

**BUENA VISTA SCHOOL DISTRICT R-31
BUENA VISTA, COLORADO**

BASIC FINANCIAL STATEMENTS

June 30, 2024

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FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS



**PROSPECTIVE
BUSINESS
SOLUTIONS, LLC**
Certified Public Accountants

Auditing, Accounting, and Consulting Services for
Governments and Nonprofit Organizations

Board of Education
Buena Vista School District R-31
Buena Vista, Colorado

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Buena Vista School District R-31 (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Buena Vista School District R-31 as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the schedules of the District's proportionate share, and the schedules of the District's contributions on pages 48-54 be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund schedules and the Auditor's Integrity Report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 schedules and the Auditor's Integrity Report are fairly stated in all material respects in relation to the financial statements as a whole.

PB Solutions LLC

Littleton, Colorado
December 10, 2024

**Buena Vista School District R-31
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024**

The discussion and analysis of Buena Vista School District R-31's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should review the information presented here in conjunction with the notes to the basic financial statements and the financial statements to enhance their understanding of the District's performance.

FINANCIAL HIGHLIGHTS

- In total, the net position of the District decreased by \$240,444. The assets and deferred outflows of resources of the Buena Vista School District R-31 exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2024 by \$28,796,710. There is an increase in the Net Pension Liability of \$3,636,773 resulting in a balance in Net Pension Liability of \$21,703,217 as compared to a Net Pension Liability of \$18,066,444 at the close of fiscal year 2023. The District also incurred a decrease in the Net OPEB Liability of \$91,542 resulting in a balance at the close of 2024 of \$524,045 as compared to \$615,587 in 2023

- General Revenues on the Statement of Activities accounted for \$16,446,509 in revenue or 81.5% of all governmental revenues. This percent of the total is 7.5% higher than FY23. Fiscal year 2023 saw a shift to local tax collections with a new assessment period coupled with the increasing program mils. The district is now required by law to increase the local share of program mils in response to HB21-1164 each year until the District reaches 23.149 mils. The certified mil in FY 2024 as compared to FY23 increased by one mil resulting in a higher property tax collection, which more than offset the reduction in state equalization dollars. The District did see an increase in Specific Ownership Tax in the amount of \$132,880. Program Revenues in the form of charges for services, grants and contributions accounted for \$3,722,273 or 18.5% of total governmental revenues on the Statement of Activities.

The District incurred \$22,738,618 in expenses related to total governmental funds, as compared to \$20,409,382 in FY23. The District received revenue including other sources of \$21,955,410. Expenditures exceeded revenue in the amount of \$783,208. The increase was primarily due to Capital Outlay expenses for fiscal year 2024 as compared for fiscal year 2023. Offsetting additional revenues, the District had increased expenses in both Instruction by \$587,670 and Supporting Services by \$22,556.

- The Bond fund had payments to bond holders of \$2,408,232. The Capital construction payments amounted to \$4,073,798 which includes a \$2,000,000 charge under GASB 87 for a lease/lease back of the new preschool and \$1,257,423 for the purchase of the new Transportation building.

**Buena Vista School District R-31
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024**

- The Food Service Fund has been included in with Other Governmental Funds on the Statement of Revenues, Expenditures and Changes in Fund Balance and had an overall decrease in fund balance of \$61,755. With a shift in the State funding all students eating for free, the majority of revenue for Food Service comes from State and Federal sources.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts: Management's Discussion and Analysis, the basic financial statements, required supplementary information, and supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.

The government funds statements tell how basic services such as instruction were financed in the short-term as well as what remains for future spending. The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplemental information that further explains and supports the financial statements with a comparison of the District's budget for the year. The supplementary information contains combining statements for non-major governmental funds, as well as budgetary comparisons for all other funds.

District-wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's net position and how they have changed. Net position (the difference between the District's assets and liabilities) is one way to measure the District's financial position. Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating. To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school facilities.

**Buena Vista School District R-31
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024**

Governmental activities

Most of the District's basic services are included here, such as instruction, transportation, maintenances and operation, and administration. These activities are financed mainly through property taxes and state equalization funds. Because of the change in classification, the Food Service fund is also reported under governmental activities as a special revenue fund. The Food Service fund receives much of its revenue from State and Federal reimbursements with the balance of revenue from charging students and staff for non-reimbursable meals and transfers from the General fund.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. Funds are accounting devices the District used to keep track of specific sources of funding and spending on particular programs. Some funds are required to be established by state law. However, the District establishes many other funds to help it manage and control its finances to achieve certain results.

The District maintains five major governmental funds and one nonmajor governmental fund.

Governmental funds- Most of the District's basic services are included in governmental funds, which 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. The governmental fund statements provide a detailed short-term view of the District's general operations and the services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

Because this information does not encompass the additional long-term focus of the district-wide statements, additional reconciliations of the governmental fund statements to the district-wide statements explain the relationships (or differences) between them.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

As noted earlier, net position is used to serve as a potential indicator of a government's financial position. However, with the requirement under GASB 68, the District has incurred a proportional share of net unfunded PERA liability of \$21,703,217 for fiscal year end 2024. This has resulted in assets including deferred outflows exceeding liabilities and deferred inflows by \$28,796,710. Under GASB 75, the District has also incurred a Net OPEB Liability of \$213,664. The District also recognized \$64,782,995 for capital assets as part of the new buildings for the middle and high school campus and the purchase of the Transportation building that are all also included in the 2024 Total Assets.

**Buena Vista School District R-31
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024**

Condensed Statement of Net Position

Assets and Deferred Outflows:	<u>2023</u>	<u>2024</u>
Current Assets	\$ 14,521,303	\$ 13,877,966
Capital Assets	63,225,359	64,782,995
Deferred Outflow	4,583,195	6,078,448
Total Assets and Deferred Outflows:	<u>\$82,329,857</u>	<u>\$84,739,409</u>
Liabilities and Deferred Inflows		
Current Liabilities	3,530,036	3,643,960
Long Term Liabilities	27,608,129	28,328,673
Pension Liability	18,066,444	21,703,217
OPEB Liability	615,587	524,045
Deferred Outflow Related to Pensions	3,209,369	1,529,140
Deferred Outflow Related to OPEB	263,138	213,664
Total Liabilities and Deferred Inflows	<u>\$ 53,292,703</u>	<u>\$ 55,942,699</u>
Net Position		
Invested in Capital Assets	34,218,199	35,184,643
Restricted	4,749,319	5,198,367
Unrestricted	(9,930,364)	(11,586,300)
Total Net Position	<u>\$29,037,154</u>	<u>\$28,796,710</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 82,329,857</u>	<u>\$ 84,739,409</u>

The largest portion of the District's assets are Capital Assets. This is the result of the construction of the middle and high school facilities and the purchase of a new Transportation building. The balance of Current Assets are primarily cash and investments. At the close of the fiscal year, the District reported a positive net position due to construction of the new schools which offset the increase in the Net Pension Liability.

**Buena Vista School District R-31
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024**

Buena Vista School District Statement of Activities

	<u>2023</u>	<u>2024</u>	<u>Net Difference</u>
Program Revenues			
Charges for services	\$ 399,947	\$ 222,483	\$ (177,464)
Operating Grants and Contributions	4,110,063	3,261,331	(848,732)
Capital Grants and Contributions	180,554	238,459	57,905
General Revenues			
Property taxes	10,477,095	13,018,998	2,541,903
Specific Ownership taxes	1,087,518	1,220,398	132,880
State Equalization	3,787,024	1,914,718	(1,872,306)
Other Revenues	-	-	
Investment Earnings	202,911	292,395	89,484
Special Item	-	-	-
Total Revenues	<u>\$ 20,245,112</u>	<u>\$ 20,168,782</u>	<u>\$ (76,330)</u>
Expenses			
Instruction	10,380,209	11,340,807	960,598
Supporting Services	9,832,161	7,984,158	(1,848,003)
Interest on long-term debt	1,106,578	1,084,261	(22,317)
Total Expenses	<u>\$ 21,318,948</u>	<u>\$ 20,409,226</u>	<u>\$ (909,722)</u>
change in net position	(1,073,836)	(240,444)	833,392
Net position -beginning	30,110,990	29,037,154	(1,073,836)
Net-position-ending	<u>\$ 29,037,154</u>	<u>\$ 28,796,710</u>	<u>\$ (240,444)</u>

Governmental Activities

A large part of the District's revenue comes from the School Finance Act of 1994 (SFA). Under the SFA the District received \$10,779 per funded student for the close of 2024. In fiscal year 2024, the funded pupil count was 947.9. The General Fund also receives operating grants from both federal and state sources that are outside of the (SFA). The District receives local support in the form of mil levy override income. For Fiscal year end 2024, the District received mil levy override income for general operations of \$2,692,099. The Food Service program is included in with other Governmental funds.

**Buena Vista School District R-31
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024**

A transfer from General Fund in the amount of \$60,000 was needed to support the Food Service fund. The revenue received from the current year National School Lunch Program revenue was \$282,597. This compares to \$308,069 the previous year. The commodity contributions were \$11,513 for fiscal year end 2024 as compared to \$42,295 for fiscal year 2023. Food Service has a cash balance of \$130,207 for fiscal 2024 as compared to \$151,619 at the close of the fiscal year 2023. It is important to note that the Food Service fund is the only fund other than the General fund that has payroll and benefits being deducted from the cash balance.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of government's net resources available for spending at the end of a fiscal year. As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$11,849,009 a decrease of \$783,208 in comparison with the prior year. The decrease in Fund Balance was primarily due to the purchase of the new Transportation building.

Of the total fund balance, \$1,706,377 (14.4%) constitutes unassigned fund balance, which is available for spending at the District's discretion. The remainder of the fund balance is non-spendable, restricted or assigned to indicate that it is not available for new spending because it has already been committed to comply with emergency reserve statutory requirements, pay debt service of and to set aside funding for the District's insurance and capital projects. The District also has non-spendable reserves of \$31,807. The District has an active Master Facility Plan, so the District also has assigned out \$4,850,000 to meet the needs without going to the voters for an additional mil override.

The General Fund is the chief operating fund for the District. At the end of the current fiscal year, Unassigned Fund Balance of the General Fund was \$1,706,377, down \$99,641 from the previous year.

As a measure of the General Fund's liquidity, it may be useful to compare both Unassigned Fund Balance and Total Fund Balance to Total Fund Expenditures. Unassigned Fund Balance represents 11.5% of total General Fund Expenditures, while Total Fund Balance represents 47.5% of that same amount.

The Debt Service fund has a Total Fund Balance of \$4,162,779 which is an increase of \$219,344 due to a mil certification in December to cover payments in the fiscal year of \$2,408,232. It is recommended that the District hold additional reserves in the Bond

**Buena Vista School District R-31
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024**

Fund to cover unforeseen economic downturns to prevent any default to the bond holders. The most recent sale of the bonds occurred in December of 2018.

General Fund Budgetary Highlights

The District's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the General Fund. The General Fund is where the daily operations are accounted for as well as revenue.

CAPITAL ASSET ADMINISTRATION

By the end of 2024, the District has invested \$64,782,995 in capital assets. This is an increase of \$1,557,636 from 2023. The increase accounts for adding the new Transportation building to the Capital Asset inventory.

DEBT ADMINISTRATION

At the end of the current fiscal year, the District had total bonded principal debt outstanding of \$24,073,470 on its 2018 bonds and \$2,245,000 on its 2013 bonds. State statutes limit the amount of general obligation debt a governmental entity may issue to the largest of twenty percent of its assessed value or six percent of its market value. The current debt limitation for the District using the assessed value approach is \$81,657,646 which is significantly in excess of the District's outstanding general obligation debt. Under the actual value approach, the District's debt limit is \$246,193,759. Additional information on the District's long-term debt can be found in Note 4 of this report.

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District is not aware of any existing circumstances that could significantly affect its financial health in the future.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, parents, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Buena Vista School District R-31, P.O. Box 2027, Buena Vista, Colorado 81211.

BUENA VISTA SCHOOL DISTRICT NO. R-31

STATEMENT OF NET POSITION

June 30, 2024

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and Investments	\$ 8,477,636
Restricted Cash and Investments	4,018,814
Cash Held with Fiscal Agent	518,434
Taxes Receivable	704,757
Accounts Receivable	126,518
Prepaid Expenses	21,439
Inventories	10,368
Capital Assets, Not Depreciated	1,871,368
Capital Assets, Depreciated, Net of Accumulated Depreciation	59,877,910
Right to Use Assets, Net of Accumulated Amortization	3,033,717
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TOTAL ASSETS	78,660,961
DEFERRED OUTFLOWS OF RESOURCES	
Related to Pensions	5,986,231
Related to OPEB	92,217
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TOTAL DEFERRED OUTFLOWS OF RESOURCES	6,078,448
LIABILITIES	
Accounts Payable	227,042
Accrued Salaries and Benefits	1,475,757
Accrued Interest Payable	83,494
Unearned Revenue	79,484
Noncurrent Liabilities	
Due Within One Year	1,778,183
Due in More Than One Year	27,736,675
Compensated Absences and Early Retirement	591,998
Net Pension Liability	21,703,217
Net OPEB Liability	524,045
	<hr/>
TOTAL LIABILITIES	54,199,895
DEFERRED INFLOWS OF RESOURCES	
Related to Pensions	1,529,140
Related to OPEB	213,664
	<hr/>
TOTAL DEFERRED INFLOWS OF RESOURCES	1,742,804
NET POSITION	
Net Investment in Capital Assets	35,184,643
Restricted	5,198,367
Unrestricted	(11,586,300)
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TOTAL NET POSITION	\$ 28,796,710
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The accompanying notes are an integral part of the financial statements.

BUENA VISTA SCHOOL DISTRICT NO. R-31

STATEMENT OF ACTIVITIES

Year Ended June 30, 2024

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE)
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	REVENUE AND CHANGES IN NET POSITION
					GOVERNMENTAL ACTIVITIES
PRIMARY GOVERNMENT					
Governmental Activities					
Instruction	\$ 11,340,807	\$ -	\$ 1,323,330	\$ -	\$ (10,017,477)
Supporting Services	7,984,158	222,483	1,938,001	238,459	(5,585,215)
Interest and Fiscal Charges	1,084,261	-	-	-	(1,084,261)
Total Governmental Activities	20,409,226	222,483	3,261,331	238,459	(16,686,953)
GENERAL REVENUES					
					13,018,998
					1,220,398
					1,914,718
					292,395
					16,446,509
					CHANGE IN NET POSITION (240,444)
					NET POSITION, Beginning 29,037,154
					NET POSITION, Ending \$ 28,796,710

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

BUENA VISTA SCHOOL DISTRICT NO. R-31

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2024

	GENERAL FUND	FOOD SERVICE FUND	BOND REDEMPTION FUND	CAPITAL PROJECTS FUND
ASSETS				
Cash and Investments	\$ 7,642,556	\$ 130,208	\$ -	\$ 127,492
Restricted Cash and Investments	-	-	3,992,994	-
Cash Held at Fiscal Agent	439,027	-	79,407	-
Taxes Receivable	570,573	-	134,184	-
Other Receivables	126,518	-	-	-
Prepaid Expenditures	21,439	-	-	-
Inventory	-	10,368	-	-
TOTAL ASSETS	\$ 8,800,113	\$ 140,576	\$ 4,206,585	\$ 127,492
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 102,320	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	1,424,992	50,765	-	-
Unearned Revenue	-	16,985	-	-
TOTAL LIABILITIES	1,527,312	67,750	-	-
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenues	202,868	-	43,806	-
FUND BALANCES				
Nonspendable	21,439	10,368	-	-
Restricted for Emergencies	475,000	-	-	-
Restricted for Insurance	17,117	-	-	-
Restricted for Debt Service	-	-	4,162,779	-
Restricted for Capital Projects	-	-	-	127,492
Restricted for Student Activities	-	-	-	-
Assigned	4,850,000	62,458	-	-
Unassigned	1,706,377	-	-	-
TOTAL FUND BALANCES	7,069,933	72,826	4,162,779	127,492
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 8,800,113	\$ 140,576	\$ 4,206,585	\$ 127,492

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

CAPITAL RESERVE FUND	Nonmajor Fund		TOTAL GOVERNMENTAL FUNDS
	PUPIL ACTIVITIES FUND		
\$ 288,808	\$ 288,572		\$ 8,477,636
25,820	-		4,018,814
-	-		518,434
-	-		704,757
-	-		126,518
-	-		21,439
-	-		10,368
<u>\$ 314,628</u>	<u>\$ 288,572</u>		<u>\$ 13,877,966</u>

\$ 124,722	\$ -	\$ 227,042
-	-	1,475,757
62,499	-	79,484
<u>187,221</u>	<u>-</u>	<u>1,782,283</u>

-	-	246,674
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-	-	31,807
-	-	475,000
-	-	17,117
-	-	4,162,779
127,407	-	254,899
-	288,572	288,572
-	-	4,912,458
-	-	1,706,377
<u>127,407</u>	<u>288,572</u>	<u>11,849,009</u>

<u>\$ 314,628</u>	<u>\$ 288,572</u>	<u>\$ 13,877,966</u>
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BUENA VISTA SCHOOL DISTRICT NO. R-31

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION

Year Ended June 30, 2024

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

Total fund balances of governmental funds \$ 11,849,009

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.

Capital Assets, Not Depreciated	1,871,368	
Capital Assets, Depreciated	70,856,030	
Accumulated Depreciation	(10,978,120)	
Right to Use Assets, Amortized	3,477,001	
Accumulated Amortization	<u>(443,284)</u>	64,782,995

Other long-term assets are not available to pay for current-period expenditures, and therefore, are deferred in the funds. 246,674

Long-term liabilities and related assets are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated Absences	(403,198)	
Accrued Interest Payable	(83,494)	
Early Retirement	(276,754)	
Bonds Payable	(26,318,470)	
Bond Premium	(65,234)	
Leases Payable	(3,043,200)	
Net Pension Liability	(21,703,217)	
Net OPEB Liability	<u>(524,045)</u>	(52,417,612)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources - Related to Pensions	5,986,231	
Deferred outflows of resources - Related to OPEB	92,217	
Deferred inflows of resources - Related to Pensions	(1,529,140)	
Deferred inflows of resources - Related to OPEB	<u>(213,664)</u>	<u>4,335,644</u>

Net position of governmental activities \$ 28,796,710

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

BUENA VISTA SCHOOL DISTRICT NO. R-31

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

Year Ended June 30, 2024

	GENERAL FUND	FOOD SERVICE FUND	BOND REDEMPTION FUND	CAPITAL PROJECTS FUND
REVENUES				
Local Sources	\$ 11,965,116	\$ 77,561	\$ 2,627,576	\$ 353
State Sources	3,456,252	289,217	-	-
Federal Sources	496,986	282,597	-	-
TOTAL REVENUES	15,918,354	649,375	2,627,576	353
EXPENDITURES				
Current				
Instruction	8,354,813	-	-	-
Supporting Services	6,081,480	771,130	-	26,702
Capital Outlay	328,320	-	-	166,621
Debt Service				
Principal	93,637	-	1,381,436	-
Interest	7,881	-	1,026,796	-
TOTAL EXPENDITURES	14,866,131	771,130	2,408,232	193,323
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,052,223	(121,755)	219,344	(192,970)
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	-	-	-
Transfer Out	(1,145,169)	-	-	-
Transfer In	-	60,000	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,145,169)	60,000	-	-
NET CHANGE IN FUND BALANCES	(92,946)	(61,755)	219,344	(192,970)
FUND BALANCES, Beginning	7,162,879	134,581	3,943,435	320,462
FUND BALANCES, Ending	\$ 7,069,933	\$ 72,826	\$ 4,162,779	\$ 127,492

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

CAPITAL RESERVE FUND	<u>Nonmajor Fund</u> PUPIL ACTIVITIES FUND	TOTAL GOVERNMENTAL FUNDS
\$ 303,658	\$ 456,094	\$ 15,430,358
-	-	3,745,469
-	-	779,583
<u>303,658</u>	<u>456,094</u>	<u>19,955,410</u>
-	426,004	8,780,817
296,900	-	7,176,212
3,617,988	-	4,112,929
97,508	-	1,572,581
61,402	-	1,096,079
<u>4,073,798</u>	<u>426,004</u>	<u>22,738,618</u>
(3,770,140)	30,090	(2,783,208)
2,000,000	-	2,000,000
-	-	(1,145,169)
1,085,169	-	1,145,169
<u>3,085,169</u>	<u>-</u>	<u>2,000,000</u>
(684,971)	30,090	(783,208)
812,378	258,482	12,632,217
<u>\$ 127,407</u>	<u>\$ 288,572</u>	<u>\$ 11,849,009</u>

BUENA VISTA SCHOOL DISTRICT NO. R-31

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2024

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

Net change in fund balances - total governmental funds \$ (783,208)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities.

Capital Outlay	3,723,007	
Depreciation and Amortization	(2,093,504)	
Loss on Disposal of Assets	<u>(71,867)</u>	1,557,636

Revenues that do not provide current financial resources are deferred in the governmental fund financial statements but are recognized in the government-wide financial statements. 168,827

Lease proceeds provide current financial resources in the governmental funds. However, the proceeds create additional long-term liabilities in the statement of net position. (2,000,000)

Some expenses reported in the statement of activities do not require current financial resources and are not reported in the funds.

Bond Principal Payments	1,381,436	
Lease Principal Payments	191,145	
Amortization of Bond Premium	7,675	
Changes in Accrued Interest Payable	4,143	
Changes in Compensated Absences and Early Retirement	<u>(447,823)</u>	1,136,576

Deferred Charges related to pensions and OPEB are not recognized in the governmental funds. However, for the government-wide funds those amounts are capitalized and amortized.

Deferred charges related to Pension Plan	(429,015)	
Deferred charges related to OPEB	<u>108,740</u>	<u>(320,275)</u>

Change in net position of governmental activities \$ (240,444)

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

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Buena Vista School District R-31 (the “District”) conform to generally accepted accounting principles as applicable to governmental units. The District is a political subdivision of the State of Colorado and is governed by an elected board of five members. Following is a summary of the more significant policies:

Reporting Entity

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

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

Jointly Governed Organizations

The District is a participant among three districts in a jointly governed organization to operate the Mountain Board of Cooperative Educational Services (the “BOCES”). The BOCES was formed for the purpose of administrative functions among member districts for special education and federal grants. The BOCES is governed by a board of directors consisting of one board member from each participating member district. The District does not have an ongoing financial interest in or ongoing financial responsibility for the BOCES. Financial statements for the BOCES can be obtained from the BOCES administrative offices at: 1713 Mount Lincoln Drive West, Leadville, Colorado, or from their website, <https://www.mtnboces.org/link-to-financial-transparency>

Government-Wide and Fund Financial Statements

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

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

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

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

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 the fund's principal ongoing operations.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

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

The *Food Service Fund* is the fund that accounts for the District food service.

The *Bond Redemption Fund* is the fund that accounts for the repayment of the District's general obligation debt.

The *Capital Projects Fund* is the fund that accounts for activities related to the District's BEST grant project.

The *Capital Reserve Fund* is the fund that accounts for the District's capital projects, other than those accounted for in the Capital Projects Fund.

Assets, Liabilities, and Fund Balance/Net Position

Deposits and Investments – For purposes of the statement of cash flows, the District considers cash and cash equivalents to be all demand deposits as well as short-term investments with a maturity date of three months or less. Investments are stated at fair value.

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

Inventories – Inventories in the governmental funds are valued using the purchase method. Under this method, inventories are recorded as expenditures when purchased. A physical inventory is taken annually at June 30th in the Food Service Fund. The inventory consists of donated commodities which were valued at the estimated acquisition value. Purchased commodities and supplies are valued at cost using the first-in, first-out (FIFO) method.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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

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

Due To and Due From Other Funds - Interfund balances arise from transactions that are recorded by all funds affected in the period in which transactions are executed.

Capital Assets – Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property and equipment of the District is depreciated using the straight-line method over the following estimated useful lives.

Land Improvements	20 years
Buildings and Improvements	50 years
Vehicles and Equipment	5-20 years

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

Accrued Salaries and Benefits – Salaries and benefits of certain contractually employed personnel are paid over a twelve-month period from September to August but are earned during the school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2024, were \$1,475,757. The accrued compensation is reported as a liability in the General and Food Service Funds.

Vacation, Sick Leave, and Other Compensated Absences – District employees are entitled to certain compensated absences based on their length of employment and are allowed to accumulate unused absences. Employees may carry over a maximum of two years of unused vacation leave to the next fiscal year. All outstanding vacation leave is payable upon resignation, termination, retirement, or death.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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

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

Employees also earn sick leave and can accumulate up to 90 days. Any days accumulated over 90 is compensated to the employee at the current daily substitute rate for the employee's position.

Employees who have worked for the District for a minimum of 10 consecutive years will be paid for their accumulated sick leave upon resignation from their position with the District.

These compensated absences are expensed when paid in the governmental fund types. As of June 30, 2024, long-term liability in the amount of \$403,198 has been recorded in the government-wide statement of net position for the accrued compensated absences.

Qualified employees are also eligible for payments under the District's early retirement plan. Early retirement payments are reviewed annually by the Board of Education. Payment schedules for qualified employees are usually spread over five years. The amount of the benefit is based on multiple factors, including the retiring employee's current salary. As of June 30, 2024, long-term liability in the amount of \$276,754 of which \$87,954 is due during fiscal year 2024-2025, has been recorded in the District's government-wide statement of net position.

Deferred Outflows and Deferred Inflows of Resources – In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position and fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Long-Term Debt – In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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

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

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

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

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

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

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

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

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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

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

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

- Nonspendable – This classification includes amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact. The District reports inventory balances and prepaid expenditures as nonspendable.

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. In addition, the District has classified amounts held for insurance, capital projects, student activities, and amounts held for debt service as restricted as required by the Colorado Department of Education and bond covenants.

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action 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 (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District did not have any committed resources as of June 30, 2024.

- Assigned – This classification includes amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed. The District has classified portions of the fund balances of the General Fund and Food Service Fund as assigned because their use has been designated for a specific purpose by the District.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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

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

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

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned fund balance.

Risk Management

The District carries commercial insurance for risks of loss, including worker’s compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Subsequent Events

The District has evaluated events subsequent to the year ended June 30, 2024 through December 10, 2024, the date these financial statements were issued, and has incorporated any required recognition into these financial statements.

NOTE 2: **CASH AND INVESTMENTS**

Cash and investments at June 30, 2024 consist of the following:

Deposits	\$ 4,058,764
Investments	<u>8,437,686</u>
Total	<u>\$ 12,496,450</u>

The above amounts are classified in the statement of net position as follows:

Cash and Investments - Unrestricted	\$ 8,477,636
Cash and Investments - Restricted	<u>4,018,814</u>
	<u>\$ 12,496,450</u>

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2: **CASH AND INVESTMENTS** (Continued)

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At June 30, 2024, State regulatory commissioners have indicated that all financial institutions holding deposits for the District are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

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

At June 30, 2024, the District had deposits with financial institutions with a carrying amount of \$4,058,764. The bank balances with the financial institutions were \$4,185,296. Of these balances, \$250,000 was covered by federal depository insurance and \$3,935,296 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

Investments

Interest Rate Risk

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

Credit Risk

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

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

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2: **CASH AND INVESTMENTS** (Continued)

Local Government Investment Pools

The District had invested \$8,437,686 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AA-Am by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share are equal in value to \$1.00. (Net Asset Value) Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

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

Restricted Cash

At June 30, 2024, cash and investments in the amount of \$3,922,994 is restricted in the Bond Redemption Fund for debt service requirements and \$25,820 in the Capital Reserve Fund for capital projects.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3: CAPITAL ASSETS

The following is a summary of the District’s capital asset transactions for the year ended June 30, 2024:

	Balance 6/30/2023	Additions	Deletions	Balance 6/30/2024
Governmental Activities				
Capital Assets, Not Depreciated				
Land	\$ 1,603,867	\$ -	\$ -	\$ 1,603,867
Construction in Progress	331,294	267,141	330,934	267,501
Total Capital Assets, Not Depreciated	<u>1,935,161</u>	<u>267,141</u>	<u>330,934</u>	<u>1,871,368</u>
Capital Asset, Being Depreciated				
Land Improvements	2,660,314	-	-	2,660,314
Buildings and Improvements	64,549,233	1,591,833	140,000	66,001,066
Equipment	2,023,183	194,967	23,500	2,194,650
Right to Use Asset	1,477,001	2,000,000	-	3,477,001
Total Capital Assets, Being Depreciated	<u>70,709,731</u>	<u>3,786,800</u>	<u>163,500</u>	<u>74,333,031</u>
Accumulated Depreciation				
Land Improvements	1,381,257	101,306	-	1,482,563
Buildings and Improvements	6,546,537	1,630,098	68,133	8,108,502
Equipment	1,248,971	161,584	23,500	1,387,055
Right to Use Asset	242,768	200,516	-	443,284
Total Depreciation	<u>9,419,533</u>	<u>2,093,504</u>	<u>91,633</u>	<u>11,421,404</u>
Net Capital Assets, Depreciated	<u>61,290,198</u>	<u>1,693,296</u>	<u>71,867</u>	<u>62,911,627</u>
Net Capital Assets	<u>\$ 63,225,359</u>	<u>\$ 1,960,437</u>	<u>\$ 402,801</u>	<u>\$ 64,782,995</u>

Depreciation and amortization expense was charged to functions/programs of the District as follows:

Governmental Activities	
Instruction	\$ 1,884,154
Supporting Services	<u>209,350</u>
Total	<u>\$ 2,093,504</u>

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4: LONG-TERM DEBT

The following is a summary of the District’s long-term debt transactions for the year ended June 30, 2024:

	Balance 6/30/2023	Additions	Deletions	Balance 6/30/2024	Due In One Year
Governmental Activities					
2013 GO Bonds	\$ 2,460,000	\$ -	\$ 215,000	\$ 2,245,000	\$ 220,000
2013 Bond Premium	72,909	-	7,675	65,234	-
2018 GO Bonds	25,239,906	-	1,166,436	24,073,470	1,211,846
Net Pension Liability	18,066,044	3,637,173	-	21,703,217	-
OPEB Liability	615,587	-	91,542	524,045	-
Early Retirement	196,681	153,648	73,575	276,754	87,954
Compensated Absences	35,448	367,750	-	403,198	-
Total	\$ 46,686,575	\$ 4,158,571	\$ 1,554,228	\$ 49,290,918	\$ 1,519,800

2013 General Obligation Bonds

On February 20, 2013, the District issued General Obligation Bonds, Series 2013, in the amount of \$4,460,000. Proceeds of the bonds were used to finance the cost of acquisition, construction, and equipment improvements at District facilities. The bonds carry interest rates ranging from 2.0% to 3.0%. Semi-annual interest payments are due on June 1 and December 1 of each year. Principal payments on the bonds are due on December 1 through 2033. Payments are made through the District’s Bond Redemption Fund. At June 30, 2024, \$2,245,000 was outstanding on these bonds.

Annual debt service requirements on the bonds are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 220,000	\$ 61,450	\$ 281,450
2026	230,000	54,700	284,700
2027	235,000	47,725	282,725
2028	240,000	40,600	280,600
2029	250,000	33,250	283,250
2030-2033	1,070,000	38,763	1,108,763
Total	\$ 2,245,000	\$ 276,488	\$ 2,521,488

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4: **LONG-TERM DEBT** (Continued)

2018 General Obligation Bonds

On December 6, 2018, the District issued Building Excellent Schools Today (BEST) Matching Money General Obligation Bonds, Series 2018, in the amount of \$29,500,000. Proceeds of the bonds were used to provide matching funds under the terms of the BEST grant award to finance the cost of construction, renovation, and equipment improvements at District’s middle and high school. The bonds carry an interest rate of 3.893 percent. Semi-annual interest payments are due on June 1 and December 1 of each year. Principal payments on the bonds are due on December 1 through 2038. Payments are made through the District’s Bond Redemption Fund. At June 30, 2024, \$24,073,470 was outstanding on these bonds.

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,211,846	\$ 913,591	\$ 2,125,437
2026	1,259,023	865,496	2,124,519
2027	1,308,037	815,529	2,123,566
2028	1,358,959	763,616	2,122,575
2029	1,411,863	709,682	2,121,545
2030-2034	7,927,834	1,408,648	9,336,482
2035-2039	9,595,908	574,573	10,170,481
Total	<u>\$ 24,073,470</u>	<u>\$ 6,051,135</u>	<u>\$ 30,124,605</u>

Early Retirement

The District has an early retirement plan available for qualified employees. Benefits under the plan are based on a multiple of the difference between the retiring person’s salary and an entry level person’s salary. Payment schedules are negotiated with management by the retiring employee of the District and usually are spread over five years. Early retirement payments are reviewed annually by the Board of Education and are subject to annual appropriation by the Board. At June 30, 2024, the District’s early retirement liability is \$276,754.

Compensated absences in the amount of \$403,198 and early retirement liabilities are expected to be liquidated with revenues of the General Fund.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5: LEASES AND SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

The following is a summary of the District’s lease and SBITA transactions for the year ended June 30, 2024:

	Balance 6/30/2023	Additions	Payments	Balance 6/30/2024	Due In One Year
Copier Lease	\$ 62,651	\$ -	\$ 18,936	\$ 43,715	\$ 19,707
Technology Leases	17,055	-	17,055	-	-
Building Lease	935,270	-	82,511	852,759	86,834
Equipment Lease	173,081	-	41,659	131,422	42,715
Site Lease	-	2,000,000	14,996	1,985,004	92,654
SBITAs	46,288	-	15,988	30,300	16,473
	<u>\$ 1,234,345</u>	<u>\$ 2,000,000</u>	<u>\$ 191,145</u>	<u>\$ 3,043,200</u>	<u>\$ 258,383</u>

Copier Lease Agreements

On September 23, 2021, the District entered into a copier lease agreement with Marlin. Total lease liability under the lease is \$95,780 and the balance at June 30, 2024 was \$43,715. The interest rate implied in the lease is calculated at 4%. The lease payment schedules require the District to make monthly lease payments of \$1,758 beginning on September 30, 2021 through August 30, 2026.

Technology Lease Agreements

Commencing on January 1, 2020, the District entered into a technology lease agreement with Vantage. Total lease liability under the lease was \$126,282. The interest rate on the lease was 2.1%. The lease payment schedules required the District to make monthly lease payments of \$2,860, beginning in January 2020 through December 2023. The lease was paid off during the year ended June 30, 2024.

Building Lease

On September 1, 2022, the District entered into a lease purchase agreement with Watershed NP, Inc for a building to be used by the District for Administration offices and as a gym. Total lease liability under the lease is \$1,002,364 and the balance at June 30, 2024 was \$852,759. The interest rate on the lease is 5%. The lease payment schedule requires the District to make monthly lease payments of \$10,607, beginning in September 2022 to August 2033.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5: LEASES AND SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)
(Continued)

Equipment Lease

On July 6, 2022, the District entered into an equipment lease agreement with Insight Financial Services, to finance the acquisition of Sophos security and protection equipment. Total lease liability under the lease was \$219,129 and the balance at June 30, 2024 was \$131,422. The interest rate implied in the lease is calculated at 2.5357%. The lease payment schedule requires the District to make annual payments of \$46,048 beginning September 2022 through July 2027.

Site Lease – Lease/Leaseback Agreement

On April 8, 2024 the District entered into a Site Lease Agreement with Watershed NP Inc. for the site of the District’s future preschool building. Under the terms of the agreement, the District also entered into an exclusive option to purchase agreement and a development agreement for the “Archway Property” with Watershed, each dated as of the date of the site lease, contemporaneously with the site lease.

The District leases to Watershed and Watershed leases from the District the future preschool building for \$15, starting on April 8, 2024 through April 7, 2039.

On April 8, 2024 the District also entered into a lease purchase agreement with Watershed NP, Inc. for the Archway Property. The District has determined that this lease is in the best interest of the District with the goal of funding a portion of the costs of constructing a new preschool on the site leased property.

The lease liability under the lease purchase agreement is \$2,000,000 and the balance of the liability at June 30, 2024 is \$1,985,004. Beginning in May, 2024 the District is required to make monthly lease payments in the amount of \$15,816 through April, 2039. Interest on the lease is 5%.

SBITAs

Commencing in July 2022, the District entered into various SBITAs. Total liabilities under these agreements amounted to \$63,612 and the balance at June 30, 2024 was \$30,300. Annual payments totaling between \$7,177 and \$17,324 are due through August 2027.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5: LEASES AND SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)
(Continued)

Annual requirements to amortize long-term lease and SBITA obligations and related interest are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	258,383	\$ 143,154	\$ 401,537
2026	259,761	131,629	391,390
2027	253,667	120,142	373,809
2028	208,302	108,766	317,068
2029	219,758	374,746	594,504
2030-2034	1,029,934	322,065	1,351,999
2035-2039	813,395	103,925	917,320
Total	<u>\$ 3,043,200</u>	<u>\$ 1,304,427</u>	<u>\$ 4,347,627</u>

Total lease and SBITA expense for the year ended June 30, 2024, was \$243,215.

NOTE 6: INTERFUND BALANCES AND TRANSFERS

During the year ended June 30, 2024, the General Fund transferred \$60,000 to the Food Service Fund and \$1,085,169 to the Capital Reserve Fund to provide funding for operations and capital projects, respectively.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7: DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

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

Benefits provided as of December 31, 2023. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

General Information about the Pension Plan (Continued)

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

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

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

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. 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.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

Contributions provisions as of June 30, 2024: Eligible employees of the District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2023 through June 30, 2024.

Employer contribution requirements are summarized in the table below:

	July 1, 2023 Through June 30, 2024
Employer contribution rate	11.40%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)
Amount apportioned to the SCHDTF	10.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%
Total employer contribution rate to the SCHDTF	20.38%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$1,754,345 for the year ended June 30, 2024.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute a \$225 million direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. The direct distribution from the State was suspended in 2020. To compensate PERA for the suspension, C.R.S. §§ 24-51-414(6-8) required restorative payment by providing an accelerated payment in 2022. In 2022, the State Treasurer issued payment for the direct distribution of \$225 million plus an additional

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

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

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

At June 30, 2024 the District reported a liability of \$21,703,217 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 21,703,217
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the School	\$ 475,887
Total	\$ 22,179,104

At December 31, 2023, the District’s proportion was 0.123%, which was an increase of 0.024% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$2,235,163 and revenue of \$80,804 for support from the State as a nonemployer contributing entity. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,029,143	\$ -
Changes in assumptions and other inputs	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	\$ 1,555,783	\$ -
Changes in proportion between contributions recognized and proportionate share of contributions	\$ 2,512,431	\$ 1,529,140
Contributions subsequent to the measurement date	\$ 888,874	\$ -
Total	\$ 5,986,231	\$ 1,529,140

\$888,874 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2025	\$ 358,908
2026	\$ 1,834,189
2027	\$ 1,808,914
2028	\$ (433,794)
2029	\$ -
Thereafter	\$ -

BUENA VISTA SCHOOL DISTRICT R-13
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions.

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	3.40%-11.00%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 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.

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.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

Actuarial assumptions. (Continued)

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

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

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

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

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

BUENA VISTA SCHOOL DISTRICT R-13
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions. (Continued)

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

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

Discount rate

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

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

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

Discount rate (Continued)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.

BUENA VISTA SCHOOL DISTRICT R-13
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$29,020,811	\$21,703,217	\$15,601,229

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.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

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

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.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8: **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

General Information about the 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 on behalf of benefit recipients not covered by Medicare Part A.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8: **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

General Information about the OPEB Plan (Continued)

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$86,352 for the year ended Jun 30, 2024.

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

At June 30, 2024, the District reported a liability of \$524,045 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TOL to December 31, 2023. District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the District's proportion was 0.073%, which was a decrease of 0.002% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized OPEB expense of (\$22,388). At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 107,408
Changes in assumptions and other inputs	\$ 6,162	\$ 55,566
Net difference between projected and actual earnings on OPEB plan investments	\$ 16,208	\$ -
Changes in proportion between contributions recognized and proportionate share of contributions	\$ 25,359	\$ 50,690
Contributions subsequent to the measurement date	\$ 44,488	\$ -
Total	\$ 92,217	\$ 213,664

\$44,488 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2025	\$ (69,197)
2026	\$ (33,140)
2027	\$ (17,133)
2028	\$ (32,043)
2029	\$ (11,293)
Thereafter	\$ (3,129)

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8: **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

Actuarial assumptions

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

	School Division
Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	
Members other than Safety Officers	3.40%-11.00%
Safety Officers	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
	7.00% in 2023, gradually decreasing to 4.50% in 2033
Medicare Part A premiums	3.50% in 2023, gradually increasing to 4.50% in 2035

¹ UnitedHealthcare MAPD PPO plans are 0% for 2023.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial assumptions (Continued)

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

Age-Related Morbidity Assumptions

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

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

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial assumptions (Continued)

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

The 2023 Medicare Part A premium is \$506 per month.

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2022, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial assumptions (Continued)

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

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

Mortality assumptions used in the December 31, 2022, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

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

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

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

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8: **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

Actuarial assumptions (Continued)

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (members other than Safety Officers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

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

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

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

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

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

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

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

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8: **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

Actuarial assumptions (Continued)

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

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

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

- Per capita health care costs in effect as of the December 31, 2022, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2023 plan year.
- The morbidity rates used to estimate individual retiree and spouse costs by age and by gender were updated effective for the December 31, 2022, actuarial valuation. The revised morbidity rate factors are based on a review of historical claims experience by age, gender, and status (active versus retired) from actuary's claims data warehouse.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums.

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

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

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

BUENA VISTA SCHOOL DISTRICT R-13
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial assumptions (Continued)

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%.

BUENA VISTA SCHOOL DISTRICT R-13
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Actuarial assumptions (Continued)

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate ¹	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$509,005	\$524,045	\$540,406

¹For the January 1, 2024, plan year.

Discount rate

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8: **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

Discount rate (Continued)

- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

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

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

BUENA VISTA SCHOOL DISTRICT R-13
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (Continued)

Discount rate (Continued)

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$618,963	\$524,045	\$442,843

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 9: COMMITMENTS AND CONTINGENCIES

BEST Grant

In December 2018, the District was awarded the Building Excellent Schools Today (BEST) grant in the amount of \$21,362,048. The grant funds were used in conjunction with the \$29,500,000 General Obligation Bonds, Series 2018 to provide funding for the construction, renovation, and equipment improvements at the District's middle and high school.

As of June 30, 2024, substantially all the bond proceeds and BEST grant funds awarded were expended.

Intergovernmental Agreement

On July 11, 2017, the District entered into an Intergovernmental Agreement with the Town of Buena Vista for the River Park baseball field construction, joint use, and maintenance. Pursuant to the agreement, the Town has completed construction of a baseball field on the property during the year ended June 20, 2018. Upon completion of the construction and conveyance of the property, the District assumed full maintenance responsibilities of the property.

The District has priority use of the property, and the Town may use the property subject to payment of District fees. The District also agreed to grant the Town a license to install a disc golf course on the property for public use. For the year ended June 30, 2024, no fees were charged to the Town under the terms of the agreement.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9: **COMMITMENTS AND CONTINGENCIES** (Continued)

Claims and Judgments

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2024 significant amounts of grant expenditures have not been audited but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

Tabor Amendment

In November 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the "Tabor Amendment"), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government.

The Tabor Amendment is complex and subject to judicial interpretations. The District believes it has complied with the Amendment.

The District has established a reserve, representing 3% of qualifying expenditures, as required by the Amendment. At June 30, 2024, the emergency reserve of \$475,000 was reported as a restriction of net position and fund balance in the Governmental Activities and General Fund, respectively.

REQUIRED SUPPLEMENTARY INFORMATION

BUENA VISTA SCHOOL DISTRICT NO. R-31

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Local Sources					
Property Taxes	\$ 11,055,148	\$ 10,781,666	\$ 10,335,257	\$ (446,409)	\$ 7,915,306
Specific Ownership Taxes	910,000	1,010,000	1,220,398	210,398	1,087,518
Tuition	97,720	97,720	146,084	48,364	96,541
Earnings on Investments	50,000	100,000	114,181	14,181	87,848
All Other Local Revenue Codes	40,277	140,277	149,196	8,919	259,295
Total Local Sources	<u>12,153,145</u>	<u>12,129,663</u>	<u>11,965,116</u>	<u>(164,547)</u>	<u>9,446,508</u>
State Sources					
State Equalization	1,648,590	1,271,746	1,914,718	642,972	3,787,024
Transportation	76,712	76,712	85,648	8,936	79,666
Special Education BOCES	377,443	444,409	444,983	574	397,805
Rural Schools Funding	176,416	168,442	168,442	-	198,892
PERA on Behalf Contribution	200,000	200,000	36,258	(163,742)	448,947
Universal Preschool	468,122	468,122	535,993	67,871	-
All Other State Revenue	89,032	164,811	270,210	105,399	158,470
Total State Sources	<u>3,036,315</u>	<u>2,794,242</u>	<u>3,456,252</u>	<u>662,010</u>	<u>5,070,804</u>
Federal Sources					
Title I	125,858	125,858	125,156	(702)	125,858
Title II	24,465	24,465	27,022	2,557	24,465
ESSER III	-	-	-	-	509,822
Medicaid	53,000	53,000	62,395	9,395	83,038
Child Fund	159,208	190,176	190,176	-	161,155
Early Childhood Block Grant	4,897	-	-	-	116,000
Rural Co Action Grant	161,000	161,000	74,847	(86,153)	91,544
Other Federal Sources	11,217	17,807	17,390	(417)	16,238
Total Federal Sources	<u>539,645</u>	<u>572,306</u>	<u>496,986</u>	<u>(75,320)</u>	<u>1,128,120</u>
TOTAL REVENUES	<u>15,729,105</u>	<u>15,496,211</u>	<u>15,918,354</u>	<u>422,143</u>	<u>15,645,432</u>
EXPENDITURES					
Instruction					
Salaries	6,248,807	6,011,254	5,939,518	71,736	5,295,961
Employee Benefits	2,108,312	2,078,312	2,035,923	42,389	1,907,754
Purchased Services	214,243	68,528	57,483	11,045	133,918
Supplies and Materials	295,266	367,771	310,521	57,250	274,700
Property	18,651	24,251	7,824	16,427	-
Other Objects and Uses	15,210	15,210	11,368	3,842	13,264
Total Instruction	<u>8,900,489</u>	<u>8,565,326</u>	<u>8,362,637</u>	<u>202,689</u>	<u>7,625,597</u>

(Continued)

See the accompanying independent auditor's report.

BUENA VISTA SCHOOL DISTRICT NO. R-31

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
EXPENDITURES (Continued)					
Supporting Services					
Students					
Salaries	333,042	333,042	449,590	(116,548)	436,872
Employee Benefits	124,399	124,399	186,268	(61,869)	161,470
Purchased Services	247,593	247,593	251,768	(4,175)	284,068
Supplies and Materials	32,220	33,220	8,904	24,316	16,001
Property	-	-	-	-	1,574
Total Students	<u>737,254</u>	<u>738,254</u>	<u>896,530</u>	<u>(158,276)</u>	<u>899,985</u>
Instructional Staff					
Salaries	420,690	420,690	404,021	16,669	343,245
Employee Benefits	536,250	440,032	166,308	273,724	567,428
Purchased Services	25,214	100,214	96,924	3,290	96,657
Supplies and Materials	322,033	322,033	311,845	10,188	295,905
Property	130,048	130,048	143,129	(13,081)	61,261
Total Instructional Staff	<u>1,434,235</u>	<u>1,413,017</u>	<u>1,122,227</u>	<u>290,790</u>	<u>1,364,496</u>
General Administration					
Salaries	199,684	199,686	197,649	2,037	216,604
Employee Benefits	89,035	92,535	83,505	9,030	94,263
Purchased Services	76,900	62,600	76,855	(14,255)	61,415
Supplies and Materials	106,000	120,400	132,937	(12,537)	96,148
Other Objects and Uses	15,000	15,000	28,608	(13,608)	89,898
Total General Administration	<u>486,619</u>	<u>490,221</u>	<u>519,554</u>	<u>(29,333)</u>	<u>558,328</u>
School Administration					
Salaries	636,684	632,684	624,033	8,651	514,753
Employee Benefits	219,071	219,071	228,451	(9,380)	188,956
Purchased Services	33,500	29,000	21,021	7,979	24,775
Supplies and Materials	6,630	6,630	5,201	1,429	14,383
Total School Administration	<u>895,885</u>	<u>887,385</u>	<u>878,706</u>	<u>8,679</u>	<u>742,867</u>

(Continued)

See the accompanying independent auditor's report.

BUENA VISTA SCHOOL DISTRICT NO. R-31

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
EXPENDITURES (Continued)					
Supporting Services (Continued)					
Business Services					
Salaries	230,278	230,278	240,113	(9,835)	220,683
Employee Benefits	67,047	67,047	67,148	(101)	64,328
Purchased Services	30,200	30,200	30,744	(544)	25,848
Total Business Services	<u>327,525</u>	<u>327,525</u>	<u>338,005</u>	<u>(10,480)</u>	<u>310,859</u>
Operations and Maintenance					
Salaries	594,932	594,932	567,272	27,660	548,441
Employee Benefits	205,300	205,300	199,864	5,436	175,728
Purchased Services	702,073	490,073	788,676	(298,603)	801,409
Supplies and Materials	130,800	194,800	129,873	64,927	114,624
Property	11,691	11,691	-	11,691	4,898
Total Operations and Maintenance	<u>1,644,796</u>	<u>1,496,796</u>	<u>1,685,685</u>	<u>(188,889)</u>	<u>1,645,100</u>
Student Transportation					
Salaries	351,839	359,539	343,845	15,694	324,594
Employee Benefits	91,979	84,279	95,263	(10,984)	85,354
Purchased Services	132,942	93,042	100,149	(7,107)	95,195
Supplies and Materials	86,357	91,358	70,329	21,029	81,286
Property	180,000	180,000	177,367	2,633	(5,329)
Total Student Transportation	<u>843,117</u>	<u>808,218</u>	<u>786,953</u>	<u>21,265</u>	<u>581,100</u>
Central Support					
Salaries	135,000	135,000	94,536	40,464	209,403
Employee Benefits	-	-	7,727	(7,727)	41,600
Purchased Services	96,100	263,000	72,053	190,947	96,519
Property	8,712	8,712	-	8,712	325,319
Total Central Support	<u>239,812</u>	<u>406,712</u>	<u>174,316</u>	<u>232,396</u>	<u>672,841</u>

(Continued)

See the accompanying independent auditor's report.

BUENA VISTA SCHOOL DISTRICT NO. R-31

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
Debt Service					
Principal	87,100	87,101	93,637	(6,536)	115,145
Interest	14,995	14,995	7,881	7,114	3,644
Total Debt Service	<u>102,095</u>	<u>102,096</u>	<u>101,518</u>	<u>578</u>	<u>118,789</u>
Total Supporting Services	<u>6,711,338</u>	<u>6,670,224</u>	<u>6,503,494</u>	<u>166,730</u>	<u>6,894,365</u>
RESERVES					
Contingency	<u>4,719,593</u>	<u>4,563,351</u>	<u>-</u>	<u>4,563,351</u>	<u>-</u>
TOTAL RESERVES	<u>4,719,593</u>	<u>4,563,351</u>	<u>-</u>	<u>4,563,351</u>	<u>-</u>
TOTAL EXPENDITURES	<u>20,331,420</u>	<u>19,798,901</u>	<u>14,866,131</u>	<u>4,932,770</u>	<u>14,519,962</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(4,602,315)</u>	<u>(4,302,690)</u>	<u>1,052,223</u>	<u>5,354,913</u>	<u>1,125,470</u>
OTHER FINANCING SOURCES (USES)					
Lease and SBITA Proceeds				-	282,741
Transfers In (Out)	<u>(1,327,278)</u>	<u>(1,497,278)</u>	<u>(1,145,169)</u>	<u>352,109</u>	<u>(144,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,327,278)</u>	<u>(1,497,278)</u>	<u>(1,145,169)</u>	<u>352,109</u>	<u>138,741</u>
CHANGE IN FUND BALANCE	(5,929,593)	(5,799,968)	(92,946)	5,707,022	1,264,211
FUND BALANCES, Beginning	<u>5,929,593</u>	<u>5,799,968</u>	<u>7,162,879</u>	<u>1,362,911</u>	<u>5,898,668</u>
FUND BALANCES, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,069,933</u>	<u>\$ 7,069,933</u>	<u>\$ 7,162,879</u>

See the accompanying independent auditor's report.

BUENA VISTA SCHOOL DISTRICT NO. R-31

BUDGETARY COMPARISON SCHEDULE
FOOD SERVICE FUND

Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Local Sources					
Charges for Services	\$ 69,000	\$ 69,000	\$ 76,399	\$ 7,399	\$ 303,406
Other	1,000	1,000	1,162	162	1,717
State and Federal Sources					
School Lunches	484,119	484,119	415,797	(68,322)	180,094
School Breakfast	155,000	155,000	114,980	(40,020)	53,517
Summer Option	-	-	-	-	-
Commodities	35,000	35,000	11,513	(23,487)	42,294
Supply Chain Assistance	-	-	25,257	25,257	32,164
Other Federal Sources	500	500	-	(500)	-
Other State Sources	-	-	4,267	4,267	8,354
TOTAL REVENUES	744,619	744,619	649,375	(95,244)	621,546
EXPENDITURES					
Supporting Services					
Salaries	259,979	259,979	284,883	(24,904)	233,791
Benefits	92,839	92,839	101,949	(9,110)	81,443
Purchased Services	100	100	92	8	107
Food	323,001	343,001	333,757	9,244	301,869
Other Supplies	68,700	68,700	50,449	18,251	48,759
Contingency	-	59,004	-	59,004	-
TOTAL EXPENDITURES	744,619	823,623	771,130	52,493	665,969
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(79,004)	(121,755)	(42,751)	(44,423)
OTHER FINANCING SOURCES					
Transfers In	-	20,000	60,000	40,000	-
CHANGE IN FUND BALANCE	-	(59,004)	(61,755)	(2,751)	(44,423)
FUND BALANCES, Beginning	59,004	59,004	134,581	75,577	179,004
FUND BALANCES, Ending	\$ 59,004	\$ -	\$ 72,826	\$ 72,826	\$ 134,581

See the accompanying independent auditor's report.

BUENA VISTA SCHOOL DISTRICT NO. R-31

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PERA SCHOOL DIVISION TRUST FUND PLAN

Years Ended December 31,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the Net Pension Liability (Asset)	0.1227%	0.0992%	0.1212%	0.1339%	0.1136%	0.1169%	0.1335%	0.1365%	0.1390%	0.1373%
Proportionate Share of the Net Pension Liability (Asset)	\$21,703,217	\$18,066,444	\$14,102,504	\$20,246,385	\$16,964,003	\$20,691,295	\$43,162,416	\$40,641,589	\$21,263,422	\$18,616,976
State of Colorado Proportionate Share of the Net Pension Liability (Asset)	475,887	5,264,743	1,616,672	-	2,151,668	2,829,247	-	-	-	-
Total Proportionate Share of the Net Pension Liability (Asset)	\$22,179,104	\$23,331,187	\$15,719,176	\$20,246,385	\$19,115,671	\$23,520,542	\$43,162,416	\$40,641,589	\$21,263,422	\$18,616,976
Covered payroll	\$ 8,113,690	\$ 7,650,856	\$ 7,573,551	\$ 7,160,369	\$ 6,672,263	\$ 6,424,056	\$ 6,157,230	\$ 6,126,405	\$ 6,058,831	\$ 5,754,421
Proportionate Share of the Net Pension Liability as a Percentage Of its Covered Payroll	267.5%	236.1%	186.2%	282.8%	254.25%	322.09%	701.00%	663.38%	350.95%	323.52%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.74%	61.79%	74.86%	66.99%	64.52%	57.01%	43.96%	43.10%	59.20%	62.80%

See the accompanying independent auditor's report.

BUENA VISTA SCHOOL DISTRICT NO. R-31

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
PERA SCHOOL DIVISION TRUST FUND PLAN

Years Ended June 30,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 1,725,345	\$ 1,607,163	\$ 1,524,771	\$ 1,459,873	\$ 1,334,228	\$ 1,146,993	\$ 1,185,076	\$ 1,184,687	\$ 1,149,204	\$ 1,062,788
Contributions in Relation to the Contractually Required Contributions	1,725,345	1,607,163	1,524,771	1,459,873	1,334,228	1,146,993	1,185,076	1,184,687	1,149,204	1,062,788
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 8,465,894	\$ 7,885,962	\$ 7,669,862	\$ 7,343,419	\$ 6,884,552	\$ 5,995,777	\$ 6,275,429	\$ 6,106,207	\$ 6,128,996	\$ 5,940,481
Contributions as a Percentage of Covered Payroll	20.38%	20.38%	19.88%	19.88%	19.38%	19.13%	18.88%	19.40%	18.75%	17.89%

See the accompanying independent auditor's report.

BUENA VISTA SCHOOL DISTRICT NO. R-31

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
PERA HEALTH CARE TRUST FUND PLAN

Years Ended December 31,

	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the Net OPEB Liability (Asset)	0.0730%	0.0754%	0.0791%	0.0774%	0.0742%	0.0760%	0.0758%	0.0776%
Proportionate Share of the Net OPEB Liability (Asset)	\$ 524,045	\$ 615,587	\$ 682,284	\$ 735,765	\$ 834,070	\$1,033,404	\$ 985,650	\$1,005,959
Covered payroll	\$ 8,113,690	\$7,650,856	\$7,573,551	\$7,160,369	\$6,672,263	\$6,424,056	\$6,157,230	\$6,126,405
Proportionate Share of the Net OPEB Liability As a Percentage of its Covered Payroll	6.5%	8.0%	9.0%	10.3%	12.50%	16.09%	16.01%	16.42%
Plan Fiduciary Net position as a Percentage Of the Total OPEB Liability	46.16%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	16.72%

NOTE: Information for the prior two years was not available for this report.

BUENA VISTA SCHOOL DISTRICT NO. R-31

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
PERA HEALTH CARE TRUST FUND PLAN

Years Ended June 30,

	2024	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contributions	\$ 86,352	\$ 80,437	\$ 78,233	\$ 74,903	\$ 70,222	\$ 61,157	\$ 64,009	\$ 62,283
Contributions in Relation to the Contractually Required Contributions	86,352	80,437	78,233	74,903	70,222	61,157	64,009	62,283
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$8,465,894	\$7,885,962	\$7,669,862	\$7,343,419	\$6,884,552	\$5,995,777	\$6,275,429	\$6,106,207
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

NOTE: Information for the prior two years was not available for this report.

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 1: BUDGETS AND BUDGETARY ACCOUNTING

Budgets are adopted in accordance with State Budget Law on each fund's basis of accounting unless indicated. All appropriations lapse at fiscal year-end.

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

- Budgets are required by state law for all funds. By May 31, the Superintendent of the District submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.
- The Board can modify the budget by line item at any time. Total appropriation can only be modified upon completion of notification and publication requirements.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted or amended by the Board of Education.

NOTE 2: SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION – PERA SCHOOL DIVISION TRUST FUND PLAN

2023 Changes in Plan Provisions Since 2022:

- Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the \$225 million direct distribution originally scheduled for receipt July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379, but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the State Treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in §24-51-416, plus \$10 million from the General Fund, totaling \$14.561 million.
- As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit

BUENA VISTA SCHOOL DISTRICT R-13
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

for each month worked, up to a maximum of 12 months of service credit per year.

NOTE 3: **SIGNIFICANT CHANGES IN PLAN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION – PERA SCHOOL DIVISION TRUST FUND PLAN**

There were no changes made to the actuarial methods or assumptions in 2023.

NOTE 4: **SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION – PERA HEALTH CARE TRUST FUND PLAN**

2023 Changes in Plan Provisions Since 2022:

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

NOTE 5: **SIGNIFICANT CHANGES IN PLAN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION – PERA HEALTH CARE TRUST FUND PLAN**

There were no changes made to the actuarial methods or assumptions in 2023.

INDIVIDUAL FUND SCHEDULES

BUENA VISTA SCHOOL DISTRICT NO. R-31

BUDGETARY COMPARISON SCHEDULE
BOND REDEMPTION FUND

Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Local Sources					
Property Taxes	\$ 2,356,221	\$ 2,356,221	\$ 2,449,870	\$ 93,649	\$ 2,474,085
Earnings on Investments	52,000	52,000	177,706	125,706	114,820
TOTAL REVENUES	2,408,221	2,408,221	2,627,576	219,355	2,588,905
EXPENDITURES					
Debt Service					
Principal	1,381,436	1,381,436	1,381,436	-	1,337,729
Interest	1,026,785	1,026,785	1,026,796	(11)	1,075,643
Contingency	2,490,069	2,490,069	-	2,490,069	-
TOTAL EXPENDITURES	4,898,290	4,898,290	2,408,232	2,490,058	2,413,372
CHANGE IN FUND BALANCE	(2,490,069)	(2,490,069)	219,344	2,709,413	175,533
FUND BALANCE, Beginning	2,490,069	2,490,069	3,943,435	1,453,366	3,767,902
FUND BALANCE, Ending	\$ -	\$ -	\$ 4,162,779	\$ 4,162,779	\$ 3,943,435

See the accompanying independent auditor's report.

BUENA VISTA SCHOOL DISTRICT NO. R-31

BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND

Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Local Sources					
Earnings on Investments	\$ 100	\$ 100	\$ 353	\$ 253	\$ 242
TOTAL REVENUES	100	100	353	253	242
EXPENDITURES					
Supporting Services					
Property	120,099	120,099	166,621	(46,522)	6,772
Other Objects and Uses	200,000	200,000	26,702	173,298	-
TOTAL EXPENDITURES	320,099	320,099	193,323	126,776	6,772
CHANGE IN FUND BALANCE	(319,999)	(319,999)	(192,970)	127,029	(6,530)
FUND BALANCE, Beginning	319,999	319,999	320,462	463	326,992
FUND BALANCE, Ending	\$ -	\$ -	\$ 127,492	\$ 127,492	\$ 320,462

See the accompanying independent auditor's report.

BUENA VISTA SCHOOL DISTRICT NO. R-31

BUDGETARY COMPARISON SCHEDULE
CAPITAL RESERVE FUND

Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Local Sources					
Earnings on Investments	\$ 5	\$ 5	\$ 155	\$ 150	\$ 1
School Impact Fee	30,000	30,000	65,044	35,044	79,283
Contributions	-	-	238,459	238,459	49,651
Other	-	-	-	-	22,500
State Sources					
State Grants	-	-	-	-	108,403
TOTAL REVENUES	30,005	30,005	303,658	273,653	259,838
EXPENDITURES					
Supporting Services					
Purchased Services	25,000	113,000	295,545	(182,545)	51,418
Supplies and Materials	10,000	10,000	1,355	8,645	41,944
Property	1,446,460	2,583,534	3,617,988	(1,034,454)	2,036,329
Debt Service					
Principal	76,139	76,139	97,508	(21,369)	67,094
Interest	51,139	51,139	61,402	(10,263)	38,972
Contingency	600,000	2,000,000	-	2,000,000	-
TOTAL EXPENDITURES	2,208,738	4,833,812	4,073,798	760,014	2,235,757
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,178,733)	(4,803,807)	(3,770,140)	1,033,667	(1,975,919)
OTHER FINANCING SOURCES (USES)					
Lease Proceeds	-	2,031,632	2,000,000	(31,632)	1,002,364
Transfers In	1,327,278	1,477,278	1,085,169	(392,109)	144,000
TOTAL OTHER FINANCING SOURCES (USES)	1,327,278	3,508,910	3,085,169	(423,741)	1,146,364
CHANGE IN FUND BALANCE	(851,455)	(1,294,897)	(684,971)	609,926	(829,555)
FUND BALANCE, Beginning	851,455	1,326,529	812,378	(514,151)	1,641,933
FUND BALANCE, Ending	\$ -	\$ 31,632	\$ 127,407	\$ 95,775	\$ 812,378

See the accompanying independent auditor's report.

BUENA VISTA SCHOOL DISTRICT NO. R-31

BUDGETARY COMPARISON SCHEDULE
PUPIL ACTIVITIES FUND

Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Local Sources					
Other	\$ 593,000	\$ 693,000	\$ 456,094	\$ (236,906)	\$ 501,626
TOTAL REVENUES	593,000	693,000	456,094	(236,906)	501,626
EXPENDITURES					
Instruction					
Other Objects and Uses	593,000	693,000	426,004	266,996	567,550
Contingency	324,405	324,405	-	324,405	-
TOTAL EXPENDITURES	917,405	1,017,405	426,004	591,401	567,550
CHANGE IN FUND BALANCE	(324,405)	(324,405)	30,090	354,495	(65,924)
FUND BALANCE, Beginning	324,405	324,405	258,482	(65,923)	324,406
FUND BALANCE, Ending	\$ -	\$ -	\$ 288,572	\$ 288,572	\$ 258,482

See the accompanying independent auditor's report.

AUDITOR'S INTEGRITY REPORT



Colorado Department of Education
Auditors Integrity Report
 District: 0490 – Buena Vista R-31
 Fiscal Year 2023–24
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	=	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental						
10 General Fund	7,131,018		14,528,277	14,627,919		7,031,376
18 Risk Mgmt Sub-Fund of General Fund	31,861		2,441,908	238,213		38,557
19 Colorado Preschool Program Fund	0		0	0		0
Sub-Total	7,162,880		14,773,185	14,866,132		7,069,933
11 Charter School Fund	0		0	0		0
20.26-29 Special Revenue Fund	0		0	0		0
06 Supplemental Cap Const, Tech, Main, Fund	0		0	0		0
07 Total Program Reserve Fund	0		0	0		0
21 Food Service Spec Revenue Fund	134,581		709,375	771,130		72,826
22 Govt Designated-Purpose Grants Fund	0		0	0		0
23 Pupil Activity Special Revenue Fund	258,482		456,094	426,004		288,572
25 Transportation Fund	0		0	0		0
31 Bond Redemption Fund	3,943,435		2,627,577	2,408,233		4,162,779
39 Certificate of Participation (COP) Debt Service Fund	0		0	0		0
41 Building Fund	320,462		353	193,323		127,492
42 Special Building Fund	0		0	0		0
43 Capital Reserve Capital Projects Fund	812,377		3,388,828	4,073,798		127,407
46 Supplemental Cap Const, Tech, Main Fund	0		0	0		0
Totals	12,632,217		21,955,412	22,738,620		11,849,009
Proprietary						
50 Other Enterprise Funds	0		0	0		0
64 (63) Risk-Related Activity Fund	0		0	0		0
60.65-69 Other Internal Service Funds	0		0	0		0
Totals	0		0	0		0
Fiduciary						
70 Other Trust and Agency Funds	0		0	0		0
72 Private Purpose Trust Fund	0		0	0		0
73 Agency Fund	0		0	0		0
74 Pupil Activity Agency Fund	0		0	0		0
79 GASB 34 Permanent Fund	0		0	0		0
85 Foundations	0		0	0		0
Totals	0		0	0		0
FINAL						