PUEBLO SCHOOL DISTRICT NO. 60

FINANCIAL STATEMENTS
With Independent Auditors' Report

Year Ended June 30, 2023

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Hoelting & Company, Inc.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Pueblo School District No. 60

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 the Pueblo School District No. 60, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Pueblo School District No. 60'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 Pueblo School District No. 60, as of June 30, 2023 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the aggregate discretely presented component units as of June 30, 2023, and the respective changes in financial position, for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pueblo School District No. 60 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 Pueblo School District No. 60'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.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pueblo School District No. 60'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 Pueblo School District No. 60's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Pueblo School District No. 60's basic financial statements. The accompanying combining and individual fund financial statements and schedules 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2024 on our consideration of the Pueblo School District No. 60'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 Pueblo School District No. 60'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 Pueblo School District No. 60's internal control over financial reporting and compliance.

Hoelting & Company Inc.

Colorado Springs, Colorado
March 22, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of and for the fiscal year ended June 30, 2023

Management of Pueblo School District No. 60 (the "District") offers readers of the district's annual financial report this narrative overview and analysis of the economic activities of the district for the fiscal year ending June 30, 2023. We encourage readers to consider the information presented here in conjunction with the district's financial statements, notes to the financial statements, and various supplementary information which follow this section.

FINANCIAL HIGHLIGHTS

The district implemented the required Government Accounting Standards Board, (GASB) No. 68 in 2015. As of June 30, 2023, the net pension liability increased from $163,683,753 to $214,484,446, a net of $50,800,693. Under GASB No. 68, the proportionate share of the net pension liability of the Colorado state retirement system, the Public Employees Retirement Association (PERA), is included as a liability of the district.

The district's total combined net position increased by $59,796,763 to $37,210,230 on June 30, 2023, which compares to $(22,586,533) as of June 30, 2022. The most significant portion of the district's net position is its investment in capital assets of $175,018,252 net of accumulated depreciation and related debt compared to $126,978,560 the previous year, an increase of $48,039,692.

During the year, the district had $180,798,534 in expenses related to governmental activities, of which $84,256,299 are offset by program-specific charges or grants and contributions.

The district decreased its outstanding long-term debt by $11,357,615. The outstanding long-term debt includes $260,691,792 in general obligation bonds and capital lease agreements. Additional long-term liabilities include accrued compensated absences of $5,139,399, the net pension liability of $214,484,446, the net OPEB obligations of $7,310,096, and the post-employment OPEB of $5,523,717.

Of the total $146,278,081 ending fund balance in the governmental funds, $5,300,000 is restricted for TABOR as required under Article X, Section 20 of the Colorado Constitution, $19,303,807 is restricted for debt service, $49,144,595 is for capital projects, $1,151,215 is for multi-year obligations, and $3,353,804 is restricted for preschool activities. The assigned portion of the fund balance is $39,043,140 and includes funds related to Athletics, Risk Management, Capital Projects, School obligations, and Board of Education required contingencies. The committed portion of the fund balance is $11,666,937, including funds related to food service operations, Pupil Activities, and Education Foundation activities. The non-spendable fund balance of $3,614,661 is related to prepaid expenditures. The unassigned portion is $13,433,826.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis introduce the basic financial statements of Pueblo School District No. 60. The district's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information besides the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the district's finances like a private-sector business.

The statement of net position presents information on all District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a helpful indicator of whether the district's financial position is improving or deteriorating. However, fluctuations from year to year need to be reviewed in light of the timing of funding.

The statement of activities presents information reporting how the district's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. These items include earned but unused vacation leave and accrued interest expense. However, the most significant increase in total liabilities occurred due to the recognition of the net pension liability because of the implementation of the GASB No. 68, Accounting and Financial Reporting for Pensions – an amendment to GASB No. 27.

The governmental activities of the district include instruction, pupil activities, instructional support, general and school administration, business and central services, and transportation. Nutrition services activities are reported in a Special Revenue Fund, Risk related activities are recorded in the Internal Service Funds. They are considered governmental activities in government-wide financial statements.

The government-wide financial statements include the district itself (the primary government) and two legally separate entities (charter schools) for which the district is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government.

Fund Financial Statements

Fund groups related accounts that control resources segregated for specific activities or objectives. The district uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All District funds fall into two categories: governmental and proprietary funds.

Governmental funds: Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike government-wide financial statements, however, governmental fund financial statements focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information provides a detailed short-term view of the district's general government operations and may help evaluate the district's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, comparing the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements is helpful. By doing so, readers may better understand the long-term impact of the district's near-term financing decisions. To facilitate this comparison between governmental funds and governmental activities, reconciliations are provided for the governmental fund Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance.

The district maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balance for the General Fund, Designated Purpose Grant Fund, Building Fund, and Capital Projects Fund all considered major funds. Data from other non-major governmental funds are combined into a single, aggregated presentation. Combining statements for individual non-major governmental funds, if applicable, are presented elsewhere in the report.

Proprietary funds: The District maintains one proprietary fund. The district uses an internal service fund to account for its risk-related expenditures. Because this service predominately benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as government-wide financial statements, meaning they use the accrual basis of accounting rather than modified accrual.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information essential for fully understanding the data provided in the government-wide and fund financial statements. This information is provided on pages 13- 51.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the district. The district adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General and Designated Purpose Grants funds to demonstrate compliance with the budget.

Other information

The statements concerning non-major governmental funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a helpful indicator of the district’s financial position over time. For the District's primary government, excluding its component units (charter schools), liabilities plus deferred inflows of resources exceed its assets plus deferred outflows by $37,375,339, resulting in a net surplus position on June 30, 2023.

PUEBLO SCHOOL DISTRICT NO. 60
CONDENSED STATEMENT OF NET POSITION GOVERNMENTAL ACTIVITIES

	6/30/2023	6/30/2022	CHANGE
CURRENT & OTHER ASSETS	$201,114,113	$279,056,992	$(77,942,879)
CAPITAL ASSETS - NET OF DEPRECIATION	370,948,762	253,628,039	117,320,723
TOTAL ASSETS	572,062,875	532,685,031	39,377,844
DEFERRED OUTFLOWS			
DEFERRED ON REFUNDING	-	207,601	(207,601)
NET EFFECT OF ADDITIONAL PENSION-RELATED			
RELATED TO PENSION AND OPEB	49,314,469	39,289,838	10,024,631
TOTAL DEFERRED OUTFLOWS	49,314,469	39,497,439	9,817,030
LIABILITIES	49,250,157	46,979,004	2,271,153
LONG-TERM LIABILITIES	493,149,450	453,454,155	39,695,295
TOTAL LIABILITIES	542,399,607	500,433,159	41,966,448
DEFERRED INFLOWS PENSION AND OPEB	41,767,507	94,335,844	(52,568,337)
TOTAL DEFERRED INFLOWS	41,767,507	94,335,844	(52,568,337)
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	175,018,252	126,978,560	48,039,692
RESTRICTED	29,108,826	27,055,395	2,053,431
UNRESTRICTED	(166,916,848)	(176,620,488)	9,703,640
NET POSITION	$37,210,230	$(22,586,533)	$59,796,763

Cash and investments comprise 29.6% of total assets compared to 49.8% the prior year. 20.2% of cash and investments are restricted in the district for maintenance of capital assets and reserved to repay debt. Capital assets, which reflect the district's investment in real, personal property, and equipment, currently comprise 64.8% of total assets compared to 47.6% the previous year, an increased net of depreciation of $117,320,723.

Deferred outflows of resources exceeded deferred inflows by $7,546,962, with 95.0% attributed to the net pension liability.

A key component of the district's net governmental position is the sizeable net pension liability of $214,484,446. Before implementing Statement 68 from the Governmental Accounting Standards Board (GASB), the district was not required as a contributor to PERA to record its share of the net pension liability. Notes 1 and 8 to the basic financial statements outline the implementation of GASB No. 68.

A portion of the district's net position reflects its $175,018,252 investment in capital assets net of accumulated depreciation and related debt. The district uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net 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 themselves cannot be used to liquidate these liabilities.

An additional portion of the district's net position represents resources subject to external restrictions on their use. On June 30, 2023, the net position totaling $29,108,826 was restricted with $19,303,807 for debt service, $3,353,804 for preschool activities, $1,151,215 restricted for multi-year obligations, and $5,300,000 restricted for the TABOR emergency contingency.

On June 30, 2023, the District reported a positive net position for the district as a whole.

CONDENSED STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES

	2023	2022	NET CHANGE
REVENUES			
CHARGES FOR SERVICES	$ 11,757,711	$ 9,395,797	$ 2,361,914
OPERATING, CAPITAL GRANTS AND CONTRIBUTIONS	72,498,588	56,223,067	16,275,521
PROPERTY TAXES	51,995,904	53,812,095	(1,816,191)
SPECIFIC OWNERSHIP TAXES	4,796,337	4,969,708	(173,371)
STATE EQUALIZATION	91,519,530	87,696,026	3,823,504
OTHER	8,027,227	2,559,706	5,467,521
TOTAL REVENUES	240,595,297	214,656,399	25,938,898
EXPENDITURES			
INSTRUCTION	86,368,639	38,734,346	47,634,293
SUPPORTING SERVICES	77,646,824	46,042,370	31,604,454
COMMUNITY SERVICES	270,054	370,549	(100,495)
CAPITAL PROJECTS	-	5,686,324	(5,686,324)
NUTRITION SERVICE	8,629,743	9,738,705	(1,108,962)
INTEREST & OTHER CHARGES	7,883,274	7,676,417	206,857
TOTAL EXPENDITURES	180,798,534	108,248,711	72,549,823
CHANGE IN NET POSITION	59,796,763	106,407,688	(46,610,925)
NET POSITION – BEGINNING	(22,586,533)	(128,994,221)	106,407,688
NET POSITION - ENDING	$ 37,210,230	$ (22,586,533)	$ 59,796,763

Overall revenues for the district increased in fiscal 2023 by $25,938,898. This increase was partly due to Per Pupil Revenue (PPR) increasing from the School Finance Act. District and state taxpayers funded most District governmental activities. For the fiscal year 2023, this portion of governmental activities funding included $51,995,904 in property taxes, $4,796,337 in specific ownership tax, and $91,519,530 of unrestricted state equalization based on the statewide total program education funding formula, $5,987,011 in investment income, $314,107 in non-restricted grants and contributions, $531,104 in gain on sale of capital assets, and miscellaneous revenues of $1,195,005. Some users of the district's governmental programs paid $11,757,711 for services provided. The federal and state governments subsidized specific programs with capital/operating grants and contributions totaling $72,498,588.

ANALYSIS OF THE FUND FINANCIAL STATEMENTS

As noted earlier, Pueblo School District No. 60 used fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The Districts' governmental funds focus on 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 balance may serve as a useful measure of the district's net resources available for spending at the end of the fiscal year.

General Fund

The General Fund is the major operating fund of the district, providing most of the resources for the educational and support programs. Revenues and other financing resources for the General Fund totaled $154,513,620 in fiscal year 2022-23, an increase of $11,448,420 from fiscal year 2021-22. The following table reflects the amount of revenue from various sources.

PUEBLO CITY SCHOOL DISTRICT No. 60
GENERAL FUND
SCHEDULE OF REVENUE AND OTHER FINANCING SOURCES

	2023	2022	INCREASE/ (DECREASE)	PERCENT CHANGE
SCHOOL FINANCE FUNDING				
PROPERTY & OTHER TAXES	$ 33,159,895	$ 32,969,161	$ 190,734	0.58%
SPECIFIC OWNERSHIP TAXES	3,072,642	3,052,353	20,289	0.66%
STATE EQUALIZATION	97,637,594	93,858,791	3,778,803	4.00%
SCHOOL FINANCE TOTAL	133,870,131	129,880,305	3,989,826	3.1%
OTHER LOCAL SOURCES	7,171,794	4,235,705	2,936,089	69.3%
OTHER STATE SOURCES	13,138,868	8,636,416	4,502,452	52.1%
FEDERAL OTHER	318,287	312,774	5,513	1.8%
TOTAL SCHOOL FINANCE FUNDING AND OTHER REVENUES	$ 154,499,080	$ 143,065,200	$ 11,433,880	8.0%

Property Taxes: Net property tax collections increased by $190,734. An increase indicates an increase in the assessed values of property located in the district's boundaries and in the number of residential or business properties.

Specific Ownership Tax: A specific ownership tax is applied to the fair market value of vehicles or other taxable personal property (i.e., boats) registered in Colorado. The tax is collected when owners renew their registrations each year. Revenue from specific ownership tax collected increased by $20,289.

State Equalization: State equalization revenue is the state's share of "total program funding" provided under the Public-School Finance Act for pre-kindergarten through 12th-grade education. Public School Finance Act revenue comprised 63.2% of general fund revenues 2022-23 compared to 65.6% in 2021-2022.

Other Local Sources: Other local sources of revenue include interest income, tuition paid by other school districts for detention center services, services purchased by the district's charter schools, indirect cost recovery from federal grants, and a variety of other miscellaneous revenue sources. The increase of $2,596,519 in local revenue is mainly related to the increase in investment income, increase of $1,331,204, as the country rebounded from the COVID-19 pandemic. Increases were seen in the other categories. A false increase in tuition should be noted as concurrent enrollment other tuition paid to post-secondary institutions increased partially due to participate, but also a change in the accounting practice from a "net" billing to a "gross" recording of tuition reimbursements from specific programs.

Other State Sources: This revenue increased by $4,502,452, in 2023. This total includes categorical revenue from the state (i.e., Additional at Risk and ECEA funding). Increases from the previous year were primarily due to a rise in state grant revenues and an increase in the district's recognition of its proportionate share of the State of Colorado contribution to the district's pension plan.

Federal Sources: The primary sources of federal revenue in the general fund are Reserve Officer Training Corp (ROTC) reimbursements, Impact Aid revenue, and Charter School start-up grants. The increase in federal income of $5,513 is attributed to an increase in Impact Aid of $5,394 and a small decrease of $118 in JROTC.

PUEBLO CITY SCHOOL DISTRICT No. 60
GENERAL FUND
SCHEDULE OF EXPENDITURES

	2023	2022	INCREASE/ (DECREASE)	PERCENT CHANGE
INSTRUCTION	$ 78,148,791	$ 75,125,956	$ 3,022,835	4.0%
STUDENT SUPPORT	10,536,971	9,623,440	913,531	9.5%
INSTRUCTIONAL STAFF SUPPORT	5,512,413	4,921,157	591,256	12.0%
GENERAL ADMINISTRATION	1,786,971	1,659,804	127,167	7.7%
SCHOOL ADMINISTRATION	11,061,556	9,595,457	1,466,099	15.3%
BUSINESS SERVICES	1,886,238	2,206,376	(320,138)	-14.5%
OPERATIONS & MAINTENANCE	19,388,775	17,180,494	2,208,281	12.9%
STUDENT TRANSPORTATION	2,695,574	2,574,732	120,842	4.7%
CENTRAL SUPPORT SERVICES	7,780,305	7,119,111	661,194	9.3%
OTHER SUPPORT SERVICES	2,066,218	1,766,066	300,152	17.0%
COMMUNITY SERVICES	15,923	-	15,923	100%
DEBT SERVICE	1,032,883	604,330	428,553	70.9%
FACILITY ACQUISITION & CONSTRUCTION	633,276	416,375	216,901	52.1%
GRAND TOTAL EXPENDITURES	$ 142,545,894	$ 132,793,298	$ 9,752,596	7.2%

Instruction: Instruction costs for the fiscal year 2022-23 increased by $3,022,835 or 4%, compared to the prior year. The expenses were primarily a response to the district's increase in overall costs due to an increase negotiated salaries, which directly impacts PERA/Medicare expenditures.

Student Support Services: Student support services (guidance, counselors, health/nurses, psychologists, social workers, audiologists, student intervention, physical and occupational therapists) expenditures increased by 9.5%, up $913,531 from the previous year. The increases were in salaries and benefits.

Instructional Staff Support: Instructional staff support service expenditures had a 12% increase, up $591,256 from the prior year. The increases were in salaries, benefits, and purchased services.

General Administration: General administration expenditures increased $127,167. The increases were in salaries and benefits.

School Administration: School administration costs increased by $1,466,099 or 15.3%. The increases were in salaries, benefits, and supplies.

Business Services: Business services expenditures decreased 14.5%, down $320,138 from the prior year. The decrease is due mainly to the implementation of GASB No. 87 Leases, which modified the coding of the leased equipment to the program group 5100 Debt Service.

Maintenance and Operations: Facilities operations and maintenance increased by $2,208,281. Due in part to increased salary and benefits increases based on negotiated contracts.

Transportation Services: Transportation costs increased by $120,842 or 4.7% over the prior year.

Central Services: Central services comprise Human Resources, Technology, and Workman's Compensation costs. Spending in this category increased $661,194 partially due to the implementation of GASB No. 87 Leases, which moved the expenditure from Business Services to this category.

OTHER MAJOR FUNDS

Governmental Designated Purpose Grant Fund: The designated purpose grant fund maintains separate accounts for each federal, state, and local grant-funded program. Grant funds are awarded for specific use as defined in the grant application. The funds are used for the purposes they were granted, primarily to improve student achievement. Grant revenues in FY 2022-23 were $38,294,489, an increase of $9,513,839 from the prior year. The increase can be attributed to several changes in funding during FY 2022-23, mainly due to the increase in ARP (American Rescue Plan) ESSER (Elementary and Secondary School Emergency Relief Fund) spending due to ESSER II grant ending on September 30, 2023, as well as an increase in ESSER III activity as the three HVAC projects get under way.

Building Fund: The Building Fund was created to acquire capital assets, buildings, and equipment. Revenues in the Building Fund totaled $3,121,569 during the year. Expenditures totaled $94,182,353 during the year. The fund balance on June 30, 2023, is $49,144,595.

Capital Projects Fund: The Capital Projects Fund accounts for significant capital expenditures. Revenues in the Capital Projects Fund totaled $27,745,742, which included $9,800,000 of transfers, compared to $12,028,146 in the prior year. Expenditures totaled $22,427,513 compared to $6,474,890 for the previous year. The Fund balance on June 30, 2023, is $28,418,673 compared to $23,100,444 in 2021-22.

OTHER GOVERNMENTAL FUNDS

The district reports the Education Foundation and Food Services Funds in the non-major governmental fund group. Information for the non-major governmental funds is aggregated and reported as other governmental funds on the statement of revenues, expenditures, and changes in fund balances. Further detail by the fund is reported as part of this report's other supplementary information section.

Education Foundation Fund: The Education Foundation Fund accounts for private gifts and donations to support the district's and its students' instructional functions through scholarships. Donations, gifts, and miscellaneous revenue totaled $79,559 for 2022-32 compared to $76,007 for 2021-22, an increase of $3,552.

Pupil Activity Fund: The Fund accounts for revenues and expenditures related to school-sponsored student interscholastic and interscholastic athletic and other related activities.

Bond Redemption Fund: Property tax collections in the Bond Fund totaled $17,595,932 in 2022-23 compared to $19,498,739 for 2021-22. Expenditures totaled $17,983,028 in 2022-23 compared to $17,998,515 in the prior year. The fund balance on June 30, 2023, is $19,303,807 compared to $19,142,706 in 2021-22. The fund balance is reserved for future debt payments (principal and interest) associated with the 2020 bonds.

Food Service Fund: As of July 1, 2015, the Food Service Fund was reclassified as a Special Revenue Fund from an Enterprise Fund. Enterprise Funds are used to account for financed and operated operations like private business enterprises, where the intent is for the cost of providing goods or services to be financed or recovered primarily through user charges. Due to the implementation of GASB 68, the Food Service Fund could no longer be classified as an Enterprise Fund since it could not sustain the burden of recording a net pension liability. The Food Service Fund accounts for financial activities associated with the school lunch and breakfast programs. Revenues primarily come from the Federal Child Nutrition Act. The adoption impacts local revenues by the District of the Community Eligibility Provision (CEP). The CEP is a meal service option for school districts in low-income areas. The CEP allows the district to serve breakfast and lunch at no cost to all enrolled students. However, the District has had several locations move from free and reduced classification to pay as the district approaches the five-year renewal process. The resulting government reimbursements totaled $10,186,166 for 2022-23 compared to $10,165,113 for 2021-22, minimal increase of $21,053. The net position of the Food Service Fund increased by $1,696,464 or $8,960,048 as of June 30, 2023, compared to $7,263,584 for 2021-2022. Modifications to the reimbursement rates and remote feeding activities all positively impacted the net position. During the fiscal year 2022-23, local revenues totaled $244,863, compared to $249,863 the prior year.

PROPRIETARY FUNDS

The district's proprietary funds provide the same information found in the government-wide financial statements but in more detail. Proprietary funds account for operations that are organized to be self- supporting through user charges. The district's proprietary funds consist of one internal service fund.

Internal Service Fund: Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the district on a cost reimbursement basis. The district's internal service funds are used to account for risk-related activities.

Risk Management Fund: This internal service fund accounts for the district's self-insured programs and risk management functions. The risk management fund provides the ability to analyze risk programs by balance sheet and income statement categories. The district maintains a self-insured dental and workers' compensation program. Revenues to support these activities originate from two primary sources: 1) employee payroll deductions and District contribution for dental premiums, and 2) workers' compensation user fees charged to funds that pay salaries. Expenditures include claims and plan administration for dental and workers' compensation self-insurance. Stop-loss insurance to cover costs above costs related to work-related injuries, including loss of compensation and other expenditures to cover the consulting costs to manage the above programs.

Reserves must be adequate to provide financial stability for the district's self-funded risk management programs. Reserves should be accumulated to address fluctuations in the annual cost of workers' compensation and dental self-insured programs.

Charges for services totaled $1,395,432, and expenses totaled $1,680,947 in 2022-23 compared to $1,591,648 and expenses totaling $1,331,103 in 2021-22, respectively. Net position on June 30, 2023, totaled $3,026,227 compared to $3,311,556 at the beginning of the year, a decrease of $285,329.

MAJOR FUND BUDGETARY HIGHLIGHTS

The budget for the fiscal year 2022-23 was adopted by the Board of Education on June 28, 2022 and amended in January 24, 2023 with total appropriations of $534,386,753 made up of the following:

- $174,432,147 for the general fund
- $391,253 for the education foundation fund
- $96,935,090 for the governmental designated purpose grants fund
- $53,546,684 for the capital projects fund
- $36,891,160 for the bond redemption fund
- $21,027,761 for the nutrition services fund

- $4,739,706 for the risk management fund
- $4,685,033 for the pupil activity fund
- $141,737,919 for the building fund

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets: The District's investment in capital assets for its governmental activities as of June 30, 2023, totaled $370,948,762 (net of accumulated depreciation). Capital assets include land, buildings, improvements, machinery, vehicles and equipment, and construction in progress. The reader should refer to Note 5 of the Notes to the Financial Statements for further information relative to capital assets.

Long-term Debt: On June 30, 2023, the District had total long-term debt outstanding of $260,691,792, of which $9,631,732 is due during the next twelve months. Long-term debt includes general obligation bonds and obligations on capital leases. The reader should refer to Note 8 of the Notes to the Financial Statements for further information relative to long-term debt.

Component Units

Only summary information regarding component units appears in the district's financial statements. The reader should review the audited financial statements of each component unit, if available, for additional information. The district's component units, Chavez Huerta K-12 Preparatory Academy and Pueblo School for the Arts and Sciences issue separate audited financial statements.

FACTORS AFFECTING FUTURE FINANCIAL CONDITIONS

Colorado public schools receive funding from a variety of sources. However, most revenues to Colorado's 178 school districts are provided through the Public-School Finance Act of 1994 (as amended).

After rescission, the district received $9,741.06 per pupil finding for 2022-23 compared to $9,129.10 for 2021-22, an increase of $611.96 per pupil.

Pueblo School District No. 60 may experience a decrease in per-pupil funding should enrollment decrease. Since the majority of general operating funds come from the number of students, changes in the student population will adversely affect the future financial condition of the district.

REQUESTS FOR INFORMATION

This financial report is designed to provide the district's citizens, taxpayers, customers, investors, and creditors with a general overview of the district's finances and to demonstrate the district's accountability for the money it receives. Questions about this report and requests for additional financial information can be obtained by contacting the Chief Financial Officer at 315 West 11th Street, Pueblo, CO 81003.

BASIC FINANCIAL STATEMENTS

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government	
	Governmental Activities	Component Units
ASSETS		
Cash and investments	$ 86,213,561	$ 3,762,892
Restricted cash and investments	83,386,775	8,029,307
Cash with fiscal agents	247,342	-
Taxes receivable	4,522,050	-
Intergovernmental receivables	21,363,749	9,507,041
Other receivables	1,916,780	24,764
Inventories and prepaid items	3,463,856	-
Capital assets, not being depreciated	252,488,168	38,579,591
Capital assets, net of accumulated depreciation	118,460,594	31,899,928
Total assets	572,062,875	91,803,523
DEFERRED OUTFLOWS OF RESOURCES		
Deferred pension outflows	48,265,790	8,574,841
Deferred OPEB outflows	1,048,679	361,980
Total deferred outflows of resources	49,314,469	8,936,821
LIABILITIES		
Accounts payable and other current liabilities	25,907,371	6,967,727
Accrued salaries and benefits	15,153,303	302,815
Compensated absences	473,914	-
Intergovernmental payable	-	1,009,831
Unearned revenue	7,324,250	19,328
Accrued interest	391,319	177,651
Long-term liabilities:		
Due within one year	9,631,732	844,001
Due in more than one year	256,199,459	46,215,677
Net pension liability	214,484,446	25,232,267
Net OPEB liability	12,833,813	845,638
Total liabilities	542,399,607	81,614,935
DEFERRED INFLOWS OF RESOURCES		
Deferred pension inflows	38,236,774	2,643,825
Deferred OPEB inflows	3,530,733	313,230
Total deferred inflows of resources	41,767,507	2,957,055
NET POSITION		
Net investment in capital assets	175,018,252	31,829,223
Restricted for:		
Emergency reserve (TABOR)	5,300,000	706,000
Debt service	19,303,807	7,877,212
Other purposes	4,505,019	79,547
Unrestricted	(166,916,848)	(24,323,628)
Total net position	$ 37,210,230	$ 16,168,354

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

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

		Program Revenue			Net (Expense) Revenue and Changes in Net Position	
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Primary Government**	**Component Units**
Primary government						
Governmental activities						
Instruction	$ 86,368,639	$ 9,648,650	$ 60,864,954	$ 505,329	$ (15,349,706)	$ -
Supporting services	77,646,824	2,081,456	1,510,069	-	(74,055,299)	
Food service operations	8,629,743	27,605	9,618,236	-	1,016,098	
Community services	270,054	-	-	-	(270,054)	
Interest and fiscal charges	7,883,274	-	-	-	(7,883,274)	
Total primary government	$ 180,798,534	$ 11,757,711	$ 71,993,259	$ 505,329	(96,542,235)	
Component units						
Charter schools	$ 27,446,135	$ 45,145	$ 18,200,211	$ 521,470		(8,679,309)
	General revenues:					
	Property taxes				51,995,904	20,452,327
	Specific ownership taxes				4,796,337	-
	State equalization				91,519,530	-
	Per pupil revenue				-	-
	Grants and contributions not restricted to specific programs				314,107	411,962
	Unrestricted investment earnings				5,987,011	3,054
	Gain on sale of capital assets				531,104	-
	Miscellaneous				1,195,005	2,909,796
	Total general revenues				156,338,998	23,777,139
	Change in net position				59,796,763	15,097,830
	Net position - beginning, (deficit)				(22,586,533)	1,070,524
	Net position - ending				$ 37,210,230	$ 16,168,354

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

PUEBLO SCHOOL DISTRICT NO. 60
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Governmental Designated-Purpose Grants Fund	Building Fund	Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and investments	$ 62,475,263	$ -	$ -	$ 13,041,634	$ 10,691,854	$ 86,208,751
Restricted cash and investments	-	-	64,563,940	-	18,822,835	83,386,775
Cash with fiscal agents	-	-	197,342	-	-	197,342
Taxes receivable	1,724,334	-	-	136,243	2,661,473	4,522,050
Intergovernmental receivables	64,511	13,973,409	71,621	6,118,208	1,136,000	21,363,749
Other receivables	1,326,979	-	-	417,118	111,383	1,855,480
Due from internal balances	7,085,187	256	3,056	13,743,804	-	20,832,303
Inventories and prepaid items	3,463,856	-	-	-	-	3,463,856
Total assets	$ 76,140,130	$ 13,973,665	$ 64,835,959	$ 33,457,007	$ 33,423,545	$ 221,830,306
LIABILITIES						
Accounts payable and other current liabilities	$ 1,685,899	$ 2,638,725	$ 15,691,364	$ 5,038,334	$ 170,042	$ 25,224,364
Accrued salaries and benefits	12,889,501	2,263,802	-	-	-	15,153,303
Compensated absences	473,914	-	-	-	-	473,914
Due to interfunds	22,654,670	1,751,722	-	-	19,035	24,425,427
Unearned revenue	-	7,319,416	-	-	4,834	7,324,250
Total liabilities	37,703,984	13,973,665	15,691,364	5,038,334	193,911	72,601,258
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-property taxes	692,077	-	-	-	2,258,890	2,950,967
Total deferred inflows of resources	692,077	-	-	-	2,258,890	2,950,967
FUND BALANCES						
Nonspendable for:						
Inventories and prepaid items	3,463,856	-	-	-	-	3,463,856
Restricted for:						
Emergency reserve (TABOR)	5,300,000	-	-	-	-	5,300,000
Debt service	-	-	-	-	19,303,807	19,303,807
Capital projects	-	-	49,144,595	-	-	49,144,595
Multi-year obligations	1,151,215	-	-		-	1,151,215
Preschool	3,353,804	-	-	-	-	3,353,804
Committed for:						
Food service operations	-	-	-	-	8,960,048	8,960,048
Pupil Activities	-	-	-	-	2,475,588	2,475,588
Foundation activities	-	-	-	-	231,301	231,301
Assigned for:						
Risk management	2,062,595	-	-	-	-	2,062,595
Capital projects	-	-	-	28,418,673	-	28,418,673
Athletics	296,663	-	-	-	-	296,663
Contingencies	8,057,594	-	-	-	-	8,057,594
School carryover	624,516	-	-	-	-	624,516
Unassigned	13,433,826	-	-	-	-	13,433,826
Total fund balances	37,744,069	-	49,144,595	28,418,673	30,970,744	146,278,081
Total liabilities, deferred inflows of resources, and fund balances	$ 76,140,130	$ 13,973,665	$ 64,835,959	$ 33,457,007	$ 33,423,545	$ 221,830,306

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

PUEBLO SCHOOL DISTRICT NO. 60
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

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

Total fund balance - governmental funds		$ 146,278,081
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets, not being depreciated	$ 252,488,168	
Capital assets, net of depreciation	118,460,594	370,948,762
Property tax receivable is not available to pay current period expenditures and, therefore, is not reported in the funds.		2,950,967
Internal service funds are used by the District's management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included with governmental activities in the statement of net position.		3,026,227
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in government funds:		
Net pension liabilities	$ (214,484,446)	
Pension outflows	48,265,790	
Pension inflows	(38,236,774)	
Net OPEB liabilities	(12,833,813)	
OPEB outflows	1,048,679	
OPEB inflows	(3,530,733)	
Accrued interest	(391,319)	
Compensated absences	(5,139,399)	
Leases payable	(6,093,095)	
Bonds payable	(254,598,697)	(485,993,807)
Net position of governmental activities in the statement of net position		$ 37,210,230

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

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Governmental Designated-Purpose Grants Fund	Building Fund	Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Local sources	$ 43,404,331	$ 174,958	$ 3,049,948	$ 2,886,337	$ 20,461,244	$ 69,976,818
State sources	110,776,462	3,054,648	71,621	15,059,405	72,045	129,034,181
Federal sources	318,287	35,064,883	-	-	10,114,178	45,497,348
Total revenues	154,499,080	38,294,489	3,121,569	17,945,742	30,647,467	244,508,347
EXPENDITURES						
Instruction	78,148,791	15,765,470	-	3,132	837,101	94,754,494
Supporting services	62,715,021	15,681,565	1,271,768	4,547,803	901,453	85,117,610
Food service operations	-	595	-	-	8,734,565	8,735,160
Community services	15,923	248,096	-	-	-	264,019
Facilities acquisition and construction	633,276	6,598,763	92,877,345	17,876,578	-	117,985,962
Debt service	1,032,883	-	33,240	-	17,983,028	19,049,151
Total expenditures	142,545,894	38,294,489	94,182,353	22,427,513	28,456,147	325,906,396
Excess (deficiency) of revenues over expenditures	11,953,186	-	(91,060,784)	(4,481,771)	2,191,320	(81,398,049)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	9,800,000	-	9,800,000
Transfers out	(9,800,000)	-	-	-	-	(9,800,000)
Other sources	-	-	213,405	-	-	213,405
Total other financing sources (uses)	(9,800,000)	-	213,405	9,800,000	-	213,405
Net change in fund balances	2,153,186	-	(90,847,379)	5,318,229	2,191,320	(81,184,644)
Fund balances - beginning	35,590,883	-	139,991,974	23,100,444	28,779,424	227,462,725
Fund balances - ending	$ 37,744,069	$ -	$ 49,144,595	$ 28,418,673	$ 30,970,744	$ 146,278,081

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

PUEBLO SCHOOL DISTRICT NO. 60
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

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

Net change in fund balances - total governmental funds:		$ (81,184,644)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		
Capital outlays	$ 130,208,669	
Depreciation/amortization	(5,569,034)	124,639,635
In the statement of activities, the disposition of capital assets generates a gain or loss and is reported as such. The gain or loss on disposition is not a current financial resource or use and, thus, is not reported in the funds.		(7,318,912)
Governmental funds do not present property tax revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.		1,240,077
Internal service funds are used by the District to charge the cost of certain activities to individual funds. The net revenue of the internal service funds are reported with governmental activities.		(285,329)
Interest expense is reported when incurred in the statement of activities but is not reported in the funds until paid.		15,863
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Repayment of principal	$ 8,985,485	
Amortization of deferred on refunding	(207,601)	
Accretion of bond premium	2,372,130	11,150,014
Some expenses related to post employment benefits reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		548,683
Governmental funds measure compensated absences by the amount of financial resources used, whereas these expenses are reported in the statement of activities based on the amounts incurred during the year.		(1,409,901)
Certain pension and OPEB expenses 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.		
Pension expenses	$ 11,003,460	
OPEB expenses	1,397,817	12,401,277
Change in net position of governmental activities		$ 59,796,763

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

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023

	Governmental Activities Internal Service Fund
ASSETS	
Current assets	
Cash and investments	$ 4,810
Cash with fiscal agents	50,000
Receivables	61,300
Due from other funds	3,593,124
Total assets	$ 3,709,234
LIABILITIES	
Current liabilities	
Accounts Payable	$ 26,885
Claims and judgments	656,122
Total liabilities	683,007
NET POSITION	
Unrestricted	$ 3,026,227

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

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Governmental Activities
	Internal Service Fund
OPERATING REVENUES	
Charges for services	$ 1,395,432
OPERATING EXPENSES	
Insurance claims and expenses	1,680,947
Operating income (loss)	(285,515)
NON-OPERATING REVENUES (EXPENSES)	
Interest and investment revenue	186
Change in net position	(285,329)
Net position - beginning	3,311,556
Net position - ending	$ 3,026,227

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

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers and users	$ 1,426,218
Cash payments to suppliers	(1,543,638)
Net cash provided (used) by operating activities	(117,420)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Advances from (to) other funds	117,420
Net cash provided (used) by non-capital financing activities	117,420
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	186
Net increase (decrease) in cash and cash equivalents	186
Cash and cash equivalents - beginning	54,624
Cash and cash equivalents - ending	$ 54,810

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

PUEBLO SCHOOL DISTRICT NO. 60
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Governmental Activities Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	$ (285,515)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	30,786
Increase (decrease) in:	
Accounts payable	14,564
Claims payable	122,745
Total adjustments	168,095
Net cash provided (used) by operating activities	$ (117,420)

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

PUEBLO SCHOOL DISTRICT NO. 60
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2023

	PSAS	CHAVEZ/ HUERTA	TOTAL
ASSETS			
Cash and investments	$ 3,244,294	$ 518,598	$ 3,762,892
Restricted cash and investments	152,095	7,877,212	8,029,307
Intergovernmental receivables	82,073	9,424,968	9,507,041
Other receivables	24,764	-	24,764
Capital assets, not being depreciated	81,400	38,498,191	38,579,591
Capital assets, net of accumulated depreciation	5,650,758	26,249,170	31,899,928
Total assets	9,235,384	82,568,139	91,803,523
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension outflows	4,177,964	4,396,877	8,574,841
Deferred OPEB outflows	65,630	296,350	361,980
Total deferred outflows of resources	4,243,594	4,693,227	8,936,821
LIABILITIES			
Accounts payable and accrued liabilities	403,502	6,564,225	6,967,727
Accrued salaries and benefits	-	302,815	302,815
Intergovernmental payable	827,830	182,001	1,009,831
Accrued interest	12,830	164,821	177,651
Unearned revenue	19,328	-	19,328
Long-term liabilities			
Due within one year	299,001	545,000	844,001
Due in more than one year	2,130,610	44,085,067	46,215,677
Net pension liability	9,707,250	15,525,017	25,232,267
Net OPEB liability	316,740	528,898	845,638
Total liabilities	13,717,091	67,897,844	81,614,935
DEFERRED INFLOWS OF RESOURCES			
Deferred pension inflows	1,928,288	715,537	2,643,825
Deferred OPEB inflows	126,951	186,279	313,230
Total deferred outflows of resources	2,055,239	901,816	2,957,055
NET POSITION			
Net investment in capital assets	3,289,717	28,539,506	31,829,223
Restricted for:			
Emergency reserve (TABOR)	250,000	456,000	706,000
Debt service	-	7,877,212	7,877,212
Capital Construction	79,547	-	79,547
Unrestricted	(5,912,616)	(18,411,012)	(24,323,628)
Total net position	$ (2,293,352)	$ 18,461,706	$ 16,168,354

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

PUEBLO SCHOOL DISTRICT NO. 60
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	PSAS	CHAVEZ/ HUERTA	TOTAL
REVENUES			
Per pupil revenue	$ 8,016,893	$ 12,435,434	$ 20,452,327
Charges for services	14,837	30,308	45,145
Operating grants and contributions	2,948,797	15,251,414	18,200,211
Capital grants and contributions	157,088	364,382	521,470
Unrestricted grants and contributions	-	411,962	411,962
Unrestricted investment earnings	1,277	1,777	3,054
Miscellaneous	500,352	2,409,444	2,909,796
Total revenues	11,639,244	30,904,721	42,543,965
EXPENSES			
Instruction	6,513,279	5,678,436	12,191,715
Supporting services	4,327,239	9,051,563	13,378,802
Interest	-	1,875,618	1,875,618
Total expenses	10,840,518	16,605,617	27,446,135
Change in net position	798,726	14,299,104	15,097,830
Net position - beginning (deficit) restated	(3,092,078)	4,162,602	1,070,524
Net position - ending (deficit)	$ (2,293,352)	$ 18,461,706	$ 16,168,354

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Pueblo School District No. 60 (the District) have been prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY

The District was established in 1946 with the consolidation of Pueblo School District 1 and Pueblo School District 20 and is organized under the Constitution of the State of Colorado. The legislative power of the District is vested in the Board of Education, consisting of five members who are elected for staggered four-year terms. The Board of Education maintains oversight for the District's thirty instructional facilities and support departments to provide services to meet the needs of approximately 16,000 students and other community members.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the District.

Blended Component Unit. School District No. 60 Education Foundation, Inc. is an Internal Revenue Code 501(c)(3) nonprofit entity organized to further educational programs for District students. Although it is legally separate from the District, the Education Foundation is reported as if it were part of the primary government because of financial accountability. Separate financial statements are not available.

Discretely Presented Component Units. The Board of Education approved two charter schools for operation: Pueblo School for Arts and Sciences (PSAS) and Chavez Huerta K-12 Preparatory Academy (Chavez Huerta). The charter schools were formed in accordance with state statute as District charter schools. The charter schools are deemed to be fiscally dependent on the District since the District provides the majority of support to each charter school in the form of per pupil revenue. In addition, the nature and significance of the charter schools' relationship with the District is such that exclusion would cause the District's financial statements to be incomplete.

Separately issued financial statements for the charter schools may be obtained by writing to the following:

Pueblo School for Arts and Sciences
2415 Jones Avenue
Pueblo, Colorado 81004

Chavez Huerta K-12 Preparatory Academy
2727 W. 18th Street
Pueblo, Colorado 81003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Any fiduciary activities are reported only in the fund financial statements. *Governmental activities* are supported by taxes and intergovernmental revenues. The *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which direct expenses of given functions or segments 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 service users 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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as *general revenues* rather than as program revenues.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds and proprietary funds, even though the latter are excluded from the government-wide financial statements. 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 for interfund services provided and used, the elimination of which would distort the direct costs and program revenues reported for the various functions.

The emphasis of fund financial statements is on major funds. Major individual funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Designated Purpose Grants Fund* is used to record financial transactions for grants received for designated programs funded by federal, state or local governments.

The *Building Fund* is used to account for all resources available for acquiring capital sites, buildings, and equipment.

The *Capital Project Funds* is used to account for the proceeds, construction, and acquisition of capital assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Additionally, the District reports the following fund types:

Special Revenue Funds account for revenue sources that are legally restricted to expenditure for specific purposes.

The *Food Service Fund* accounts for transactions related to food service operations. It also accounts for USDA school breakfast/lunch money.

The *Pupil Activity Fund* accounts for financial transactions related to school sponsored pupil intrascholastic and interscholastic athletic and other related activities.

The *School District No. 60 Education Foundation, Inc. Fund* is used to present the activities of the blended component unit.

The *Bond Redemption Fund* accounts for the accumulation of resources for and the payment of principal, interest and related expenses on long-term general obligation debt.

Internal Service Funds account for operations that provide services to other departments or agencies of the government on a cost-reimbursement basis.

The *Risk Management Fund* accounts for management activities of the District.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the government's internal service fund are charges to customers for sales and services. Operating expenses for the Internal Service Fund include the cost of sales, services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and proprietary fund 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 the 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 governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the District the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, interest, and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Specific ownership taxes collected and held by the county at year-end on behalf of the District are also recognized as revenue. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 120 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the District.

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/ FUND BALANCE

Cash and cash equivalents

The District pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the cash account is available to meet current operating requirements. Cash and cash equivalents include cash on hand and in the bank and short-term investments with original maturities of three months or less from the date of acquisition.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Local government investment pools in Colorado must be organized under Colorado Revised Statutes, which allows certain types of governments within the state to pool their funds for investment purposes. Investments in such pools are reported at net asset value.

Receivables

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

Inventories and prepaid items

Inventories are recorded as expenditures/expenses when consumed rather than when purchased. General warehouse inventory is valued at cost using the first-in/first-out (FIFO) method. Food Service inventory is stated at cost using the weighted average method except for commodities. USDA donated food commodities are valued at estimated acquisition value at the date of receipt.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital assets

Capital assets include tangible and intangible assets that are reported in the governmental activities column in the government-wide financial statements. Capital assets, except for lease assets, are defined by the District as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. For lease assets, only those intangible lease assets that cost more than $50,000 are reported as capital assets.

As the District constructs or acquires capital assets each period they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in Note 1 D. *Leases* below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land and construction in progress are not depreciated. The other tangible and intangible assets of the District are depreciated/amortized using the straight-line method over the following estimated useful lives:

Land improvements	15-100 years
Buildings and improvements	15-100 years
Equipment	5-15 years

Accrued Salaries and Benefits

Salaries and benefits of teachers and other contracted personnel are paid over a twelve-month period but are earned during a school year of approximately nine months. The salaries and benefits earned, but unpaid, are reported as a liability in the respective funds and have been fully funded as of the fiscal year end.

Unearned Revenue

Unearned revenue includes resources received by the District before the related revenue can be recognized because the earnings process is not complete.

Deferred outflows/inflows of resources

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

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

Leases

Lessee: The District is a lessee for noncancellable leases of educational facilities and equipment. The District recognizes a lease liability and an intangible right-to-use lease assets in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of $50,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Long-term liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

Pueblo School District No. 60 participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

OPEB

Pueblo School District No. 60 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.

Net position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund balance classification

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

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

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

Assigned – This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for any governmental funds except for the General Fund.

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

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

E. REVENUES AND EXPENDITURES/EXPENSES

Property Taxes

Property taxes for the current year are certified in arrears to the County by December 15, and attach as an enforceable lien on property the following January 1. Property taxes are payable in full by April 30, or are payable in two equal installments due February 28 and June 15. The County Treasurer bills and collects the District's property tax. District property tax revenues are recognized when levied to the extent they result in current receivables.

The District is permitted to levy taxes on the assessed valuation for general governmental services and for the payment of principal and interest on long-term debt. The tax rate for the year ended December 31, 2023 is 28.051 mills for general operating expenses and 14.900 mills for the payment of long-term debt. The District's assessed valuation for the collection year 2023 is $1,236,232,913. Taxes are assessed on $1,187,844,869 which is the assessed valuation net of tax increment financing.

Specific Ownership Taxes

Specific ownership taxes are collected by the county for motor vehicle and other personal property registered in the District's assessment area. The tax receipts collected by the county are remitted to the District in the subsequent month and are considered unrestricted intergovernmental revenues. Specific ownership taxes are recorded as revenue when collected by the county.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

The District affords all full time employees vacation and sick pay benefits. Vacation benefits generally vest after one year of service but do not accumulate and, thus, are not carried over to subsequent periods. Other employees, including 12 month administrators, professionals and executive assistants, are allowed to carry over up to 30 days of unused vacation benefits that can be paid upon termination. Certain employees are afforded sick pay benefits which are vesting, accumulating rights and are carried forward to subsequent years. The sick pay benefits are limited depending on the length of service and the number of days of unused leave days. All of these benefits, including payroll-related costs, are measured based on established District policy and generally accepted accounting principles.

A liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignation or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Proprietary funds operating and nonoperating revenues and expenses

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

F. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Budgets are required by State law for all funds, except fiduciary funds. The Superintendent submits a proposed budget to the Board of Education for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. It also includes a statement describing the major objectives of the educational program to be undertaken by the District and the manner in which the budget proposes to fulfill such objectives. Public hearings are conducted by the Board of Education to obtain public comments.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

On or before June 30, the budget is adopted by formal resolution. After the adoption of the budget, the board may review and change the budget at any time prior to January 31 of the fiscal year for which the budget was adopted. After January 31, the board may not review or change the budget except where money for a specific purpose from other than ad valorem taxes becomes available which could not have been reasonable foreseen at the time of the adoption of the budget. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between line items within any fund rests with the Superintendent. Revisions that alter the total expenditures in any fund must be approved by the Board of Education. Appropriations are based on total funds expected to be available in each budget year, including beginning fund balances as established by the Board of Education.

Budgets for all fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). GAAP-basis accounting requires that expenditures of salaries and related benefits be recorded in the fiscal year earned. Thus, the District budgets for all accrued salaries and related benefits earned but unpaid at June 30. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Superintendent and/or Board of Education throughout the year. All appropriations lapse at the end of each fiscal year.

NOTE 3 – DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of June 30, 2023 is as follows:

Deposits	$ 69,000
Investments	169,531,336
Total	$169,600,336

Deposits and investments are reported in the financial statements as follows:

Cash and investments	$ 86,213,561
Restricted cash and investments	83,386,775
Total	$ 169,600,336

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Cash deposits with financial institutions

Custodial Credit Risk—deposits: Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The carrying amount of the District's deposits at June 30, 2023 was $69,000 and the bank balances were $69,534. All of the bank balances were covered by federal deposit insurance.

Investments

The District is authorized by Colorado statutes to invest in the following:

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

At June 30, 2023 the District's investment balances were as follows:

Investment Type	Year-end Balance	Measurement	Maturity	Standard & Poor's Rating
ColoTrust	$ 127,253,619	Net asset value	Less than 90 days	AAAm
Money Market	31,594,801	Amortized cost	Less than 90 days	AAA
US Treasuries	4,576,970	Fair value	Up to five years	AA+
US Agencies	6,105,946	Fair value	Up to five years	AA+
	$ 169,531,336			

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Local Government Investment Pools. The Colorado Local Government Liquid Asset Trust (ColoTrust) is an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating the pools, which operate in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended, which includes the maintenance of each share equal in value to $1.00. Investments are limited to those allowed by state statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodians' internal records identify the investments owned by the participating governments. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. As a means of managing its exposure to interest rate risk, the District has a board approved investment policy that limits investment maturities to five years or less. Colorado revised statute 24-75-601 also limits investment maturities to five years or less.

Credit Risk – Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law and District policy limit investments to those described above.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss that may be caused by the District's investment in a single issuer. The District places no limit on the amount it may invest in any one issuer. More than 20 percent of the District's investments are in ColoTrust. These investments are 75.1% of the District's total investments.

In accordance with state law, the District has designated Wells Fargo as the third party custodian for the bond redemption fund. Funds held at June 30, 2023 total $18,822,835 and are included with the ColoTrust investments above.

Fair value of investments. The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1 inputs reflect prices quoted in active markets.
- Level 2 inputs reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 inputs reflect prices based upon unobservable sources.

All of the District's investments that are measured at fair market value are categorized as Level 2 investments. District investments measured at net asset value or amortized cost fall under the existing exemptions to fair value measurement.

NOTE 4 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Receivables and Payables

Interfund receivables and payables are created in conjunction with the District's pooled cash and investment portfolios. Balances are routinely cleared as a matter of practice.

The composition of interfund balances as of June 30, 2023, is as follows:

	Due From Other Funds	Due To Other Funds
General Fund	$ 7,085,187	$ 22,654,670
Governmental Designated Purpose Grants Fund	256	1,751,722
Building Fund	3,056	-
Capital Projects Fund	13,743,804	-
Nonmajor Funds	-	19,035
Risk Management Fund	3,593,124	-
Total	$ 24,425,427	$ 24,425,427

Interfund transfers

The composition of interfund transfers for the year ended June 30, 2023, is as follows:

	Transfers From Other Funds	Transfers To Other Funds
General Fund	$ -	$ 9,800,000
Capital Projects Fund	9,800,000	-
Total	$ 9,800,000	$ 9,800,000

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (3) move capital assets from one fund to another fund when the fund using the capital assets changes.

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated:				
Land	$ 1,837,103	$ -	$ (35,648)	$ 1,801,455
Construction in progress	131,859,256	126,292,686	(7,465,229)	250,686,713
Total capital assets not being depreciated	133,696,359	126,292,686	(7,500,877)	252,488,168
Capital assets being depreciated:				
Land improvements	19,190,770	2,341,757	(1,502,666)	20,029,861
Buildings and improvements	160,736,957	8,227,230	(12,840,920)	156,123,267
Equipment	22,996,180	812,225	(601,648)	23,206,757
Total capital assets being depreciated	202,923,907	11,381,212	(14,945,234)	199,359,885
Less accumulated depreciation for:				
Land improvements	(13,613,863)	(578,610)	1,112,193	(13,080,280)
Buildings and improvements	(62,683,977)	(2,965,482)	5,967,291	(59,682,168)
Equipment	(15,335,194)	(1,324,569)	582,486	(16,077,277)
Total accumulated depreciation	(91,633,034)	(4,868,661)	7,661,970	(88,839,725)
Total capital assets being depreciated, net	111,290,873	(6,512,551)	(7,283,264)	110,520,160
Lease assets being amortized:				
Buildings and improvements	8,676,885	-	-	8,676,885
Equipment	2,056,053	-	-	2,056,053
Total lease assets being amortized	10,732,938	-	-	10,732,938
Less accumulated amortization for:				
Buildings and improvements	(1,739,697)	(347,939)	-	(2,087,636)
Equipment	(352,434)	(352,434)	-	(704,868)
Total accumulated amortization	(2,092,131)	(700,373)	-	(2,792,504)
Total lease assets being amortized, net	8,640,807	(700,373)	-	7,940,434
Capital assets, net of accumulated depreciation/amortization	119,931,680	5,812,178	(7,283,264)	118,460,594
Total governmental activities capital assets	$ 253,628,039	$ 132,104,864	$ (14,784,141)	$ 370,948,762

NOTE 5 - CAPITAL ASSETS (CONTINUED)

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

Governmental Activities

Instruction	$ 1,173,370
Supporting services	4,395,664
Total depreciation/amortization expense	$ 5,569,034

NOTE 6 – LEASES

District as lessee

The District, as a lessee, has entered into lease agreements involving educational facilities and equipment with lease terms ranging from one to eight years. The total costs of these right-to-use lease assets are recorded as $10,732,938, less accumulated amortization of $2,792,504. The District has determined that as of June 30, 2023, there is no loss associated with an impairment of the right-to-use lease asset.

The future lease payments under lease agreements as of June 30, 2023 are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	$ 824,527	$ 181,937	$ 1,006,464
2025	862,188	153,771	1,015,959
2026	906,115	124,735	1,030,850
2027	837,118	94,570	931,688
2028	893,935	68,982	962,917
2029 –2030	1,769,212	52,571	1,821,783
Total	$ 6,093,095	$ 676,566	$ 6,769,661

NOTE 7 – LONG-TERM LIABILITIES

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

General Obligation bonds outstanding at June 30, 2023 are as follows:

	Original Borrowing	Interest Rates	Final Maturity	Outstanding at Year-end
Governmental Activities				
G.O. Bonds 2020	$ 207,610,000	3.00% - 5.00%	2039	$ 205,755,000
G.O. Bonds 2021	10,640,000	2.351%	2040	9,779,445
Total				$ 215,534,445

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

	Governmental Activities	
Fiscal Year Ending June 30	Principal	Interest
2024	$ 8,517,698	$ 9,414,486
2025	8,928,106	8,990,205
2026	9,363,758	8,545,053
2027	9,819,661	8,077,897
2028	10,295,820	7,587,731
2029 – 2033	59,525,891	29,696,046
2034 –2038	74,686,961	14,614,393
2039 – 2041	34,396,550	1,711,888
Total	$ 215,534,445	$ 88,637,699

Legal Debt Margin

Assessed valuation	$9,596,787,747
Debt limit – 6% of assessed valuation	575,807,265
General obligation debt	(215,534,445)
	$ 360,272,820

NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

Changes in Long-Term Liabilities

Changes in the District's long-term liabilities for the year ended June 30, 2023, are as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Amount Due Within One year
Governmental Activities					
General obligation bonds	$ 223,696,975	$ -	$ (8,162,530)	$ 215,534,445	$ 8,517,698
Premiums	41,436,382	-	(2,372,130)	39,064,252	-
Total bonds payable	265,133,357	-	(10,534,660)	254,598,697	8,517,698
Leases	6,916,050	-	(822,955)	6,093,095	1,114,034
Compensated absences	3,944,310	3,280,717	(1,611,714)	5,613,313	473,914
Net pension liability	163,683,753	91,031,096	(40,230,403)	214,484,446	-
Net OPEB liability	7,919,097	1,223,639	(1,832,640)	7,310,096	-
Post-employment OPEB	6,072,400	-	(548,683)	5,523,717	-
Total Governmental Activities	$ 453,668,967	$ 95,535,452	$ (55,581,055)	$ 493,623,364	$ 10,105,646

General obligation bonds are liquidated in the debt service fund. Leases are liquidated in the general fund. Approximately 90% of compensated absences, net pension liabilities, and net OPEB liabilities are normally liquidated in the general fund, with remaining amounts liquidated in other governmental funds.

NOTE 8 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. Eligible employees of the Pueblo School District No. 60 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, 2022. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at
C.R.S. § 24-51-602, 604, 1713, and 1714.

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions provisions as of June 30, 2023: Eligible employees of, Pueblo School District No. 60 and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq*. and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2022 through June 30, 2023. Employer contribution requirements are summarized in the table below:

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

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Pueblo School District No. 60 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Pueblo School District No. 60 were $18,967,721 for the year ended June 30, 2023.

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

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

The net pension liability for the SCHDTF was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TPL to December 31, 2022. The Pueblo School District No. 60 proportion of the net pension liability was based on Pueblo School District No. 60 contributions to the SCHDTF for the calendar year 2022 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

At June 30, 2023, the Pueblo School District No. 60 reported a liability of $214,484,446 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the Pueblo School District No. 60 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 Pueblo School District No. 60 were as follows:

Pueblo School District No. 60 proportionate share of the net pension liability	$ 214,484,446
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Pueblo School District No. 60	62,502,923
Total	$ 276,987,369

At December 31, 2022, the Pueblo School District No. 60 proportion was 1.1778734094%, which was a decrease of 0.2286626814% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the Pueblo School District No. 60 recognized pension expense of $(11,003,460) and revenue of $7,349,962 for support from the State as a nonemployer contributing entity. At June 30, 2023, the Pueblo School District No. 60 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	$ 2,029,865	$ -
Changes of assumptions or other inputs	3,799,219	-
Net difference between projected and actual earnings on pension plan investments	28,813,163	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	3,958,289	38,236,774
Contributions subsequent to the measurement date	9,665,254	N/A
Total	$ 48,265,790	$ 38,236,774

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

$9,665,254 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	$ (14,486,106)
2025	(8,966,509)
2026	7,057,040
2027	16,759,336
2028	-
Thereafter	-

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

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

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

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

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

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

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

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

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

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

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

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

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

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

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.

- HB 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the regularly scheduled $225 million (actual dollars) direct distribution, a warrant to PERA in the amount of $380 million (actual dollars). The July 1, 2023, direct distribution is reduced by $190 million (actual dollars) to $35 million (actual dollars). The July 1, 2024, direct distribution will not be reduced from $225 million (actual dollars) due to PERA's negative investment return in 2022.

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

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

- Benefit payments and contributions were assumed to be made at the middle of the year.

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 Pueblo School District No. 60 *proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	$ 280,686,374	$ 214,484,446	$ 159,199,073

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

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

General Information about the OPEB Plan

Plan description. Eligible employees of the Pueblo School District No. 60 are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

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

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

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

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

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Pueblo School District No. 60 is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Pueblo School District No. 60 were $949,331 for the year ended June 30, 2023.

NOTE 9 – 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, 2023, the Pueblo School District No. 60 reported a liability of $7,310,096 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TOL to December 31, 2022. The Pueblo School District No. 60 proportion of the net OPEB liability was based on Pueblo School District No. 60 contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the Pueblo School District No. 60 proportion was 0.8953195861%, which was a decrease of 0.0230442631% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the Pueblo School District No. 60 recognized OPEB expense of $(1,397,817). At June 30, 2023, the Pueblo School District No. 60 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	$ 949	$ 1,767,826
Changes of assumptions or other inputs	117,493	806,808
Net difference between projected and actual earnings on OPEB plan investments	446,487	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	956,099
Contributions subsequent to the measurement date	483,750	N/A
Total	$ 1,048,679	$ 3,530,733

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

$483,750 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2024	$ (1,091,534)
2025	(975,565)
2026	(491,999)
2027	(117,623)
2028	(235,723)
Thereafter	(53,362)

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

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

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

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

Age-Related Morbidity Assumptions

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

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

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

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

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

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

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

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

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

Mortality assumptions used in the December 31, 2021, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed 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 School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

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

Post-retirement non-disabled 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.

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

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

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

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 13, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

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

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

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

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

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

Sensitivity of the Pueblo School District No. 60 proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate[1]	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$ 7,103,188	$ 7,310,096	$ 7,535,233

[1]For the January 1, 2023, plan year.

NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

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

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

Sensitivity of the Pueblo School District No. 60 *proportionate share of the net OPEB liability to changes in the discount rate.* The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$ 8,474,567	$ 7,310,096	$ 6,314,098

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

NOTE 10 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description

The District's defined benefit OPEB plan, Pueblo City Schools Retiree Benefits Plan (PCSRBP), provides life insurance benefits to a closed group of retired employees. PCSRBP is a single-employer defined benefit OPEB plan administered by the District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. This OPEB plan does not issue a stand-alone report and is not included in the report of a public employee retirement system or a report of another entity.

Benefits Provided

PCSRBP provides a term life insurance policy whose face value is equal to the employee's salary at termination and is provided to all full-time salaries personnel (except educational assistants) employed prior to July 1, 1980 and who retired before September 1, 1995.

Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms:

Retired participants: 209

The plan is closed to new entrants.

Total OPEB Liability

The District's total OPEB liability of $5,523,717 was measured as of June 30, 2023, and was determined by an actuarial valuation date of July 1, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry Age
Amortization	Immediate recognition of actuarial gains and losses
Mortality	PR 2014 Mortality Table projected to 2024 with Scale BB
Discount Rate	4.13% - based on the S&P Municipal Bond 20 Year High Grade Rate Index
Inflation	3.13%
Expenses	None

NOTE 10 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 6/30/22	$ 6,072,400
Changes for the year:	
Service cost	-
Interest cost	248,361
Benefit payments	(845,785)
Differences between expected and actual experience	67,905
Changes in benefit terms	-
Changes in assumptions	(19,164)
Net changes	(548,683)
Balance at 6/30/23	$ 5,523,717

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.13 percent) or 1-percentage-point higher (5.13 percent) than the current discount rate:

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
Total OPEB liability	$ 5,959,538	$ 5,523,717	$ 5,137,057

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in the Healthcare Cost Trend Rates	Current Healthcare Cost Trend Rates	1% Increase in the Healthcare Cost Trend Rates
Total OPEB liability	$ 5,523,717	$ 5,523,717	$ 5,523,717

NOTE 10 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

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

For the year ended June 30, 2023, the District recognized an OPEB expense of $297,102. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ -
Changes of assumptions or other inputs	-	-
Total	$ -	$ -

For the year ended June 30, 2023 there are no amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB that will be recognized in OPEB expense.

NOTE 11 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, property and casualty, errors and omissions, workers' compensation, general liability, unemployment, and employee benefit expenses related to health programs. For torts, property and casualty, and errors and omissions, these risks are covered through the District's participation in the Colorado School District Self-Insurance Pool. The Colorado School District Self-Insurance Pool is a public entity risk pool which provides various types of property and liability insurance coverage to its approximate 175 members. The membership agreement provides that the pool be self-sustaining through member contributions and will reinsure with commercial companies for claims in excess of $1,000,000 per occurrence. In addition, settlement claims for each of the last three years did not exceed insurance coverage amounts in areas where commercial insurance is used to cover the risk of loss.

The District has elected to self-insure for workers' compensation with specific risk retention of $425,000 per accident with a statutory maximum liability limit. The District has a $1,000,000 employers' liability maximum limit of indemnity per occurrence. Aggregate loss funds for the period July 1, 1992 through June 30, 2006 will remain open until all claims in each fiscal year are closed. The District chose not to purchase aggregate coverage effective July 1, 2006. Claims and insurance costs are recognized as expenses in the risk management internal service fund. A reserve for workers' compensation claims is presented in the risk management internal service fund which represents the discounted present value of expected losses and includes claims incurred but not yet reported.

NOTE 11 - RISK MANAGEMENT (CONTINUED)

Changes in the claims liability for the year ended June 30, 2023 are as follows:

Net claims payable as of 6/30/2022	$ 533,377
Claims presented	1,639,858
Claims paid	(1,517,113)
Net claims payable as of 6/30/2023	$ 656,122

The estimated claims liability is an actuarially determined loss reserve and represents the discounted present value of expected losses using a discount rate of 5% and includes claims incurred but not yet reported.

NOTE 12 – JOINTLY GOVERNED ORGANIZATION

The District is a participant with other school districts in a joint venture known as South Central Board of Cooperative Educational Services (Cooperative). The Cooperative is organized under provisions of Colorado law to provide special education services to member school districts in the Cooperative's general area. The member school districts provide approximately 60% of the Cooperative's total annual financial resources and each member district appoints a member of its board of education to serve on the governing body of the Cooperative. For the year ended June 30, 2023, the District purchased no services from the Cooperative. Complete financial statements for the Cooperative can be obtained from their administrative office at 323 S. Purcell Boulevard; Pueblo West, CO, 81007.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Grants

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement to grantor agencies for expenditures disallowed under terms of the grant. However, in the opinion of the District, any such adjustments will not have a material adverse effect on the financial position of the District.

Legal

The District is involved in pending or threatened lawsuits and claims. The District estimates that potential claims not covered by insurance or accrued for, resulting from such litigation, would not materially affect the financial statements of the District.

NOTE 13 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Construction commitments

The District has active construction projects as of June 30, 2023. The projects are for mill levy override projects. At year end the District's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining commitment
East High School Building project	$ 64,112,606	$ 6,602,758
Nettie S. Freed K-8 project	$ 30,312,361	$ 4,290,837
South Park Electrical project	$ 286,792	$ 332,128
Sunset Park Elementary project	$ 21,220,093	$ 2,202,210
Franklin School of Innovation project	$ 23,276,986	$ 2,023,026
Central Electric Distribution System project	$ 5,830,991	$ 1,355,768

NOTE 14 - TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities and other specific requirements of state and local governments, including school districts.

The amendment requires emergency reserves be established. These reserves must be at least 3% of fiscal year spending. The District is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary and benefit increases. At June 30, 2023 there is a $5,300,000 reservation of fund balance in the General Fund for the amendment.

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

The amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

On November 7, 2000, voters within the District passed an amendment allowing the District to retain excess revenues in 2000 and all future years.

The amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment. However, the District has made certain interpretations of the amendment's language in order to determine its compliance.

NOTE 15 – COLORADO SCHOOL DISTRICT/BOCES, ELECTRONIC DATA INTEGRITY CHECK FIGURES

The School Finance Act requires inclusion of the Colorado School District/BOCES, Electronic Financial Data Integrity Check Figures as a supplement schedule to the audited financial statements. The Report is based on a prescribed basis of accounting that demonstrates compliance with the financial policies and procedures of the Colorado Department of Education.

REQUIRED SUPPLEMENTARY INFORMATION

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2023

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	1.1778734094%	1.4065360908%	1.6043277254%	1.4929482106%	1.5859063798%	1.8692159744%	1.9206432718%	1.8187015096%	1.8692872735%	1.9222776421%
District's proportionate share of the net pension liability (asset)	$ 214,484,446	$ 163,683,753	$ 242,541,993	$ 223,043,223	$ 280,817,299	$ 604,438,014	$ 571,849,773	$ 278,157,556	$ 253,351,215	$ 245,185,994
State's proportionate share of the net pension liability (asset) associated with the District	62,502,923	18,764,252	-	28,290,196	38,397,866	-	-	-	-	-
Total	$ 276,987,369	$ 182,448,005	$ 242,541,993	$ 251,333,419	$ 319,215,165	$ 604,438,014	$ 571,849,773	$ 278,157,556	$ 253,351,215	$ 245,185,994
District's covered payroll	$ 90,859,334	$ 87,904,291	$ 85,812,934	$ 87,735,054	$ 87,185,791	$ 86,224,724	$ 86,201,909	$ 79,258,595	$ 78,309,727	$ 77,493,133
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	236.06%	186.21%	282.64%	254.22%	322.09%	701.00%	663.38%	350.95%	323.52%	316.40%
Plan fiduciary net position as a percentage of the total pension liability	61.8%	74.9%	67.0%	64.5%	57.0%	44.0%	43.1%	59.2%	62.8%	64.1%

* The amounts presented for each year were determined as of 12/31.

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS - PENSION
JUNE 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 18,967,721	$ 17,739,977	$ 17,167,656	$ 16,817,470	$ 16,800,644	$ 16,411,944	$ 15,706,892	$ 14,809,067	$ 12,949,268	$ 11,703,594
Contributions in relation to the contractually required contribution	(18,967,721)	(17,739,977)	(17,167,656)	(16,817,470)	(16,800,644)	(16,411,944)	(15,706,892)	(14,809,067)	(12,949,268)	(11,703,594)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 93,070,268	$ 89,235,298	$ 86,356,419	$ 86,777,449	$ 87,823,545	$ 86,927,669	$ 85,456,431	$ 83,525,479	$ 76,713,676	$ 73,239,010
Contributions as a percentage of covered payroll	20.38%	19.88%	19.88%	19.38%	19.13%	18.88%	18.38%	17.73%	16.88%	15.98%

* The amounts presented for each fiscal year were determined as of 6/30.

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
JUNE 30, 2023

	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability (asset)	0.8953195861%	0.9183638492%	0.9279621416%	0.9758103002%	1.0308512728%	1.0620805913%	1.0919635522%
District's proportionate share of the net OPEB liability (asset)	$ 7,310,096	$ 7,919,097	$ 8,817,728	$ 10,968,088	$ 14,025,165	$ 13,802,799	$ 14,157,679
District's covered payroll	$ 90,859,334	$ 87,904,291	$ 85,812,934	$ 87,735,054	$ 87,185,791	$ 86,224,724	$ 86,201,909
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	8.05%	9.01%	10.28%	12.50%	16.09%	16.01%	16.42%
Plan fiduciary net position as a percentage of the total OPEB liability	38.6%	39.4%	32.8%	24.5%	17.0%	17.5%	16.7%

* The amounts presented for each year were determined as of 12/31.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS - OPEB
JUNE 30, 2023

	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 949,331	$ 910,166	$ 880,838	$ 885,115	$ 895,809	$ 886,595	$ 871,498
Contributions in relation to the contractually required contribution	(949,331)	(910,166)	(880,838)	(885,115)	(895,809)	(886,595)	(871,498)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 93,070,268	$ 89,235,298	$ 86,356,419	$ 86,777,449	$ 87,823,545	$ 86,927,669	$ 85,456,431
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

* The amounts presented for each fiscal year were determined as of 6/30.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
PUEBLO CITY SCHOOLS RETIREMENT LIFE INSURANCE PLAN
SCHEDULE OF CHANGES IN THE DISTRICT'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
JUNE 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	$ -	$ -	$ -	$ -	$ -	$ -
Interest cost	248,361	160,292	180,153	338,756	374,878	375,699
Benefit payments	(845,785)	(955,240)	(968,864)	(773,688)	(563,200)	(608,117)
Differences between expected and actual experience	67,905	481,932	226,420	(1,847,869)	(151,454)	(285,200)
Changes in benefit terms	-	-	-	-	-	-
Changes in assumptions	(19,164)	(1,247,529)	6,461	792,835	281,436	(181,379)
Net change in total OPEB liability	(548,683)	(1,560,545)	(555,830)	(1,489,966)	(58,340)	(698,997)
Total OPEB liability - beginning	6,072,400	7,632,945	8,188,775	9,678,741	9,737,081	10,436,078
Total OPEB liability - ending	$ 5,523,717	$ 6,072,400	$ 7,632,945	$ 8,188,775	$ 9,678,741	$ 9,737,081
Covered-employee payroll	$ -	$ -	$ -	$ -	$ -	$ -
Total OPEB liability as a percentage of covered-employee payroll	0%	0%	0%	0%	0%	0%
Notes to Schedule:						
Changes of assumptions - effects of discount rate each period	4.13%	4.09%	2.10%	3.50%	3.50%	3.60%

* The amounts presented for each fiscal year were determined as of 6/30.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

GENERAL FUND

The General Fund accounts for all transactions of the District not required to be accounted for in other funds. This fund represents an accounting for the District's ordinary operations financed primarily from property taxes and state aid. It is the most significant fund of the District.

Included in this presentation are the Athletics, Risk-Management, and Preschool Sub-Funds of the General Fund. These funds allow the District to separate the accounting and maintain a self-balancing set of records specific to these activities.

The General Fund is deemed to be a major fund for financial reporting purposes.

PUEBLO SCHOOL DISTRICT NO. 60
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Local sources:				
Property taxes	$ 33,851,404	$ 33,857,366	$ 33,159,895	$ (697,471)
Specific ownership taxes	1,721,652	3,209,033	3,072,642	(136,391)
Other local sources	3,876,000	4,827,870	7,171,794	2,343,924
Total local sources	39,449,056	41,894,269	43,404,331	1,510,062
State sources:				
State equalization	96,416,477	96,099,325	97,637,594	1,538,269
Special education	6,184,171	6,184,171	6,384,358	200,187
Other state funding	4,001,830	4,171,502	6,754,510	2,583,008
Total state sources	106,602,478	106,454,998	110,776,462	4,321,464
Federal sources	292,000	292,000	318,287	26,287
Total revenues	146,343,534	148,641,267	154,499,080	5,857,813
EXPENDITURES				
Instruction	86,477,553	90,160,270	78,148,791	12,011,479
Supporting services:				
Student services	11,012,004	11,103,669	10,536,971	566,698
Instructional staff	6,574,272	6,487,043	5,512,413	974,630
General administration	2,194,127	2,194,370	1,786,971	407,399
School administration	11,254,673	11,908,737	11,061,556	847,181
Business services	2,769,805	2,765,884	1,886,238	879,646
Operation and maintenance	19,910,394	19,836,848	19,388,775	448,073
Student transportation	4,236,040	4,238,540	2,695,574	1,542,966
Central services	7,001,427	8,631,005	7,780,305	850,700
Other support services	1,952,401	2,138,956	2,066,218	72,738
Community services	-	-	15,923	(15,923)
Facilities acquisition and construction	618,150	918,150	633,276	284,874
Debt service	629,479	629,479	1,032,883	(403,404)
Contingency reserves	13,167,453	13,419,196	-	13,419,196
Total expenditures	167,797,778	174,432,147	142,545,894	31,886,253
Excess (deficiency) of revenues over expenditures	(21,454,244)	(25,790,880)	11,953,186	37,744,066
OTHER FINANCING SOURCES (USES)				
Transfers out	(9,800,000)	(9,800,000)	(9,800,000)	-
Total other financing sources (uses)	(9,800,000)	(9,800,000)	(9,800,000)	-
Net change in fund balance	(31,254,244)	(35,590,880)	2,153,186	37,744,066
Fund balance - beginning	31,254,244	35,590,880	35,590,883	3
Fund balance - ending	$ -	$ -	$ 37,744,069	$ 37,744,069

See the accompanying independent auditors' report.

GOVERNMENTAL DESIGNATED-PURPOSE GRANTS FUND

This fund is authorized by Colorado state law to record financial transactions for grants received for designated programs funded by federal, state or local resources.

The Governmental Designated-Purpose Grants Fund is deemed to be a major fund for financial reporting purposes.

PUEBLO SCHOOL DISTRICT NO. 60
GOVERNMENTAL DESIGNATED-PURPOSE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Local sources:				
Other local sources	$ 997,524	$ 978,594	$ 174,958	$ (803,636)
State sources:				
Other state funding	7,618,254	8,919,129	3,054,648	(5,864,481)
Federal sources	83,565,491	87,037,367	35,064,883	(51,972,484)
Total revenues	92,181,269	96,935,090	38,294,489	(58,640,601)
EXPENDITURES				
Instruction	37,950,135	39,907,237	15,765,470	24,141,767
Supporting services:				
Student services	14,239,316	14,973,643	5,915,381	9,058,262
Instructional staff	15,005,580	15,779,423	6,233,707	9,545,716
General administration	970,009	1,020,033	402,967	617,066
School administration	1,019,761	1,072,350	423,635	648,715
Business services	216,674	227,848	90,012	137,836
Operation and maintenance	152,347	160,204	63,289	96,915
Student transportation	115,655	121,619	48,046	73,573
Central services	56,506	59,420	23,474	35,946
Other support services	5,972,314	6,280,308	2,481,054	3,799,254
Community services	597,209	628,007	248,096	379,911
Facilities acquisition and construction	15,884,331	16,703,492	6,598,763	10,104,729
Total expenditures	92,181,269	96,935,090	38,294,489	58,640,601
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	$ -	$ -

See the accompanying independent auditors' report.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

BUILDING FUND

This fund is used to account for all resources available for acquiring capital sites, buildings, and equipment.

The Building Fund is deemed to be a major fund for financial reporting purposes.

PUEBLO SCHOOL DISTRICT NO. 60
BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local sources:			
Other local sources	$ 1,745,943	$ 3,049,948	$ 1,304,005
State sources:			
Other state funding	-	71,621	71,621
Total revenues	1,745,943	3,121,569	1,375,626
EXPENDITURES			
Supporting services:			
Operation and maintenance	-	107,116	(107,116)
Central services	-	1,164,652	(1,164,652)
Facilities acquisition and construction	141,556,930	92,877,345	48,679,585
Debt service	160,500	33,240	127,260
Contingency reserves	20,489	-	20,489
Total expenditures	141,737,919	94,182,353	47,555,566
Excess (deficiency) of revenues over expenditures	(139,991,976)	(91,060,784)	48,931,192
OTHER FINANCING SOURCES (USES)			
Other sources	-	213,405	213,405
Net change in fund balance	(139,991,976)	(90,847,379)	49,144,597
Fund balance - beginning	139,991,976	139,991,974	(2)
Fund balance - ending	$ -	$ 49,144,595	$ 49,144,595

See the accompanying independent auditors' report.

CAPITAL PROJECTS FUND

This fund is used to account for significant capital expenditures of the District, including the acquisition of sites, buildings, equipment, and vehicles.

For financial reporting purposes, the Capital Projects Fund was determined to be a major fund of the District for the current fiscal year.

PUEBLO SCHOOL DISTRICT NO. 60
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local sources:			
Specific ownership taxes	$ 1,900,000	$ 1,723,695	$ (176,305)
Other local sources	985,349	1,162,642	177,293
	2,885,349	2,886,337	988
State sources:			
Other state funding	17,760,895	15,059,405	(2,701,490)
Total revenues	20,646,244	17,945,742	(2,700,502)
EXPENDITURES			
Instruction	2,849	3,132	(283)
Supporting services:			
Operation and maintenance	3,000,000	2,800,228	199,772
Central services	1,845,854	1,747,575	98,279
Facilities acquisition and construction	28,694,877	17,876,578	10,818,299
Contingency reserves	20,003,105	-	20,003,105
Total expenditures	53,546,685	22,427,513	31,119,172
Excess (deficiency) of revenues over expenditures	(32,900,441)	(4,481,771)	28,418,670
OTHER FINANCING SOURCES (USES)			
Transfers in	9,800,000	9,800,000	-
Net change in fund balance	(23,100,441)	5,318,229	28,418,670
Fund balance - beginning	23,100,441	23,100,444	3
Fund balance - ending	$ -	$ 28,418,673	$ 28,418,673

See the accompanying independent auditors' report.

NON-MAJOR GOVERNMENTAL FUNDS

In addition to the funds identified as major governmental funds for financial reporting, the District reports the following non-major funds:

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for specified purposes. The District has the following Special Revenue Funds:

Food Service Fund
This fund accounts for all financial activities associated with the District's school lunch program.

Pupil Activity Fund
This fund is used to record financial transactions related to school sponsored organizations and activities.

Education Foundation
This fund is used to operate exclusively for educational and charitable purposes exclusively for the benefit of the School District.

Debt Service Fund

Bond Redemption Fund
This fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs. This fund's primary revenue sources are local property taxes levied specifically for debt service.

PUEBLO SCHOOL DISTRICT NO. 60
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023

	Food Service Fund	Pupil Activity Fund	Education Foundation, Inc.	Bond Redemption Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash and investments	$ 7,978,360	$ 2,480,703	$ 232,791	$ -	$ 10,691,854
Restricted cash and investments	-	-	-	18,822,835	18,822,835
Taxes receivable	-	-	-	2,661,473	2,661,473
Intergovernmental receivables	1,136,000	-	-	-	1,136,000
Other receivables	-	32,490	104	78,789	111,383
Total assets	$ 9,114,360	$ 2,513,193	$ 232,895	$ 21,563,097	$ 33,423,545
LIABILITIES					
Accounts payable and other current liabilities	$ 143,709	$ 26,304	$ 29	$ -	$ 170,042
Due to interfunds	5,769	11,301	1,565	400	19,035
Unearned revenue	4,834	-	-	-	4,834
Total liabilities	154,312	37,605	1,594	400	193,911
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	-	-	-	2,258,890	2,258,890
Total deferred inflows of resources	-	-	-	2,258,890	2,258,890
FUND BALANCES					
Restricted for:					
Debt service	-	-	-	19,303,807	19,303,807
Committed for:					
Food service operations	8,960,048	-	-	-	8,960,048
Pupil Activities	-	2,475,588	-	-	2,475,588
Foundation activities	-	-	231,301	-	231,301
Total fund balances	8,960,048	2,475,588	231,301	19,303,807	30,970,744
Total liabilities and fund balances	$ 9,114,360	$ 2,513,193	$ 232,895	$ 21,563,097	$ 33,423,545

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	Food Service Fund	Pupil Activity Fund	Education Foundation, Inc.	Bond Redemption Fund	Total Nonmajor Governmental Funds
REVENUES					
Local sources	$ 244,863	$ 1,992,750	$ 79,559	$ 18,144,072	$ 20,461,244
State sources	71,988	-	-	57	72,045
Federal sources	10,114,178	-	-	-	10,114,178
Total revenues	10,431,029	1,992,750	79,559	18,144,129	30,647,467
EXPENDITURES					
Instruction	-	799,116	37,985	-	837,101
Supporting services	-	861,727	39,726	-	901,453
Food service operations	8,734,565	-	-	-	8,734,565
Debt service	-	-	-	17,983,028	17,983,028
Total expenditures	8,734,565	1,660,843	77,711	17,983,028	28,456,147
Net change in fund balances	1,696,464	331,907	1,848	161,101	2,191,320
Fund balances - beginning	7,263,584	2,143,681	229,453	19,142,706	28,779,424
Fund balances - ending	$ 8,960,048	$ 2,475,588	$ 231,301	$ 19,303,807	$ 30,970,744

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local sources:			
Other local sources	$ 262,569	$ 244,863	$ (17,706)
State sources:			
Other state funding	71,989	71,988	(1)
Federal sources	13,429,619	10,114,178	(3,315,441)
Total revenues	13,764,177	10,431,029	(3,333,148)
EXPENDITURES			
Food service operations	12,895,208	8,734,565	4,160,643
Contingency reserves	8,132,552	-	8,132,552
Total expenditures	21,027,760	8,734,565	12,293,195
Net change in fund balance	(7,263,583)	1,696,464	8,960,047
Fund balance - beginning	7,263,583	7,263,584	1
Fund balance - ending	$ -	$ 8,960,048	$ 8,960,048

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
PUPIL ACTIVITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local sources:			
Other local sources	$ 2,541,352	$ 1,992,750	$ (548,602)
EXPENDITURES			
Instruction	3,683,029	799,116	2,883,913
Supporting services:			
Instructional staff	592,285	861,727	(269,442)
Contingency reserves	409,719	-	409,719
Total expenditures	4,685,033	1,660,843	3,024,190
Net change in fund balance	(2,143,681)	331,907	2,475,588
Fund balance - beginning	2,143,681	2,143,681	-
Fund balance - ending	$ -	$ 2,475,588	$ 2,475,588

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
EDUCATION FOUNDATION, INC.
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local sources:			
Other local sources	$ 161,800	$ 79,559	$ (82,241)
EXPENDITURES			
Instruction	262,000	37,985	224,015
Supporting services:			
Student services	84,181	30,284	53,897
General administration	10,000	6,340	3,660
Business services	5,000	3,102	1,898
Contingency reserves	30,072	-	30,072
Total expenditures	391,253	77,711	313,542
Net change in fund balance	(229,453)	1,848	231,301
Fund balance - beginning	229,453	229,453	-
Fund balance - ending	$ -	$ 231,301	$ 231,301

See the accompanying independent auditors' report.

PUEBLO SCHOOL DISTRICT NO. 60
BOND REDEMPTION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local sources:			
Property taxes	$ 17,698,889	$ 17,595,932	$ (102,957)
Other local sources	175,000	548,140	373,140
Total local sources	17,873,889	18,144,072	270,183
State sources:			
Other state funding	-	57	57
Total revenues	17,873,889	18,144,129	270,240
EXPENDITURES			
Debt service	17,985,529	17,983,028	2,501
Contingency reserves	18,905,631	-	18,905,631
Total expenditures	36,891,160	17,983,028	18,908,132
Net change in fund balance	(19,017,271)	161,101	19,178,372
Fund balance - beginning	19,017,271	19,142,706	125,435
Fund balance - ending	$ -	$ 19,303,807	$ 19,303,807

See the accompanying independent auditors' report.

INTERNAL SERVICE FUND

PUEBLO SCHOOL DISTRICT NO. 60
RISK MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Charges for services	$ 1,428,150	$ 1,395,432	$ (32,718)
OPERATING EXPENSES			
Insurance claims and expenses	1,766,000	1,680,947	85,053
Operating income (loss)	(337,850)	(285,515)	52,335
NON-OPERATING REVENUES (EXPENSES)			
Interest and investment revenue	-	186	186
Change in net position	(337,850)	(285,329)	52,521
Net position - beginning	3,311,556	3,311,556	-
Net position - ending	$ 2,973,706	$ 3,026,227	$ 52,521

See the accompanying independent auditors' report.

FEDERAL COMPLIANCE

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Agriculture					
Child Nutrition Cluster					
Passed Through Colorado Department of Education					
School Breakfast Program	10.553		5553	$ -	$ 2,857,033
National School Lunch Program	10.555		4555,6555		5,918,447
Summer Food Service Program for Children	10.559		4559		130,361
Fresh Fruit and Vegetable Program	10.582		4582		328,980
Passed Through Colorado Department of Human Services					
National School Lunch Program	10.555		4555		679,672
Total Child Nutrition Cluster					9,914,493
Passed Through Colorado Department of Education					
Local Food for Schools Cooperative Agreement Program	10.185		4185		2,928
State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grants	10.649	COVID-19	4649		5,950
Passed Through Colorado Department of Public Health and Environment					
Child and Adult Care Food Program	10.558		4558		196,757
Total U.S. Department of Agriculture					10,120,128
U.S. Department of Defense					
Direct Programs					
Reserve Officer Training Corps (ROTC)	12.Unknown		9001		303,409
Total Department of Defense					303,409
U.S. Department of Education					
Direct Programs					
Impact Aid	84.041		4041		14,878
					14,878
Passed Through Colorado Department of Education					
Special Education Cluster					
Special Education: Grants to States IDEA Part B	84.027		4027,6027		3,503,178
Special Education: Preschool Grants	84.173		4173		69,173
Total SPED Cluster					3,572,351
No Child Left Behind, Title I, Part A	84.010		4010, 5010		7,432,790
English Language Learners, Title III, Part A	84.365		4365		58,241
Quality Teacher, Title II, Part A	84.367		4367		866,721
Student Support and Academic Enrichment Program	84.424A		4424		388,918
Education for Homeless Children and Youth	84.196A		5196		6,166
Education Stabilization Fund					
ESSER II	84.425D	COVID-19	4419,4420,4437		10,231,625
ESSER III	84.425U	COVID-19	4414,4434,4418,4453,4436		9,594,639
ARP Homeless Children and Youth (ARP-HCY)	84.425W	COVID-19	8425,8426		56,291
GEER II	84.425C	COVID-19	6426,6427		727,809
Passed through Colorado Community College System					
Vocational Education - Carl Perkins	84.048		4048		37,717
Total U.S. Department of Education					32,988,146
U.S. Department of Health and Human Services					
Passed Through Colorado Department of Education					
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	COVID-19	7323		6,727
Cooperative Agreement for Emergency Response: CDC Nursing Workforce	93.354	COVID-19	7354		60,002
Total U.S. Department of Health and Human Services					66,729
Total Federal Awards				$ -	$ 43,478,412

See the accompanying independent auditors' report.

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Pueblo School District No. 60 under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles,* and *Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Pueblo School District No. 60, it is not intended to and does not present the financial position, changes in net position, or cash flows of Pueblo School District No. 60.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified-accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Pass-through entity identifying numbers are presented where available. ROTC does not have a ALN number, so the Federal ALN number on the Schedule of Expenditures of Federal Awards identifies the Department followed by “Unknown”.

NOTE 3 – INDIRECT COST RATE

Pueblo School District No. 60 has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – NON-CASH ASSISTANCE

During the year end June 30, 2023, Pueblo School District No. 60 received $679,672 in non-cash assistance in the form of food commodities. Valuation of commodities is based on fair market value at the time of receipt.

Hoelting & Company, Inc.
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Education
Pueblo School District No. 60

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 Pueblo School District No. 60, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Pueblo School District No. 60's basic financial statements, and have issued our report thereon dated March 22, 2024. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units as described in our report on the Pueblo School District No. 60's financial statements. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with those component units.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Pueblo School District No. 60'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 Pueblo School District No. 60's internal control. Accordingly, we do not express an opinion on the effectiveness of Pueblo School District No. 60'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.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pueblo School District No. 60'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.

Hoelting & Company Inc.

Colorado Springs, Colorado
March 22, 2024

Hoelting & Company, Inc.
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Education
Pueblo School District No. 60

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Pueblo School District No. 60'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 Pueblo School District No. 60's major federal programs for the year ended June 30, 2023. Pueblo School District No. 60's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Pueblo School District No. 60 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Pueblo School District No. 60 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 Pueblo School District No. 60'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 Pueblo School District No. 60's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Pueblo School District No. 60's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Pueblo School District No. 60's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Pueblo School District No. 60'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 Pueblo School District No. 60'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 Pueblo School District No. 60's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Hoelting & Company Inc.

Colorado Springs, Colorado
March 22, 2024

PUEBLO SCHOOL DISTRICT NO. 60
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

Section I—Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	___ yes _x_ no
• Significant deficiency(ies) identified?	___ yes _x_ none reported
Noncompliance material to financial statements noted?	___ yes _x_ no

Federal Awards

Internal control over major programs?	
• Material weakness(es) identified?	___ yes _x_ no
• Significant deficiency(ies) identified?	___ yes _x_ none reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ yes _x_ no

Identification of major programs:

ALN Number(s)	Name of Federal Program or Cluster
ALN 84.425C, D, U & W	Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs?	$1,304,352
Auditee qualified as low-risk auditee?	_x_ yes ___ no

Section II—Financial Statement Findings

No findings reported.

Section III—Findings and Questioned Costs for Federal Awards

No findings reported.

PUEBLO SCHOOL DISTRICT 60
Educating for Purpose and Impact
315 West 11th St, Pueblo, CO 81003

The Summary Schedule of Prior Audit Findings (the Summary) summarizes the status of the audit findings reported in the Pueblo School District No. 60 Schedule of Findings and Questioned Costs for the year ended June 30, 2022. If the prior audit finding was fully addressed, the Summary indicates that the corrective action described in the prior audit report was taken or that corrective action is no longer needed. Otherwise, the Summary references the page number of the June 30, 2023 single audit report where a repeat recommendation, description of the planned corrective action, or reason for not implementing the recommendation is presented.

There were no prior year audit findings.

STATE COMPLIANCE

Hoelting & Company, Inc.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON COLORADO SCHOOL DISTRICT/BOCES AUDITOR'S INTEGRITY REPORT

To the Board of Education
Pueblo School District No. 60

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 the Pueblo School District No. 60, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Pueblo School District No. 60's basic financial statements as listed in the table of contents. Our report thereon, dated March 22, 2024, expressed an unmodified opinion on those financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Pueblo School District No. 60's basic financial statements. The accompanying *Colorado School District/BOCES, Auditor's Integrity Report* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information, except for the portion marked "11 Charter School Fund," 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. That information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The information marked "11 Charter School Fund" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Hoelting & Company Inc.

Colorado Springs, Colorado
March 25, 2024

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Colorado Department of Education

Auditors Integrity Report

District: 2690 - Pueblo City 60
Fiscal Year 2022-23
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number	Beg Fund Balance & Prior Per Adj (6880*) +	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses -	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance =
Governmental				
10 General Fund	31,639,020	136,730,319	136,041,668	32,327,670
18 Risk Mgmt Sub-Fund of General Fund	1,445,981	2,163,088	1,546,474	2,062,595
19 Colorado Preschool Program Fund	2,505,882	5,805,672	4,957,751	3,353,804
Sub- Total	**35,590,883**	**144,699,079**	**142,545,893**	**37,744,069**
11 Charter School Fund	3,844,802	23,880,879	23,774,931	3,950,750
20,26-29 Special Revenue Fund	12,489,456	15,189,939	18,614,389	9,065,007
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	7,263,584	10,431,029	8,734,564	8,960,048
22 Govt Designated-Purpose Grants Fund	0	38,294,489	38,294,488	0
23 Pupil Activity Special Revenue Fund	2,143,681	1,992,750	1,660,843	2,475,588
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	19,142,706	18,144,129	17,983,028	19,303,807
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	139,991,974	3,334,974	94,182,353	49,144,595
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	23,100,444	27,745,742	22,427,513	28,418,673
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	**243,567,530**	**283,713,009**	**368,218,002**	**159,062,537**
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	3,311,556	186	285,515	3,026,227
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	**3,311,556**	**186**	**285,515**	**3,026,227**
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	**0**	**0**	**0**	**0**

FINAL