 economic forecast. The School Finance Act is considered during the 2022 Legislative Session, which convenes in January 2022 and adjourns in May 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Director, Weld County School District 6, 1025 9th Avenue, Greeley, CO 80631.

Complete financial statements for each component unit (charter school) are available at each school's administrative office.

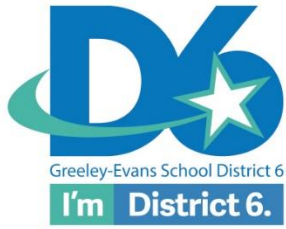
Frontier Academy
2560 W 29th Street
Greeley, CO 80631

Salida del Sol Academy
111 East 26th Street
Greeley, CO 80631

University Schools
6525 18th Street
Greeley, CO 80634

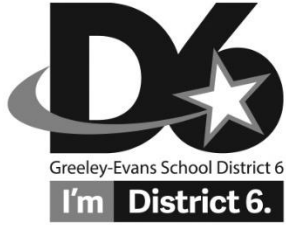
Union Colony Schools
2000 Clubhouse Drive
Greeley, CO 80634

West Ridge Academy
6905 8th Street
Greeley, CO 80634



Annual Comprehensive Financial Report





Annual Comprehensive Financial Report



Basic Financial Statements

Financial statements presented in this section comprise the minimum combination of financial statements and note disclosures required for fair presentation in conformity with GAAP.



STATEMENT OF NET POSITION

June 30, 2022

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>	<u>Component Units</u> <u>Charter</u> <u>Schools</u>
Assets		
Cash and Investments	\$ 118,597,274	\$ 24,573,561
Restricted Cash and Investments	-	5,570,676
Cash and Investments Held by Trustee	259,846,256	-
Accounts Receivable	803,465	3,187,065
Taxes Receivable	2,660,631	-
Grants Receivable	17,862,304	-
Other Receivables	1,251,215	445,134
Inventories	482,339	5,924
Prepaid Expenses and Deposits	998,559	469,663
Long Term Receivable	8,177,991	-
Capital Assets, Not Being Depreciated	280,112,431	10,878,347
Capital Assets, Net of Accumulated Depreciation	139,823,950	70,777,004
Total Assets	<u>830,616,415</u>	<u>115,907,374</u>
Deferred Outflows of Resources		
Deferred Charges on Bond Refundings	180,934	3,600,712
Deferred Pension Outflows	52,977,570	14,069,229
Deferred OPEB Outflows	1,197,420	419,945
Total Deferred Outflows of Resources	<u>54,355,924</u>	<u>18,089,886</u>
Liabilities		
Accounts Payable	3,685,763	778,403
Accrued Liabilities	984,956	-
Accrued Salaries and Benefits	18,429,048	2,474,531
Accrued Interest	1,436,653	400,871
Unearned Revenues	3,277,580	17,987
Construction Retainage	10,582,792	-
Noncurrent Liabilities		
Due Within One Year	13,873,557	2,042,237
Due in More Than One Year	470,350,782	89,250,167
Net Pension Liability	207,695,257	45,606,398
Net OPEB Liability	10,048,369	2,206,452
Total Liabilities	<u>740,364,757</u>	<u>142,777,046</u>
Deferred Inflows of Resources		
Deferred Pension Inflows	105,187,293	23,224,159
Deferred OPEB Inflows	4,000,746	843,866
Total Deferred Inflows of Resources	<u>109,188,039</u>	<u>24,068,025</u>
Net Position		
Net Investment in Capital Assets	187,127,419	(4,174,962)
Restricted for Debt Service	27,841,494	5,528,583
Restricted for Emergencies	7,675,690	1,868,868
Restricted for Mill Levy Override	14,116,642	4,093,585
Restricted for Preschool Fund	807,955	-
Restricted for Dental Fund	1,298,150	-
Restricted for Food Services Fund	6,652,720	-
Restricted for School Development Fund	1,031,553	-
Restricted for Capital Projects	-	13,540
Restricted for Repair and Maintenance	-	300,012
Restricted for Scholarships	-	16,187
Restricted for Foundation	-	182,379
Restricted for Student Activities	-	256,905
Unrestricted	(211,132,080)	(40,932,908)
Total Net Position	<u>\$ 35,419,543</u>	<u>\$ (32,847,811)</u>

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

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position Primary Government			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Units	
PRIMARY GOVERNMENT							
Governmental Activities:							
Instruction	\$ 60,425,447	\$ 6,491,794	\$ 27,109,174	\$ -	\$ (26,824,479)	\$ -	
Supporting Services							
Student Support	14,627,254	-	10,376,655	-	(4,250,599)	-	
Instructional Staff Support	9,450,255	94,923	7,141,795	-	(2,213,537)	-	
General Administration	1,311,791	-	-	-	(1,311,791)	-	
School Administration	7,701,297	-	1,603,915	-	(6,097,382)	-	
Business Services	1,563,697	2,376,599	110,788	-	923,690	-	
Operations & Maintenance	23,134,270	-	3,851,685	-	(19,282,585)	-	
Student Transportation	4,917,431	-	1,224,880	-	(3,692,551)	-	
Other Support	11,072,370	251,324	4,419,698	95,703	(6,305,645)	-	
Food Service Operations	11,555,488	1,399,348	11,927,045	-	1,770,905	-	
Payments to Charter Schools	56,471,522	-	-	-	(56,471,522)	-	
Interest on Long-Term Debt	14,150,232	-	-	-	(14,150,232)	-	
Total Governmental Activities	216,381,054	10,613,988	67,765,635	95,703	(137,905,728)	-	
TOTAL PRIMARY GOVERNMENT	\$ 216,381,054	\$ 10,613,988	\$ 67,765,635	\$ 95,703	\$ (137,905,728)	\$ -	
Component Units - Charter Schools	\$ 41,467,958	\$ 628,720	\$ 11,250,574	\$ 3,933,285	\$ -	\$ (25,655,379)	
General Revenues:							
					81,120,406	-	
					6,262,705	-	
					148,094,015	46,231,730	
					19,685,689	2,860,077	
					(4,228,461)	103,746	
					8,374,157	1,682,945	
					<u>259,308,511</u>	<u>50,878,498</u>	
					Change in Net Position	121,402,783	25,223,119
					Net Position - Beginning	(85,983,240)	(58,070,930)
					<u>Net Position - Ending</u>	<u>\$ 35,419,543</u>	<u>\$ (32,847,811)</u>

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

BALANCE SHEET
GOVERNMENTAL FUNDS
 June 30, 2022

	General	Food Service	Grants	Bond Redemption	Capital Projects	Building	Nonmajor Special Revenue Funds	Total Governmental Funds
Assets								
Cash and Investments	\$ 99,290,743	\$ 3,801,164	\$ -	\$ -	\$ 13,180,703	\$ -	\$ 2,324,664	\$ 118,597,274
Cash and Investments Held by Trustee	-	-	-	28,632,358	-	231,213,898	-	259,846,256
Due From Governmental Funds	8,998,509	-	-	-	-	-	-	8,998,509
Accounts Receivable, Net	310,814	45,552	56,403	-	-	-	390,696	803,465
Taxes Receivable	2,014,842	-	-	645,789	-	-	-	2,660,631
Grants Receivable	-	2,523,084	15,339,220	-	-	-	-	17,862,304
Other Receivable	1,251,215	-	-	-	-	-	-	1,251,215
Inventories	1,601	480,738	-	-	-	-	-	482,339
Prepaid Items	576,002	-	381,207	-	-	41,350	-	998,559
Total Assets	\$ 112,443,726	\$ 6,850,538	\$ 15,776,830	\$ 29,278,147	\$ 13,180,703	\$ 231,255,248	\$ 2,715,360	\$ 411,500,552
Liabilities								
Accounts Payable	\$ 239,619	\$ 8,161	\$ 170,790	\$ -	\$ 2,016,651	\$ 1,235,841	\$ 14,701	\$ 3,685,763
Accrued Liabilities	984,956	-	-	-	-	-	-	984,956
Accrued Salaries and Benefits	14,988,181	85,548	3,328,009	-	-	27,145	165	18,429,048
Due to Governmental Funds	-	-	8,998,509	-	-	-	-	8,998,509
Unearned Revenues	31,652	104,109	3,141,819	-	-	-	-	3,277,580
Construction Retainage	12,631	-	137,703	-	214,383	10,218,075	-	10,582,792
Total Liabilities	16,257,039	197,818	15,776,830	-	2,231,034	11,481,061	14,866	45,958,648
Deferred Inflows of Resources								
Unavailable Property Tax Revenue	661,024	-	-	164,683	-	-	-	825,707
	661,024	-	-	164,683	-	-	-	825,707
Fund Balances								
Nonspendable:								
Inventories	1,601	480,738	-	-	-	-	-	482,339
Prepaid Items	576,002	-	381,207	-	-	41,350	-	998,559
Restricted for:								
TABOR	7,675,690	-	-	-	-	-	-	7,675,690
Debt Service	-	-	-	29,113,464	-	-	-	29,113,464
Building Fund	-	-	-	-	-	219,732,837	-	219,732,837
Mill Levy Override	14,116,642	-	-	-	-	-	-	14,116,642
Preschool Fund	807,955	-	-	-	-	-	-	807,955
Dental Fund	1,298,150	-	-	-	-	-	-	1,298,150
Food Service Fund	-	6,171,982	-	-	-	-	-	6,171,982
School Development Fund	-	-	-	-	-	-	1,031,553	1,031,553
Committed to:								
General Fund	7,675,690	-	-	-	-	-	-	7,675,690
Risk Management Fund	1,905,401	-	-	-	-	-	-	1,905,401
Platte Valley Youth Services Fund	740	-	-	-	-	-	-	740
Assigned to:								
Capital Projects Fund	-	-	-	-	10,949,669	-	-	10,949,669
Student Activity Fund	-	-	-	-	-	-	1,497,890	1,497,890
Student Athletics Fund	-	-	-	-	-	-	171,051	171,051
Unassigned	61,467,792	-	(381,207)	-	-	-	-	61,086,585
Total Fund Balances	95,525,663	6,652,720	-	29,113,464	10,949,669	219,774,187	2,700,494	364,716,197
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 112,443,726	\$ 6,850,538	\$ 15,776,830	\$ 29,278,147	\$ 13,180,703	\$ 231,255,248	\$ 2,715,360	\$ 411,500,552

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

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**

June 30, 2022

Total fund balances - governmental funds		\$	364,716,197
Amounts reported for governmental activities in the statement of net position are different because:			
Long term receivable is due to the district receiving bond proceeds which were advanced as matching funds for the BEST grant. This is the amount not included in the governmental funds.			
			8,177,991
Capital assets used in governmental activities are not financial resources and are not reported as assets in the governmental funds.			
The cost of capital assets is	\$	529,142,670	
Accumulated depreciation is		<u>(109,206,289)</u>	419,936,381
Unavailable property taxes will be collected this year, but are not available to pay for the current period's expenditure, and therefore are not recorded as revenue in the funds.			
			825,707
Deferred charges on bond refundings			
			180,934
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:			
Bonds payable		(386,635,121)	
Premium on Bonds		(90,705,742)	
Accrued interest payable		(1,436,653)	
Lease Payable		(1,614,525)	
Compensated absences		(5,268,951)	
Net pension liability		(207,695,257)	
Net OPEB liability		<u>(10,048,369)</u>	(703,404,618)
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.			
Pension Plan			52,977,570
OPEB			1,197,420
Deferred inflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.			
Pension Plan			(105,187,293)
OPEB			(4,000,746)
Net Position of Governmental Activities		<u>\$</u>	<u>35,419,543</u>

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

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022**

	<u>General</u>	<u>Food Service</u>	<u>Grants</u>	<u>Bond Redemption</u>	<u>Capital Projects</u>	<u>Building</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Total Governmental Funds</u>
Revenues								
Local Sources	\$ 94,118,582	\$ 463,693	\$ 2,637,957	\$ 26,436,562	\$ -	\$ (2,605,573)	\$ 2,336,503	\$ 123,387,724
State Sources	162,672,073	152,269	4,445,734	-	-	-	-	167,270,076
Federal Sources	-	12,710,431	34,252,438	-	-	-	-	46,962,869
Total Revenues	256,790,655	13,326,393	41,336,129	26,436,562	-	(2,605,573)	2,336,503	337,620,669
Expenditures								
Current								
Instruction	96,773,734	-	15,025,743	-	-	-	1,238,180	113,037,657
Supporting Services								
Student Support Services	11,090,799	-	10,376,655	-	-	-	-	21,467,454
Instructional Staff Support Services	6,801,526	-	7,141,795	-	-	-	67,751	14,011,072
General Administration Services	2,100,765	-	-	-	-	-	-	2,100,765
School Administration Services	12,827,834	-	1,603,915	-	-	-	-	14,431,749
Business Services	2,737,529	-	110,788	-	43,970	-	2,431	2,894,966
Operations & Maintenance	17,054,955	17,868	3,851,685	-	3,358,064	47,018	762	24,330,352
Student Transportation	6,917,831	-	125,850	-	-	-	-	7,043,681
Other Support Services	16,713,618	-	3,099,698	-	50,796	-	741	19,864,853
Food Service Operations	-	11,555,488	-	-	-	-	-	11,555,488
Capital Outlay	-	-	-	-	-	162,467,315	-	162,467,315
Payments Made to Charter Schools								
Union Colony Preparatory School								
Per Pupil Revenue	3,216,477	-	-	-	-	-	-	3,216,477
Mill Levy Override	502,402	-	-	-	-	-	-	502,402
Capital Construction	110,755	-	-	-	-	-	-	110,755
Other State and Local Funding	243,573	-	-	-	-	-	-	243,573
Union Colony Elementary School								
Per Pupil Revenue	3,336,877	-	-	-	-	-	-	3,336,877
Mill Levy Override	427,576	-	-	-	-	-	-	427,576
Capital Construction	114,030	-	-	-	-	-	-	114,030
Other State and Local Funding	275,037	-	-	-	-	-	-	275,037
University Schools								
Per Pupil Revenue	15,732,273	-	-	-	-	-	-	15,732,273
Mill Levy Override	2,545,394	-	-	-	-	-	-	2,545,394
Capital Construction	518,347	-	-	-	-	-	-	518,347
Other State and Local Funding	617,909	-	-	-	-	-	-	617,909
Frontier Academy								
Per Pupil Revenue	13,795,855	-	-	-	-	-	-	13,795,855
Mill Levy Override	2,144,039	-	-	-	-	-	-	2,144,039
Capital Construction	462,671	-	-	-	-	-	-	462,671
Other State and Local Funding	942,134	-	-	-	-	-	-	942,134
Salida del Sol Academy								
Per Pupil Revenue	5,571,919	-	-	-	-	-	-	5,571,919
Mill Levy Override	833,857	-	-	-	-	-	-	833,857
Capital Construction	179,829	-	-	-	-	-	-	179,829
Other State and Local Funding	446,532	-	-	-	-	-	-	446,532
West Ridge Academy								
Per Pupil Revenue	3,684,986	-	-	-	-	-	-	3,684,986
Mill Levy Override	494,922	-	-	-	-	-	-	494,922
Capital Construction	135,765	-	-	-	-	-	-	135,765
Other State and Local Funding	138,363	-	-	-	-	-	-	138,363
Debt Service								
Principal	294,216	-	-	15,515,330	-	129,566	-	15,939,112
Fiscal Charges	-	-	-	3,151	-	-	-	3,151
Interest	41,142	-	-	17,530,985	-	8,134	-	17,580,261
Total Expenditures	229,825,471	11,573,356	41,336,129	33,049,466	3,452,830	162,652,281	1,309,865	483,199,398
Excess (Deficiency) of revenues over (under) expenditures	26,965,184	1,753,037	-	(6,612,904)	(3,452,830)	(165,257,854)	1,026,638	(145,578,729)
Other Financing Sources (Uses)								
Insurance Recoveries	20,106	-	-	-	-	-	-	20,106
Transfers In	-	1,000,000	-	-	3,500,000	-	-	4,500,000
Transfers Out	(4,500,000)	-	-	-	-	-	-	(4,500,000)
Sale of Bonds	-	-	-	-	-	145,000,000	-	145,000,000
Premium on Bonds	-	-	-	-	-	34,006,452	-	34,006,452
Total Other Financing Sources	(4,479,894)	1,000,000	-	-	3,500,000	179,006,452	-	179,026,558
Net Changes in Fund Balance	22,485,290	2,753,037	-	(6,612,904)	47,170	13,748,598	1,026,638	33,447,829
Fund Balance, Beginning	73,040,373	3,899,683	-	35,726,368	10,902,499	206,025,589	1,673,856	331,268,368
Fund Balance, Ending	\$ 95,525,663	\$ 6,652,720	\$ -	\$ 29,113,464	\$ 10,949,669	\$ 219,774,187	\$ 2,700,494	\$ 364,716,197

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

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

Total net change in governmental funds fund balances	\$	33,447,829
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense (\$8,992,046) is less than capital expenditures of \$173,866,354 and (\$2,743,640) of disposed assets		162,130,668
Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds. They are, however, recorded as revenues in the statement of activities.		(164,496)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		15,515,330
Governmental funds report the issuance of debt, including premiums, as an other financing source. In the governmental activities, however, the issuance of debt is reflected as a liability instead. The increases and decreases in these activities consist of:		
Sale of Bonds	(145,000,000)	
Premium on Bonds	(34,006,452)	(179,006,452)
Repayment of lease principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities.		423,782
Governmental funds report the effect of premiums and loss on refundings when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Loss on refunding amortization		(180,934)
Amortization of Bond Premium		4,058,582
In the statement of activities, certain operating expenses, such as employee compensated absences, are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.		(570,309)
Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The (increases) decreases in these activities consist of:		
Pension expense		84,665,890
OPEB expense		1,219,803
Accrued interest payable was recognized for governmental activities, but is not due and payable in the current period and therefore the change in the accrual is not reported as a liability in the governmental funds.		(444,468)
Amortization of forward delivery agreement.		307,558
Change in Net Position of Governmental Activities	\$	<u>121,402,783</u>

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

STATEMENT OF FIDUCIARY NET POSITION
Custodial Fund
June 30, 2022

	Custodial
Assets	
Cash and Investments	\$ 126,634
Total Assets	126,634
Net Position	
Restricted For Scholarships	126,634
Total Net Position	\$ 126,634

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended June 30, 2022

	Scholarship Fund
Additions	
Contributions	\$ 6,607
Investment Earnings	425
Total Additions	7,032
Deductions	
Scholarship Awards	438,843
Total Deductions	438,843
Net (Decrease) in Fiduciary Net Position	(431,811)
Net Position - Beginning	558,445
Net Position - Ending	\$ 126,634

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

**COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2022**

	Union Colony Schools School	Frontier Academy	University Schools	West Ridge Academy	Salida del Sol Academy	Total Component Units
Assets						
Cash and Investments	\$ 3,104,603	\$ 6,154,490	\$ 9,032,206	\$ 3,264,605	\$ 3,017,657	\$ 24,573,561
Restricted Cash and Investments	1,456,456	1,364,518	2,673,342	-	76,360	5,570,676
Accounts Receivable	422,358	1,265,898	939,315	84,149	475,345	3,187,065
Contract Receivable	-	-	445,134	-	-	445,134
Prepaid Expenses	2,748	109,006	357,909	-	-	469,663
Inventory	-	5,924	-	-	-	5,924
Capital Assets, Not Being Depreciated	2,452,988	1,534,568	3,942,922	2,346,628	601,241	10,878,347
Capital Assets, Net of Accumulated Depreciation	16,663,664	18,175,290	21,700,923	6,567,535	7,669,592	70,777,004
Total Assets	24,102,817	28,609,694	39,091,751	12,262,917	11,840,195	115,907,374
Deferred Outflows of Resources						
Deferred Charges on Bond Refunding	21,718	475,815	934,208	-	2,168,971	3,600,712
Deferred Outflows - Pension	2,032,191	3,904,703	5,087,416	1,629,338	1,415,581	14,069,229
Deferred Outflows - OPEB	59,193	117,294	119,024	99,573	24,861	419,945
Total Deferred Outflows of Resources	2,113,102	4,497,812	6,140,648	1,728,911	3,609,413	18,089,886
Liabilities						
Accounts Payable and Accrued Expenses	401,782	34,612	246,318	82,211	13,480	778,403
Accrued Salaries and Benefits	285,082	725,934	1,183,903	-	279,612	2,474,531
Accrued Interest Payable	218,763	63,948	52,898	37,884	27,378	400,871
Unearned Revenue	-	-	17,987	-	-	17,987
Noncurrent Liabilities						
Due within one year	323,594	613,819	655,835	170,726	278,263	2,042,237
Due in more than one year	18,984,874	20,302,650	25,799,922	10,517,503	13,645,218	89,250,167
Net Pension Liability	7,524,900	13,299,568	15,172,980	4,102,640	5,506,310	45,606,398
Net OPEB Liability	364,057	643,438	734,073	198,487	266,397	2,206,452
Total Liabilities	28,103,052	35,683,969	43,863,916	15,109,451	20,016,658	142,777,046
Deferred Inflows of Resources						
Deferred Outflows - Pension	3,487,192	6,403,789	8,385,260	1,710,398	3,237,520	23,224,159
Deferred Outflows - OPEB	135,732	227,299	280,279	70,117	130,439	843,866
Total Deferred Inflows of Resources	3,622,924	6,631,088	8,665,539	1,780,515	3,367,959	24,068,025
Net Position						
Net Investment in Capital Assets	(1,188,640)	(400,150)	2,033,497	(1,153,166)	(3,466,503)	(4,174,962)
Restricted for						
Emergencies	326,654	549,533	630,000	145,834	216,847	1,868,868
Debt Service	1,224,153	1,300,570	2,320,432	634,446	48,982	5,528,583
Capital Projects	13,540	-	-	-	-	13,540
Repair and Maintenance	-	-	300,012	-	-	300,012
Educational Purposes - Mill Levy	238,362	-	3,479,600	61,397	314,226	4,093,585
Scholarships	16,187	-	-	-	-	16,187
Foundation	-	-	182,379	-	-	182,379
Student Activities	-	-	256,905	-	-	256,905
Unrestricted	(6,140,313)	(10,657,504)	(16,499,881)	(2,586,649)	(5,048,561)	(40,932,908)
Total Net Position	\$ (5,510,057)	\$ (9,207,551)	\$ (7,297,056)	\$ (2,898,138)	\$ (7,935,009)	\$ (32,847,811)

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Weld County School District 6 (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental units. In addition, the District conforms to the Colorado Financial Policies and Procedures Handbook in all material aspects as required by Colorado statutes. The following is a summary of the District’s significant accounting policies.

Reporting Entity

Weld County School District 6 is a political subdivision of the State of Colorado governed by an elected seven-member Board of Education. The District is the primary government financially accountable for all activities of public school instruction within the geographical area organized as Weld County School District 6, Greeley-Evans, Colorado. The District meets the criteria of a primary government in that the Board of Education is the publicly elected governing body, it is a legally separate entity, and it is fiscally independent.

Weld County School District 6 meets the financial accountability criteria established by the Governmental Accounting Standards Board to be considered a governmental entity for financial reporting purposes. As required by generally accepted accounting principles, these financial statements present the primary government and its component units. Component units are legally separate organizations that are financially accountable to the primary government. The component units have been included in the District’s financial reporting entity because of the significance of their operational or financial relationship with the District.

Discretely Presented Component Units – Charter Schools

The Legislature of the State of Colorado enacted the “Charter School Act – Colorado Revised Statutes (CRS) Section 22-30.5-101” in 1993. This Act permits the District to contract with individuals and organizations for the operation of schools within the District. The statutes define these contracted schools as “Charter Schools.” Charter schools are financed from a portion of the District’s School Finance Act revenues and from revenues generated by the charter schools, within the limits established by the Charter School Act. Charter schools have separate governing boards; however, Weld County School District 6’s Board of Education must approve all charter school applications and budgets. There are five charter schools in the District: Frontier Academy, Salida del Sol Academy, University Schools, Union Colony Schools, and West Ridge Academy. The charter schools are discretely presented component units because of the significance of their financial relationship with the District.

The Charter schools have issued separate financial statements for the fiscal year ended June 30, 2022. Complete financial statements for each of the discretely presented component units may be obtained at each entity’s administrative offices as listed below.

Frontier Academy
2560 W 29th Street
Greeley, CO 80631

Salida del Sol Academy
111 East 26th Street
Greeley, CO 80631

University Schools
6525 18th Street
Greeley, CO 80634

Union Colony Schools
2000 Clubhouse Drive
Greeley, CO 80634

West Ridge Academy
6200 West 20th Street
Greeley, CO 80634

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the District is financially accountable.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the District's government-wide financial statements. Major individual funds are reported in separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are 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. The fiduciary fund financial statements are reported using the accrual basis of accounting.

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

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

Governmental fund revenues are recognized as soon as they are both measurable and available. "Measurable" means that the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered to be available when they are collected within 60 days after year-end. Grant revenues are recognized in the period earned if receipt of the money is expected within 180 days.

Property taxes are reported as receivables and deferred inflows of resources when levied and as revenues when due for collection in the following year and determined to be available. Grants and entitlement revenues are recognized when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue earned.

Expenditures are recorded when the related fund liability is incurred with the exception of debt and capital leases, which are recognized when due, as well as expenditures related to compensated absences, which are accounted for as expenditures in the year the payment is due.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - *continued*

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

Fund Accounting

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

Major Governmental Funds

General Fund: The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required legally or by sound financial management to be accounted for in another fund.

Special Revenue Fund – Designated Special Purpose Grants: The Designated Special Purpose Grants Fund is used to account for financial resources related to federal, state and local grant awards.

Special Revenue – Food Service Fund: The Food Services Fund accounts for all financial activities associated with the District's school breakfast and lunch programs.

Debt Service Fund – Bond Redemption Fund: The Debt Service Fund accounts for the resources accumulated and payments made for principal, interest, and related costs of long-term general obligation debt of governmental funds.

Capital Projects – Capital Projects Fund: The Capital Projects Fund is used to account for revenues assigned for ongoing capital needs such as site acquisition, building additions and equipment purchases.

Capital Projects – Building Fund: The Building Fund is used for acquiring capital sites, construction, capital improvements and equipment related to bond issuances.

Non-Major Funds

Non-Major Special Revenue Funds –

Student Activity and Student Athletic Funds: These funds are used to account for resources used to support each school's student and fundraising activities.

School Development Funds: This fund is used to account for monies collected as real estate developed into housing units. This fund was established after the creation of a cash-in-lieu agreement with the Cities of Greeley and Evans. Funds can be used for the infrastructure and development of future school sites.

Fiduciary Fund

Custodial Funds– Scholarship Fund: This fund is used to track the receipt and disbursement of scholarship activity. The District holds all resources in a purely custodial capacity.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

Budgets and Budgetary Accounting

Annual budgets are established for all funds of the District as required by Colorado statutes. Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds.

Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budget amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.

Colorado law allows the Board of Education to review and change the budget at any time prior to January 31 of the fiscal year for which the budget was adopted. A supplemental budget may also be adopted if a school district is authorized to raise and expend local property tax revenues at a November election. Other amendments to the budget are allowed by law if money for specific purposes from other than ad valorem taxes subsequently becomes available.

Budget amounts included in the financial statements are based on the final budget as adopted by the Board of Education in January 2022. Original budgets for all funds were adopted by the Board of Education in June 2021. Budget appropriations lapse at the end of each fiscal year.

The following is a summary of the significant dates and procedures used in establishing budgeted data reflected in the financial statements.

- On or before June 1, the Superintendent submits to the Board of Education a proposed budget for the succeeding fiscal year. The budget includes proposed expenditures and the means of financing them.
- Within ten days after submission of the proposed budget, public notice is published stating the time and place of public hearing(s) to be conducted to obtain taxpayer comments on the budget prior to adoption.
- On or before June 30, the budget is adopted by formal resolution.
- On or before January 31, any changes to the budget are adopted by formal resolution.
- November 10, pupil count information is provided by school districts to the Colorado Department of Education, for use in determining the state funding level for the current fiscal year.
- December 15, school districts certify to county commissioners, copied to CDE, the mill levies for the various property tax-supported funds for the district.

Cash and Investments

In order to facilitate the recording of cash transactions and to maximize earnings, the District has combined the cash resources of its funds and maintains accountability for such funds' equity in the pooled cash. The District is allowed to invest in the following types of investments: obligations of the U.S. and certain U.S. government agency securities, certain international agency securities, general obligation and revenue bonds of U.S. local government entities, banker's acceptances of certain banks, commercial paper, written repurchase agreements collateralized by certain authorized securities, certain money market funds, guaranteed investment contracts, local government investment pools, and corporate debt securities. The District records nonparticipating interest-earning investment contracts at amortized cost. All remaining securities are recorded at fair value. It is the intention of the investment pool to maximize interest income, and securities are selected according to their risk, marketability, and diversification. CSAFE and money markets are recorded at amortized cost while COLOTRUST is recorded at net asset value (NAV).

Receivables

Property taxes are levied on December 15. Property taxes are payable in full by April 30, or in two equal

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Receivables - continued

installments due February 28 and June 15. Weld County bills and collects property taxes for all taxing districts within the County. Property tax receipts are remitted to the District in the subsequent month. Delinquent property taxes are subject to the sale of tax certificates in the following November. Property taxes levied in the current year but not received at year-end are identified as property taxes receivable.

All trade and property tax receivables are shown net of an estimated allowance for uncollectible amounts, where considered necessary by management of the District.

Grants receivables include amounts due from grantors for specific program grants. Program grants are recorded as receivable and revenues at the time reimbursable project costs are incurred.

Inventories and Prepaid Items

Inventories consist of food and non-food items in the Food Service Fund and expendable supplies in the warehouse (General Fund). Inventories purchased are valued at cost using the weighted average method. The United States Department of Agriculture (USDA) donates food commodities to the District which are valued at estimated fair value at the date of receipt. USDA commodities are recorded as both operating revenue and an expenditure/expense when consumed. Commodities on hand are included in inventory and are reported as unearned revenue. All other inventory items are recorded as expenditure/expenses when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both government-wide and fund financial statements.

Property Tax Calendar

The District's property taxes, levied by January 1 on assessed valuation of the preceding year, are due and payable in the current calendar year. Assessed values are established by the county assessor. Property taxes attach as an enforceable lien on property as of January 1 of the year in which payable. Taxes are collected by the Weld County Treasurer and are remitted to the District on the 10th of the month following collection. Final budgeted and actual property tax revenues are based on the final assessed valuation including changes recorded by the county assessor through December 10.

Capital Assets

Capital assets, which include property, vehicles and equipment, are utilized for District operations and are capitalized at actual cost or estimated cost if actual cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at estimated acquisition value. Capital assets are reported in the government-wide financial statements.

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

The monetary threshold for capitalization of assets is \$1,000 for technology equipment and \$5,000 for all other capital assets. All reported capital assets, except for land and water rights, are depreciated. Depreciation of all capital assets used in governmental activities is charged as an expense against their operations. Depreciation is recorded starting in the month the asset is placed in service. Property and equipment of the District is depreciated using the straight-line method over the following estimated useful lives.

Buildings	50 years
Site Improvements	5 to 20 years
Transportation Vehicles	8 years
Equipment	5 to 20 years

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

Deferred Outflows of Resources

The District's governmental activities report a separate section for deferred outflows of resources. This separate financial statement element reflects a decrease in net position that applies to a future period. The District has certain items classified as deferred outflows of resources related to its defined benefit pension plan and postemployment healthcare benefits. See Notes 9 and 10 for additional information. The District also has another item classified as deferred charges on bond refundings, which is equal to the difference in the carrying value of refunded debt and reacquisition price. The District amortizes this amount using the effective interest method.

Employee Compensated Absences

The liability and expense for unpaid vacation (employee compensated absences) is recorded when the vacation leave is earned in the District-wide financial statements. The governmental funds record expenditure for unpaid vacation leave only to the extent of the expected liquidation of unpaid vacation in current operations. This expected liquidation occurs for compensated absences which have matured, such as when an employee resigns or retires. The amounts recorded as liabilities for all compensated absences include salary-related payments associated with the payment of compensated absences, using the rates in effect at the balance sheet date.

District policy allows unlimited accumulation of sick leave and an accumulation of vacation to a maximum of 30 days for classified and 45 days for administrative staff. Payment for unused sick is made upon meeting eligibility requirements at the rate of 50 percent of the current substitute pay for each eight hours of unused sick leave for employees with 400 hours of accumulated sick leave.

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method.

Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an outflow of resources in the reporting period in which they are incurred.

Leases

The District determines if an arrangement is a lease at inception. Leases are included in capital assets and lease liabilities in the statement of net position.

Lease assets represent the District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payment made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the District will exercise that option.

The District has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses are incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position. For individual lease contracts where information about the discount rate implicit in the lease is not included, the District has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Health Care Trust Fund (HCTF) administered by the Public Employees' Retirement Association of Colorado (PERA) and additions to/deductions from the HCTF's fiduciary net position have been determined on the same basis as they are reported by the HCTF. For this purpose, the HCTF recognizes benefit payments when due and payable in accordance with benefit terms. Investments are reported at fair value.

Fund Balance

In the fund financial statements, fund equity of the District's governmental funds is classified as nonspendable, restricted, committed, assigned or unassigned.

Nonspendable – amounts that cannot be spent either because they are not spendable in form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grants, contributors, or laws and regulations of other governments; or through constitutional provision or enabling legislation.

Committed – amounts that are subject to a purpose constraint imposed by a formal action of the Board of Education. The Board of Education is the highest level of decision-making authority for the District. Commitments may be established, modified or rescinded only through resolutions approved by the Board of Education. Weld County School District 6's Board of Education has established a reserve in excess of the required TABOR emergency reserve.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Board of Education's adopted policy, only the Board of Education, Superintendent or designee may assign amounts for specific purposes.

Unassigned – represents the residual classification for the District's General Fund and could report a surplus or deficit.

The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in the fund. As of June 30, 2022, the Grants Fund reported a negative unassigned fund balance of \$381,207 relating to the timing of reimbursement from grants for prepaid items.

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions.

Reconciliation of Government-Wide and Fund Financial Statements

The governmental funds balance sheet includes reconciliation between *fund balances – total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. These reconciliations detail terms that require adjustments to convert from the current resources measurement and modified accrual basis for government fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis of accounting were eliminated from the governmental fund statements during the consolidation of governmental activities.

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 2 – CASH AND INVESTMENTS

As of June 30, 2022, deposits and investments were reported in the financial statements as follows:

	Primary Government	Discretely Presented Component Units
Governmental Activities	\$ 378,443,530	\$ 30,144,237
Fiduciary Funds	126,634	-
Total	\$ 378,570,164	\$ 30,144,237

Cash and investments at June 30, 2022, consisted of the following:

Cash and Investments	\$ 118,723,908	\$ 24,573,561
Restricted Cash and Investments	-	5,570,676
Cash and Investments Held by Trustee	259,846,256	-
Total	\$ 378,570,164	\$ 30,144,237

If a fund overdraws its share of pooled cash, the overdraft is reported as an interfund receivable in the General Fund and an offsetting interfund payable in the overdrawn fund.

Deposits

The Colorado Public Deposit Protection Act (PDPA) of Colorado requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured deposits. Cash and investments with the Trustee is restricted for use on bond payments which were \$259,846,256.

As of June 30, 2022, the District had total bank deposits of \$61,288,080 and a carrying value of \$43,999,072, including fiduciary activities and cash held with trustee. All of the District’s deposits are collateralized with securities held by the financial institutions through PDPA.

Component Units

As of June 30, 2022, the charter school discretely presented component units had bank deposits with a carrying amount of \$23,778,914. State regulatory commissioners have indicated that all financial institutions holding deposits for the charter school are eligible public depositories.

Investments

The District is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following:

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 2 – CASH AND INVESTMENTS - *continued*

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. This type of risk is minimized by limiting investments to the types of securities allowed by State law, and by pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the District will do business using the criteria established in the investment policy.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment policy is to invest in accordance with state law; the District does not further limit its investment choices. At year end, the maturities of investments and the credit quality ratings are as follows:

Investment	Market Value	% of Portfolio	Maturity				Rating	Rating Organization
			12 Months or less	13 to 24 Months	25 to 36 Months	37 to 48 Months		
Government Investment Pool - COLOTRUST	\$ 184	0.00%	\$ 184	\$ -	\$ -	\$ -	AAAm	S&P
Government Investment Pool - CSAFE	2,664,480	0.80%	2,664,480	-	-	-	AAAm	S&P
First American Treasury Mutual Fund	28,646,551	8.56%	28,646,551	-	-	-	AAA	Moody's
Wells Fargo Money Market Select	988,048	0.30%	988,048	-	-	-	N/A	N/A
IND & COMM BK CHINA/NY CP	4,998,246	1.49%	4,998,246	-	-	-	P-1/A-1	Moody's/S&P
KOREA DEVELOPMENT BK NY CP	9,950,458	2.97%	9,950,458	-	-	-	P-1/A-1+	Moody's/S&P
MUFG BANK LTD/NY DISCOUNTED CP	7,941,566	2.37%	7,941,566	-	-	-		Moody's/S&P
UNITED STATES TREASURY NT	6,384,000	1.91%	6,384,000	-	-	-	Aaa	Moody's
LLOYDS BANK CORP MKTS/NY CP	9,858,238	2.95%	9,858,238	-	-	-	P-1/A-1	Moody's/S&P
AGRICULTURAL BK CHINA NY CP	7,852,202	2.35%	7,852,202	-	-	-	P-1/A-1	Moody's/S&P
LLOYDS BANK CORP MKTS/NY CP	9,792,167	2.93%	9,792,167	-	-	-	P-1/A-1	Moody's/S&P
TOYOTA MOTOR CORP	12,000,000	3.59%	12,000,000	-	-	-	WR/NR	Moody's/S&P
UNITED STATES TREASURY NT	12,408,700	3.71%	12,408,700	-	-	-	Aaa	Moody's
CALIFORNIA ST TXBL - REF-BID GROUP	5,006,626	1.50%	5,006,626	-	-	-	Aa2/AA-	Moody's/S&P
ING (US) FUNDING LLC CP	8,904,296	2.66%	8,904,296	-	-	-	P-1/A-1	Moody's/S&P
APPLE INC	6,002,556	1.79%	6,002,556	-	-	-	Aaa/AA+	Moody's/S&P
EXXON MOBIL CORP	3,999,730	1.20%	3,999,730	-	-	-	Aa2/AA-	Moody's/S&P
PITT CNTY NC LIMITED OBLIG	392,221	0.12%	392,221	-	-	-	Aa2/AA-	Moody's/S&P
EXXON MOBIL CORP	5,940,919	1.78%	5,940,919	-	-	-	Aa2/AA-	Moody's/S&P
APPLE INC	11,943,651	3.57%	11,943,651	-	-	-	Aaa/AA+	Moody's/S&P
FLORIDA ST BRD OF EDU PUBLIC	5,853,323	1.75%	5,853,323	-	-	-	Aaa/AAA	Moody's/S&P
MISSISSIPPI ST TXBL SER B	3,781,300	1.13%	3,781,300	-	-	-	Aa2/AA	Moody's/S&P
WALMART INC	3,009,165	0.90%	3,009,165	-	-	-	Aa2/AA	Moody's/S&P
AGRICULTURAL BK CHINA NY CP	14,936,329	4.46%	14,936,329	-	-	-	P-1/A-1	Moody's/S&P
NATIXIS NY BRANCH CP	49,774,506	14.88%	49,774,506	-	-	-	P-1/A-1	Moody's/S&P
UNITED STATES TREASURY NT	19,829,262	5.93%	19,829,262	-	-	-	Aaa	Moody's
UNITED STATES TREASURY NT	11,904,844	3.56%	11,904,844	-	-	-	Aaa	Moody's
FEDERAL HOME LOAN BANK	2,878,311	0.86%	-	2,878,311	-	-	Aaa/AA+	Moody's/S&P
BLOOMFIELD CHARTER TWP OAKLAND	976,688	0.29%	-	976,688	-	-	Aa1/AAA	Moody's/S&P
ARLINGTON CNTY VA INDL DEV AUT	706,809	0.21%	-	706,809	-	-	Aa1	Moody's
VIRGINIA ST PUBLIC SCH AUTH SC	5,842,040	1.75%	-	5,842,040	-	-	Aa1/AA+	Moody's/S&P
GEORGIA ST BUILD AMERICA BONDS	3,023,485	0.90%	-	3,023,485	-	-	Aaa/AAA	Moody's/S&P
APPLE INC	4,968,281	1.48%	-	4,968,281	-	-	Aaa/AA+	Moody's/S&P
MISSISSIPPI ST TXBL SER B	2,846,917	0.85%	-	2,846,917	-	-	Aa2/AA	Moody's/S&P
FEDERAL FARM CREDIT BANK	7,611,785	2.28%	-	7,611,785	-	-	Aaa/AA+	Moody's/S&P
EXXON MOBIL CORP CP	2,924,988	0.87%	-	-	2,924,988	-	Aa2/AA-	Moody's/S&P
FEDERAL HOME LOAN BANK	2,832,124	0.85%	-	-	2,832,124	-	Aaa/AA+	Moody's/S&P

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 2 – CASH AND INVESTMENTS – continued

Credit Risk - continued

Investment	Market Value	% of Portfolio	Maturity				Rating	Rating Organization
			12 Months or less	13 to 24 Months	25 to 36 Months	37 to 48 Months		
CHARLESTON SC EDUCATIONAL EXCELLENCE	941,502	0.28%	-	-	941,502	-	Aa3/AA-	Moody's/S&P
TEXAS STATE TECH UNIVERSITY REVENUES	991,573	0.30%	-	-	991,573	-	Aa1/AA+	Moody's/S&P
CHEVRON CORP	3,511,591	1.05%	-	-	3,511,591	-	Aa2/AA-	Moody's/S&P
FLORIDA STATE BOARD OF EDUCATION PUBLIC	4,617,917	1.38%	-	-	4,617,917	-	Aaa/AAA	Moody's/S&P
FEDERAL FARM CREDIT BANK	7,548,508	2.26%	-	-	7,548,508	-	Aaa/AA+	Moody's/S&P
EAST CAROLINA UNIVERSITY	677,512	0.20%	-	-	677,512	-	AA3/AA-	Moody's/S&P
FEDERAL HOME LOAN BANK	5,643,900	1.69%	-	-	5,643,900	-	Aaa/AA+	Moody's/S&P
FEDERAL HOME LOAN BANK	5,649,947	1.69%	-	-	5,649,947	-	Aaa/AA+	Moody's/S&P
FLORIDA STATE BOARD OF ADMINISTRATION FINANCIAL CO	5,613,646	1.68%	-	-	-	5,613,646	Aa3/AA-	Moody's/S&P
	<u>\$ 334,571,092</u>	<u>100.00%</u>	<u>\$ 264,763,568</u>	<u>\$ 28,854,316</u>	<u>\$ 35,339,562</u>	<u>\$ 5,613,646</u>		

Interest Rate Risk

As a means of limiting exposure to fair value losses arising from interest rates, state law limits maturities to five years or less, unless the Board of Education specifically authorizes longer maturities. The District policy is to follow the state law.

Concentration of Credit Risk

The District has no policy that would limit the amount that may be invested with any one issuer; however, the District's investment policy calls for investment diversification within the portfolio to avoid unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities.

Local Government Investment Pools

COLOTRUST

As of June 30, 2022, the District had invested \$184 in the Colorado Local Government Liquid Asset Trust–PLUS, which is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. As of June 30, 2022, the investments in COLOTRUST were valued at net asset value (NAV). There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

CSAFE

As of June 30, 2022, the District had invested \$2,664,480 in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust is valued at amortized cost. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

Component Units

COLOTRUST

As of June 30, 2022, the charter school component units had invested \$672,330 in the Colorado Local Government Liquid Asset Trust–PLUS, which is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST operates similarly to a money market fund and each share is

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 2 – CASH AND INVESTMENTS – *continued*

Component Units COLOTRUST - *continued*

equal in value to \$1.00. As of June 30, 2022, the investments in COLOTRUST were valued at net asset value (NAV). There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

CSAFE

As of June 30, 2022, the charter school component units had invested \$4,129,798 in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust is valued at amortized cost. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

The charter schools held mutual funds of \$122,317 that are measured at fair value (Level 1). The charter schools held money market funds of \$1,440,878 that are measured at amortized cost.

Cash and Investments Held by Trustee

The District has \$259,846,256 held with Wells Fargo at June 30, 2022 for future debt service payments and capital projects.

Fair Value of Investments

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 inputs are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to observable market benchmarks.

Level 3: Unobservable inputs for an asset or liability.

The following table presents the fair value of measurements of assets recognized in the accompanying statement of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2022:

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 2 – CASH AND INVESTMENTS – continued

Fair Value of Investments – continued

	Balance at June 30, 2022	Fair Value Measurement Using	Fair Value Measurement Using
		Significant Other Observable Inputs (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by Fair Value Level Debt Securities			
FIRST AMERICAN TREASURY MUTUAL FUND	\$ 28,646,551	\$ 28,646,551	\$ -
IND & COMM BK CHINA/NY CP	4,998,246	-	4,998,246
KOREA DEVELOPMENT BK NY CP	9,950,458	-	9,950,458
MUFG BANK LTD/NY DISCOUNTED CP	7,941,566	-	7,941,566
UNITED STATES TREASURY NT	6,384,000	-	6,384,000
LLOYDS BANK CORP MKTS/NY CP	9,858,238	-	9,858,238
AGRICULTURAL BK CHINA NY CP	7,852,202	-	7,852,202
LLOYDS BANK CORP MKTS/NY CP	9,792,167	-	9,792,167
TOYOTA MOTOR CORP	12,000,000	-	12,000,000
UNITED STATES TREASURY NT	12,408,700	-	12,408,700
CALIFORNIA ST TXBL - REF-BID GROUP B	5,006,626	-	5,006,626
ING (US) FUNDING LLC CP	8,904,296	-	8,904,296
APPLE INC	6,002,556	-	6,002,556
EXXON MOBIL CORP	3,999,730	-	3,999,730
PITT CNTY NC LIMITED OBLIG	392,221	-	392,221
EXXON MOBIL CORP	5,940,919	-	5,940,919
APPLE INC	11,943,651	-	11,943,651
FLORIDA ST BRD OF EDU PUBLIC	5,853,323	-	5,853,323
MISSISSIPPI ST TXBL SER B	3,781,300	-	3,781,300
WALMART INC	3,009,165	-	3,009,165
AGRICULTURAL BK CHINA NY CP	14,936,329	-	14,936,329
NATIXIS NY BRANCH CP	49,774,506	-	49,774,506
UNITED STATES TREASURY NT	19,829,262	-	19,829,262
UNITED STATES TREASURY NT	11,904,844	-	11,904,844
FEDERAL HOME LOAN BANK	2,878,311	-	2,878,311
BLOOMFIELD CHARTER TWP OAKLAND	976,688	-	976,688
ARLINGTON CNTY VA INDL DEV AUT	706,809	-	706,809
VIRGINIA ST PUBLIC SCH AUTH SC	5,842,040	-	5,842,040
GEORGIA ST BUILD AMERICA BONDS	3,023,485	-	3,023,485
APPLE INC	4,968,281	-	4,968,281
MISSISSIPPI ST TXBL SER B	2,846,917	-	2,846,917
FEDERAL FARM CREDIT BANK	7,611,785	-	7,611,785
EXXON MOBIL CORP CP	2,924,988	-	2,924,988
FEDERAL HOME LOAN BANK	2,832,124	-	2,832,124
CHARLESTON SC EDUCNTAL EXCELLEN	941,502	-	941,502
TEXAS ST TECH UNIV REVENUES	991,573	-	991,573
CHEVRON CORP	3,511,591	-	3,511,591
FLORIDA ST BRD OF EDU PUBLIC	4,617,917	-	4,617,917
FEDERAL FARM CREDIT BANK	7,548,508	-	7,548,508
EAST CAROLINA NC UNIV	677,512	-	677,512
FEDERAL HOME LOAN BANK	5,643,900	-	5,643,900
FEDERAL HOME LOAN BANK	5,649,947	-	5,649,947
FLORIDA ST BRD OF ADMIN FIN CO	5,613,646	-	5,613,646
Total Debt Securities	\$ 330,918,380	\$ 28,646,551	\$ 302,271,829

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 2 – CASH AND INVESTMENTS – continued

Fair Value of Investments – continued

Investments Measured at the Net Asset Value (NAV)		
Government Investment Pool - COLOTRUST	\$	184
Total Investments Measured at the NAV	\$	184
Investments Measured at Amortized Cost		
Government Investment Pool - CSAFE	\$	2,664,480
Wells Fargo Money Market Select		988,048
Total Investments Measured at Amortized Cost	\$	3,652,528
TOTAL INVESTMENTS		<u><u>\$ 334,571,092</u></u>

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2022, is as follows:

Due To / From Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Grant Fund	\$ (8,998,509)
Total		<u><u>\$ (8,998,509)</u></u>

Amounts owed to one fund by another which are due within one year are reported as due to other funds. These balances arise during the normal course of business and the District's use of pooled cash. Due to/from funds at year-end are presented above.

Transfers

Government Fund Types	Fund Type	Transfers To	Transfers From
General	General Fund	\$ -	\$ 4,500,000
Capital Projects Fund	Capital Projects Fund	3,500,000	-
Special Revenue Fund	Food Service Fund	1,000,000	-
Total		<u><u>\$ 4,500,000</u></u>	<u><u>\$ 4,500,000</u></u>

Interfund transfers between funds are used to support deferred maintenance needs in the capital projects fund. Transfers to the food service fund are used for ongoing operations, including salaries and benefits.

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 is summarized below:

	Balance 6/30/2021	Additions	Deletions	Transfers	Balance 6/30/2022
GOVERNMENT ACTIVITIES					
Capital Assets, Not Being Depreciated:					
Land	\$ 11,275,222	\$ 2,008,192	\$ (1,601,792)	\$ -	\$ 11,681,622
Water Rights	200,605	-	-	-	200,605
Construction in Progress	107,747,083	166,828,604	-	(6,345,483)	268,230,204
Total Capital Assets, Not Being Depreciated	<u>\$119,222,910</u>	<u>\$168,836,796</u>	<u>\$ (1,601,792)</u>	<u>\$(6,345,483)</u>	<u>\$280,112,431</u>
Capital Assets, Being Depreciated:					
Buildings	209,370,529	131,857	(1,783,567)	5,042,845	212,761,664
Transportation Equipment	8,742,812	1,166,956	(1,530,882)	-	8,378,886
Other Equipment	21,056,263	3,730,745	(215,154)	1,302,638	25,874,492
Leased Asset – Buildings	1,667,341	-	-	-	1,667,341
Leased Asset - Equipment	347,856	-	-	-	347,856
Total Capital Assets, Being Depreciated	<u>241,184,801</u>	<u>5,029,558</u>	<u>(3,529,603)</u>	<u>6,345,483</u>	<u>249,030,239</u>
Less Accumulated Depreciation For:					
Buildings	(83,766,969)	(5,259,336)	707,939	-	(88,318,366)
Transportation Equipment	(6,556,322)	(545,593)	1,521,039	-	(5,580,876)
Other Equipment	(12,278,707)	(2,742,179)	158,777	-	(14,862,109)
Leased Asset – Buildings	-	(355,744)	-	-	(355,744)
Leased Asset - Equipment	-	(89,194)	-	-	(89,194)
Total Accumulated Depreciation	<u>(102,601,998)</u>	<u>(8,992,046)</u>	<u>2,387,755</u>	<u>-</u>	<u>(109,206,289)</u>
Total Capital Assets Being Depreciated, Net	<u>138,582,803</u>	<u>(3,962,488)</u>	<u>(1,141,848)</u>	<u>6,345,483</u>	<u>139,823,950</u>
Governmental Activities Capital Assets, Net	<u>\$ 257,805,713</u>	<u>\$164,874,308</u>	<u>\$ (2,743,640)</u>	<u>\$ -</u>	<u>\$419,936,381</u>

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

Governmental Activities:	
Instruction	\$ 676,223
Student Support	118,157
Instructional Staff Support	196,977
General Administration	7,190
Business	8,244
Operations and Maintenance	687,595
Student Transportation	538,701
Other Support Services	6,758,959
Government Activities Depreciation	<u>\$ 8,992,046</u>

As a result of implementation of GASB Statement No. 87 (GASB 87), *Leases*, \$347,856 in lease assets for leases of equipment has been added to the beginning balance presented above. In addition, \$1,667,341 was added to the beginning balance presented above for the lease of a building for the Greeley Alternative Program and a warehouse for the bond projects. As the adjustment to the beginning balance for these assets is offset by an equal amount of liabilities, the District does not report a restatement of beginning net position for the implementation of GASB 87.

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

Construction Commitments

The District has active construction projects as of June 30, 2022. The projects include renovations and site improvements. All accumulated resources for capital projects are reserved for construction commitments. A list of significant commitments as of June 30, 2022, is as follows:

Project Code	Project Name	Spent-to Date As of June 30, 2022	Remaining Commitment
B20-555-K8	NEW PK-8	\$ 54,511,291	\$ 4,482,709
B20-545-MC	MCAULIFFE REM/ADD	27,362,490	667,510
B20-515-CH	CHAPPELOW REM/ADD	17,962,842	3,037,158
B20-384-GW	GREELEY WEST REBUILD	130,268,298	6,331,702
B20-382-NR	NORTHRIDGE SSIP	991,863	7,658,137
21-691-403	ADM BOILER/CHILLER PIPE REPAIR	95,902	4,098
B20-116-CR	DOS RIOS CAREER & COLLEGE READINESS	124,856	375,144
B20-116-DR	DR SSIP	3,739,922	166,874
B20-124-CR	HEIMAN CAREER & COLLEGE READINESS	196,175	303,825
B20-124-HE	HE SSIP	1,939,216	102,537
B20-510-R4	RO4 SSIP	1,993,817	47,936
B21-525-CR	WINOGRAD CAREER & COLLEGE READINESS	173,410	576,590
B21-525-WN	WN SSIP	1,885,449	-
20-382-401	NORTHRIDGE CHILLER REPAIR	38,744	81,256
22-555-101	TOINTON START UP	809,810	-
B22-382-CR	NORTHRIDGE CAREER AND COLLEGE READINESS	55,930	1,444,070
B22-382-NR	NORTHRIDGE BOILER PLANT UPGRADE	307,004	192,996
B20-510-CR	ROMERO 4-8 CAREER & COLLEGE	223,621	276,379
22-116-201	WALKING PATH	21,684	3,316
22-380-103	GC AUDITORIUM AV UPGRADES	128,430	77,702
22-791-416	DISTRICT WIDE ASPHALT	2,074,963	625,347
22-671-201	DAA SMART LAB FY 22-23	514,597	541,550
22-672-201	COMMUNICATIONS-COG PEG EQUIPMENT GRANT	8,807	898
22-699-901	MLO 2022 TECH INFRASTRUCTURE	1,997,137	206,769
22-791-410	VEHICLES/EQUIPMENT-CAP PROJECTS	374,953	701,297
22-791-901	MLO 2022 BAS CONTROLS	126,801	6,148
22-793-402	TRANSP/CUST BLDG ROOF-CAP PROJECT	42,575	882,925
22-876-902	MLO 2022 ROOFS	545,342	81,907
22-972-404	CA BLDG EXT RENOVATION	9,938	7,062
B20-136-MA	MADISON BOND	10,207,996	47,792,004
B20-144-CR	MARTINEZ CAREER & COLLEGE READINESS	11,256	488,744
B22-144-MR	MARTINEZ CLSRM ADDITION	1,333,592	3,666,408
B22-128-CR	JACKSON CAREER AND COLLEGE READINESS	9,593	490,407
B22-140-CR	MAPLEWOOD CAREER AND COLLEGE READINESS	59,541	1,340,459
B22-140-MP	MP PHASE III MAPLEWOOD	855,438	8,744,562
B22-145-MK	MEEKER CLSRM ADDITION	869,053	380,947
B22-253-BW	BRENTWOOD BOND	77,175	672,825
B22-257-CR	FRANKLIN CAREER & COLLEGE READINESS	33,373	191,627
B22-257-FR	FRANKLIN CHILLER	9,181	2,690,819
B22-257-FR	FRANKLIN PHASE III	983,671	216,329
B22-264-CR	HEATH CAREER AND COLLEGE READINESS	33,380	2,816,621
B22-264-HT	HEATH PHASE III + ADDITION	574,257	925,743
B22-380-CR	GREELEY CENTRAL CAREER AND COLLEGE READINESS	98,877	10,001,123
B22-380-GC	GREELEY CENTRAL PHASE III	1,105,732	1,205,177
B22-380-GC	GREELEY CENTRAL HS ROOF	1,067,066	832,934
B22-385-JF	JEFFERSON HIGH SCHOOL PHASE III	139,360	290,640
B22-385-JF	JEFFERSON BOILER/CHILLER	156,461	463,780
B22-385-JF	JEFFERSON HIGH SCHOOL ROOF	314,632	32,193,368
B22-386-JF	JEFFERSON/CTE CENTER	1,764,703	\$ 26,610,662
		\$ 268,230,204	\$ 170,899,021

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 – CAPITAL ASSETS – continued**Component Units**

A summary of changes in capital assets of the charter school component units is as follows:

	Balance 6/30/2021	Additions	Deletions	Balance 6/30/2022
COMPONENT UNITS				
Capital Assets, Not Being Depreciated:				
Land	\$ 6,224,579	\$ 1,339,730	\$ -	\$ 7,564,309
Construction in Progress	354,205	3,314,038	354,205	3,314,038
Total Capital Assets, Not Being Depreciated	<u>6,578,784</u>	<u>4,653,768</u>	<u>354,205</u>	<u>10,878,347</u>
Capital Assets, Being Depreciated:				
Land Improvements	1,140,117	-	-	1,140,117
Buildings and Building Improvements	89,036,320	2,191,650	-	91,227,970
Furniture and Equipment	5,666,478	949,823	12,379	6,603,922
Vehicles	1,513,619	-	-	1,513,619
Leased Asset - Equipment	178,132	-	-	178,132
Total Capital Assets, Being Depreciated	<u>97,534,666</u>	<u>3,141,473</u>	<u>12,379</u>	<u>100,663,760</u>
Less Accumulated Depreciation For:				
Land Improvements	(362,656)	(38,963)	-	(401,619)
Buildings and Building Improvements	(21,374,759)	(2,566,004)	-	(23,940,763)
Furniture and Equipment	(4,048,421)	(641,304)	(12,379)	(4,677,346)
Vehicles	(626,449)	(180,964)	-	(807,413)
Leased Assets - Equipment	-	(59,615)	-	(59,615)
Total Accumulated Depreciation	<u>(26,412,285)</u>	<u>(3,486,850)</u>	<u>(12,379)</u>	<u>(29,888,756)</u>
Total Capital Assets, Being Depreciated, Net	<u>71,122,381</u>	<u>(345,377)</u>	<u>-</u>	<u>70,777,004</u>
Component Unit Capital Assets, Net	<u>\$ 77,701,165</u>	<u>\$ 4,308,391</u>	<u>\$ 354,205</u>	<u>\$ 81,655,351</u>

Total depreciation expense for the component units for the year ending June 30, 2022 was \$3,486,850 with \$2,903,665 charged to instruction, \$550,228 to support, and \$32,957 to transportation.

As a result of implementation of GASB 87, the charter school component units added \$178,132 in lease assets for leases of equipment to the beginning balance presented above. As the adjustment to the beginning balance for these assets is offset by an equal amount of liabilities, the charter school component units do not report a restatement of beginning net position for the implementation of GASB 87.

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 5 – ACCRUED SALARIES AND BENEFITS

Salaries of certified personnel and certain other employees are paid over a 12-month period ending July 31, but are earned during a school year of approximately 9 to 10 months. Accordingly, the accrued compensation is reflected as a liability of the respective funds in the accompanying financial statements. The salaries and benefits earned, but unpaid, at June 30, 2022 are recorded in the funds as follows:

Governmental Activities:	
General	\$ 14,988,181
Food Services	85,548
Designated Purpose Grant	3,328,009
Building Fund	27,145
Nonmajor Special Revenue Funds	165
Total governmental activities	\$ 18,429,048

Compensated absences are paid from various funds in the same proportion that those funds pay payroll costs; approximately 81 percent are expected to be liquidated from the General Fund.

NOTE 6 – LONG-TERM DEBT

Following is a summary of long-term debt transactions of the District for the year ended June 30, 2022.

	<u>Balance 6/30/21</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/22</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds	\$ 257,150,451	\$ 145,000,000	\$ (15,515,330)	\$ 386,635,121	\$ 8,896,913
Premium on Bonds	60,757,872	34,006,452	(4,058,582)	90,705,742	4,058,582
Forward Delivery Agreement	307,559	-	(307,559)	-	-
Lease Payable	2,038,307	-	(423,782)	1,614,525	414,396
Compensated Absences	4,698,642	1,577,641	(1,007,332)	5,268,951	503,666
Total Governmental Activities:	\$ 324,952,831	\$ 180,584,093	\$ (21,312,585)	\$ 484,224,339	\$ 13,873,557

As a result of implementation of GASB Statement No. 87 (GASB 87), Leases, \$2,015,197 was added to the beginning balance presented above for lease payables. As the adjustment to the beginning balance for these liabilities is offset by an equal amount of assets, the District does not report a restatement of beginning net position for the implementation of GASB 87.

Lease

In July, 2020, the District entered into a lease agreement for copier equipment with a lease term of five years. The lease agreement includes a per copy cost of \$.00275 for black and white images and \$.029 per color image. The District incurred \$163,008 in variable costs during the year ended June 30, 2022. The carrying amount of the capital asset under this agreement is \$258,662, including \$89,194 of depreciation for the year ended June 30, 2022.

The District leases a building for use for two alternative high school programs as well as a warehouse for bond related purchased items. Both leases require monthly payments and may be terminated in any year by non-appropriation of funds. The warehouse building rental is captured in the Capital Projects Building Fund and the educational use building is captured in the General Fund. The rent expense for these facilities was \$137,700 and \$220,726, respectfully, for the year ended, June 30, 2022.

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 6 – LONG-TERM DEBT - *continued*

General Obligation Debt	<u>Balance June 30, 2022</u>
General Obligation Bond, Series 2012, were issued in the amount of \$8,177,991 as required match to the Colorado Building Excellent Schools Today (BEST) grant to finance the construction of a new middle school and abatement of current school. Principal payments due annually beginning 12/1/13 and maturing 12/1/2032; interest payments due semi-annually on 6/1 and 12/1 at a rate of 3.00%.	\$ 5,085,121
General Obligation Bond, Series 2020, issued for the construction, installation and equipping of various capital projects, including the construction of a new Greeley West High School, New PK-8 School and significant renovations and additions to McAuliffe STEM Academy and Chappelow K-8 School. Principal payments due annually beginning 12/31/2020 and maturing 12/31/2044; Interest payments due semi-annually on 6/1 and 12/1 at a rate of 5%.	\$ 236,550,000
General Obligation Bond, Series 2021, issued for the construction, installation and equipping of various capital projects as approved by the District's voters at an election held on November 5, 2019 and to pay the costs of the issuance of the Bonds. Principal payments due annually beginning 12/31/2022 and maturing 12/31/2045; Interest payments due semi-annually on 6/1 and 12/1 at a varying rate of 5% through 2031 and 4% through 2045.	\$ 145,000,000
Total General Obligation Bonds	<u>\$ 386,635,121</u>

Future Debt Service Requirements

The following schedule represents the District's debt service requirements to maturity for outstanding general obligation bonds at June 30, 2022:

Fiscal Year	Principal	Interest	Total
2023	\$ 8,896,913	\$ 17,913,088	\$ 26,810,001
2024	9,333,844	17,465,353	26,799,197
2025	9,796,133	16,995,379	26,791,512
2026	10,273,792	16,502,155	26,775,947
2027	10,781,831	15,984,545	26,766,376
2028-2032	62,403,885	71,215,217	133,619,102
2033-2037	78,893,723	54,425,922	133,319,645
2038-2042	99,045,000	33,798,950	132,843,950
2043-2046	97,210,000	8,730,225	105,940,225
Total	<u>\$ 386,635,121</u>	<u>\$ 253,030,834</u>	<u>\$ 639,665,955</u>

The following schedule represents the District's debt service requirements to maturity for outstanding lease payables at June 30, 2022:

Fiscal Year	Principal	Interest	Total
2023	\$ 414,396	\$ 42,202	\$ 456,598
2024	399,140	29,838	428,978
2025	313,223	19,487	332,710
2026	236,566	11,250	247,816
2027	251,200	4,051	255,250
Total	<u>\$ 1,614,525</u>	<u>\$ 106,828</u>	<u>\$ 1,721,352</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 6 – LONG-TERM DEBT – continued**Component Units**

Following is a summary of long-term debt transactions for the charter schools for the year ended June 30, 2022.

	Balances 6/30/2021	Additions	Reductions	Balances 6/30/2022	Due Within One Year
GOVERNMENTAL ACTIVITIES					
Frontier Academy					
Bonds Payable – Series 2016	\$ 19,895,000	\$ -	\$ (450,000)	\$19,445,000	\$ 470,000
Bond Premium	1,047,357	-	(73,628)	973,729	71,942
Contract Payable	484,601	-	(39,467)	445,134	41,239
Lease Payable	63,360	-	(30,141)	33,219	30,638
Compensated Absences	66,703	112,700	(116,853)	62,550	43,163
	<u>21,557,021</u>	<u>112,700</u>	<u>(710,089)</u>	<u>20,959,632</u>	<u>656,982</u>
Salida del Sol Academy					
Bonds Payable – Series 2020	14,158,773	-	(252,466)	13,906,307	269,676
Compensated Absences	22,636	75,205	(80,667)	17,174	8,587
	<u>14,181,409</u>	<u>75,205</u>	<u>(333,133)</u>	<u>13,923,481</u>	<u>278,263</u>
Union Colony Schools					
Bonds Payable – Series 2018	18,105,000	-	(255,000)	17,850,000	265,000
Series 2018 Premium	1,464,104	-	(46,113)	1,417,991	46,113
Lease Payable	52,568	-	(12,091)	40,477	12,481
	<u>19,621,672</u>	<u>-</u>	<u>(313,204)</u>	<u>19,308,468</u>	<u>323,594</u>
University Schools					
Bonds Payable	26,865,000	-	(585,000)	26,280,000	615,000
Bond Premium	109,625	-	(9,966)	99,659	9,966
Lease Payable	62,204	-	(21,461)	40,743	22,030
Compensated Absences	1,480	64,680	(30,805)	35,355	8,839
	<u>27,038,309</u>	<u>64,680</u>	<u>(647,232)</u>	<u>26,455,757</u>	<u>655,835</u>
West Ridge Academy					
Bonds Payable – Series 2019A&B	10,170,000	-	(145,000)	10,025,000	150,000
Bonds Premium – Series 2019A&B	683,955	-	(20,726)	663,229	20,726
Compensated Absences	9,726	-	(9,726)	-	-
	<u>10,863,681</u>	<u>-</u>	<u>(175,452)</u>	<u>10,688,229</u>	<u>170,589</u>
Total	<u>\$ 93,262,092</u>	<u>\$ 252,585</u>	<u>\$ 2,179,110</u>	<u>\$91,335,567</u>	<u>\$ 2,085,400</u>

At June 30, 2022, \$43,163 of the current accrued compensated absences balance for Frontier Academy was due and payable and is included in accrued salaries and benefits.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 6 – LONG-TERM DEBT – *continued*

Future Debt Service Requirements – Component Units

The following schedule represents the charter school component unit's debt service requirements to maturity for outstanding bonds payable, contract payable, and lease payable at June 30, 2022:

Fiscal Year	Principal	Interest	Total
2023	\$ 1,876,064	\$ 4,048,001	\$ 5,924,065
2024	2,031,936	3,846,260	5,878,196
2025	2,089,650	3,765,358	5,855,008
2026	2,173,286	3,680,143	5,853,429
2027	2,250,618	3,588,018	5,838,636
2028-2032	22,269,326	15,490,717	37,760,043
2033-2037	12,890,000	11,445,351	24,335,351
2038-2042	16,120,000	8,223,888	24,343,888
2043-2047	16,955,000	4,294,938	21,249,938
2048-2052	7,160,000	1,672,500	8,832,500
2053-2054	2,250,000	142,000	2,392,000
Total	\$ 88,065,880	\$ 60,197,173	\$ 148,263,053

Frontier Academy Charter School – The Frontier Academy, has obtained funding through the Colorado Educational and Cultural Facilities Authority through the issuance of Charter School Revenue bonds in the amount of \$21,850,000. The Frontier Academy Facilities Corporation entered into a mortgage lease agreement with Frontier Academy to use the bond proceeds for current refunding of the Authority's Charter School Revenue Bonds Series 2006 in the amount of \$17,750,000, and as of July 1, 2016 the aggregate principal amount of \$12,590,000. Proceeds from the bonds are used for improvements to the educational facilities. The bonds bear annual interest ranging from 3% to 5%, maturing in 2046.

Salida del Sol Academy Building Corporation has obtained funding through the Public Finance Authority through the issuance of refunding revenue bonds in the amount of \$14,399,611. Proceeds from the Series 2020 bonds were issued to refund the Series 2015 bonds. The Authority and Salida del Sol Academy Building Corporation have entered into a loan agreement wherein the proceeds of the Authority have been loaned to the Building Corporation. The Series 2020 bonds carry an interest rate of 4.725%, maturing in 2030.

Union Colony Schools – The Union Colony Preparatory Building Corporation has obtained funding through the Colorado Education and Facilities Authority through the issuance of bonds in the amount of \$18,585,000. Proceeds from the Series 2018 bonds were used for the Union Colony Schools Building Corporation's use in refunding previous debt and funding capital improvements to the existing school buildings. The Authority and Building Corporation have entered into a loan agreement wherein the proceeds of the Authority bonds have been loaned to the Building Corporation. The bonds accrue interest at a rate of 4 to 5%, maturing in 2053.

University Schools Charter School – The University Lab School Building Corporation has refunded the Series 2004 and Series 2012 revenue bonds with Series 2015 through the Colorado Educational and Cultural Facilities Authority, in the amount \$29,630,000. Proceeds from the Series 2012 bonds were used to refund the existing Charter School Revenue Bonds, Series 2004. The Bonds accrue interest at rates ranging from 2% to 5%, maturing in 2045.

West Ridge Academy – The West Ridge Academy Building Corporation has obtained funding through the Colorado Educational and Cultural Facilities Authority (the Authority) issued its Charter School Refunding and Improvement Revenue Bonds as Series 2019A and 2019B in the amount of \$10,430,000. The bonds were issued to refund the Series 2017A and 2017B bonds and to finance improvements of existing facilities. The Authority and Building Corporation have entered into a loan agreement wherein the proceeds of the Authority bonds have been loaned to the Building Corporation. The 2019A bonds carry interest rates of 3% to 5% and mature between June 1, 2021 and June 1, 2054. The 2019B bonds carry an interest rate of 2% and matured on June 1, 2021.

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 – COLORADO BUILDING EXCELLENT SCHOOLS (BEST) GRANT

The District completed the construction of Prairie Heights Middle School (the project) on land it owns. The cost of the construction of the school as of June 30, 2022 was \$29,141,836.

The funding for the project is from two sources, the District sold bonds in 2012 in the amount of \$8,177,991 which was used as matching money for the District’s participation in the State of Colorado lease purchase program, Build Excellent Schools Today. The State of Colorado has issued a pool of Certificates of Participation, a portion of which funded the additional cost of the building, approximately \$21,000,000. The District was responsible for funding any cost overruns on the project.

The District entered into a sublease agreement with the state and the state entered into a lease-purchase agreement with a Trustee. Once the State’s Certificates of Participation pool is repaid (expected to be in 2035), the leasehold interest in the District’s project is expected to be released and will be a capital contribution to the District from the State.

The District has accounted for the proceeds of the bond (matching money) held by the State as a long term receivable. The District does not anticipate collection of the receivable, but once the Certificates of Participation are paid by the State, the leasehold interest is removed from the project and clear title is obtained, the District will convert the receivable to investment in property.

NOTE 8 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; worker’s compensation; and natural disasters. The District plans to provide for or restore the economic damages of those losses through risk retention and risk transfer.

There were no significant reductions in insurance coverage from the previous year. The following is a summary of major outside insurance coverage and their insurance limits:

Coverage Area	Coverage Amounts / Deductibles
Property	Coverage: \$410,899,007 Blanket Building and Contents limit. Flood coverage with a limit of \$2,500,000 except \$1,000,000 for Poudre Learning Center and Earth Movement with a limit of \$2,500,000 Deductibles: \$50,000 for Blanket Building and Contents. \$50,000 Flood and Earth Movement Deductible. \$100,000 Flood for Poudre Learning Center Building. – 5% with minimum of \$250,000 Wind/Hail Deductible (Does not include Greeley West or Tointon, added by endorsement)
Equipment Breakdown	Coverage: Included Property Damage – Per Accident: sub-limits apply as follows: \$25,000 Ammonia Contamination; \$25,000 hazardous substance and \$25,000 spoilage. Deductibles: \$50,000 property damage
Inland Marine	Coverage: \$1,622,645 Scheduled Equipment; \$40,357 Unscheduled Equipment ; \$50,000 Leased or Rented Equipment; \$1,065,000 Musical Instruments; \$250,000 Valuable Papers at 1025 9 th Ave. and \$100,000 at 2204 5 th Ave.; \$3,809,608 Computer Hardware; \$398,000 Computer Software. Flood coverage and Earth Movement included Deductibles: \$1,000 Deductible: \$25,000 Flood and Earthquake except equipment
Commercial General Liability	Coverage: Liability - \$1,000,000 each occurrence, \$2,000,000 annual aggregate limit; medical payments \$15,000. Sexual Abuse and Molestation Coverage each claim - \$1,000,000 and \$2,000,000 annual aggregate limit: Employee Benefits each employee \$1,000,000 and \$3,000,000 annual aggregate Deductible: None, except Employee Benefits - \$1,000
School Leaders Errors and Omissions	Coverage: \$1,000,000 Limit of Liability – each wrongful act/\$3,000,000 annual aggregate Deductible: \$75,000
Crime	Coverage: Public Employee Dishonesty \$100,000 per loss coverage, \$50,000 Public Official Bonds – Superintendent; \$5,000 Public Official Bonds – Board Members. Deductible: \$5,000

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 8 – RISK MANAGEMENT - *continued*

Umbrella	<p>Coverage: Liability - \$5,000,000 each occurrence, \$5,000,000 annual aggregate limit. Sub-limits - \$3,000,000 School and Educators Legal Liability, Employment Practices Liability, Law Enforcement Professional Legal Liability and Sexual Abuse and Molestation Provides coverage above the following primary limits: Commercial General Liability; Auto Liability; and Workers' Compensation, School and Educators Legal Liability, Employment Practices Liability, Law Enforcement Professional Legal Liability and Sexual Abuse and Molestation.. Release Incident (Per Pollution Event) - \$1,000,000, Policy Term Aggregate - \$5,000,000 Locations that are covered: Administration Building, and Greeley West High School Deductible: \$50,000 per pollution event</p>
Law Enforcement Professional Legal Liability	<p>Coverage: \$1,000,000 Limit of Liability – each wrongful act/\$1,000,000 annual aggregate Deductible: \$5,000</p>
Auto Liability	<p>Coverage: Liability, including non-owned auto and hired, borrowed, and leased \$1,000,000 limit per accident; auto medical payments \$5,000 per person. Deductibles: \$1,000 Comprehensive/ \$1,000 Collision Coverage</p>
Foreign	<p>Coverage: Limit of Liability – \$4,000,000 Master Control Program Aggregate Limit; \$2,000,000 General Aggregate; \$1,000,000 Occurrence; \$25,000 Medical Expense; Auto Liability - \$1,000,000; Auto Physical Damage - \$25,000; Workers' Compensation - \$1,000,000; Kidnap, Ransom and Extortion - \$1,250,000; Business Travel Accident Deductible: \$1,000 hired auto physical damage</p>
Builders Risk – McAuliffe	<p>Coverage: Builders Risk \$26,000,000 estimated total project value; \$2,500,000 Earthquake; \$2,500,000 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$50,000 minimum and no maximum Expired 2/28/2</p>
Builders Risk – Tointon Academy	<p>Coverage: Builders Risk \$49,000,000 estimated total project value; \$25,000,000 Earthquake; \$25,000,000 Flood; \$800,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$50,000 minimum and no maximum Canceled 8/9/22</p>
Builders Risk – Greeley West High School	<p>Coverage: Builders Risk \$136,600,012 estimated total project value; \$2,500,000 Earthquake; \$2,500,000 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$50,000 minimum and no maximum Canceled 8/9/22</p>
Builders Risk - Chappelow	<p>Coverage: Builders Risk \$20,000,000 estimated total project value; \$2,500,000 Earthquake; \$2,500,000 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$50,000 minimum and no maximum Expired 9/1/22</p>
Builders Risk – Dos Rios	<p>Coverage: Builders Risk \$1,185,000 estimated total project value; \$1,185,000 Earthquake; \$1,185,000 Flood; \$250,000 Transit; \$250,000 Temporary Storage Deductible: \$10,000; Earthquake \$25,000; Flood \$25,000 Expired 4/19/22</p>
Builders Risk – Heiman, Romero 4-8 & Winograd	<p>Coverage: Builders Risk \$2,875,000 estimated total project value; \$2,500,000 Earthquake; \$2,500,000 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$25,000; Flood \$25,000 Expired 5/14/22</p>
Builders Risk – Jefferson High & CTE	<p>Coverage: Builders Risk \$28,895,700 estimated total project value; \$2,500,000 Earthquake; \$2,500,000 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$25,000 minimum and no maximum</p>
Builders Risk – Madison	<p>Coverage: Builders Risk \$48,945,557 estimated total project value; \$2,500,000 Earthquake; \$2,500,000 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$50,000 minimum and no maximum</p>
Builders Risk – Jefferson HS Renovation	<p>Coverage: Builders Risk \$298,477 estimated total project value; \$298,477 Earthquake; \$298,477 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$50,000 minimum and no maximum; \$25,000 Release of Water</p>

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – RISK MANAGEMENT - continued

Builders Risk – Franklin MS	Coverage: Builders Risk \$1,516,618 estimated total project value; \$1,516,618 Earthquake; \$1,516,618 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$50,000 minimum and no maximum; \$25,000 Release of Water
Builders Risk - Maplewood	Coverage: Builders Risk \$1,757,898 estimated total project value; \$1,757,898 Earthquake; \$1,757,898 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$50,000 minimum and no maximum; \$25,000 Release of Water
Builders Risk – Heath Middle School	Coverage: Builders Risk \$10,259,281 estimated total project value; \$2,500,000 Earthquake; \$2,500,000 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$50,000 minimum and no maximum
Builders Risk – Greeley Central	Coverage: Builders Risk \$7,283,207 estimated total project value; \$2,500,000 Earthquake; \$2,500,000 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$50,000 minimum and no maximum
Builders Risk - Martinez	Coverage: Builders Risk \$6,402,604 estimated total project value; \$2,500,000 Earthquake; \$2,500,000 Flood; \$500,000 Transit; \$1,000,000 Temporary Storage Deductible: \$10,000; Earthquake \$50,000; Flood \$50,000; 2% wind/hail with \$50,000 minimum and no maximum

The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. Settled claims resulting from these risks have not exceeded the purchased commercial insurance in any of the past three fiscal years.

The carrying amount of the claim liabilities for the dental fund are stated at anticipated cost because the majority of claims are expected to be paid during the next year. The claims payable balance is recorded within the General Fund’s accounts payable balance in the financial statements. Changes in the balances of dental claims liabilities during the past two years are as follows:

Claims Payable, June 30, 2020	\$	123,329
Claims Incurred and Adjustments		848,278
Payments		(844,875)
Claims Payable, June 30, 2021		126,731
Claims Incurred and Adjustments		852,378
Payments		(851,399)
Claims Payable, June 30, 2022	\$	127,710

NOTE 9 – DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Pensions

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 9 – DEFINED BENEFIT PENSION PLAN - *continued*

General Information about the Pension Plan

Plan Description

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

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.

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

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

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 – DEFINED BENEFIT PENSION PLAN – *continued*

General Information about the Pension Plan – *continued*

Contributions provisions as of June 30, 2022: Eligible employees of, the District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 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 ¹	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	(1.02)%
Amount Apportioned to the SCHDTF ¹	9.88 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411 ¹	4.50 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411 ¹	5.50 %
Total Employer Contribution Rate to the SCHDTF ¹	19.88 %

¹Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$23,306,941 for the year ended June 30, 2022.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. In addition to the \$225 million 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, 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 District's proportion of the net pension liability was based on the District's 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, 2022, the District reported a liability of \$207,695,257 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 District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 – DEFINED BENEFIT PENSION PLAN – *continued*

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

District's Proportionate Share of the Net Pension Liability	207,695,257
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>23,809,609</u>
Total	<u>231,504,866</u>

At December 31, 2021, the District's proportion was 1.78472738%, which was a decrease of 0.19555063% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the District recognized pension expense of \$(72,849,489) and revenue of (\$5,691,672) for support from the State as a nonemployer contributing entity. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 7,951,407	\$ -
Changes of Assumptions or other Inputs	15,855,982	-
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	-	78,087,213
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
of Contributions	17,353,783	27,100,080
Contributions Subsequent to the Measurement Date	<u>11,816,398</u>	<u>-</u>
Total	<u>\$ 52,977,570</u>	<u>\$ 105,187,293</u>

\$11,816,398 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 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:

<u>Year Ended June 30,</u>	<u>Amount</u>
2023	\$ (6,106,425)
2024	(26,258,961)
2025	(22,182,619)
2026	(9,478,116)

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 – DEFINED BENEFIT PENSION PLAN – continued**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – continued***Actuarial Assumptions*

The TPL in the December 31, 2020, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.40 - 11.00%
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007; and DPS Benefit Structure (Automatic)	1.00% Compounded Annually
PERA Benefit Structure hired after December 31, 2006 (Ad Hoc, Substantively Automatic)	Financed by the Annual Increase Reserve

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.

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 – DEFINED BENEFIT PENSION PLAN – *continued*

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

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

The actuarial assumptions used in the December 31, 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.

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:

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

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

Discount Rate

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 9 – DEFINED BENEFIT PENSION PLAN – *continued*

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

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in Senate Bill (SB) 18-200, 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.
- 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, commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- 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 District's Proportionate Share of the Net pension Liability to Changes in the Discount Rate

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 – DEFINED BENEFIT PENSION PLAN – *continued*

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	\$ 305,710,432	\$ 207,695,257	\$ 125,905,253

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.

Component Units

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the charter schools is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the charter schools were \$5,016,915 for the year ended June 30, 2022.

At June 30, 2022, the charter schools reported a liability of \$45,606,398 for their proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2021, and the total pension liability 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 total pension liability to December 31, 2021. The charter schools' proportion of the net pension liability was based on charter schools' contributions to the SCHDTF for the calendar year 2021 relative to the total contributions of participating employers to the SCHDTF.

For the year ended June 30, 2022, the charter schools recognized pension expense of (\$13,281,388). At June 30, 2022 the charter schools reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 1,745,995	\$ -
Changes of Assumptions or other Inputs	3,481,709	-
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	-	17,146,643
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
Share of Contributions	6,248,733	6,077,516
Contributions Subsequent to the Measurement Date	2,592,792	-
Total	<u>\$ 14,069,229</u>	<u>\$ 23,224,159</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 – DEFINED BENEFIT PENSION PLAN – *continued*

Component Units – *continued*

\$2,592,792 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2023	\$ 356,017
2024	(5,106,264)
2025	(4,916,242)
2026	(2,081,233)
Total	\$ (11,747,722)

Sensitivity of the charter schools’ proportionate share of the net pension liability to changes in the discount rate.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 67,128,887	\$ 45,606,398	\$ 27,646,684

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

Summary of Significant Accounting Policies

OPEB

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

General Information about the OPEB Plan

Plan Description

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN – *continued*

General Information about the OPEB Plan – *continued*

Benefits Provided

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based 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 health benefits program is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

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

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

Contributions

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$1,195,828 for the year ended June 30, 2022.

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN – *continued*

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

At June 30, 2022, the District reported a liability of \$10,048,369 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 District’s proportion of the net OPEB liability was based on the District’s 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 District’s proportion was 1.16529171%, which was an increase of 0.01964987% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the District recognized OPEB expense of (\$613,529). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 15,312	\$ 2,382,590
Changes of Assumptions or other Inputs	208,040	545,065
Net Difference between Projected and Actual		
Earnings on OPEB Plan Investments	-	621,998
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
Share of Contributions	367,794	451,093
Contributions Subsequent to the Measurement Date	606,274	-
Total	\$ 1,197,420	\$ 4,000,746

\$606,274 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:

<u>Year Ended June 30,</u>	<u>Amount</u>
2023	\$ (894,926)
2024	(981,620)
2025	(998,573)
2026	(474,577)
2027	(54,396)
Thereafter	(5,507)

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN – *continued*

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

Actuarial Assumptions

The TOL in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	Trust Fund			
	State Division	School Division	Local Government Division	Judicial Division
Actuarial Cost Method			Entry Age	
Price Inflation			2.30%	
Real Wage Growth			0.70%	
Wage Inflation			3.00%	
Salary Increases, Including Wage Inflation				
Members other than State Troopers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
State Troopers	3.20%-12.40%	N/A	3.20%-12.40%	N/A
Long-Term Investment Rate of Return, Net of OPEB Plan Investment Expenses, Including Price Inflation			7.25%	
Discount rate			7.25%	
Health Care Cost Trend Rates				
Service-based Premium Subsidy			0.00%	
PERACare Medicare Plans			4.50% in 2021, 6.00% in 2022, gradually decreasing to 4.50% in 2029	
Medicare Part A Premiums			3.75% for 2021, gradually increasing to	
DPS benefit structure			4.50% in 2029	
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 are assumed for 2021 for the PERA Benefit Structure.

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN – *continued*

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

	<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 Prescription	\$ 633	\$ 230	\$ 591
Kaiser Permanente Medicare Advantage HMO	596	199	562

The 2021 Medicare Part A premium is \$471 per month.

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

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

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

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

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, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the 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.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2022

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN – *continued***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – *continued***

Pre-retirement mortality assumptions for 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.

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.

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN – *continued*

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

The 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.

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:

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN – *continued*

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

Sensitivity of the District’s Proportionate Share of the net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare Trend Rate	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%
Proportionate Share of the Net OPEB Liability	\$ 9,759,807	\$ 10,048,369	\$ 10,382,644

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 to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of the District’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN – *continued*

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	\$ 11,670,128	\$ 10,048,369	\$ 8,663,105

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.

Component Units

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the charter schools is statutorily committed to pay the contributions to the HCTF. Employer contributions recognized by the HCTF from the charter schools were \$257,407 for the year ended June 30, 2022.

At June 30, 2022, the charter schools reported a liability of \$2,206,452 for their proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability 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 total OPEB liability to December 31, 2021. The charter schools' proportion of the net OPEB liability was based on charter schools' contributions to the SCHDTF for the calendar year 2021 relative to the total contributions of participating employers to the SCHDTF.

For the year ended June 30, 2022, the charter schools recognized OPEB expense of \$(68,512). At June 30, 2022, the charter schools reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 3,362	\$ 523,177
Changes of Assumptions or other Inputs	45,681	119,687
Net Difference between Projected and Actual		
Earnings on OPEB Plan Investments	-	136,579
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share of Contributions	238,049	64,423
Contributions Subsequent to the Measurement Date	132,853	-
Total	\$ 419,945	\$ 843,866

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN – *continued*

Component Units – *continued*

\$132,853 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 OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

Year ended June 30,	
2023	(136,740)
2024	(159,931)
2025	(171,564)
2026	(74,488)
2027	(12,368)
Thereafter	(1,683)
Total	\$ (556,774)

Sensitivity of the charter schools' proportionate share of the net pension liability to changes in the discount rate.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 2,562,563	\$ 2,206,452	\$ 1,902,272

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Grant Compliance

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

Litigation

The District is a defendant in various threatened and actual legal claims. The ultimate liability that might result from final resolution of these matters is not presently determinable. However, the District believes that the final settlement of these matters will not have a materially adverse effect on the financial position of the District.

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 11 – COMMITMENTS AND CONTINGENCIES - *continued*

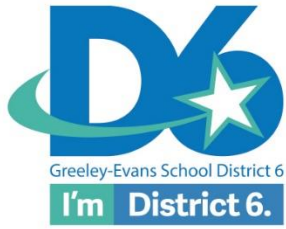
Tabor Amendment

At the general election held November 3, 1992, the voters of the State approved an amendment to the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR limits the ability of the state and local governments such as the District to increase revenues, debt and spending and restricts property, income and other taxes. In November, 1998, voters within the District authorized the District to collect, retain, and expend all excess revenues and other funds received from every source, without limitation future voter approval, notwithstanding the limitations of the Amendment.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, and salary or fringe benefit increases. These reserves are required to be 3 percent or more, of expenses, as defined after 1994. At June 30, 2022, the District's reserve was \$7,675,690.

Forward Delivery Agreement

In April, 2004, the District entered into a forward delivery agreement with JPMorgan Chase Bank in exchange for a payment of \$2,171,000. The District agreed to deposit certain Bond Redemption Fund revenues into a trust account to be used by JPMorgan Chase Bank for purchase of investment securities from a third party. The forward delivery agreement ended in December 2021. During the year ended June 30, 2022, revenue of \$307,559 was recognized in the statement of activities.



Annual Comprehensive Financial Report





Annual Comprehensive Financial Report



Required Supplementary Information

Budget-to-actual information found in this section of the document for the District's general fund is required to be included as required supplementary information if it is not already presented as part of the basic financial statements.



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

	BUDGET		ACTUAL	Variance
	ORIGINAL	FINAL		
Revenues				
Local Sources				
Property Taxes	\$ 57,924,216	\$ 53,861,173	\$ 54,503,625	\$ 642,452
Mill Levy Override	22,349,852	21,098,583	19,685,689	(1,412,894)
Specific Ownership Taxes	4,700,752	4,757,270	6,262,705	1,505,435
Delinquent Taxes, Penalties & Interest	-	-	(69,370)	(69,370)
Abatements	100,000	100,000	404,949	304,949
Other Tuition	704,000	714,262	631,583	(82,679)
Earnings on Investments	185,000	185,000	(1,462,462)	(1,647,462)
District Services Provided to Charter Schools	5,795,046	5,472,072	5,500,463	28,391
Indirect Cost Revenue	1,200,000	1,200,000	1,605,639	405,639
Other Local Revenue	4,666,000	5,206,000	7,055,761	1,849,761
Total Local Sources	97,624,866	92,594,360	94,118,582	1,524,222
State Sources				
State Equalization	136,859,542	146,357,608	148,094,015	1,736,407
At-Risk Funding	3,350,000	1,700,000	2,140,469	440,469
Charter School Capital Construction	1,546,092	1,532,833	1,395,597	(137,236)
English Language Proficiency Act	2,441,591	1,160,933	1,160,932	(1)
Kindergarten Facility Capital Construction	-	-	-	-
Gifted and Talented Reimbursement	219,236	222,254	222,254	-
On Behalf Payment	-	2,500,000	2,541,980	41,980
READ Act	836,821	849,180	827,400	(21,780)
Exceptional Children's Education Act	5,142,000	4,939,687	5,005,130	65,443
Transportation	1,060,000	1,075,735	1,099,030	23,295
Vocational Education	190,000	217,997	185,266	(32,731)
Intergovernmental Revenue	-	-	-	-
Audit Adjustments	(100,000)	(100,000)	-	100,000
Total State Sources	151,545,282	160,456,227	162,672,073	2,215,846
Total Revenues	249,170,148	253,050,587	256,790,655	3,740,068

BUDGETARY COMPARISON SCHEDULE**GENERAL FUND**

For the Year Ended June 30, 2022

	BUDGET		ACTUAL	Variance
	ORIGINAL	FINAL		
Expenditures				
Current				
Instruction	\$ 100,546,520	\$ 102,128,030	\$ 96,773,734	\$ 5,354,296
Support Services				
Student Support Services	11,774,590	12,425,764	11,090,799	1,334,965
Instructional Staff Support Services	8,004,592	8,316,440	6,801,526	1,514,914
General Administration Services	2,154,408	2,243,648	2,100,765	142,883
School Administration Services	13,262,317	12,842,884	12,827,834	15,050
Business Services	2,821,136	3,003,348	2,829,596	173,752
Operations & Maintenance	23,063,626	27,002,082	17,054,955	9,947,127
Student Transportation	8,232,552	8,523,894	6,917,831	1,606,063
Other Support Services	20,171,574	17,596,064	16,956,909	639,155
Capital Outlay	-	-	-	-
Payments Made to Charter Schools				
Union Colony Preparatory School				
Per Pupil Revenue	3,610,950	3,214,910	3,216,477	(1,567)
Mill Levy Override Allocation	410,705	441,307	502,402	(61,095)
Capital Construction	112,553	111,588	110,755	833
Other State and Local Funding	446,275	278,493	243,573	34,920
Union Colony Elementary School				
Per Pupil Revenue	3,921,408	3,336,877	3,336,877	-
Mill Levy Override Allocation	444,599	365,202	427,576	(62,374)
Capital Construction	115,881	114,888	114,030	858
Other State and Local Funding	155,621	260,321	275,037	(14,716)
University Schools				
Per Pupil Revenue	15,396,951	15,672,444	15,732,273	(59,829)
Mill Levy Override Allocation	1,752,476	2,240,754	2,545,394	(304,640)
Capital Construction	526,761	522,243	518,347	3,896
Other State and Local Funding	513,440	534,743	617,909	(83,166)
Frontier Academy				
Per Pupil Revenue	13,708,366	13,719,119	13,795,855	(76,736)
Mill Levy Override Allocation	1,560,282	1,874,235	2,144,039	(269,804)
Capital Construction	470,182	466,149	462,671	3,478
Other State and Local Funding	872,583	882,286	942,134	(59,848)
Salida del Sol Academy				
Per Pupil Revenue	5,466,874	5,518,693	5,571,919	(53,226)
Mill Levy Override Allocation	609,080	726,551	833,857	(107,306)
Capital Construction	182,748	181,180	179,829	1,351
Other State and Local Funding	458,925	359,483	446,532	(87,049)
West Ridge Academy				
Per Pupil Revenue	3,908,028	3,648,842	3,684,986	(36,144)
Mill Levy Override Allocation	459,551	526,962	494,922	32,040
Capital Construction	137,968	136,785	135,765	1,020
Other State and Local Funding	195,316	204,378	138,363	66,015
Total Expenditures	245,468,838	249,420,587	229,825,471	19,595,116
Excess of Revenues				
Over (Under) Expenditures	3,701,310	3,630,000	26,965,184	23,335,184
Other Financing Sources (Uses)				
Insurance Recoveries	250,000	250,000	20,106	(229,894)
Transfers Out				
Food Service Fund	(1,000,000)	(1,000,000)	(1,000,000)	-
Capital Reserve Fund	(3,500,000)	(3,500,000)	(3,500,000)	-
Total Other Operating Sources (Uses)	(4,250,000)	(4,250,000)	(4,479,894)	(229,894)
NET CHANGE IN FUND BALANCE	(548,690)	(620,000)	22,485,290	23,105,290
Fund Balance, Beginning	39,804,813	73,958,610	73,040,373	(918,237)
Fund Balance, Ending	\$ 39,256,123	\$ 73,338,610	\$ 95,525,663	\$ 22,187,053

**BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
Food Service Fund
For the Year Ended June 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Local Sources	\$ 531,300	\$ 531,300	\$ 463,693	\$ (67,607)
State Sources	187,000	155,000	152,269	(2,731)
Federal Sources	9,383,000	11,323,000	12,710,431	1,387,431
Total Operating Revenues	<u>10,101,300</u>	<u>12,009,300</u>	<u>13,326,393</u>	<u>1,317,093</u>
Operating Expenses				
Support Services				
Operations & Maintenance	24,500	24,500	17,868	6,632
Food Service Operations	11,676,800	13,584,800	11,555,488	2,029,312
Capital Outlay	-	-	-	-
Total Expenditures	<u>11,701,300</u>	<u>13,609,300</u>	<u>11,573,356</u>	<u>2,035,944</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,600,000)	(1,600,000)	1,753,037	3,353,037
Other Financing Sources (Uses)				
Transfers In	1,000,000	1,000,000	1,000,000	-
Total Other Financing Sources (Uses)	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Net Change in Fund Balance	(600,000)	(600,000)	2,753,037	3,353,037
Fund Balance, Beginning	<u>1,884,957</u>	<u>3,947,615</u>	<u>3,899,683</u>	<u>47,932</u>
Fund Balance, Ending	<u>\$ 1,284,957</u>	<u>\$ 3,347,615</u>	<u>\$ 6,652,720</u>	<u>\$ 3,305,105</u>

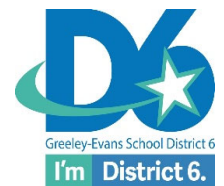
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
Designated Special Purpose Grants Fund
For the Year Ended June 30, 2022

	Budget		Actual	Variance
	Original	Final		
Revenues				
Local Sources	\$ 1,750,000	\$ 1,750,000	\$ 2,637,957	\$ 887,957
State Sources	3,000,000	5,000,000	4,445,734	(554,266)
Federal Sources	42,000,000	44,000,000	34,252,438	(9,747,562)
Total Revenues	<u>46,750,000</u>	<u>50,750,000</u>	<u>41,336,129</u>	<u>(9,413,871)</u>
Expenditures				
Current				
Instruction	20,817,968	20,503,258	15,025,743	5,477,515
Support Services				
Student Support	9,679,408	14,215,025	10,376,655	3,838,370
Instructional Staff Support	5,613,012	7,064,340	7,141,795	(77,455)
General Administration Services	-	-	-	-
School Administration	1,468,462	791,406	1,603,915	(812,509)
Business Services	105,494	76,825	110,788	(33,963)
Operations & Maintenance	7,312,594	4,797,329	3,851,685	945,644
Student Transportation	34,105	15,581	125,850	(110,269)
Other Support Services	1,718,957	3,286,236	3,099,698	186,538
Capital Outlay	-	-	-	-
Total Expenditures	<u>46,750,000</u>	<u>50,750,000</u>	<u>41,336,129</u>	<u>9,413,871</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**2022
ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

Defined Benefit
Pension
Plan Schedules



SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
Defined Benefit Pension Plan
Last 10 Fiscal Years*

Fiscal Year	2022	2021	2020	2019
Plan Measurement Date Ending December 31,	2021	2020	2019	2018
District's Proportion of the Net Pension Liability	1.784727379%	1.980278012%	1.802890374%	1.849822336%
District's Proportionate Share of the Net Pension Liability	\$ 207,695,257	\$ 299,378,093	\$ 269,347,910	\$ 327,549,040
State's Proportionate Share of the Net Pension Liability associated with the District **	23,809,609	-	34,163,356	44,787,782
Total	\$ 231,504,866	\$ 299,378,093	\$ 303,511,266	\$ 372,336,822
District's Covered Payroll	110,876,496	105,937,413	105,861,622	101,795,028
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	187.3%	282.6%	254.4%	321.8%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.9%	67.0%	64.5%	57.0%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2014 was not available.

** House Bill 20-1379 suspended the direct distribution payable July 1, 2020 in fiscal year 2021.

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
Defined Benefit Pension Plan
 Last 10 Fiscal Years*

2018	2017	2016	2015	2014
2017	2016	2015	2014	2013
2.053407559%	2.049445194%	2.049124817%	2.105033264%	2.177104391%
\$ 663,999,027	\$ 610,199,086	\$ 313,399,174	\$ 285,302,715	\$ 277,689,077
-	-	-	-	-
<u>\$ 663,999,027</u>	<u>\$ 610,199,086</u>	<u>\$ 313,399,174</u>	<u>\$ 285,302,715</u>	<u>\$ 277,689,077</u>
94,716,364	91,997,611	89,293,838	88,186,088	87,759,079
701.0%	663.3%	351.0%	323.5%	316.4%
44.0%	43.1%	59.2%	62.8%	64.1%

SCHEDULE OF DISTRICT CONTRIBUTIONS
Last 10 Fiscal Years*

Fiscal Year	2022	2021	2020	2019
Contractually Required Contribution	\$ 23,306,941	\$ 20,810,868	\$ 21,085,281	\$ 19,662,059
Contributions in Relation to the Contractually Required Contribution	<u>23,306,941</u>	<u>20,810,868</u>	<u>21,085,281</u>	<u>19,662,059</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 117,238,061	\$ 104,682,470	\$ 108,799,119	\$ 102,781,258
Contributions as a Percentage of Covered Payroll	19.9%	19.9%	19.4%	19.1%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. As information becomes available, each subsequent year will be added until a full ten-year trend is compiled.

SCHEDULE OF DISTRICT CONTRIBUTIONS
Last 10 Fiscal Years*

2018	2017	2016	2015	2014
\$ 18,619,907	\$ 17,073,938	\$ 16,125,248	\$ 14,868,248	\$ 14,094,323
18,619,907	17,073,938	16,125,248	14,868,248	14,094,323
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 98,592,946	\$ 92,891,778	\$ 90,960,297	\$ 88,105,663	\$ 88,202,085
18.9%	18.4%	17.7%	16.9%	16.0%

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

Fiscal Year	2022	2021	2020	2019	2018	2017
Plan Measurement Date Ending December 31	2021	2020	2019	2018	2017	2016
District's Proportion (Percentage) of the Collective Net OPEB Liability	1.165291709%	1.1456418379%	1.1780976212%	1.2023511614%	1.1667380558%	1.1648937328%
District's Proportionate Share of the Collective OPEB Net Liability	\$ 10,048,369	\$ 10,886,175	\$ 13,241,794	\$ 16,358,493	\$ 15,162,928	\$ 15,103,243
Covered Payroll	\$ 110,876,496	\$ 105,937,413	\$ 105,861,622	\$ 101,795,028	\$ 94,716,364	\$ 91,997,611
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	9.06%	10.28%	12.51%	16.07%	16.01%	16.42%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	39.40%	32.78%	24.49%	17.03%	17.53%	16.72%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2017 was not available.

SCHEDULE OF DISTRICT CONTRIBUTIONS
Last 10 Fiscal Years*

Fiscal Year	2022	2021	2020	2019	2018
Contractually Required Contribution	\$ 1,195,828	\$ 1,067,761	\$ 1,109,751	\$ 1,048,369	\$ 1,005,648
Contributions in Relation to the Statutorily Required Contributions	1,195,828	1,067,761	1,109,751	1,048,369	1,005,648
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 117,238,061	\$ 104,682,470	\$ 108,799,119	\$ 102,781,258	\$ 98,592,946
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.00%	1.0%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2014 was not available

** The OPEB schedules in the required supplementary information are intended to show information for ten years. Additional years' information will be displayed as it becomes available.

SCHEDULE OF DISTRICT CONTRIBUTIONS
Last 10 Fiscal Years*
Continued

Fiscal Year	2017	2016	2015	2014
Contractually Required Contribution	\$ 947,496	\$ 927,795	\$ 898,678	\$ 899,661
Contributions in Relation to the Statutorily Required Contributions	947,496	927,795	898,678	899,661
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 92,891,778	\$ 90,960,297	\$ 88,105,663	\$ 88,202,085
Contributions as a percentage of covered payroll	1.0%	1.0%	1.0%	1.0%

Notes to Required Supplementary Information

June 30, 2022

NOTE 1 – BUDGET AND BUDGETARY ACCOUNTING

Annual budgets are established for all funds of the district as required by Colorado statutes. Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds.

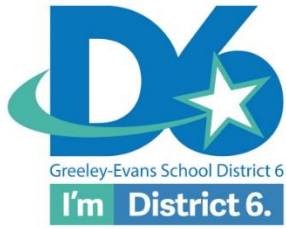
Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budget amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.

Colorado law allows the Board of Education to review and change the budget at any time prior to January 31 of the fiscal year for which the budget was adopted. A supplemental budget may also be adopted if a school district is authorized to raise and expend local property tax revenues at a November election. Other amendments to the budget are allowed by law if money for specific purposes from other than ad valorem taxes subsequently becomes available.

Budget amounts included in the financial statements are based on the final budget as adopted by the Board of Education in January 2022. Original budgets for all funds were adopted by the Board of Education in June 2021. Budget appropriations lapse at the end of each fiscal year.

The following is a summary of the significant dates and procedures used in establishing budgeted data reflected in the financial statements.

- On or before June 1, the Superintendent submits to the Board of Education a proposed budget for the succeeding fiscal year. The budget includes proposed expenditures and the means of financing them.
- Within ten days after submission of the proposed budget, public notice is published stating the time and place of public hearing(s) to be conducted to obtain taxpayer comments on the budget prior to adoption.
- On or before June 30, the budget is adopted by formal resolution.
- On or before January 31, any changes to the budget are adopted by formal resolution.
- November 10, pupil count information is provided by school districts to the Colorado Department of Education, for use in determining the state funding level for the current fiscal year.
- December 15, school districts certify to county commissioners, copied to CDE, the mill levies for the various property tax-supported funds for the district.



Annual Comprehensive Financial Report





Annual Comprehensive Financial Report



Supplementary Information

Information included in this Supplementary Information Section of the document is designed to further explain and support the financial statements, including combining schedules. Also included in this section is budget-to-actual information for all funds of the District, as required by state law (except for the District's general fund, which is included in the Required Supplementary Information Section).



COMBINING BALANCE SHEET
Nonmajor Governmental Funds
 June 30, 2022

	Student Activity	Student Athletics	School Development	Total Nonmajor Governmental Funds
Assets				
Cash and Investments	\$ 1,427,737	\$ 167,803	\$ 729,124	\$ 2,324,664
Accounts Receivable, Net	84,810	3,457	302,429	390,696
Total Assets	\$ 1,512,547	\$ 171,260	\$ 1,031,553	\$ 2,715,360
Liabilities				
Accounts Payable	\$ 14,492	\$ 209	\$ -	\$ 14,701
Accrued Salaries and Benefits	165	-	-	165
Total Liabilities	14,657	209	-	14,866
Fund Balances				
Restricted	-	-	1,031,553	1,031,553
Assigned	1,497,890	171,051	-	1,668,941
Total Fund Balances	1,497,890	171,051	1,031,553	2,700,494
TOTAL LIABILITIES OF RESOURCES AND FUND BALANCES	\$ 1,512,547	\$ 171,260	\$ 1,031,553	\$ 2,715,360

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	<u>Student Activity</u>	<u>Student Athletics</u>	<u>School Development</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues				
Local Sources	\$ 1,028,546	\$ 308,954	\$ 999,003	\$ 2,336,503
Total Revenues	<u>1,028,546</u>	<u>308,954</u>	<u>999,003</u>	<u>2,336,503</u>
Expenditures				
Current				
Instruction	942,687	295,493	-	1,238,180
Supporting Services				
Student Support Services	-	-	-	-
Instructional Staff Support Services	67,751	-	-	67,751
School Administration Services	-	-	-	-
Business Services	2,431	-	-	2,431
Student Transportation	762	-	-	762
Other Support Services	741	-	-	741
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,014,372</u>	<u>295,493</u>	<u>-</u>	<u>1,309,865</u>
Net Changes in Fund Balance	14,174	13,461	999,003	1,026,638
Fund Balance, Beginning	<u>1,483,716</u>	<u>157,590</u>	<u>32,550</u>	<u>1,673,856</u>
Fund Balance, Ending	<u>\$ 1,497,890</u>	<u>\$ 171,051</u>	<u>\$ 1,031,553</u>	<u>\$ 2,700,494</u>

BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
Building Fund
For the Year Ended June 30, 2022

	Budget		Actual	Variance
	Original	Final		
Revenues				
Investment Earnings	\$ 1,600,000	\$ 1,600,000	\$ (2,745,028)	\$ (4,345,028)
Other	-	-	139,455	139,455
Total Revenues	<u>1,600,000</u>	<u>1,600,000</u>	<u>(2,605,573)</u>	<u>(4,345,028)</u>
Expenditures				
Current				
Support Services				
Business Services	-	-	248	(248)
Operations & Maintenance	-	-	184,718	(184,718)
Capital Outlay	<u>207,600,000</u>	<u>237,600,000</u>	<u>162,467,315</u>	<u>75,132,685</u>
Total Expenditures	<u>207,600,000</u>	<u>237,600,000</u>	<u>162,652,281</u>	<u>74,947,719</u>
Other Financing Sources (Uses)				
Sale of Bonds	145,000,000	145,000,000	145,000,000	-
Premium on Bonds	<u>30,000,000</u>	<u>33,227,702</u>	<u>34,006,452</u>	<u>778,750</u>
Total Other Financing Sources (Uses)	<u>175,000,000</u>	<u>178,227,702</u>	<u>179,006,452</u>	<u>778,750</u>
Net Change in Fund Balance	(31,000,000)	(57,772,298)	13,748,598	71,520,896
Fund Balance, Beginning	<u>182,285,802</u>	<u>206,025,589</u>	<u>206,025,589</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 151,285,802</u></u>	<u><u>\$ 148,253,291</u></u>	<u><u>\$ 219,774,187</u></u>	<u><u>\$ 71,520,896</u></u>

BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
Capital Projects Fund
For the Year Ended June 30, 2022

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Local Sources	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
Support Services				
Business Services	-	-	43,970	
Operations & Maintenance	4,750,000	4,750,000	3,358,064	1,391,936
Other Support Services	-	-	50,796	(50,796)
Total Expenditures	<u>4,750,000</u>	<u>4,750,000</u>	<u>3,452,830</u>	<u>1,297,170</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,750,000)	(4,750,000)	(3,452,830)	1,297,170
Other Financing Sources (Uses)				
Insurance Recoveries	1,250,000	500,000	-	(500,000)
Transfers In	3,500,000	3,500,000	3,500,000	-
Total Other Financing Sources (Uses)	<u>4,750,000</u>	<u>4,000,000</u>	<u>3,500,000</u>	<u>(500,000)</u>
Net Change in Fund Balance	-	(750,000)	47,170	797,170
Fund Balance, Beginning	<u>6,762,574</u>	<u>10,902,499</u>	<u>10,902,499</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 6,762,574</u>	<u>\$ 10,152,499</u>	<u>\$ 10,949,669</u>	<u>\$ 797,170</u>

BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
Student Activities Fund
For the Year Ended June 30, 2022

	Budget		Actual	Variance
	Original	Final		
Revenues				
Local Sources	\$ 1,750,000	\$ 1,750,000	\$ 1,028,546	\$ (721,454)
Total Revenues	<u>1,750,000</u>	<u>1,750,000</u>	<u>1,028,546</u>	<u>(721,454)</u>
Expenditures				
Current				
Instruction	1,706,144	1,706,144	942,687	763,457
Support Services				
Instructional Staff Support Services	42,121	42,121	67,751	(25,630)
Business Services	805	805	2,431	(1,626)
Student Transportation	145	145	762	(617)
Other Support Services	785	785	741	44
Total Expenditures	<u>1,750,000</u>	<u>1,750,000</u>	<u>1,014,372</u>	<u>763,457</u>
Net Change in Fund Balance	-	-	14,174	(1,484,911)
Fund Balance, Beginning	<u>1,203,562</u>	<u>1,348,524</u>	<u>1,483,716</u>	<u>135,192</u>
Fund Balance, Ending	<u>\$ 1,203,562</u>	<u>\$ 1,348,524</u>	<u>\$ 1,497,890</u>	<u>\$ 149,366</u>

BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
Student Athletics Fund
For the Year Ended June 30, 2022

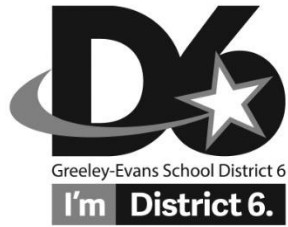
	Budget		Actual	Variance
	Original	Final		
Revenues				
Local Sources	\$ 300,000	\$ 300,000	\$ 308,954	\$ 8,954
Total Revenues	<u>300,000</u>	<u>300,000</u>	<u>308,954</u>	<u>8,954</u>
Expenditures				
Current				
Instruction	290,000	290,000	295,493	(5,493)
Support Services				
Student Support Services	<u>10,000</u>	<u>10,000</u>	-	<u>10,000</u>
Total Expenditures	<u>300,000</u>	<u>300,000</u>	<u>295,493</u>	<u>4,507</u>
Net Change in Fund Balance	-	-	13,461	4,447
Fund Balance, Beginning	<u>198,739</u>	<u>157,590</u>	<u>157,590</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 198,739</u>	<u>\$ 157,590</u>	<u>\$ 171,051</u>	<u>\$ 13,461</u>

BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
School Development Fund
For the Year Ended June 30, 2022

	Budget		Actual	Variance
	Original	Final		
Revenues				
Local Sources	\$ 100,000	\$ 1,000,000	\$ 999,003	\$ (997)
Total Revenues	<u>100,000</u>	<u>1,000,000.00</u>	<u>999,003</u>	<u>(997)</u>
Expenditures				
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	100,000	1,000,000	999,003	(997)
Fund Balance, Beginning	<u>-</u>	<u>-</u>	<u>32,550</u>	<u>32,550</u>
Fund Balance, Ending	<u>\$ 100,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,031,553</u>	<u>\$ 31,553</u>

BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
Bond Redemption Fund
For the Year Ended June 30, 2022

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$ 32,658,771	\$ 29,463,790	\$ 26,445,698	\$ (3,018,092)
Investment Earnings (Losses)	100,000	100,000	(20,971)	(120,971)
Other	-	-	11,835	11,835
Total Revenues	<u>32,758,771</u>	<u>29,563,790</u>	<u>26,436,562</u>	<u>(3,127,228)</u>
Expenditures				
Debt Service				
Principal	20,510,530	15,515,330	15,515,330	-
Interest	16,176,005	17,530,985	17,530,985	-
Fiscal Charges	20,000	20,000	3,151	16,849
Total Expenditures	<u>36,706,535</u>	<u>33,066,315</u>	<u>33,049,466</u>	<u>16,849</u>
Net Change in Fund Balance	(3,947,764)	(3,502,525)	(6,612,904)	(3,110,379)
Fund Balance, Beginning	<u>33,248,788</u>	<u>36,038,128</u>	<u>35,726,368</u>	<u>(311,760)</u>
Fund Balance, Ending	<u>\$ 29,301,024</u>	<u>\$ 32,535,603</u>	<u>\$ 29,113,464</u>	<u>\$ (3,422,139)</u>



Annual Comprehensive Financial Report



Statistical Section

The Statistical Section is provided to reflect social and economic data, financial trends and the fiscal capacity of the District.



STATISTICAL SECTION

(Unaudited)

This component of the Weld County School District 6's *Annual Comprehensive Financial Report* presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

CONTENTS	<u>PAGE</u>
<i>Financial Trends</i> - These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
Net Position by Component	114
Changes in Net Position	115
Fund Balances, Governmental Funds	119
Changes in Fund Balances, Governmental Funds	120
<i>Revenue Capacity</i> - These schedules contain information to help the reader understand and assess the factors affecting the District's most significant local revenue source, property taxes.	
Assessed Value and Estimated Actual Value of Taxable Property	121
Direct and Overlapping Property Tax Rates	122
Principal Property Tax Payers	123
Property Tax Levies and Collections	124
<i>Debt Capacity</i> - These schedules present information to help the reader understand and assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Ratios of Outstanding Debt by Type	125
Ratios of General Bonded Debt Outstanding	126
Direct and Overlapping Governmental Activities Debt	127
Legal Debt Margin	128
<i>Demographic and Economic Information</i> - These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
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<i>Operating Information</i> - These tables contain service data to help the reader understand how the information in the financial report relates to the services the District provides and the activities it performs.	
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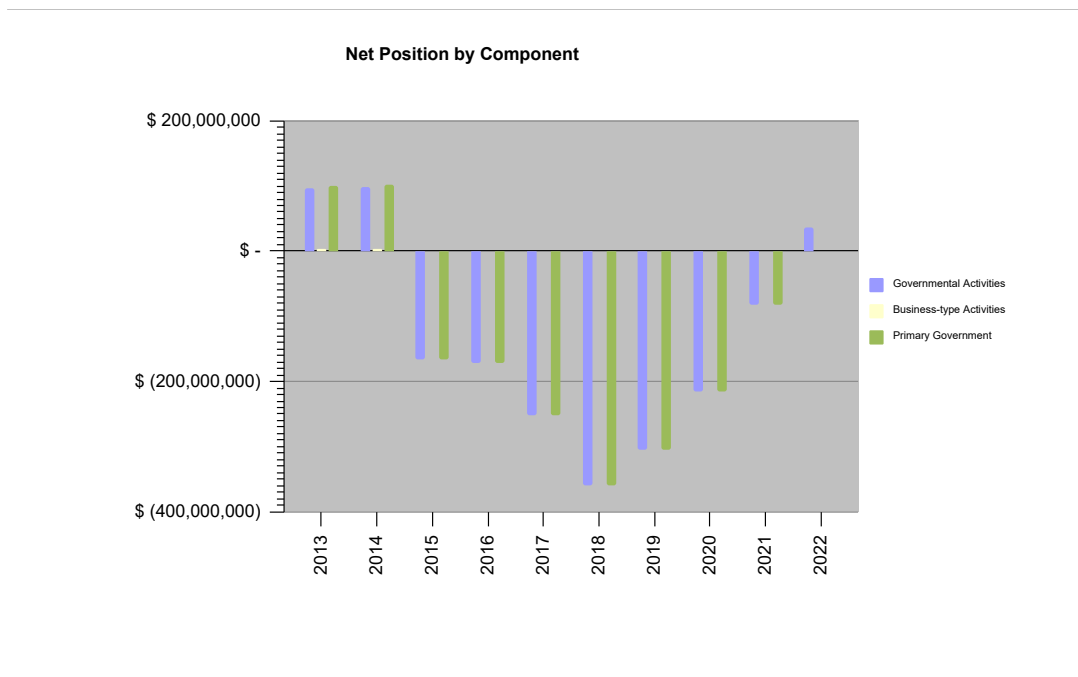
Data Source –

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net investment in capital assets	\$ 61,710,227	\$ 63,797,114	\$ 63,141,947	\$ 72,239,709	\$ 79,009,836	\$ 97,217,288	\$ 109,256,559	\$ 125,428,248	\$ 179,306,677	\$ 187,127,419
Restricted	19,657,212	16,785,141	19,880,453	21,428,949	20,765,141	25,147,098	32,108,569	359,017,907	62,835,859	59,424,204
Unrestricted	15,892,322	18,164,227	(250,068,131)	(265,436,628)	(351,765,113)	(482,357,558)	(445,886,243)	(699,113,906)	(328,125,776)	(211,132,080)
Total Governmental Activities Net Position	\$ 97,259,761	\$ 98,746,482	\$ (167,045,731)	\$ (171,767,970)	\$ (251,990,136)	\$ (359,993,172)	\$ (304,521,115)	\$ (214,667,751)	\$ (85,983,240)	\$ 35,419,543
Business-Type Activities										
Net investment in capital assets	\$ 1,337,189	\$ 1,461,111	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	1,524,811	2,051,185	-	-	-	-	-	-	-	-
Total Business-Type Activities Net Position	\$ 2,862,000	\$ 3,512,296	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Primary Government										
Net investment in capital assets	\$ 63,047,416	\$ 65,258,225	\$ 63,141,947	\$ 72,239,709	\$ 79,009,836	\$ 97,217,288	\$ 109,256,559	\$ 125,428,248	\$ 179,306,677	\$ 187,127,419
Restricted	19,657,212	16,785,141	19,880,453	21,428,949	20,765,141	25,147,098	32,108,569	359,017,907	62,835,859	59,424,204
Unrestricted	17,417,133	20,215,412	(250,068,131)	(265,436,628)	(351,765,113)	(482,357,558)	(445,886,243)	(699,113,906)	(328,125,776)	(211,132,080)
Total Primary Government Net Position	\$ 100,121,761	\$ 102,258,778	\$ (167,045,731)	\$ (171,767,970)	\$ (251,990,136)	\$ (359,993,172)	\$ (304,521,115)	\$ (214,667,751)	\$ (85,983,240)	\$ 35,419,543

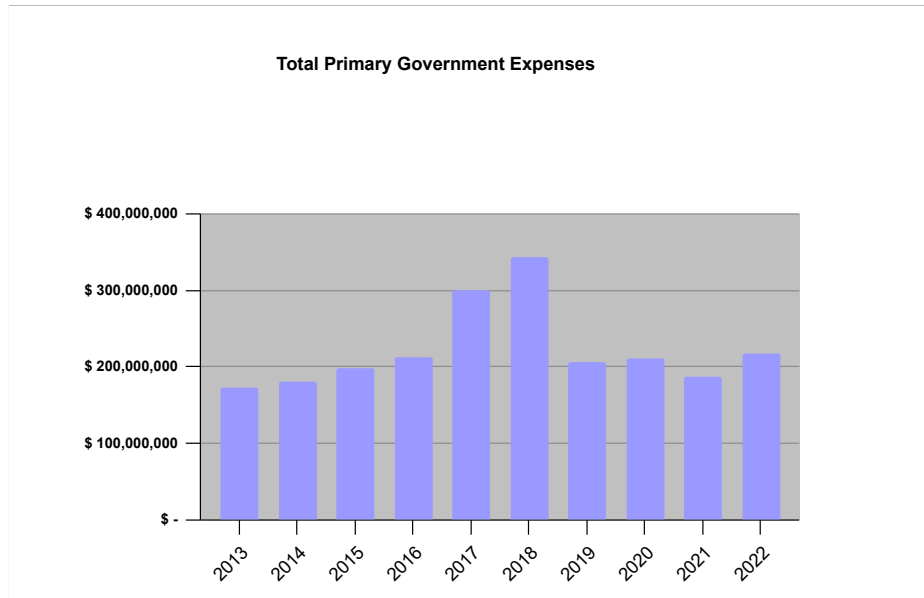
Notes:
 - Includes all non-fiduciary funds. (GAAP Basis).
 - Beginning with fiscal year 2015, the Food Services Fund is reported within governmental activities.



**Changes in Net Position
Last Ten Fiscal Years**
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities:										
Instruction	\$ 81,884,496	\$ 82,507,578	\$ 88,992,272	\$ 96,103,662	\$ 148,378,668	\$ 169,678,692	\$ 80,782,191	\$ 75,819,090	\$ 57,223,508	\$ 60,425,447
Supporting services										
Student Support	7,974,868	8,195,770	9,142,147	9,714,310	15,477,975	19,226,071	10,279,341	11,515,216	12,454,191	14,627,254
Instructional Staff Support	10,884,909	11,044,378	11,099,857	11,674,959	14,881,871	17,257,231	10,526,782	10,289,430	7,292,385	9,450,255
General Administration	1,312,043	1,378,394	1,305,844	1,287,829	2,156,144	2,543,903	1,475,436	687,648	1,112,323	1,311,791
School Administration	9,178,284	9,423,385	10,322,803	11,081,811	18,949,844	20,660,634	9,467,591	9,291,216	7,069,809	7,701,297
Business Services	2,174,431	2,239,222	2,536,294	2,617,899	3,719,905	4,373,867	2,281,132	2,381,690	1,484,841	1,563,697
Operations & Maintenance	12,895,346	11,874,137	11,838,289	14,281,259	18,630,666	21,361,305	12,342,095	3,519,562	12,606,597	23,134,270
Student Transportation	4,369,599	5,027,523	5,164,592	5,153,426	8,031,063	8,513,846	4,634,799	4,499,299	3,063,601	4,917,431
Other Support	8,379,460	10,689,438	20,859,866	13,151,035	15,060,073	16,877,181	15,317,253	27,686,979	16,562,920	11,072,370
Food Service Operations	-	-	-	9,609,672	13,014,203	14,807,273	8,865,549	7,630,617	7,533,242	11,555,488
Payments to Charter Schools	22,758,184	27,144,958	33,323,907	35,797,138	40,712,507	45,532,920	48,855,984	52,672,305	50,511,298	56,471,522
Interest on long-term debt	3,504,652	2,923,488	3,738,663	1,946,531	1,754,895	1,529,923	1,209,964	5,153,907	10,291,968	14,150,232
Total Government Activities Expenses	165,316,272	172,448,271	198,324,534	212,419,531	300,767,816	342,362,846	206,038,116	211,146,959	187,206,683	216,381,054
Business-Type Activities:										
Food Service Operations	7,864,347	8,338,769	-	-	-	-	-	-	-	-
Total Business-Type Activities Expense	7,864,347	8,338,769	-	-	-	-	-	-	-	-
Total Primary Government Expenses	\$ 173,180,619	\$ 180,787,040	\$ 198,324,534	\$ 212,419,531	\$ 300,767,816	\$ 342,362,846	\$ 206,038,116	\$ 211,146,959	\$ 187,206,683	\$ 216,381,054

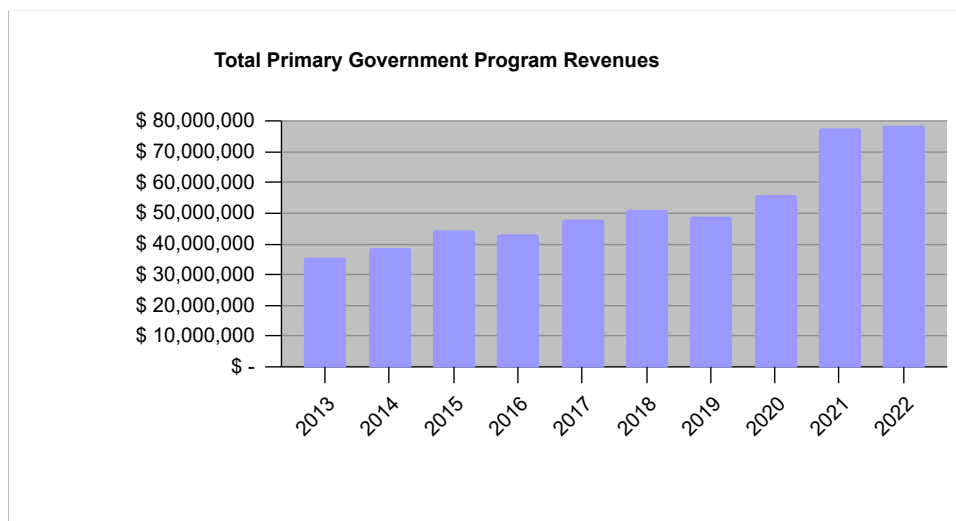
Notes:
 - Includes all non-fiduciary funds. (GAAP Basis)
 - Beginning with fiscal year 2015, the Food Services Fund is reported within governmental activities.
 - In 2015, Food Service Fund activities were reported in Other Support.



**Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program Revenues										
Governmental Activities:										
Charges for services										
Instruction	\$ 582,256	\$ 2,461,040	\$ 717,711	\$ 4,584,595	\$ 5,494,092	\$ 5,563,722	\$ 6,157,779	\$ 8,221,342	\$ 6,027,134	\$ 6,491,794
Supporting Services										
Student Support	-	-	-	2,869	120	182,037	-	-	200	-
Instructional Staff Support	-	-	-	-	-	3,711	-	62,008	106,334	94,923
Business Services	379,025	9,252	-	879,165	427,697	161,424	778,252	-	715,262	2,376,599
Operations & Maintenance	-	-	238,458	398,032	4,294,199	126,895	361,990	997,509	74,227	-
Student Transportation	-	-	467,081	5,063	4,193	1,437	-	-	13,565	-
Other Support	4,496,012	5,026,408	7,111,130	477,303	241,523	152,160	15,238	343,117	167,513	251,324
Food Service Operations	-	-	-	1,153,991	527,585	624,308	1,511,030	1,323,846	1,323,846	1,399,348
Operating grants & contributions	-	-	-	-	-	-	-	-	-	-
Instruction	11,448,200	11,940,839	15,346,629	15,693,243	15,461,680	17,961,935	18,829,788	18,589,336	30,246,146	27,109,174
Supporting Services										
Student Support	3,702,541	6,654,553	6,673,791	6,664,695	7,010,160	3,623,802	4,140,543	5,271,673	9,961,045	10,376,655
Instructional Staff Support	4,524,086	1,640,261	1,823,779	1,880,095	2,467,857	4,103,566	4,349,363	5,315,545	6,098,169	7,141,795
General Administration	-	-	-	-	-	-	-	288,639	-	-
School Administration	719,913	557,558	502,337	210,654	134,164	577,662	743,487	1,200,699	3,491,088	1,603,915
Business Services	43,802	-	-	-	-	99,161	69,077	137,294	1,664,529	110,788
Operations & Maintenance	151,528	25,679	518,735	547,250	364,553	632,124	767,193	2,120,840	972,258	3,851,685
Student Transportation	1,359,754	1,217,209	1,323,357	1,410,854	1,165,097	1,132,137	1,119,493	1,188,157	95,935	1,224,880
Other Support	66,107	51,191	8,870,977	-	-	-	-	1,301,079	4,307,133	4,419,698
Food Service Operations	-	-	-	8,133,715	9,159,751	8,809,971	7,790,465	8,085,603	9,733,737	11,927,045
Capital grants & contributions										
Supporting Services										
Instruction	-	-	-	-	-	5,857,429	-	-	-	-
Other Support	-	-	828,129	1,286,434	1,391,089	1,345,189	2,274,059	1,584,432	2,437,413	95,703
Total Governmental Activities	\$ 27,473,224	\$ 29,583,990	\$ 44,424,114	\$ 43,327,958	\$ 48,143,760	\$ 50,958,670	\$ 48,907,757	\$ 56,031,119	\$ 77,435,534	\$ 78,475,326
Business-Type Activities:										
Charges for services	\$ 1,139,685	\$ 1,087,782	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating grants & contributions	7,067,102	7,901,283	-	-	-	-	-	-	-	-
Total Business-Type Activities	\$ 8,206,787	\$ 8,989,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Primary Government Revenues	\$ 35,680,011	\$ 38,573,055	\$ 44,424,114	\$ 43,327,958	\$ 48,143,760	\$ 50,958,670	\$ 48,907,757	\$ 56,031,119	\$ 77,435,534	\$ 78,475,326
Net (Expense) Revenue										
Governmental activities	\$ (137,843,048)	\$ (142,864,281)	\$ (153,900,420)	\$ (169,091,574)	\$ (252,624,056)	\$ (291,404,176)	\$ (157,130,359)	\$ (155,115,839)	\$ (114,216,682)	\$ (137,905,728)
Business-type activities	342,440	650,296	-	-	-	-	-	-	-	-
Total Primary Government Net Expense	\$ (137,500,608)	\$ (142,213,985)	\$ (153,900,420)	\$ (169,091,574)	\$ (252,624,056)	\$ (291,404,176)	\$ (157,130,359)	\$ (156,296,497)	\$ (114,216,682)	\$ (137,905,728)

Notes:
- Beginning with fiscal year 2015, the Food Services Fund is reported within governmental activities



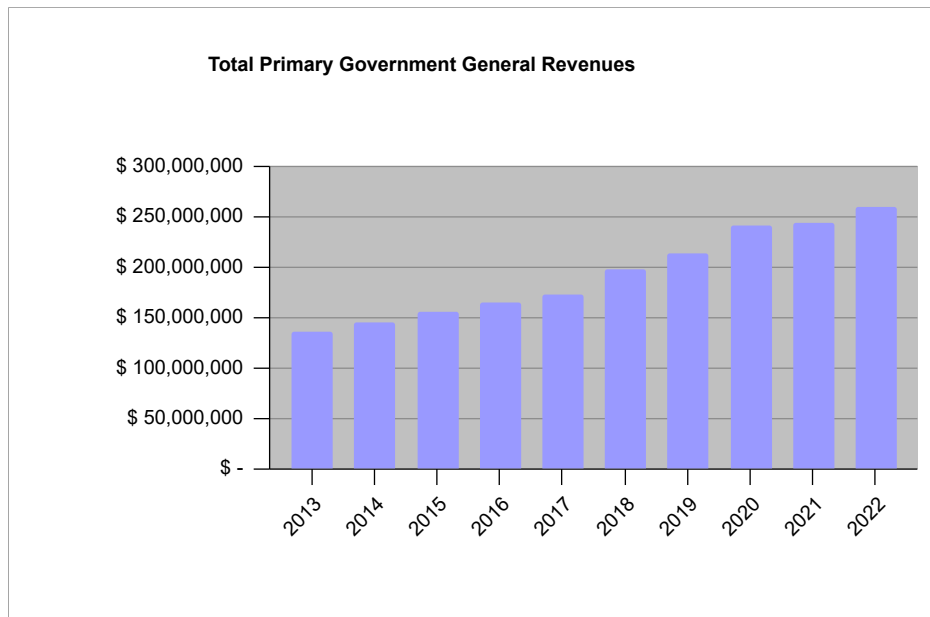


2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT



**Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues										
Governmental Activities:										
Property taxes	\$ 37,170,624	\$ 36,760,286	\$ 36,931,969	\$ 40,876,489	\$ 42,411,975	\$ 66,056,168	\$ 76,942,493	\$ 102,455,847	\$ 115,497,697	\$ 100,806,095
Specific ownership taxes	2,795,387	2,983,658	3,019,784	2,551,459	3,215,524	4,421,487	5,515,889	5,496,271	5,854,553	6,262,705
State equalization	93,313,858	102,114,143	112,570,176	117,590,043	123,550,014	121,604,839	125,445,891	125,149,689	114,328,891	148,094,015
Investment earnings	72,320	247,234	140,996	238,304	7,697	165,622	735,013	2,825,752	858,510	(4,228,461)
Other revenues	2,232,838	2,245,681	2,375,352	3,113,100	3,216,620	5,781,644	3,963,130	4,483,337	6,361,542	8,374,157
Total Governmental Activities	\$ 135,585,027	\$ 144,351,002	\$ 155,038,277	\$ 164,369,395	\$ 172,401,830	\$ 198,029,760	\$ 212,602,416	\$ 240,410,896	\$ 242,901,193	\$ 259,308,511
Total Primary Government	\$ 135,585,027	\$ 144,351,002	\$ 155,038,277	\$ 164,369,395	\$ 172,401,830	\$ 198,029,760	\$ 212,602,416	\$ 240,410,896	\$ 242,901,193	\$ 259,308,511
Change in Net Position										
Governmental Activities	(2,258,021)	1,486,721	1,137,857	(4,722,179)	(80,222,226)	(93,374,416)	55,472,057	84,114,399	128,684,511	121,402,783
Business-Type Activities	342,440	650,296	-	-	-	-	-	-	-	-
Total Primary Government	\$ (1,915,581)	\$ 2,137,017	\$ 1,137,857	\$ (4,722,179)	\$ (80,222,226)	\$ (93,374,416)	\$ 55,472,057	\$ 84,114,399	\$ 128,684,511	\$ 121,402,783



Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020		2021
General fund										
Nonspendable	\$ 137,747	\$ 105,766	\$ 159,198	\$ 176,932	\$ 227,621	\$ 975,745	\$ 545,212	\$ 380,052	\$ 759,741	\$ 577,603
Restricted	5,862,437	5,146,506	5,537,083	6,750,584	5,768,597	7,908,299	9,949,666	13,029,262	23,973,809	23,898,437
Committed	4,220,860	4,408,802	4,774,086	5,064,081	5,463,479	6,323,032	5,271,719	6,028,406	8,791,694	9,581,831
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	13,529,509	11,129,046	10,719,452	10,950,957	16,240,794	16,732,353	20,028,333	20,367,096	39,515,129	61,467,792
Total general fund	\$ 23,750,553	\$ 20,790,120	\$ 21,189,819	\$ 22,942,554	\$ 27,700,491	\$ 31,939,429	\$ 35,794,930	\$ 39,804,816	\$ 73,040,373	\$ 95,525,663
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ 235,411	\$ 183,486	\$ 289,566	\$ 471,486	\$ 448,070	\$ 687,451	\$ 903,295
Restricted, reported in:										
Debt Service Fund	10,970,934	11,638,635	12,093,175	12,572,191	13,373,434	16,384,505	21,368,469	33,166,404	35,726,368	29,113,464
Building Fund	-	-	-	-	-	-	-	309,785,801	205,919,979	219,732,837
Food Service Fund	-	-	2,465,726	1,919,823	1,665,963	611,992	410,388	1,436,889	3,317,842	6,171,982
School Development Fund	-	-	-	-	-	-	-	-	32,550	1,031,553
Capital Projects Funds	-	-	958,858	-	-	-	-	-	-	-
Assigned, reported in:										
Capital Projects Funds	1,038,513	2,658,459	2,314,900	1,706,167	4,535,857	4,191,153	6,299,190	7,962,574	10,902,499	10,949,669
Student Activity Fund	-	-	-	-	-	-	-	1,339,648	1,483,716	1,497,890
Student Athletics Fund	-	-	-	-	-	-	-	198,739	157,590	171,051
Unassigned	-	-	-	-	-	-	-	-	-	(381,207)
Total all other governmental funds	\$ 12,009,447	\$ 14,297,094	\$ 17,832,659	\$ 16,433,592	\$ 19,758,740	\$ 21,477,216	\$ 28,549,533	\$ 354,338,125	\$ 258,227,995	\$ 269,190,534

NOTES:

-Other governmental funds from fiscal year 2004 through fiscal year 2013 include:
 Debt Service - Bond Redemption Fund;
 Special Revenue - Designated Special Purpose Grant Fund;
 Platte Valley Youth Detention Center Fund;
 Building Corporation Fund (fund dissolved in 2009);
 Capital Projects - Capital Projects Fund and Building Corporation Fund (fund dissolved in 2009); and,
 Internal Service Fund - Copier Services Fund (fund dissolved in 2014)

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year					Fiscal Year				
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Local sources	\$ 48,306,892	\$ 48,477,271	\$ 52,385,632	\$ 55,321,632	\$ 61,838,524	\$ 85,246,928	\$ 97,072,487	\$ 123,049,140	\$ 146,397,910	\$ 123,387,724
State sources	101,061,902	111,780,453	125,372,483	131,238,597	137,271,054	136,699,233	144,467,135	146,257,243	130,133,045	167,270,076
Federal sources	13,360,726	13,118,565	21,380,256	20,918,081	21,442,985	20,929,714	21,436,127	24,167,216	48,396,732	46,962,869
Total Revenues	\$ 162,729,520	\$ 173,376,289	\$ 199,138,371	\$ 207,478,310	\$ 220,552,563	\$ 242,875,875	\$ 262,975,749	\$ 293,473,599	\$ 324,927,687	\$ 337,620,669
Expenditures										
Governmental Activities										
Instruction	\$ 81,645,951	\$ 81,965,892	\$ 84,175,947	\$ 89,279,191	\$ 89,789,576	\$ 95,529,430	\$ 101,973,959	\$ 104,346,580	\$ 104,184,143	\$ 113,037,657
Supporting services										
Student Support Services	7,974,868	8,171,791	8,684,037	9,059,895	9,822,622	11,657,053	12,522,102	14,939,533	18,247,424	21,467,454
Instructional Staff Support Services	10,884,909	11,034,277	10,555,613	10,918,153	9,405,008	10,872,767	12,241,131	13,047,644	11,340,136	14,011,072
General Administration Services	1,312,043	1,378,394	1,246,199	1,231,221	1,509,523	1,632,671	1,742,601	1,066,658	1,884,407	2,100,765
School Administration Services	9,178,284	9,423,385	9,735,472	10,240,692	11,151,246	11,319,399	12,237,659	12,984,339	13,211,236	14,431,749
Business Services	2,117,456	2,043,866	2,348,990	2,378,271	2,282,577	2,546,155	2,733,429	3,041,619	2,677,299	2,894,966
Operations & Maintenance	10,766,561	11,751,577	11,455,371	12,078,126	12,074,226	18,543,501	13,070,109	17,271,519	15,789,035	24,330,352
Student Transportation	4,369,599	4,734,647	4,616,143	4,472,481	4,683,260	4,640,858	5,402,814	5,418,176	4,624,132	7,043,681
Other Support Services	6,098,723	6,688,570	16,627,231	8,986,632	8,455,195	9,254,132	11,129,249	23,489,483	16,339,552	19,864,853
Food Service Operations	-	-	-	9,271,809	9,787,192	10,358,737	10,146,690	9,169,373	10,020,464	11,555,488
Payments to Charter Schools										
Union Colony Schools	2,709,003	3,201,182	3,335,913	3,477,013	3,444,472	4,018,176	4,165,694	8,760,008	7,575,874	8,226,727
University Schools	8,098,559	11,182,608	11,821,606	12,424,608	13,305,788	15,337,079	16,304,339	17,259,391	16,894,109	19,413,923
Frontier Academy	8,419,720	8,989,978	9,739,522	10,447,459	11,141,064	13,064,708	13,915,826	15,340,127	15,431,940	17,344,699
Salida del Sol Academy	-	-	4,203,926	4,974,254	5,732,594	6,090,387	6,784,045	7,046,517	6,245,367	7,032,137
West Ridge Academy	1,203,087	1,116,903	1,441,707	1,534,996	1,790,651	3,260,310	3,693,695	4,266,262	4,364,008	4,454,036
Debt Service										
Principal	6,020,000	6,612,358	6,973,183	7,532,597	8,037,294	8,662,282	9,077,571	9,224,982	16,969,086	15,939,112
Interest and fiscal charges	3,525,653	3,343,403	3,266,147	1,694,771	1,491,007	1,159,964	880,031	4,910,035	12,820,405	17,583,412
Capital Outlay	3,806,178	931,915	4,760,412	4,183,664	5,390,635	9,387,325	10,766,690	8,071,816	111,394,961	162,467,315
Total Expenditures	\$ 168,130,594	\$ 172,570,746	\$ 194,987,419	\$ 204,185,833	\$ 209,293,930	\$ 237,334,934	\$ 248,787,634	\$ 279,654,062	\$ 390,013,578	\$ 483,199,398
Other Financing Sources (Uses):										
Other Financing Sources - Capital Leases	\$ 17,720	\$ -	\$ -	\$ -	\$ 106,959	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing Sources - Insurance Recoveries	-	-	-	-	-	4,178,733	732,089	127,720	2,211,321	20,106
Transfers in	258,669	1,121,503	976,385	973,018	2,234,534	4,763,606	4,531,257	4,641,072	3,300,000	4,500,000
Transfers out	(258,669)	(1,121,503)	(976,385)	(973,018)	(2,234,534)	(4,763,606)	(4,531,257)	(4,641,072)	(3,300,000)	(4,500,000)
Sale of bonds	-	-	48,085,000.00	-	-	-	-	250,000,000	-	145,000,000
Bond refunding escrow agent	-	-	(48,075,987.00)	-	-	-	-	-	-	-
Premium on bonds	-	-	243,420.00	-	-	-	-	64,474,087.00	-	34,006,452
Total Other Financing Sources (Uses)	\$ 17,720	\$ -	\$ 252,433	\$ -	\$ 106,959	\$ 4,178,733	\$ 732,089	\$ 314,601,807	\$ 2,211,321	\$ 179,026,558
Net Change in Fund Balances	(5,383,354)	805,543	4,403,385	3,292,477	11,365,592	9,719,674	14,920,204	328,421,344	(62,874,570)	33,447,829
Fund Balance - Beginning	43,471,169	35,760,000	37,400,326	41,803,715	45,096,191	47,459,231	53,416,644	65,721,597	394,142,938	331,268,368
Prior Period Adjustment	-	1,175,958	-	-	-	-	-	-	-	-
Fund Balance - Ending	\$ 38,087,815	\$ 37,741,501	\$ 41,803,711	\$ 45,096,191	\$ 56,461,783	\$ 57,178,905	\$ 68,336,848	\$ 394,142,941	\$ 331,268,368	\$ 364,716,197
Debt Service as a percentage of noncapital expenditures	5.81%	5.80%	5.38%	4.61%	4.67%	4.31%	4.18%	5.20%	10.69%	10.68%

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Year	Vacant Property	Residential Property	Commercial Property	Industrial Property	Other Property (2)	Less:	Total	Total	Estimated	Value as a
						Tax-Exempt Property	Taxable Assessed Value (1)	Direct Tax Rate (1)	Actual Taxable Value (1)	Percentage of Actual Value
2013	15,485,810	373,442,370	325,115,070	103,014,450	140,546,959	211,033,880	957,604,659	38.112	6,601,276,161	14.51%
2014	15,123,320	376,025,190	328,467,070	157,926,390	103,351,260	212,454,100	980,893,230	38.175	6,869,243,365	14.28%
2015	17,747,030	467,662,270	343,008,820	153,114,190	174,535,840	230,337,570	1,156,068,150	37.880	8,160,107,459	14.17%
2016	15,798,590	478,591,930	345,298,270	193,592,100	132,039,500	233,895,640	1,165,320,390	36.003	8,415,594,305	13.85%
2017	20,078,240	564,576,340	396,990,910	248,207,370	319,791,060	244,273,760	1,453,782,050	36.335	10,757,101,168	13.51%
2018	17,347,660	570,862,210	416,792,850	274,678,020	535,629,650	289,934,180	1,686,989,830	45.628	11,279,215,576	14.96%
2019	19,474,750	715,046,380	497,594,140	267,672,870	629,715,096	358,296,790	2,129,503,236	45.954	13,842,873,745	15.38%
2020	16,532,230	722,972,060	520,751,510	261,639,610	754,708,195	353,328,210	2,268,606,335	50.517	14,191,223,940	15.99%
2021	15,865,190	723,219,270	512,702,020	257,961,740	722,994,730	356,321,910	1,996,311,900	50.373	14,999,735,921	13.31%
2022	16,861,340	787,861,250	544,389,900	242,605,160	933,326,173	388,618,850	1,994,858,253	50.596	14,997,315,736	13.30%

Source: Weld County Assessor's Office.

Notes:

- Preliminary assessed values as of August of each tax year are presented for each property category.
- (1) Final assessed values as of December may not agree with the August preliminary values. Final assessed values provided by the Weld County Assessor's Office.
- (2) Other Property includes agricultural property, natural resources, oil and gas, and state assessed property.

Property Tax Rates
Direct and Overlapping Governments
Last Ten Tax Years

(rate per \$1,000 of assessed value)

Collection Year	Weld County School District 6			Overlapping Rates (2)			Total District & Overlapping Rates
	General Fund	Bond Redemption Fund	Total District	Total Cities and Towns	Total County	Total Special Districts (1)	
2013	27.204	10.908	38.112	70.560	16.804	130.927	256.403
2014	27.027	11.148	38.175	74.918	16.804	181.092	310.989
2015	27.165	10.715	37.880	81.060	100.000	297.590	516.530
2016	27.440	8.563	36.003	80.350	100.000	297.490	513.843
2017	27.493	8.842	36.335	139.720	100.000	305.430	581.485
2018	36.778	8.850	45.628	72.760	100.000	323.260	541.648
2019	37.108	8.846	45.954	72.000	100.000	340.000	557.954
2020	37.251	13.266	50.517	67.030	100.000	331.620	549.167
2021	37.107	13.266	50.373	73.810	100.000	318.160	542.343
2022	37.330	13.266	50.596	80.088	100.000	331.858	562.542

Source: Weld County Assessor's Office

Notes:

(1) This represents the gross millage of all special taxing entities within the District boundaries.

The total is not representative of the mill levy assessed to an individual taxpayer.

(2) Overlapping rates are those of local and county governments that apply to property owners within the Weld County School District boundaries. Not all overlapping rates apply to all District property owners; for example, although the county property taxes apply to all District property owners, only the city in which the property owner resides would apply.

(3) In conversation with the Weld County Assessors Office, it was discovered that incorrect figures had been used for Overlapping Rates for the past 10 years. The Assessors Office was able to reconstruct reports back until 2015. Figures for 2015 and forward have been modified to reflect the correct Overlapping Rates.

**Principal Property Tax Payers
June 30, 2022
Current Year and Nine Years Ago**

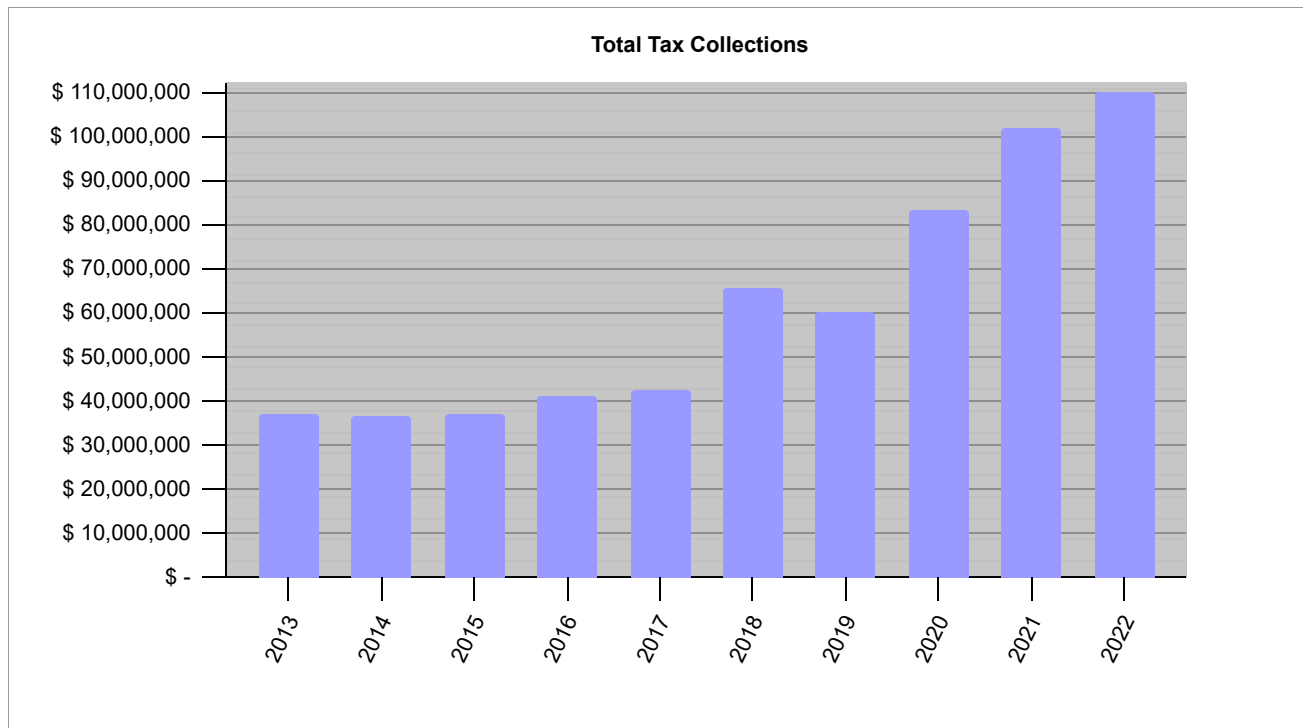
Taxpayer	2022			2013		
	Rank	Taxable Assessed Value	Percent of Total Taxable Assessed Value	Rank	Taxable Assessed Value	Percent of Total Taxable Assessed Value
Atmos Energy Corp	6	\$ 17,512,870	0.88%			
DCP Lucerne 2 Plant LLC	4	\$ 71,708,990	3.59%			
DCP Midstream LP				6	\$ 14,256,500	1.49%
DCP Operating Company	7	\$ 13,957,240	0.70%			
Extraction Oil & Gas, LLC	1	\$ 257,782,690	12.92%			
JBS USA, LLC	9	\$ 11,542,880	0.58%	8	\$ 9,981,320	1.04%
Kerr McGee Oil & Gas Onshore, LP				3	\$ 25,851,630	2.70%
Leprino Foods Company	3	\$ 99,530,050	4.99%	2	\$ 32,240,090	3.37%
Mineral Resources, Inc.				9	\$ 9,626,180	1.01%
Noble Energy				1	\$ 63,620,660	6.64%
Petroleum Development Corp				7	\$ 11,137,210	1.16%
PDC Energy Inc (KEA)	2	\$ 175,442,010	8.79%			
Public Service Co. of Colorado (Xcel)	5	\$ 37,745,060	1.89%	4	\$ 18,061,090	1.89%
Qwest Corp				5	\$ 14,811,900	1.55%
Rocky Mountain Midstream LLC	8	\$ 12,368,110	0.62%			
Wal-Mart Property Tax Department	10	\$ 9,993,380	0.50%	10	\$ 7,695,960	0.80%
Remaining Assessed Valuation		\$ 1,287,274,973	64.53%		\$ 750,322,119	78.35%
Total Assessed Valuation		\$ 1,994,858,253	100.00%		\$ 957,604,659	100.0%

Source: Weld County Assessor's Office

**Property Tax Levies and Collections,
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied For the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	38,327,647	36,704,263	95.76%	56,023	36,760,286	95.91%
2015	40,873,515	36,749,739	89.91%	182,227	36,931,966	90.36%
2016	45,435,344	41,085,749	90.43%	27,509	41,113,258	90.49%
2017	45,919,422	42,216,337	91.94%	521,600	42,737,937	93.07%
2018	66,211,599	65,490,303	98.91%	213,137	65,703,440	99.23%
2019	83,170,160	60,196,753	72.38%	160,756	60,357,509	72.57%
2020	114,119,158	82,989,943	72.72%	477,455	83,467,398	73.14%
2021	121,527,222	110,628,710	91.03%	6,513,821	117,142,531	96.39%
2022	100,931,848	98,114,387	97.21%	1,833,314	99,947,701	99.02%

Source: School District financial records and Weld County Treasurer's Office

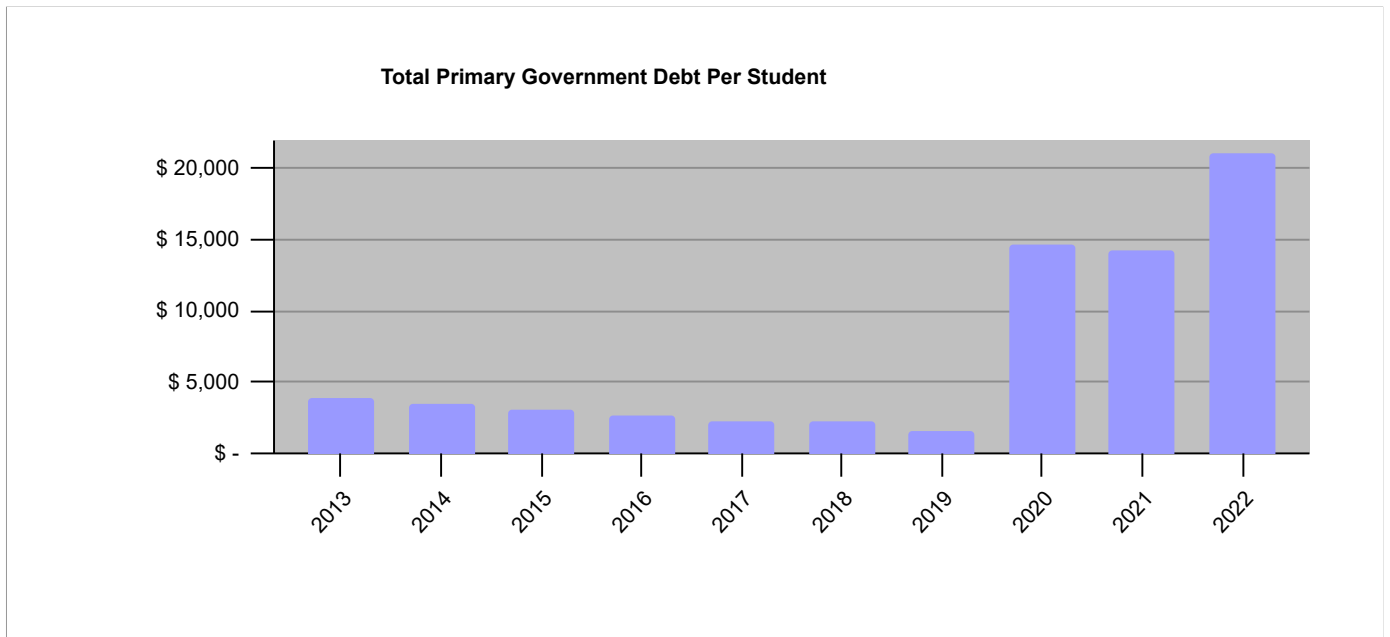


**Ratios of Outstanding Debt by Type,
Last Ten Tax Years**

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income	Per Capita	Per Student
	General Obligation Bonds	Premiums	Leases				
2013	78,117,991	1,993,146	324,273	80,435,410	2.39%	689	3,935
2014	71,505,633	1,286,467	183,675	72,975,775	2.02%	612	3,469
2015	66,652,450	351,724	34,152	67,038,326	1.69%	568	3,081
2016	59,119,853	196,802	2,846	59,319,501	1.82%	492	2,682
2017	51,082,559	41,881	106,959	51,231,399	0.97%	414	2,272
2018	42,420,277	-	84,693	42,504,970	0.78%	334	2,218
2019	33,342,706	-	64,175	35,785,188	0.62%	274	1,544
2020	274,119,537	63,399,519	42,784	337,561,840	1.80%	2,558	14,614
2021	257,150,451	60,757,872	21,392	317,929,715	2.11%	2,374	14,182
2022	386,635,121	90,705,742	-	477,340,863	1.47%	3,553	21,034

Notes:

- Details regarding the District's outstanding debt can be found in the notes to the financial statements.
- Lease revenue bonds are included in the governmental activities general obligation bonds.
- Personal income, population, and student data may be found at Schedule 13.

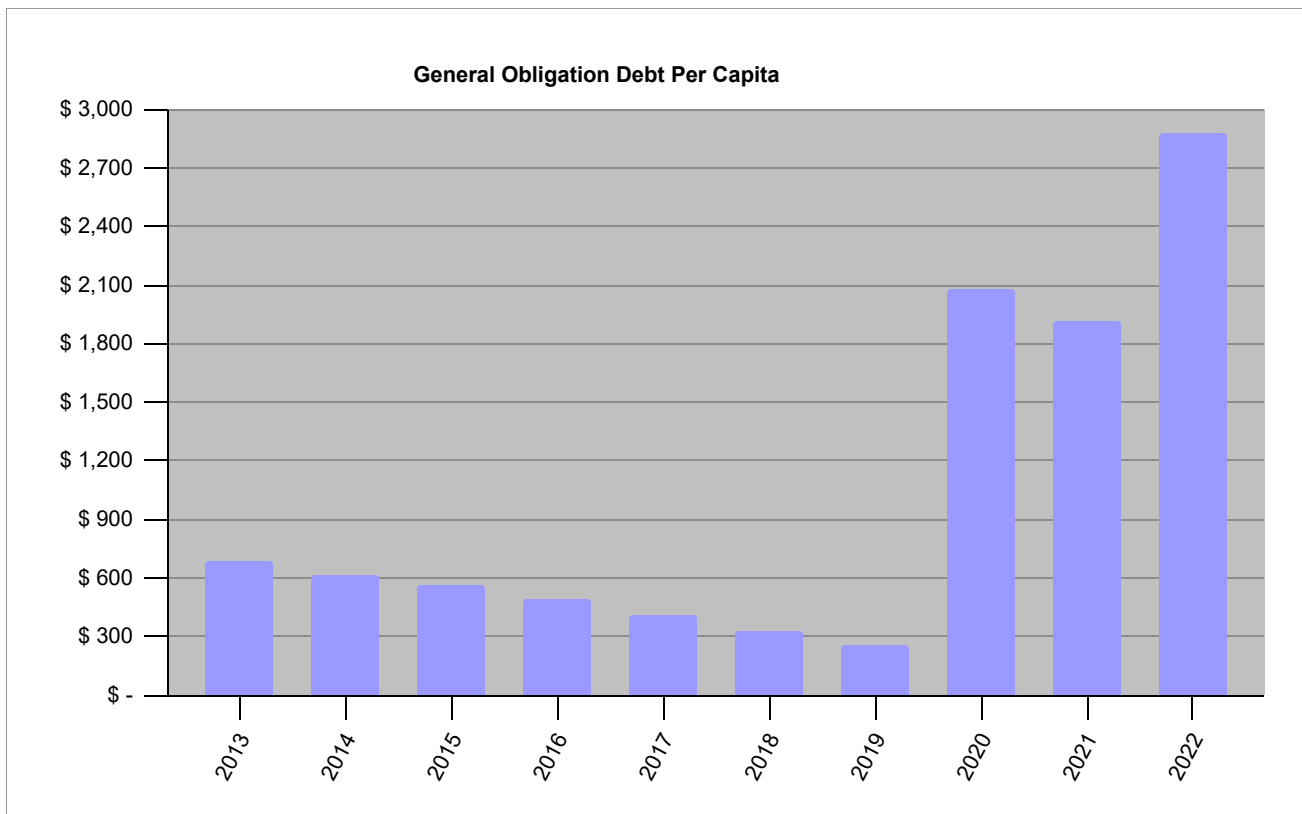


**Ratios of General Bonded Debt Outstanding
Last Ten Tax Years**

Fiscal	General Obligation Bonds	Premiums	Percentage of Estimated Actual Value of Property	Per Capita	Per Student
2013	78,117,991	1,993,146	1.18%	685	3,822
2014	71,505,633	1,286,467	1.04%	611	3,399
2015	66,652,450	351,724	0.82%	564	3,063
2016	59,119,853	196,802	0.70%	491	2,673
2017	51,082,559	41,881	0.47%	413	2,266
2018	42,420,277	-	0.38%	334	1,830
2019	33,342,706	-	0.24%	255	1,438
2020	274,119,537	63,399,519	1.93%	2,078	11,867
2021	257,150,451	60,757,872	1.71%	1,920	11,469
2022	386,635,121	90,705,742	2.58%	2,878	17,037

Notes:

- Details regarding the District's outstanding debt can be found in the notes to the financial statements.
- See Schedule 5 for property value data.
- Personal income and population data may be found at Schedule 13.



**Direct and Overlapping Governmental Activities Debt
As of June 30, 2022**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to The District	Estimated Share of Overlapping Debt Outstanding
Overlapping Debt:			
Aims Junior College	\$ 1,592,665	100.00%	\$ 1,592,665
Central Colorado Water Subdistrict (CCS)	26,490,192	11.97%	3,170,876
Central Colorado Water Well (CCA)	16,956,005	0.73%	123,779
Central Colorado Water Conservancy District (CCWCD)	40,367,616	12.69%	5,122,650
Central Weld County Water (CWC)	47,020,000	4.78%	2,247,556
City Center West Commercial Metro	9,157,000	0.21%	19,230
Evans Fire	86,913	8.45%	7,344
Front Range Fire Rescue Fire Protection District	414,773	2.31%	9,581
Kersey Town	729,275	0.14%	1,021
Milliken Fire Department	130,744	5.06%	6,616
Milliken Town	1,262,691	0.01%	126
North Weld County Water District (NWC)	22,700,000	8.40%	1,906,800
Platte Valley Fire Protection	4,249,667	0.14%	5,950
Total Overlapping Debt	\$ 171,157,541		\$ 14,214,194
Direct Debt:			
Weld County School District 6 direct debt	386,635,121	100.00%	386,635,121
Unamortized Bond Premium	90,705,742	100.00%	90,705,742
Total District Direct Debt	\$ 477,340,863	Total Direct and Overlapping Debt	\$ 477,340,863

Source: Debt outstanding provided by each individual taxing district.

Notes:

- Includes only general obligation debt supported by general property taxes.
- The information related to the estimated percentage applicable to the district was provided by the Weld County Assessor's Office. These rates were in existence at June 30, 2022.

Legal Debt Margin Information

Legal Debt Margin Calculation for Fiscal Year 2022

	Assessed Value	Actual Value
Assessed or estimated actual value	\$ 1,994,858,253	\$ 14,997,315,736
Legal debt limit percentage	25%	6%
Legal debt limit (greater of the two amounts)	<u>\$ 498,714,563</u>	<u>\$ 899,838,944</u>
Amount of debt applicable to debt limit:		
Total bonded debt		386,635,121
Less: Debt Service Fund available		<u>29,113,464</u>
Total amount of debt applicable to debt limit		<u>\$ 357,521,657</u>
Legal Debt Margin		<u><u>\$ 542,317,287</u></u>

Source: Weld County School District 6 Finance Department

Ten Year Summary

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a % of Debt Limit
2013	396,076,570	67,147,057	328,929,513	17.0%
2014	412,154,602	60,733,506	351,421,096	14.7%
2015	489,606,448	54,254,644	435,351,804	11.1%
2016	504,935,658	46,547,661	458,387,997	9.2%
2017	645,426,070	37,708,919	607,717,151	5.8%
2018	676,752,935	26,035,658	650,717,277	3.8%
2019	830,572,425	11,974,237	818,598,188	1.4%
2020	851,473,436	240,953,133	610,520,303	28.3%
2021	899,984,155	221,112,323	678,871,832	24.6%
2022	899,838,944	357,521,657	542,317,287	39.7%

Source: Weld County School District 6 records

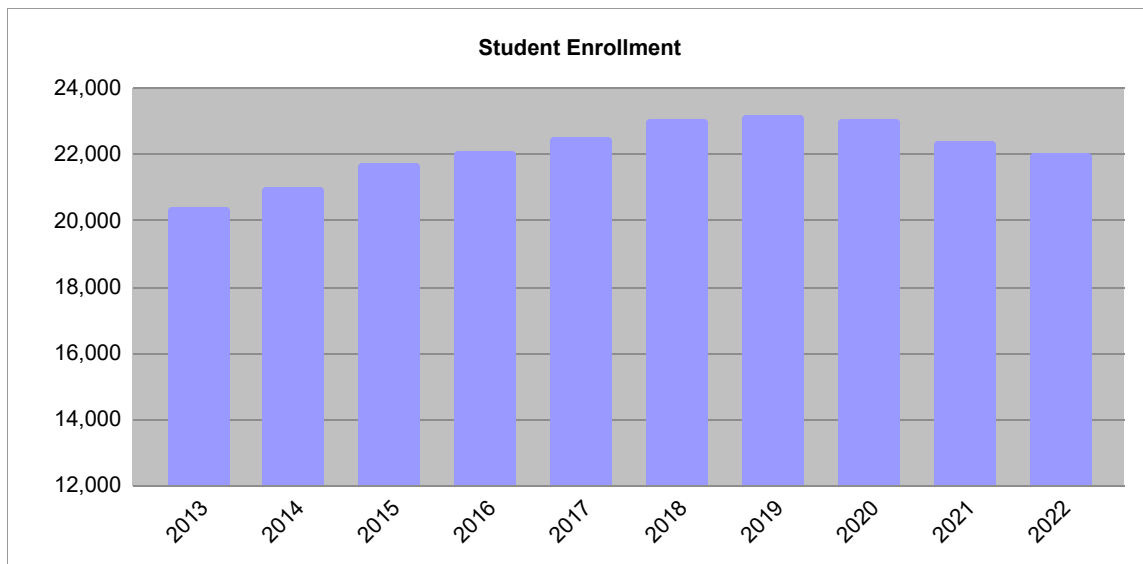
Note:

- Under the Colorado Public School Finance Act of 1994, the limitation on bonded indebtedness is the greater of 25 percent of assessed value or 6 percent of actual value.

**Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	FTE Student Enrollment	Unemployment Rate
2013	114,119	3,288,567	28,817	33.8	20,440	5.40%
2014	117,093	3,551,150	29,986	33.9	21,037	7.10%
2015	118,079	3,943,012	33,393	34.0	21,760	3.80%
2016	120,459	3,258,055	27,047	33.8	22,120	2.10%
2017	123,547	5,286,205	42,787	33.9	22,547	3.10%
2018	127,177	5,430,585	42,701	33.9	23,093	3.40%
2019	130,661	5,759,536	44,080	33.9	23,183	2.70%
2020	131,945	6,092,165	46,172	34.1	23,099	3.00%
2021	133,897	6,721,631	50,198	34.3	22,418	7.20%
2022	134,364	6,994,184	52,054	34.6	22,047	5.70%

Sources: Upstate Colorado Economic Development and State of Colorado Division of Local Government, State Demography Office.



Schedule 14

**Principal Employers
Current Year and Nine Years Ago**

Employer	2022			2013		
	Rank	Number of Employees	Percentage of Total City Employment	Rank	Number of Employees	Percentage of Total City Employment
Aims Community College	10	817	1.25%	8	900	1.69%
Banner Health	2	3,560	5.44%	3	3,000	5.64%
Carestream Health, Inc.				10	520	0.98%
City of Greeley	9	905	1.38%	9	863	1.62%
JBS Swift and Company	1	6,000	9.17%	1	4,500	8.46%
State Farm Insurance Companies	8	950	1.45%	6	1,460	2.75%
UC Health	7	1,060	1.62%			
University of Northern Colorado	6	1,532	2.34%	2	3,686	6.93%
Vestas	3	2,710	4.14%	5	1,600	3.01%
Weld County Government	5	1,768	2.70%	7	1,300	2.44%
Weld County School District 6	4	2,276	3.48%	4	2,621	4.93%
Total Principal Employers		21,578	32.96%		20,450	38.46%
Total City of Greeley Labor Force		65,462			53,179	

Source: Upstate Colorado Economic Development and Colorado Department of Labor and Employment

Notes:

- Total employee data is aggregate and gathered from various sources for the reporting purposes for Upstate Colorado Economic Development. This data differs slightly than the employee data recorded in Schedule 15 as that data is generated directly from district records.

**Full-Time/Part-Time Employees by Function/Program
Last Ten Fiscal Years**

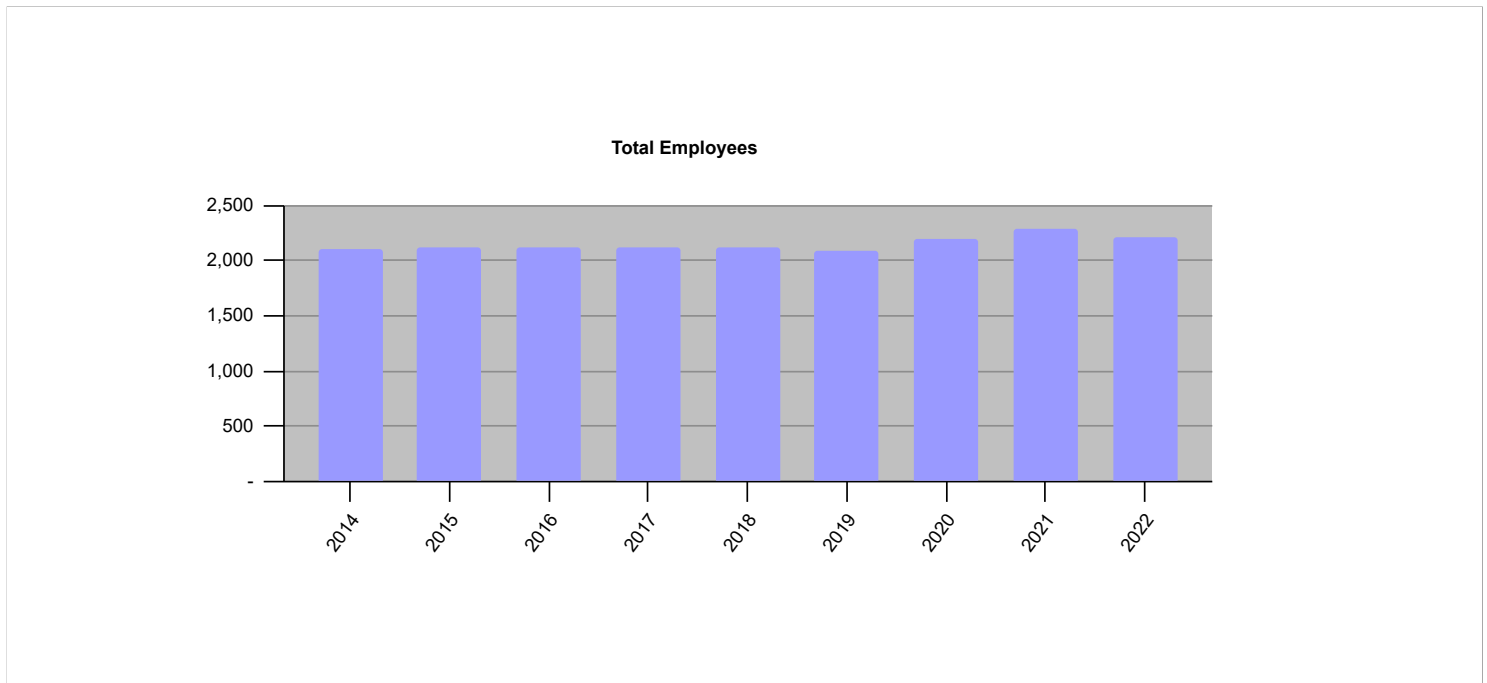
Function/Program	2013			2014			2015			2016			2017		
	FT	PT	Total	FT	PT	Total	FT	PT	Total	FT	PT	Total	FT	PT	Total
Teachers	1,077	41	1,118	1,073	41	1,114	1,054	46	1,100	1,076	44	1,120	1,084	49	1,133
Paraprofessionals	29	202	231	31	193	224	40	183	223	35	198	233	36	191	227
Administration	72	-	72	75	-	75	80	-	80	82	-	82	87	-	87
Other Professionals	78	1	79	79	-	79	93	1	94	85	-	85	81	2	83
School Support	343	262	605	346	284	630	345	273	618	356	245	601	352	240	592
Total	1,599	506	2,105	1,604	518	2,122	1,612	503	2,115	1,634	487	2,121	1,640	482	2,122

Function/Program	2018			2019			2020			2021			2022		
	FT	PT	Total	FT	PT	Total	FT	PT	Total	FT	PT	Total	FT	PT	Total
Teachers	1,060	50	1,110	1,140	39	1,179	1,179	47	1,226	1,159	28	1,187	1,195	37	1,232
Paraprofessionals	38	167	205	50	181	231	55	191	246	52	176	228	106	169	275
Administration	83	2	85	90	3	93	99	1	100	95	2	97	100	1	101
Other Professionals	78	-	78	82	1	83	82	1	83	72	1	73	90	-	90
School Support	360	247	607	364	247	611	384	249	633	376	248	624	383	262	645
Total	1,619	466	2,085	1,726	471	2,197	1,799	489	2,288	1,754	455	2,209	1,874	469	2,343

Source: Weld County School District 6 records.

Notes:

- Information provided is as of December 31 of each respective year.
- Total employee data is directly from the District's employee records; whereas, Schedule 14 is aggregate data gathered from various sources by the reporting entity.

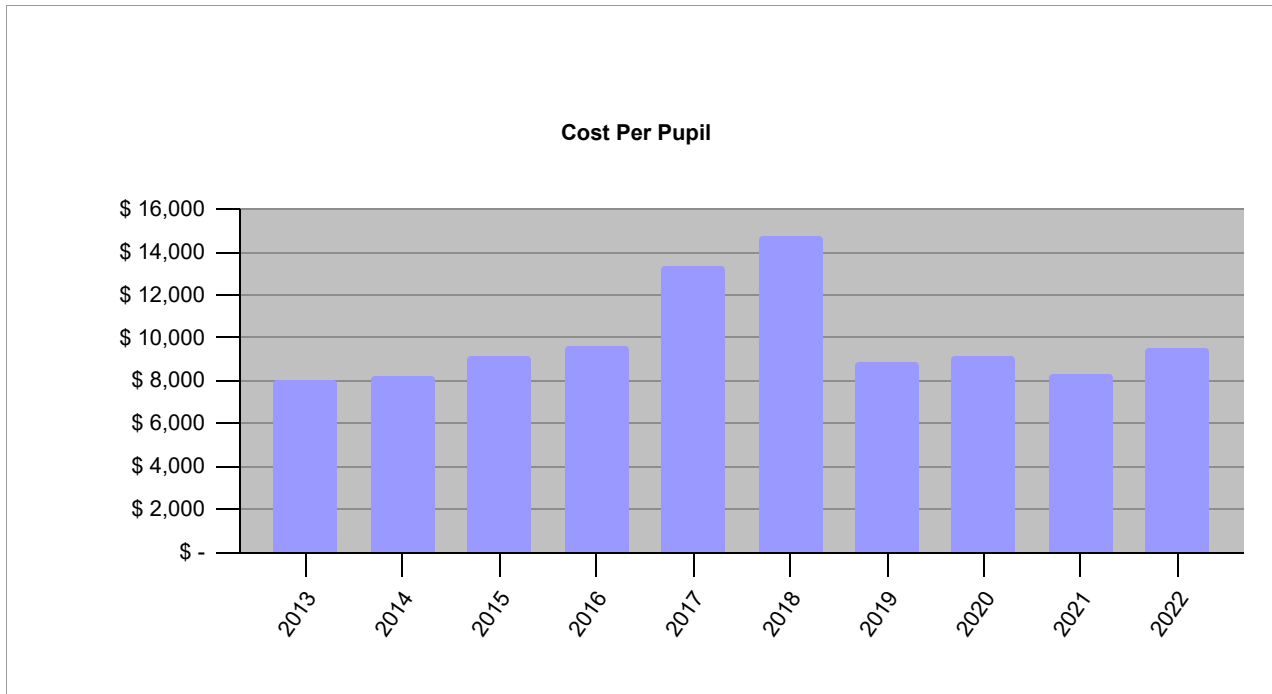


**Operating Statistics
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities Expenses	FTE Enrollment	Cost Per Pupil	Percentage Change	Full-Time Teaching Staff	Pupil FTE/ Teacher Ratio	Students Receiving Free or Reduced Meals	Percent Students Receiving Free or Reduced Meals
2013	165,316,272	20,440	8,088	-1.12%	1,077	19.0	12,328	60.31%
2014	172,448,271	21,037	8,197	1.35%	1,073	19.6	13,421	63.80%
2015	198,324,534	21,760	9,114	11.18%	1,054	20.6	13,365	61.42%
2016	212,419,532	22,120	9,603	5.36%	1,076	20.6	14,450	65.33%
2017	300,767,816	22,547	13,340	38.91%	1,084	20.8	14,528	64.43%
2018	342,362,846	23,183	14,768	10.71%	1,060	21.9	14,556	62.79%
2019	206,038,118	23,183	8,887	-40.05%	1,140	20.3	14,138	60.98%
2020	211,146,958	23,099	9,141	2.85%	1,179	19.6	13,419	58.09%
2021	191,652,213	22,418	8,351	-8.64%	1,163	407.6	14,609	65.17%
2022	216,381,054	22,694	9,535	14.18%	1,195	19.0	14,189	62.52%

Notes:

- Student enrollment is based on the full time equivalent (FTE), which is adjusted for preschool programs at one half time. Student enrollment is as of the October count date of each year, as audited by the Colorado Department of Education.



**School Building Information
Last Ten Fiscal Years**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Capacity	% of Capacity Used	Square Footage
Elementary Schools													
A.K. Heiman	661	669	702	713	677	667	629	708	667	712	600	118.67%	75,632
Centennial	609	622	591	636	636	547	477	458	464	440	648	67.90%	53,347
Dos Rios	483	440	533	559	583	525	507	495	469	462	576	80.21%	52,708
East Memorial	575	498	-	-	-	-	-	-	-	-	528	-	52,396
Jackson	419	461	480	464	458	416	417	421	411	390	552	70.65%	51,795
Madison	527	504	506	504	518	502	496	433	407	394	576	68.40%	52,325
Maplewood	595	649	633	597	593	611	600	611	570	548	864	63.43%	79,908
Martinez	578	612	594	574	506	559	527	497	487	438	672	65.18%	62,619
Meeker	461	414	457	484	496	522	518	504	483	479	600	79.83%	44,375
Monfort	509	508	511	481	513	469	467	478	463	456	648	70.37%	55,075
Scott	480	440	481	492	506	551	567	530	537	512	648	79.01%	57,978
Shawsheen	429	446	388	396	384	445	420	418	379	362	552	65.58%	38,635
Total	6,326	6,263	5,876	5,900	5,870	5,814	5,625	5,553	5,337	5,193	7,464	69.57%	676,793
K-8 Schools													
Bella Romero Academy	665	722	984	1,039	1,129	1,164	1,127	1,147	1,051	1,019	900	113.22%	72,400
Chappelow	677	708	717	687	691	676	660	686	647	672	696	96.55%	89,210
Fred Tjardes	-	-	-	-	-	119	124	127	125	123	343	35.86%	9,500
McAuliffe STEM Academy	580	546	539	501	608	720	849	868	848	885	900	98.33%	105,705
Tointon Academy	-	-	-	-	-	-	-	-	-	737	950	77.58%	142,500
Winograd	629	623	684	698	730	702	687	670	645	512	672	76.19%	75,984
Total	2,551	2,599	2,924	2,925	3,158	3,381	3,447	3,498	3,316	3,948	4,461	88.50%	495,299
Middle Schools													
Brentwood	632	571	442	438	433	601	630	687	649	604	744	81.18%	69,815
Franklin	759	776	803	645	574	536	560	552	531	482	744	64.78%	72,840
Heath	652	654	609	740	727	713	741	751	709	696	960	72.50%	92,949
Jefferson Junior	-	-	-	-	40	52	43	39	30	31	288	10.76%	35,000
Prairie Heights	648	624	632	752	849	719	673	653	648	587	650	90.31%	103,395
Total	2,691	2,625	2,486	2,575	2,623	2,621	2,647	2,682	2,567	2,400	3,386	70.88%	373,999
High Schools													
Central	1,440	1,414	1,464	1,410	1,435	1,448	1,545	1,519	1,536	1,548	1,464	105.74%	198,466
Early College Academy	-	-	-	140	208	257	287	279	298	326	600	54.33%	29,300
Northridge	932	1,038	1,086	1,160	1,143	1,186	1,137	1,125	1,191	1,179	1,656	71.20%	199,358
West	1,449	1,506	1,554	1,551	1,613	1,645	1,603	1,633	1,637	1,705	1,800	94.72%	211,410
Jefferson Senior	275	256	247	279	333	297	330	329	334	360	504	71.43%	47,767
Total	4,096	4,214	4,351	4,540	4,732	4,833	4,902	4,885	4,996	5,118	6,024	84.96%	686,301
Other													
Eng@ge	78	98	137	99	36	-	-	-	-	-	N/A	-	-
GAP / CCP	124	120	128	130	136	272	319	212	173	171	686	24.93%	19,011
Home School	-	-	-	-	-	-	-	-	-	-	N/A	-	-
IBAC	18	14	-	-	-	-	-	-	-	-	N/A	-	-
NEXT	-	-	-	-	-	-	-	119	117	91	-	-	-
Platte Valley Youth Services	41	33	33	31	32	82	109	77	20	12	150	8.00%	-
Pre-School	658	648	657	674	669	686	707	695	634	662	900	73.56%	-
Transitional	29	31	27	10	12	11	11	13	25	22	N/A	-	-
Total	948	944	982	944	885	1,051	1,146	1,116	969	958	1,736	55.18%	19,011
Non-District Owned Sites													
Frontier Academy Charter	1,459	1,502	1,559	1,593	1,598	1,624	1,618	1,628	1,670	1,621	1,500	108.07%	-
Salida Del Sol	-	-	644	705	743	686	720	665	609	593	725	81.79%	-
Union Colony Preparatory	428	492	488	485	450	449	434	446	373	362	405	89.38%	-
Union Colony Elementary	377	446	441	438	445	448	446	418	383	369	600	61.50%	-
University Schools	1,319	1,765	1,781	1,782	1,785	1,780	1,770	1,774	1,742	1,748	1,600	109.25%	-
West Ridge	213	187	228	233	258	406	428	434	456	424	500	84.80%	-
Total	3,796	4,392	5,141	5,236	5,279	5,393	5,416	5,365	5,233	5,117	5,330	96.00%	-
Total for District	17,857	18,438	18,836	19,195	22,547	23,093	23,183	23,099	22,418	22,734	28,401	80.05%	-

Source: Weld County School District 6 Finance Department
Membership by Grade

Schedule 18

Teacher Salary Information
Last Ten Fiscal Years

Education	2012-2013			2013-2014			2014-2015			2015-2016		
	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary
Ldrshp 1	2.0	\$ 166,342	\$ 83,171	1.0	\$ 85,333	\$ 85,333	-	-	-	4.00	356,257	89,064
Ldrshp 2	3.0	246,406	82,135	3.0	260,464	86,821	1.0	90,018	90,018	1.0	93,015	93,015
Ldrshp 3	1.0	84,256	84,256	-	-	-	1.0	87,743	87,743	3.0	277,729	92,576
Ldrshp 4	4.0	342,905	85,726	3.0	263,860	87,953	1.0	91,192	91,192	1.0	91,847	91,847
Ldrshp 5	-	-	-	3.0	266,531	88,844	2.0	177,776	88,888	1.0	91,847	91,847
Ldrshp 6	-	-	-	-	-	-	3.0	272,287	90,762	277.7	10,261,096	36,950
BA	236.8	8,549,374	36,104	237.7	8,733,549	36,742	246.2	9,359,538	38,016	71.4	3,020,067	42,298
BA12	80.8	3,237,298	40,066	80.7	3,431,236	42,518	66.1	2,819,752	42,659	-	-	-
BA15	-	-	-	-	-	-	-	-	-	49.8	2,276,474	45,712
BA24	62.1	2,720,425	43,807	63.3	2,845,339	44,950	60.7	2,806,596	46,237	-	-	-
BA30	-	-	-	-	-	-	-	-	-	38.2	2,003,131	52,438
BA36	47.3	2,255,736	47,690	48.7	2,446,504	50,236	49.3	2,521,832	51,153	-	-	-
BA45	-	-	-	-	-	-	-	-	-	25.0	1,367,753	54,710
BA48	24.0	1,260,291	52,512	18.5	1,042,713	56,363	16.2	919,101	56,735	53.0	3,315,815	62,563
BA60	62.2	3,682,691	59,207	60.5	3,679,787	60,823	55.0	3,495,168	63,549	241.6	10,871,442	44,998
MA	196.4	8,558,230	43,576	198.3	8,917,086	44,968	215.8	9,885,011	45,806	81.4	4,274,748	52,515
MA12	65.5	3,258,118	49,742	69.9	3,667,329	52,465	77.9	4,084,159	52,428	-	-	-
MA15	-	-	-	-	-	-	-	-	-	46.1	2,613,121	56,684
MA24	70.2	3,795,649	54,069	67.6	3,774,176	55,831	57.4	3,257,645	56,753	-	-	-
MA30	-	-	-	-	-	-	-	-	-	44.5	2,785,711	62,600
MA36	41.2	2,461,404	59,743	50.8	3,028,173	59,610	46.1	2,767,274	60,028	-	-	-
MA45	-	-	-	-	-	-	-	-	-	37.6	2,334,264	62,081
MA48	38.4	2,428,123	63,232	36.4	2,366,377	65,010	41.7	2,756,805	66,110	113.6	8,175,707	71,969
MA60	130.2	9,013,641	69,229	117.3	8,574,697	73,101	113.6	8,282,740	72,911	-	-	-
MA60/EDS	-	-	-	-	-	-	-	-	-	-	-	-
EDD/PHD	-	-	-	-	-	-	-	-	-	38.1	2,305,293	60,506
PHD/EDS	41.1	2,472,208	60,151	41.8	2,606,102	62,347	31.4	2,078,923	66,208	-	-	-
TOTAL	1106.2	\$ 54,533,097	\$ 49,298	1101.5	\$ 55,989,256	\$ 50,830	1085.4	\$ 55,753,561	\$ 51,367	1127.0	\$ 56,423,470	\$ 50,065

Education	2016-2017			2017-2018			2018-2019			2019-2020		
	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary
Ldrshp 1	1.00	91,224	91,224	2.0	181,412	90,706	2.1	187,081	89,086	15.0	1,387,890	92,526
Ldrshp 2	3.0	266,756	88,919	-	-	-	1.0	91,273	91,273	2.1	197,846	93,104
Ldrshp 3	-	-	-	-	-	-	-	-	-	3.0	281,058	93,686
Ldrshp 4	-	-	-	0.5	48,722	97,444	0.5	48,722	97,444	0.5	49,700	94,271
Ldrshp 5	-	-	-	-	-	-	-	-	-	1.0	94,861	94,861
Ldrshp 6	1.5	139,362	92,908	-	-	-	-	-	-	-	-	-
Ldrshp 7	1.0	95,842	95,842	-	-	-	-	-	-	-	-	-
Ldrshp 8	-	-	-	-	-	-	-	-	-	-	-	-
BA	278.7	10,652,420	38,222	286.6	11,338,006	39,560	318.5	12,791,320	40,161	327.6	13,336,332	40,715
BA12	69.3	3,089,523	44,582	16.5	832,147	50,433	12.2	650,515	53,321	11.2	602,868	53,744
BA15	-	-	-	61.2	2,594,812	42,399	53.6	2,401,856	44,811	53.5	2,495,611	46,686
BA24	50.5	2,410,637	47,735	4.0	244,028	61,007	4.0	244,028	61,007	3.0	184,737	61,579
BA30	-	-	-	45.6	2,173,481	47,664	39.8	1,960,915	49,269	31.9	1,729,841	54,196
BA36	39.6	2,106,648	53,198	-	-	-	-	-	-	-	-	-
BA45	-	-	-	32.3	1,720,191	53,257	33.1	1,799,620	54,369	27.2	1,619,335	59,479
BA48	17.1	988,838	57,827	18.2	1,071,737	58,887	15.0	922,455	61,497	12.1	793,543	65,579
BA60	49.2	3,157,242	64,172	48.2	3,207,947	66,555	44.2	3,004,314	67,971	39.2	2,780,386	70,881
MA	220.0	10,560,240	48,001	255.5	12,266,312	48,009	284.9	13,967,044	49,024	338.1	17,210,158	50,902
MA12	105.9	5,719,613	54,010	3.0	229,023	76,341	2.1	157,453	74,978	2.2	168,562	77,057
MA15	-	-	-	108.9	6,023,577	55,313	105.8	5,976,535	56,489	86.8	5,242,349	60,395
MA24	52.6	3,011,559	57,254	-	-	-	-	-	-	-	-	-
MA30	-	-	-	47.5	2,781,011	58,548	47.5	2,819,595	59,336	46.5	2,955,382	63,534
MA36	39.6	2,521,512	63,675	-	-	-	-	-	-	-	-	-
MA45	-	-	-	41.8	2,715,445	64,963	42.8	2,799,772	65,415	49.8	3,332,165	66,865
MA48	32.7	2,211,919	67,643	29.5	2,056,834	69,723	24.4	1,784,976	73,155	18.4	1,409,568	76,816
MA60	118.1	8,626,728	73,046	-	-	-	-	-	-	-	-	-
MA60/EDS	-	-	-	149.4	10,772,480	72,105	132.4	9,603,041	72,531	124.4	9,180,205	73,767
EDD/PHD	-	-	-	15.5	993,713	64,111	15.9	1,090,569	68,589	19.1	1,342,444	70,253
PHD/EDS	43.6	2,846,174	65,279	-	-	-	-	-	-	-	-	-
TOTAL	1123.4	\$ 58,496,237	\$ 52,071	1166.2	\$ 61,250,878	\$ 52,522	1179.8	\$ 62,301,084	\$ 52,806	1212.7	\$ 66,394,862	\$ 54,750

Education	2020-2021			2021-2022		
	Total FTE	Total Wages	Average Salary	Total FTE	Total Wages	Average Salary
Ldrshp 1	-	-	-	-	-	-
Ldrshp 2	10.6	987,703	93,104	10.6	1,027,210	96,907
Ldrshp 3	8.0	753,048	93,686	6.0	584,598	97,433
Ldrshp 4	4.0	377,084	94,271	2.0	199,810	99,905
Ldrshp 5	2.2	195,367	90,868	3.1	302,131	97,462
Ldrshp 6	0.5	50,323	95,454	1.5	147,020	98,013
Ldrshp 7	-	-	-	-	-	-
Ldrshp 8	1.0	96,650	96,650	-	-	-
BA	310.2	12,921,609	41,654	325.8	14,453,144	44,362
BA12	9.2	501,574	54,416	-	-	-
BA15	50.9	2,393,066	47,054	62.2	3,175,816	51,058
BA24	3.0	187,047	62,349	-	-	-
BA30	30.6	1,674,142	54,755	35.9	2,049,091	57,078
BA45	26.2	1,537,885	58,686	27.3	1,763,415	64,594
BA48	9.3	625,412	67,408	-	-	-
BA60	32.0	2,345,860	73,306	-	-	-
MA	340.6	17,302,935	50,807	370.0	20,253,987	54,741
MA12	2.0	156,040	78,020	-	-	-
MA15	89.4	5,429,587	60,735	107.0	6,992,594	65,351
MA30	46.8	3,025,098	64,695	47.8	3,212,176	67,200
MA45	36.9	2,494,211	67,654	40.3	2,956,708	73,367
MA48	14.2	1,110,292	78,052	-	-	-
MA60/EDS	116.9	8,515,067	72,840	135.2	10,360,317	76,630
EDD/PHD	19.1	1,324,815	69,330	18.1	1,338,177	73,932
TOTAL	1,163.5	\$64,004,816	\$55,011	1192.8	\$ 68,816,194	\$ 57,693

Source: Weld County School District Business Services and Human Resources Departments

Notes:

- Represents full-time, licensed classroom teachers as quantified by Weld County School District 6.
- Salaries listed as base salary for each classification.

**Miscellaneous Statistics
Last Ten Fiscal Years**

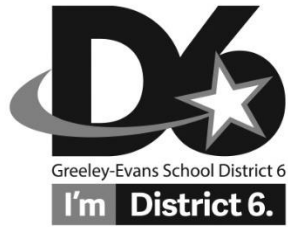
Fiscal Year	General Fund Expenditures (1)	FTE Student Enrollment	General Fund Expenditures Per Pupil	Percentage Increase (Decrease)	Inflation Rate
2013	140,695,331	20,440	6,883.33	0.75%	2.77%
2014	146,960,075	21,037	6,985.79	1.49%	2.78%
2015	159,123,315	21,760	7,312.65	4.68%	2.79%
2016	168,802,700	22,120	7,631.23	4.36%	2.77%
2017	172,852,410	22,547	7,666.32	0.46%	3.39%
2018	196,935,099	23,093	8,527.91	11.24%	2.73%
2019	211,255,397	23,183	9,112.51	6.86%	1.92%
2020	222,472,038	23,099	9,631.24	5.69%	1.95%
2021	203,703,576	22,418	9,086.61	-5.65%	3.54%
2022	229,825,471	22,694	10,127.15	11.45%	8.20%

Source: Weld County School District 6 Finance Department and U.S. Department of Labor, Bureau of Labor Statistics

Notes:

(1) The General Fund expenditures include the General Operating Fund, Dental Fund, Poudre Learning Center Fund, Risk Management Fund, and Colorado Preschool Fund.

(2) 2022 inflation rate is as of September 2022



Annual Comprehensive Financial Report



Single Audit Section

The Single Audit Act Amendments of 1996 mandate independent financial and compliance audits of federal award programs. In addition to the required independent auditor's reports, the schedules of expenditures of federal awards and summary of findings and questioned costs are provided to support the requirements for compliance with 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).





**INDEPENDENT AUDITORS' 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**

Board of Education
Weld County School District 6
Greeley, Colorado

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Weld County School District 6 (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 7, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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

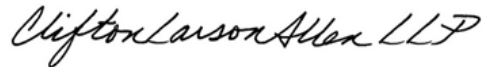
deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’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*.

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.



CliftonLarsonAllen LLP

Broomfield, Colorado
December 7, 2022



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Education
Weld County School District 6
Greeley, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Weld County School District 6 (the District)'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 the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the 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 (GAAS); 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District 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 the District'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 the District's federal programs.

Auditors' 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 the District'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 GAAS, *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 reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 the District'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 the District'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 the District'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

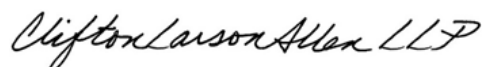
Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001, to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



CliftonLarsonAllen LLP
Broomfield, Colorado
December 7, 2022

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

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education			
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	5334	\$ 339,583
Passed through Colorado Department of Education			
Education for Homeless Children and Youth	84.196A	5196	70,617
21st Century Community Learning Centers: Cohort VII	84.287	6287	599,830
21st Century Community Learning Centers: Cohort IX	84.287C	7287	616,286
Total 21st Century Community Learning Centers Cluster			1,216,116
Multi-Tiered System of Supports	84.323A	5323	11,980
State Library Program	45.310	7310	13,352
Title I, Part A: Improving Basic Programs	84.010	4010	4,942,896
Title I, Part A: District Designed & Led Initiatives	84.010A	5010	205,051
Title I, Part A: Turnaround Network Program	84.010A	5010	131,982
Title I, Part A: Supervisor Network Pilot	84.010A	5010	12,368
Title I, Part D: Alternative Homes for Youth	84.010A	7010	29,882
Total Title I Cluster			5,322,179
Title III, Part A: English Language Acquisition	84.365	4365	457,475
Title III, Part A: Immigrant Set-Aside	84.365	7365	108
Total Title III Cluster			457,583
Title II, Part A: Improving Teacher Quality	84.367	4367	917,717
Title IV, Part A: Well Rounded	84.424A	4421	71,579
Title IV, Part A: Safe and Healthy Students	84.424A	4422	118,319
Title IV, Part A: Effective Use of Technology	84.424A	4423	11,499
Title IV, Part A: Student Support and Academic Enrichment	84.424A	4424	330
Title IV, Part A: Carryover for Well-Rounded Education	84.424A	4426	61,547
Total Title IV Cluster			263,274
COVID-19 ESSER I	84.425D	4425	25,389
COVID-19 ESSER II	84.425D	4420	7,948,259
COVID-19 ESSER II for Students with Disabilities	84.425D	4419	110,956
COVID-19 ESSER III	84.425D	4414	7,707,495
COVID-19 ESSER III - LEA Learning Loss Set Aside	84.425D	9414	3,156,299
COVID-19 ARP Homeless Children and Youth	84.425W	8425	2,662
COVID-19 ARP Homeless Children and Youth II	84.425W	8425	18,742
Total COVID-19 Cluster			18,969,802
Special Education Cluster			
Individuals with Disabilities Education Act Part B	84.027	4027	4,048,981
Individuals with Disabilities Education Act Preschool	84.173	4173	119,965
COVID-19 ARP: Individuals with Disabilities Education Act Preschool	84.173	6173	14,237
Total of Special Education Cluster			4,183,183
Passed through Colorado Community College and Occupational Education System			
Carl Perkins: Career and Technical Education	84.048	4048	233,341
TOTAL U.S. DEPARTMENT OF EDUCATION			31,998,727
U.S. Department of Agriculture			
Child Nutrition Cluster			
Passed through Colorado Department of Public Health & Environment			
Child and Adult Care Food Program	10.558	4558	221,025
Passed through Colorado Department of Human Services			
Donated Commodities	10.555	4555	647,180
Passed through Colorado Department of Education			
Seamless Summer Option Breakfast	10.553	5553	2,975,121
Seamless Summer Option Lunch	10.555	5555	7,522,597
Supply Chain Assistance	10.555	6555	322,354
COVID-19 Summer Food Service Program for Children	10.559	4559	484,198
Fresh Fruit/Vegetable	10.582	4582	529,872
Total of Child Nutrition Cluster			12,702,347
COVID-19 SNAP CN Local P-EBT	10.649	4649	8,084
TOTAL U.S. DEPARTMENT OF AGRICULTURE			12,710,431
TOTAL FEDERAL FINANCIAL ASSISTANCE			\$ 44,709,158

* All numbers are based upon actual verified amounts.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2022

NOTE 1 – BASIS OF PRESENTATION

In the accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), using the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

NOTE 2 – NONCASH FEDERAL AWARDS

The District receives food commodities from the U.S. Department of Agriculture for use in its food service program and are valued based on the USDA's Donated Commodity Price List. Commodities are recorded under Assistance Listing #10.555 on the Schedule of Federal Awards. The commodities, in the amount of \$647,180, are recognized as revenue when received. The commodities are recognized as expenditures when used by the schools.

NOTE 3 – INDIRECT COSTS

The District has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 – SUBRECIPIENTS

The District provided no federal awards to subrecipients.

**WELD COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness identified? _____ yes x no
 - Significant deficiency identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness identified? _____ yes x no
 - Significant deficiency identified? x yes _____ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

Assistance Listing Numbers

Name of Federal Program or Cluster

84.027; 84.173

Special Education – Grants to States (IDEA, Part B),
Special Education – Preschool Grants (IDEA
Preschool)

84.425D; 84.425W

Elementary and Secondary School Relief Fund,
American Rescue Plan – Elementary and
Secondary School Emergency Relief – Homeless
Children and Youth

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 1,341,275

Auditee qualified as low-risk auditee?

 x yes _____ no

**WELD COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

**WELD COUNTY SCHOOL DISTRICT NO. 6
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section III – Findings and Questioned Costs – Major Federal Programs

2022 – 001

Federal Agency: U.S. Department of Education

Federal Program Name: Education Stabilization Fund – Elementary and Secondary School Emergency Relief Fund (ESSER)

Assistance Listing Number: 84.425D

Pass-Through Agency: Colorado Department of Education

Pass-Through Number(s): 4425, 4420, 4419, 4414, 9414, 8425

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matters

Criteria or specific requirement: 29 C.F.R. § 5.5(a)(3)(ii)(A) requires that all contractors and subcontractors submit weekly certified payrolls for weeks in which any contract work is performed on construction contracts in excess of \$2,000 financed by federal assistance funds. The certified payrolls indicate that the contractor or subcontractor is in compliance with the requirement to pay wages not less than the prevailing wage rates established for the locality of the project. In addition, the Colorado Department of Education requires that subrecipients retain documentation of the certified payrolls prior to submitting a request for reimbursement of construction costs.

Condition: The District was able to provide support that the contractors and subcontractors agreed to pay the prevailing wage rates, however, the District did not obtain supporting documentation for the required certified payrolls prior to requesting reimbursement of costs under ESSER.

Questioned costs: None.

Context: The construction costs reimbursed under ESSER during Fiscal Year 2022 were incurred by University Schools, a public charter school authorized by the District, which is presented as a discretely presented component unit of the District. University Schools did not obtain the required certified payrolls prior to requesting reimbursement from the District.

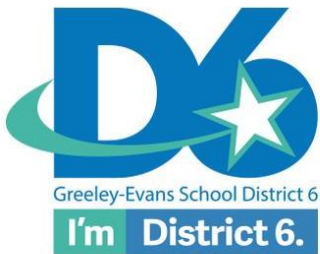
Cause: The District did not have a process in place to require receipt of the certified payrolls from University Schools prior to submitting a reimbursement request from ESSER for the construction costs.

Effect: The District requested reimbursement of construction costs under ESSER prior to obtaining the required certified payrolls.

Repeat Finding: Not a repeat finding.

Recommendation: We recommend that the District implement a process that requires receipt of the certified payrolls for contractors and subcontractors prior to requesting reimbursement from federal assistance for construction costs.

Views of responsible officials: There is no disagreement with the audit finding.



**Greeley-Evans | Weld County School District 6
Office of Finance**

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GREELEY, COLORADO 80631
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**Weld County School District 6
corrective action plan
Year Ended June 30, 2022**

Weld County School District 6 respectfully submits the following corrective action plan for the year ended June 30, 2022.

Audit period: July 1, 2021 through June 30, 2022

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. Department of Education

2022-001 Elementary and Secondary School Emergency Relief Fund – Assistance Listing No. 84.425D

Recommendation: Recommend implementing a process that requires receipt of the certified payrolls for contractors and subcontractors prior to requesting reimbursement from federal assistance for construction costs.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The District will require certified payrolls be received from contractors and subcontractors prior to requesting reimbursement of construction costs using Federal assistance.

Name of the contact person responsible for corrective action: Meggan Sponsler, Chief Financial Officer

Planned completion date for corrective action plan: Immediately

District 6 engages every student in a personalized, well-rounded and excellent education, preparing students to be college and career ready.

**WELD COUNTY SCHOOL DISTRICT NO. 6
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2022**

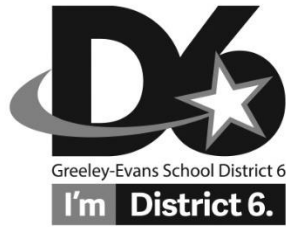
Weld County School District 6 respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2022.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDIT

There were no federal award program audit findings in the prior year.



Annual Comprehensive Financial Report



Colorado State Mandated Schedule Section

Colorado Department of Education Auditor's Electronic
Financial Data Integrity Check Figures

The District is required to transmit financial data electronically to the Colorado Department of Education. To ensure data accuracy, it is mandated that this report be included in the Annual Comprehensive Financial Report and that it be verified by independent auditors specifically trained in state coding requirements.





Colorado Department of Education
Auditors Integrity Report
 District: 3120 - Greeley 6
 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
Governmental	+		-	=
10 General Fund	70,831,561	195,358,610	173,553,959	92,636,212
18 Risk Mgmt Sub-Fund of General Fund	1,778,780	2,891,897	2,589,181	2,081,495
19 Colorado Preschool Program Fund	430,031	2,903,470	2,525,546	807,955
Sub- Total	73,040,372	201,153,977	178,668,686	95,525,662
11 Charter School Fund	26,848,693	71,856,356	70,152,261	28,552,788
20,26-29 Special Revenue Fund	32,550	999,003	0	1,031,553
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	3,899,684	14,326,393	11,573,356	6,652,721
22 Govt Designated-Purpose Grants Fund	0	41,336,129	41,336,129	0
23 Pupil Activity Special Revenue Fund	1,641,306	1,337,500	1,309,865	1,668,941
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	35,726,368	26,436,562	33,049,466	29,113,464
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	206,025,589	176,400,879	162,652,281	219,774,186
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	10,902,500	3,500,000	3,452,830	10,949,670
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	358,117,061	537,346,798	502,194,874	393,268,985
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	0	0	0	0
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	558,445	7,032	438,843	126,634
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	558,445	7,032	438,843	126,634

FINAL

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