

**Georgetown Community School  
Financial Report**

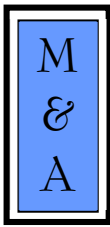
**June 30, 2024**



**Georgetown Community School  
June 30, 2024**

**Table of Contents**

	<b>Page</b>
INDEPENDENT AUDITOR'S REPORT	A1 – A3
Management's Discussion and Analysis	i – vi
Basic Financial Statements:	
Statement of Net Position	C1
Statement of Activities	C2
Balance Sheet	C3
Statement of Revenues, Expenditures and Changes in Fund Balance	C4
Reconciliation of Governmental Funds Statement of Revenues, Expenses and Changes in Fund Balance to Statement of Activities	C5
Notes to the Financial Statements	D1 – D28
Required Supplementary Information:	
Schedule of Revenues and Expenditures and Changes in Fund Balance – Budget and Actual - General Fund	E1
Schedule of the School's Proportionate Share of the Net Pension Liability – Last 10 fiscal years	E2
Schedule of the School Pension Contributions – Last 10 Fiscal Years	E3
Schedule of the School's Proportionate Share of the Net Other Post-Employment Benefit Liability - Last 10 fiscal years	E4
Schedule of the School Other Post-Employment Benefit Contributions – Last 10 Fiscal Years	E5
Notes to the Required Supplementary Information	E6 – E9
Supplementary Information:	
Colorado Department of Education Auditor's Integrity Report	F1



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## INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors  
Georgetown Community School  
Georgetown, CO**

### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of Georgetown Community School (the "School"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School as of June 30, 2024 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. 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 School 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***

The School's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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 School's ability to continue as a going concern for one year after the date that the financial statements are issued.

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

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

U.S. GAAP require that Management's Discussion and Analysis in section B be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in section B in accordance with U.S. GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Directors  
Georgetown Community School  
Georgetown, CO

***Required Supplementary Information (continued)***

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by U.S. GAAP. The budgetary comparison information in section E 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's financial statements taken as whole. The Colorado Department of Education Auditor's Electronic Data Integrity Check Figures listed in the accompanying table of contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The Colorado Department of Education Auditor's Electronic Data Integrity Check Figures are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. Such 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 finance statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

*McMahan and Associates, L.L.C.*

**McMahan and Associates, L.L.C.**  
**Avon, Colorado**  
**December 5, 2024**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Georgetown Community School (A component unit of the Clear Creek  
School District RE 1, of Clear Creek County, Colorado)  
Management's Discussion and Analysis (Unaudited)  
As of and for the Year Ended June 30, 2024

As management of Georgetown Community School (the School), we offer readers of the School's basic financial statements this narrative and analysis of the financial activities of the School as of and for the year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information provided in the basic financial statements.

## **Financial Highlights**

The year that ended June 30, 2024 is the eighteenth year of operations for the School. As of June 30, 2024, net position declined by \$234,872 over the prior year. The ending net position was a negative (\$998,074) due to the implementation of the Governmental Accounting Standards Board Statement (GASB) 68, a pension standard and GASB 75, Other Post-Employment Benefits (OPEB). The operations of the School are funded primarily by tax revenue received under the State School Finance Act (the Act). State Per Pupil Revenue (PPR) for the year was \$878,227. The General Fund ending fund balance at June 30, 2024 was \$558,619 reflecting a decrease of \$248,891 or 30.8%.

## **Overview of Basic Financial Statements**

This discussion and analysis are intended to serve as an introduction to the School's basic financial statements. The basic statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

### ***Government-wide Financial Statements***

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

The statement of net position presents information on all the School's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the assets/deferred outflows of resources and liabilities/deferred inflows of resources being reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial condition of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenue and expenses are reported in the statement for some items that will only result in cash flows in future periods (for example, salaries and benefits earned but unpaid as of year-end).

### ***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The School maintains one governmental fund, the General Fund.

Georgetown Community School (A component unit of the Clear Creek  
School District RE 1, of Clear Creek County, Colorado)  
Management's Discussion and Analysis (Unaudited)  
As of and for the Year Ended June 30, 2024

The School adopts an annual budget for the General fund. Budgetary comparisons have been provided for the General fund on page E1 in the required supplementary information to demonstrate compliance with the budget.

**Notes to Basic Financial Statements**

The notes on pages D1 through D29 provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**Government-wide Financial Analysis**

As noted previously, net position may serve over time as a useful indicator of the School's financial position. As of June 30, 2024, the School's liabilities and deferred inflows exceeded assets and deferred outflows by \$998,074 (a negative net position). \$45,862 of this total is restricted to comply with Article X, Section 20 of the Colorado Constitution, known as the TABOR Amendment. Accordingly, these funds are not available to satisfy general operating expenses of the School. The unrestricted net position balance is a negative (\$1,127,327) due to the implementation of GASB 68 and GASB 75.

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Georgetown Community School (A component unit of the Clear Creek  
School District RE 1, of Clear Creek County, Colorado)  
Management's Discussion and Analysis (Unaudited)  
As of and for the Year Ended June 30, 2024

**Government-wide Financial Analysis**

Net position as of June 30, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Assets		
Cash and Investments	\$ 577,375	\$ 839,202
Due from District	101,911	103,140
Prepaid Items	1,572	1,375
Capital Assets, Net of Depreciation	<u>83,391</u>	<u>91,496</u>
Total Assets	<u>764,249</u>	<u>1,035,213</u>
Deferred Outflows of Resources – Pensions/OPEB	<u>841,021</u>	<u>329,125</u>
Liabilities		
Accounts Payable	34,018	44,348
Unearned Revenue	690	-
Accrued Salaries and Benefits	87,531	91,859
Accrued Compensated Absences	45,132	107,900
Loan Payable – Due in One Year	-	-
Net Pension and OPEB Liability	<u>2,279,065</u>	<u>1,557,499</u>
Total Liabilities	<u>2,446,436</u>	<u>1,801,606</u>
Deferred Inflows of Resources – Pensions/OPEB	<u>156,908</u>	<u>349,446</u>
Net Position		
Investment in Capital Assets	83,391	91,496
Restricted for Emergencies	45,862	43,681
Restricted for PPP Expenditures	-	-
Unrestricted	<u>(1,125,146)</u>	<u>(921,891)</u>
Total Net Position	<u>\$ (998,074)</u>	<u>\$ (786,714)</u>

Georgetown Community School (A component unit of the Clear Creek  
School District RE 1, of Clear Creek County, Colorado)  
Management's Discussion and Analysis (Unaudited)  
As of and for the Year Ended June 30, 2024

Change in net position for the years ended June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Revenues		
Program Revenues		
Charges for Services	\$ 85,021	\$ 38,885
Operating Grants and Contributions	231,487	188,445
Capital Grants and Contributions	<u>16,938</u>	<u>16,677</u>
Total Program Revenues	<u>333,446</u>	<u>244,007</u>
General Revenues		
Per Pupil Revenue	878,227	896,093
Mill Levy Revenue	317,920	338,021
Grants and contributions; unrestricted	20,856	-
Earnings on Investments	30,704	19,961
Other	<u>-</u>	<u>12,893</u>
Total General Revenues	<u>1,247,707</u>	<u>1,266,968</u>
Total Revenues	<u>1,581,153</u>	<u>1,510,975</u>
Expenditures/Expenses		
Instruction	1,032,700	789,490
School Administration	783,325	585,813
Other Operating Expenditures	<u>-</u>	<u>-</u>
Total Expenses	<u>1,816,025</u>	<u>1,375,303</u>
Increase (decrease) in Net Position	(234,872)	135,672
Net Position, Beginning of Year	<u>(763,202)</u>	<u>(922,386)</u>
Net Position, End of Year	<u>\$ (998,074)</u>	<u>\$ (786,714)</u>

### Financial Analysis of the School's Funds

The School has one governmental fund, the General Fund. The General Fund is considered a major fund and is used to account for the School's general operations. The General Fund began the year with a positive fund balance of \$807,510. Ending Fund Balance decreased by \$248,891 due to lower, than expected, enrollment.

Georgetown Community School (A component unit of the Clear Creek  
School District RE 1, of Clear Creek County, Colorado)  
Management’s Discussion and Analysis (Unaudited)  
As of and for the Year Ended June 30, 2024

**General Fund Budgetary Highlights**

The School budgeted General Fund expenditures of \$1,992,182 for the year ended June 30, 2024. Actual expenditures were \$1,825,477. Overall, revenue increased from the prior year by \$13,997 or .9%. Total revenue for FY24 was \$1,576,586 compared with \$1,562,589 in the prior year. General Fund expenditures increased 16.9% or by \$263,454 over the prior year. The primary driver for the increase in expenses was salary and benefits.

There was one budget amendments for the General Fund during the year. The revised resolution passed in January increased the appropriation from \$1,681,985 to \$1,992,182, or 18.4%.

**Capital Assets and Debt Administration**

The School leases its school facility and land under an operating agreement with the District at no cost other than utilities and maintenance. The term of the agreement coincides with the School’s charter renewal and expires in June, 2025. The School had no debt as of 6/30/24.

The School had net capital assets of \$83,391 at 6/30/24. Total depreciation taken in FY24 was \$8,105.

**Economic Factors, Next Year’s Budget, Student Counts**

The primary factor driving the budget for the School is student enrollment. The following is a twelve-year historical enrollment summary:

GCS Historical Enrollment

FY	FPC	PK	K-6	Total	Student % CHG.
FY13	99.3	18	106	124	
FY14	87.3	18	94	112	-9.68%
FY15	85.0	22	90	112	0.00%
FY16	88.8	25	98	123	9.82%
FY17	108.0	31	113	144	17.07%
FY18	102.4	28	110	138	-4.17%
FY19	87.7	34	94	128	-7.25%
FY20	85.0	22	85	107	-16.41%
FY21	90.0	15	90	105	-1.87%
FY22	87.0	18	87	105	0.00%
FY23	79.0	15	79	94	-10.48%
FY24	75.0	10	75	85	-9.57%

Georgetown Community School (A component unit of the Clear Creek  
School District RE 1, of Clear Creek County, Colorado)  
Management's Discussion and Analysis (Unaudited)  
As of and for the Year Ended June 30, 2024

**Economic Factors, Next Year's Budget, Student Counts**

FY24 PPR increased to \$11,710 from \$10,481. This was an 11.7% increase. FY25 PPR increased again to \$13,026 or 11.2%. It is likely future PPR increases will mirror inflation as the Colorado economy continues to normalize. With GCS's enrollment continuing to decline it is likely Fund Balance will be flat or decline slightly over the coming years. The Governor's FY26 budget released November 1<sup>st</sup> proposes a number of K-12 funding changes which include PPR increasing 5% for Clear Creek School District.

**Requests for Information**

The financial report is designed to provide a general overview of the School's finances for all those with an interest in the School. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Georgetown Community School, P.O. Box 129, Georgetown, Colorado 80444.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS /  
FUND FINANCIAL STATEMENTS**

**GEORGETOWN COMMUNITY SCHOOL**  
**Statement of Net Position**  
**June 30, 2024**

<b>ASSETS</b>	<b>Governmental Activities</b>
Current assets:	
Cash and investments	577,375
Due from other governments	101,911
Prepaid expenses	1,572
Capital assets, net of accumulated depreciation	83,391
<b>Total Assets</b>	<b>764,249</b>
 <b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Pension related deferred outflows	822,916
Post-employment health benefits related deferred outflow	18,105
Total deferred outflows of resources	<b>841,021</b>
 <b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	34,018
Accrued payroll and related liabilities	87,531
Deferred grant revenue	690
Accrued compensated absences	45,132
Total current liabilities	<b>167,371</b>
Noncurrent liabilities:	
Net pension liability	2,225,331
Net OPEB liability	53,734
Total noncurrent liabilities	<b>2,279,065</b>
Total liabilities	<b>2,446,436</b>
 <b>DEFERRED INFLOWS OF RESOURCES:</b>	
Pension related deferred inflows	132,020
Post-employment health benefits related deferred inflow	24,888
Total deferred inflows of resources	<b>156,908</b>
 <b>NET POSITION</b>	
Net investment in capital assets	83,391
Restricted for:	
Emergencies	45,862
Unrestricted	(1,127,327)
Total net position	<b>(998,074)</b>

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

**GEORGETOWN COMMUNITY SCHOOL**  
**Statement of Activities**  
**For the Year Ended June 30, 2024**

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Position</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>  <u>Governmental Activities</u>
<b>Functions/Programs:</b>					
Primary Governmental:					
Current:					
Instruction	1,032,700	85,021	231,487	16,938	(699,254)
Support services	783,325	-	-	-	(783,325)
<b>Total Primary Government</b>	<u>1,816,025</u>	<u>85,021</u>	<u>231,487</u>	<u>16,938</u>	<u>(1,482,579)</u>
<b>General revenues:</b>					
Per pupil revenue					878,227
District mill levy					317,920
Grants and contributions not restricted to specific programs					20,856
Investment income					30,704
Total general revenues, transfers, and special item					<u>1,247,707</u>
Change in net position					(234,872)
Net position, beginning (restated)					<u>(763,202)</u>
Net position, ending					<u>(998,074)</u>

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

**GEORGETOWN COMMUNITY SCHOOL**

**Balance Sheet**

**June 30, 2024**

	<b>General Fund</b>
<b>Assets:</b>	
Cash and investments	577,375
Accounts receivable, net of allowance	
Due from other governments	101,911
Prepaid expenses	1,572
<b>Total Assets</b>	<b>680,858</b>
 <b>Liabilities and Fund Balance:</b>	
<b>Liabilities:</b>	
Accounts payable	34,018
Accrued payroll and related liabilities	87,531
Deferred grant revenues	690
<b>Total Liabilities</b>	<b>122,239</b>
 <b>Fund Balance:</b>	
Non-spendable	1,572
Restricted for:	
Emergencies	45,862
Unassigned	511,185
<b>Total Fund Balance</b>	<b>558,619</b>
<b>Total Liabilities and Fund Balance</b>	<b>680,858</b>
 <b>Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:</b>	
Total Fund Balance of the Governmental Fund	558,619
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds	83,391
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds. This is the amount of compensated absences not currently payable.	(45,132)
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:	
Net pension liability	(2,225,331)
Pension-related deferred outflows of resources	822,916
Pension-related deferred inflows of resources	(132,020)
Net OPEB liability	(53,734)
OPEB-related deferred outflows of resources	18,105
OPEB-related deferred inflows of resources	(24,888)
<b>Total Net Position of Governmental Activities</b>	<b>(998,074)</b>

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

**GEORGETOWN COMMUNITY SCHOOL**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**For the Year Ended June 30, 2024**

	<b>General Fund</b>
<b>Revenues:</b>	
Per pupil funding	878,227
District mill levy	317,920
Tuition and fees	85,021
Investment income	30,704
Contributions from private sources	4,443
State sources	147,501
Federal sources	96,357
Student activities	12,754
Other	3,659
<b>Total Revenues</b>	<b>1,576,586</b>
 <b>Expenditures:</b>	
Instruction	1,050,925
Support services	769,979
Capital outlay	4,573
<b>Total Expenditures</b>	<b>1,825,477</b>
 <b>Excess (Deficiency) of Revenues over Expenditures</b>	 <b>(248,891)</b>
 <b>Fund Balance:</b>	
Beginning of the Year	807,510
End of the Year	<b>558,619</b>

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

**GEORGETOWN COMMUNITY SCHOOL**  
**Reconciliation of Governmental Funds Statement of Revenues, Expenses**  
**and Changes in Fund Balance to the Statement of Activities**  
**For the Year Ended June 30, 2024**

**Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:**

Net Change in Fund Balance of the Governmental Fund	(248,891)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. These amounts are as follows:</p>	
Depreciation expense	(8,104)
<p>Accrued compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the change in accrued compensated absences during the year.</p>	
	39,255
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes changes in the following.</p>	
Net pension liability	(719,153)
Pension-related deferred outflows of resources	501,487
Pension-related deferred inflows of resources	10,409
Net OPEB liability	(2,413)
OPEB-related deferred outflows of resources	188,143
OPEB-related deferred inflows of resources	4,395
	(234,872)
Change in Net Position of Governmental Activities	(234,872)

**NOTES TO THE FINANCIAL STATEMENTS**

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024**

**I. Summary of Significant Accounting Policies**

Georgetown Community School (the “School”) was formed in 2006 pursuant to the Colorado Charter Schools Act to form and operate a charter school within the Clear Creek School District (the “District”) in the State of Colorado, and was incorporated in the State of Colorado as a non-profit organization, pursuant to the articles of incorporation dated January 23, 2006. The School is governed by a Board of Directors consisting of parents who are residents and employed in the county. Five of the Directors are elected by staff and parents, and the other two Directors may be appointed by the elected Directors.

The School’s financial statements are prepared in accordance with generally accepted accounting principles (“GAAP”). The Governmental Accounting Standards Board (“GASB”) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the School are discussed below.

**A. Reporting Entity**

The reporting entity consists of (a) the primary government; i.e., the School, and (b) organizations for which the School is financially accountable. The School is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization’s governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the School. Consideration is also given to other organizations, which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the School. Organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria above, the School is not financially accountable for any other organization. The School is included in the District’s reporting entity because of the nature and significance of their operational and financial relationships with the District. The School’s financial transactions are reported within the District’s financial statements as a discretely presented component unit.

**B. School-wide and Fund Financial Statements**

**1. School-wide Financial Statements**

The School’s basic financial statements include both School-wide (financial activities of the overall School) and fund financial statements (reporting the School’s major funds). Both the School-wide and fund financial statements categorize primary activities as either governmental or business type. The School does not have any business-type activities, only governmental activities. Governmental activities generally are financed through per pupil revenue allocations from the State Department of Education, fees charged for services, intergovernmental revenues, and other non-exchange transactions.

In the school-wide Balance Sheet / Statement of Net Position, the Statement of Net Position column is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The School’s net position is reported in three parts—net investment in capital assets; restricted net position; and unrestricted net position.

The School-wide focus is on the sustainability of the School as an entity and the change in the School’s net position resulting from the current year’s activities.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**I. Summary of Significant Accounting Policies (continued)**

**B. School-wide and Fund Financial Statements (continued)**

**2. Fund Financial Statements**

The financial transactions of the School are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures / expenses. The fund focus is on current available resources and budget compliance.

The School reports the following major governmental fund:

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

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

**1. Long-term Economic Focus and Accrual Basis**

Governmental activities in the school-wide financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**2. Current Financial Focus and Modified Accrual Basis**

The School fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. The School considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Financial Statement Accounts**

**1. Cash and Investments**

Cash and investments are defined as deposits that can be withdrawn at any time without notice or penalty and investments with original maturities of three months or less.

**2. Investments**

Investments are stated at fair value or net asset value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

**3. Receivables**

The School uses the allowance method for recognition of uncollectible receivables, whereby an allowance for possible uncollectibility is established when collection becomes doubtful.

**4. Capital Assets**

Capital assets, which include buildings and improvements, furniture, fixtures, and equipment, are reported in the school-wide financial statements. The School defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost where historical records are available and at an estimated historical cost where no historical record exists. Donated capital assets are recorded at estimated fair 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 the asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed asset, as applicable.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is expensed as incurred.

Buildings and improvements, furniture, fixtures and equipment are depreciated using the straight-line method over the following estimated useful lives:

<b>Capital Assets</b>	<b>Years</b>
Buildings and improvements	25 - 50
Furniture, fixtures and equipment	5 - 20

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Financial Statement Accounts (continued)**

**5. Deferred Grant Revenue**

Deferred grant revenues include grant funds that have been collected but the corresponding expenditures have not been incurred.

**6. Compensated Absences**

Vested or accumulated leave that is expected to be liquidated with expendable available financial resources are reported as expenditures and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated leave that are not expected to be liquidated with expendable available financial resources are reported in the governmental activities column in the school-wide financial statements. No liability is recorded for non-vesting accumulating rights.

**7. Long-term Obligations**

In the school-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statements of Net Position. In the fund financial statements, the School records the face amount of debt issued as other financing sources.

**8. Pensions**

The School 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.

**9. Post-Employment Benefits**

The School 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 and additions to/deductions from the fiduciary net position 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.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Financial Statement Accounts (continued)**

**10. Deferred Inflows of Resources and Outflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The School has two items that qualifies for reporting in this category, the pension and OPEB related deferred outflows reported in the statement of net position.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School has two items that qualify for reporting in this category, the pension and OPEB related deferred inflows reported in the statement of net position. See Note IV (E) and Note IV (F) below for discussion on pension related and OPEB related deferred outflows and inflows.

**11. Categories and Classification of Fund Balance**

Governmental accounting standards establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, include Non-spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note IV (G).

**12. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires the School's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

**II. Reconciliation of School-wide and Fund Financial Statements**

The governmental fund Balance Sheet includes reconciliation between fund balance – total governmental funds and net position of governmental activities as reported in the School-wide Statement of Net Position. Additionally, the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net change in fund balances – total governmental funds and changes in net position of governmental activities as reported in the School-wide Statement of Activities.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**III. Stewardship, Compliance, and Accountability**

**A. Budgets and Budgetary Accounting**

Budgets are adopted on a basis consistent with generally accepted accounting principles. As required by Colorado Statutes, all funds have legally adopted budgets and appropriations. The total expenditures for each fund may not exceed the amount appropriated. Appropriations for a fund may be increased if unanticipated revenues offset them. All appropriations lapse at year-end.

As required by Colorado Statutes, the School followed the required timetable noted below in preparing, approving, and enacting its budget for 2024.

1. The proposed budget was submitted to the Board of Education by May 31 of the year preceding the budget year. The proposed budget must include a description of major educational objectives and how the proposed budget fulfills those objectives.
2. Notice was published within ten (10) days which contained: availability of proposed budget for inspection, date and time of budget adoption meeting, and that any County taxpayer may file objections prior to the adoption of the budget.
3. The Board of Education certified revenue requirements to the local County Commissioners prior to December 15.
4. The final budget was adopted prior to June 30, along with an appropriation resolution.

**B. TABOR Amendment – Revenue and Spending Limitation Amendment**

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year revenues. The School has reserved a portion of its June 30, 2024 year-end fund balance in the General Fund for emergencies as required under TABOR in the amount of \$45,862.

The School's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds**

**A. Deposits and Investments**

The School's deposits are entirely covered by federal depository insurance (FDIC) or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the School's deposits at each financial institution. All deposit balances over \$250,000 are collateralized as required by PDPA.

The deposits and investments held by the School at June 30, 2024, were as follows:

	<b>Standard and Poor's Rating</b>	<b>Carrying Amounts</b>	<b>Maturities</b>	
			<b>Less than One Year</b>	<b>One to Five Years</b>
<b>Deposits:</b>				
Petty Cash	Not rated	\$ 500	\$ 500	\$ -
Checking	Not rated	132,441	132,441	-
Pools	AAAm	444,434	444,434	-
		<u>\$ 577,375</u>	<u>\$ 577,375</u>	<u>\$ -</u>
<b>Investments Measured at Net Asset Value</b>				<b>Total</b>
Colotrust				\$ 337,343
<b>Investments Measured at Amortized Cost</b>				<b>Total</b>
Csafe				\$ 107,090

*Credit Risk* – State statutes authorize the School to only invest in bank deposits, general obligations of the U.S. Government and its agencies, repurchase agreements of less than 180 days and collateralized by U.S. Treasury or Federal Instrumentality Securities with a maturity not exceeding 5 years, highest rated commercial paper, certain bankers acceptances, local government investment pools, money market funds and certificates of deposit. The School's policy is to restrict investments to only those permitted by state statute.

Colorado statutes specify instruments in which local governments may invest, including:

- Obligations of the U.S. and certain U.S. governmental agency securities
- Certain international agency securities
- General obligation and revenue bonds for U.S. local governmental 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

*Concentration Risk* – Investment diversification is utilized to avoid unreasonable risks inherent in overinvesting in specific instruments, individual financial institutions or maturities. The School's investments consist entirely of certificates of deposit within three financial institutions. However, these deposits are made with varied maturity dates and are collateralized for amounts over insured limits as required under Colorado State Statutes.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**A. Deposits and Investments (continued)**

*Interest Rate Risk* – Colorado Revised Statutes limit the School’s investment maturities to 5 years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from interest rates. The School’s investment policy is to follow the State Statute in order to reduce interest rate risk.

*Pools* - The School’s holdings in investment pools are comprised of balances with COLOTRUST and C-SAFE, which are investment vehicles established for local government entities in Colorado to pool surplus funds. They operate similarly to money market funds, whereby each share is equal in value to \$1. Investments of the trusts consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. The School has no regulatory oversight for the pools. Investment balances in the pools are not subject to limitations or restrictions on withdrawals.

**B. Receivables**

Receivables as of year-end for the School’s funds, including applicable allowances for uncollectible accounts, are as follows:

	<b>General Fund</b>
<b>Current Receivables:</b>	
Due from district	\$ 101,911
Gross receivables	101,911
Less: Allowance for uncollectible	-
<b>Total</b>	<b>\$ 101,911</b>

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2024 was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital assets, being depreciated:				
Improvements and equipment	\$ 138,939	-	-	\$ 138,939
Total capital assets, being depreciated	138,939	-	-	138,939
Less accumulated depreciation for:				
Improvements and equipment	\$ (47,443)	(8,105)	-	\$ (55,548)
Total accumulated depreciation	(47,443)	(8,105)	-	(55,548)
<b>Total Capital Assets, Net</b>	<b>\$ 91,496</b>	<b>(8,105)</b>	<b>-</b>	<b>\$ 83,391</b>

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**C. Capital Assets (continued)**

The School's depreciation expense for the year ended June 30, 2024 was as follows:

<b>Function:</b>	
Support services	\$ 8,105
<b>Total Depreciation</b>	<u><u>\$ 8,105</u></u>

**D. Changes in Long-term Liabilities**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2024:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
Accrued compensated absences	\$ 107,900	-	(62,768)	\$ 45,132	-
Net unfunded pension liability	1,506,178	719,153	-	2,225,331	-
Net unfunded OPEB liability	51,321	2,413	-	53,734	-
	<u><u>\$ 1,557,499</u></u>	<u><u>721,566</u></u>	<u><u>-</u></u>	<u><u>\$ 2,279,065</u></u>	<u><u>-</u></u>

**E. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources**

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

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

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

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent 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.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**E. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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

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

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

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent 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.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**E. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Contribution provisions as of June 30, 2024:* Eligible employees of the School 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 percent 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%
<b>Total employer contribution rate to the SCHDTF</b>	<b>20.38%</b>

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the School is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the School were \$192,159 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 school distribution from the State was suspended in 2020. To compensate PERA for the suspension, C.R.S. §§ 24-51-414(6-8) required restorative payment by providing an accelerated payment in 2022. In 2022, the State Treasurer issued payment for the direct distribution of \$225 million plus an additional amount of \$380 million. Due to the advanced payment made in 2022, the State reduced the distribution in 2023 to \$35 million. Additionally, the newly added C.R.S. § 24-51-414(9) providing compensatory payment of \$14.561 million for 2023 only.

**Pension Liabilities.** The net pension liability for the SCHDTF was measured as of December 31, 2023, and the total pension liability 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 total pension liability to December 31, 2023. The School's proportion of the net pension liability was based on the School'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.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**E. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

At June 30, 2024, the School reported a liability of \$2,225,331 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity.

The amount recognized by the School 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 School were as follows:

The School's proportionate share of the net pension liability	2,225,331
The State's proportionate share of the pension liability as a nonemployer contributing entity associated with the School	47,748
Total	\$ 2,273,079

At December 31, 2023, the School proportion was 0.01258%, as compared to its proportion of 0.00827% measured as of December 31, 2022.

*Pension Expense:* For the year ended June 30, 2024, the School recognized pension expense (credit) of \$34,090 and revenue (expense) of \$4,567 for support from the State as a nonemployer contributing entity.

*Deferred Outflows of Resources and Deferred Inflows of Resources:* At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 105,522	\$ -
Net difference between projected and actual earnings on pension plan investments	159,521	-
Changes in proportionate share of contributions	460,755	(132,020)
Difference between actual and reported measurement date	97,118	-
	\$ 822,916	\$ (132,020)

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**E. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

\$97,118 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:

<b>Year ended June 30:</b>		
2025	\$	141,945
2026		282,065
2027		214,247
2028		(44,479)
Total	\$	<u>593,778</u>

*Actuarial assumptions.* The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.40 - 11.00 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07 and DPS Benefit Structure (compounded annually)	1.00 percent
PERA Benefit Structure hired prior to 12/3/06 <sup>1</sup>	Financed by the Annual Increase Reserve

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

The 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.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**E. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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.

*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 regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

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

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

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**E. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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 Senate Bill (“SB”) 18-200, required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- 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.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**E. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (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 School’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 percent, 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 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of net pension liability	\$ 2,975,638	\$ 2,225,331	\$ 1,599,666

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

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

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

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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

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

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

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

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

**Georgetown Community School**  
**Notes to the Financial Statements**  
**June 30, 2024**  
**(continued)**

**IV. Detailed Notes on all Funds (continued)**

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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

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

*Contributions.* Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent 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 School is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the School were \$7,067 for the year ended June 30, 2024.

*Liabilities.* At June 30, 2024, the School reported a liability for Other Post-Employment Benefits (“OPEB”) of \$53,734 or its proportionate share of net OPEB. The net OPEB liability was measured as of December 31, 2023, and the total OPEB liability 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 total OPEB liability to December 31, 2023. The School proportion of the net OPEB liability was based on School contributions to the Health Care Trust Fund (“HCTF”) for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the School proportion was 0.00753%, as compared to its proportion of 0.00629% measured as of December 31, 2022.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

For the year ended June 30, 2024, the School incurred other post-employment benefit expense (credit) of \$(12,392). At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ (11,012)
Change of assumptions or other inputs	633	(5,697)
Net difference between projected and actual earnings on plan investments	1,661	-
Changes in proportionate share of contributions	10,948	(8,179)
Contributions subsequent to measurement date	4,862	-
	\$ 18,104	\$ (24,888)

\$4,862 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 related expense as follows:

<b>Year Ended June 30,</b>	<b>Amortization</b>
2025	\$ (7,580)
2026	(4,501)
2027	(549)
2028	(1,039)
2029	1,185
2030	838
	\$ (11,646)

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial assumptions.* The total OPEB liability in the December 31, 2023, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method			Entry age	
Price inflation			2.30%	
Real wage growth			0.70%	
Wage inflation			3.00%	
Salary increases, including wage inflation				
Members other than Safety Officers	3.30%-10.90%	3.40%-11.00%	3.20%- 11.30%	2.80%-5.30%
Safety Officers	3.20%-12.40%	N/A	3.20%- 12.40%	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation			7.25%	
Discount rate			7.25%	
Health care cost trend rates				
PERA benefit structure:				
Service-based premium subsidy			0.00%	
PERACare Medicare plans <sup>1</sup>			7.00% in 2023, gradually decreasing to 4.50% in 2033	
Medicare Part A premiums			3.50% in 2023, gradually increasing to 4.50% in 2035	
DPS benefit structure:				
Service-based premium subsidy			0.00%	
PERACare Medicare plans			N/A	
Medicare Part A premiums			N/A	

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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

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

**Age-Related Morbidity Assumptions**

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

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

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
<b>65</b>	\$6,514	\$5,542	\$4,227	\$3,596	\$6,752	\$5,739
<b>70</b>	\$7,553	\$5,966	\$4,901	\$3,872	\$7,826	\$6,185
<b>75</b>	\$8,134	\$6,425	\$5,278	\$4,169	\$8,433	\$6,657

The 2023 Medicare Part A premium is \$506 per month. All costs are subject to the health care cost trend rates, as discussed below.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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.

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

<u>Year</u>	<u>PERACare Medicare Plans</u>	<u>Medicare Part A Premiums</u>
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%

**Georgetown Community School**  
**Notes to the Financial Statements**  
**June 30, 2024**  
**(continued)**

**IV. Detailed Notes on all Funds (continued)**

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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 were applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

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

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

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

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

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

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

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

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

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

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

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

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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

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

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

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

- 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 regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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

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

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

*Sensitivity of the School'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 rate.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
Initial PERACare Medicare trend rate	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Proportionate Share of the OPEB Liability	63,465	53,734	45,407

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- 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 HCTF's FNP was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**F. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Sensitivity of the School'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 percent, 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 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	<b>1% Decrease 6.25%</b>	<b>Current Discount 7.25%</b>	<b>1% Increase 8.25%</b>
Proportionate Share of the OPEB Liability	\$63,465	\$53,734	\$45,407

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

**G. Fund Balances**

The School classifies governmental fund balances as follows:

*Non-spendable.* includes fund balance amounts inherently non-spendable since they represent inventories, prepaid items, long-term portion of loans receivable, etc.

*Spendable:*

- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority which is the Board of Education.
- Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board or its management designee.
- Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The School uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the School would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**IV. Detailed Notes on all Funds (continued)**

**G. Fund Balances (continued)**

The School governmental funds had the following equity designations at June 30, 2024:

	<b>Balance</b>	<b>Reason</b>
Non-spendable	\$ 1,572	Prepays
Restricted	43,681	TABOR
Unassigned	513,366	Unassigned
Total	\$ 558,619	

**V. Other Information**

**A. Defined Contribution Pension Plan**

*Plan Description.* Employees of the School who are members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available annual comprehensive financial report for the Plan. That report may be obtained online at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Funding Policy.* Voluntary Investment Program is fund by voluntary member contributions up to a maximum limit set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions and investment earnings. There were no 401(k) plan member contributions from the School for the year ended June 30, 2024.

**B. Risk Management**

*Risk of Loss.* The School is exposed to various risks of loss related to workers' compensation; general liability; unemployment; torts; theft of, damage to, and destruction of assets; and errors and omissions. The School has acquired commercial coverage for these risks and claims, if any, are not expected to exceed the commercial insurance

*Pupil Counts.* Each year the School submits data regarding pupil counts to the Colorado Department of Education (CDE). The purpose of this data collection is to obtain required student level data as provided for by state statute (s), including information regarding students' funding eligibility as outlined in the Public School Finance Act of 1994 (22-54-101, C.R.S.).

The Student October Count is based on a one (1) day membership count in which districts are asked to report all students who are actively enrolled and attending classes through their district on that date. In an effort to ensure accurate reporting of those data fields associated with student funding, CDE conducts periodic compliance audits of each district's student October count data. This data not only determine per pupil funding, but also at risk and English Language Proficiency Act (ELPA) funding. CDE audits districts every one to four years, the frequency of which is determined by a number of factors including, but not limited to, the size and location of the district, as well as issues or concerns that might have arisen from prior audits.

The School believes its pupil count information is accurate and any adjustment would not be material.

**Georgetown Community School  
Notes to the Financial Statements  
June 30, 2024  
(continued)**

**V. Other Information (continued)**

**C. Restatement**

The school restate government-wide fund balance for the correction of accrued compensated absences balance in the prior year as follows:

<b>Government-wide Net Position, Beginning</b>	\$ (786,714)
Correction of accrued compensated absences balance	<u>23,512</u>
<b>Government-wide Net Position, Beginning (Restated)</b>	<u><u>\$ (763,202)</u></u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**GEORGETOWN COMMUNITY SCHOOL**  
**Schedule of Revenues and Expenditures and Changes in Fund**  
**Balance - Budget (Non-GAAP Basis) and Actual**  
**General Fund**  
**For the Year Ended June 30, 2024**  
**(With Comparative Actual Amounts for the Year Ended June 30, 2023)**

	<u>2024</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2023</u>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>					
Per pupil funding	1,023,682	1,023,682	878,227	(145,455)	896,093
District mill levy	335,721	335,721	317,920	(17,801)	338,021
Tuition and fees	127,700	103,292	85,021	(18,271)	39,896
Investment income	18,000	18,000	30,704	12,704	19,961
Contributions from private sources	500	500	4,443	3,943	460
State sources	84,045	133,639	147,501	13,862	103,768
Federal sources	58,778	78,778	96,357	17,579	152,968
Student activities	12,500	12,500	12,754	254	8,260
Other	21,060	1,500	3,659	2,159	3,162
<b>Total Revenues</b>	<u>1,681,986</u>	<u>1,707,612</u>	<u>1,576,586</u>	<u>(131,026)</u>	<u>1,562,589</u>
<b>Expenditures:</b>					
<b>Instruction:</b>					
Salaries	634,782	810,065	711,727	98,338	590,909
Employee benefits	195,530	259,654	253,984	5,670	217,222
Purchased services	33,700	33,700	37,391	(3,691)	23,843
Supplies	48,958	52,935	47,823	5,112	53,276
<b>Total Instruction</b>	<u>912,970</u>	<u>1,156,354</u>	<u>1,050,925</u>	<u>105,429</u>	<u>885,250</u>
<b>Support services:</b>					
Salaries	269,446	290,346	257,070	33,276	184,201
Employee benefits	96,257	102,233	99,541	2,692	84,021
Purchased services	348,594	402,276	380,158	22,118	339,024
Supplies	27,800	27,800	25,855	1,945	51,746
Property and other	26,919	13,174	11,928	1,246	17,781
<b>Total Support services</b>	<u>769,016</u>	<u>835,829</u>	<u>774,552</u>	<u>61,277</u>	<u>676,773</u>
<b>Total Expenditures</b>	<u>1,681,986</u>	<u>1,992,183</u>	<u>1,825,477</u>	<u>166,706</u>	<u>1,562,023</u>
<b>Net Change in Fund Balance</b>	-	(284,571)	(248,891)	35,680	566
<b>Fund Balance - Beginning of the Year</b>	<u>624,675</u>	<u>808,066</u>	<u>807,510</u>	<u>(556)</u>	<u>806,944</u>
<b>Fund Balance - End of the Year</b>	<u>624,675</u>	<u>523,495</u>	<u>558,619</u>	<u>35,124</u>	<u>807,510</u>

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

**GEORGETOWN COMMUNITY SCHOOL**  
**Schedule of the School's Proportionate Share of the Net Pension Liability**  
**Colorado Public Employees' Retirement Association School Division Trust Fund**  
**Last 10 Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
School's proportion of the net pension liability	0.0126%	0.0083%	0.0101%	0.0120%	0.0119%
School's proportionate share of the net pension liability	\$ 2,225,331	\$ 1,506,178	\$ 1,173,026	\$ 1,808,212	\$ 1,771,256
State's proportionate share of the net pension liability as a non-employer contributing entity associated with the School	47,748	339,873	120,642	-	284,600
Total proportionate share of the net pension liability associated with the School	<u>\$ 2,273,079</u>	<u>\$ 2,565,204</u>	<u>\$ 1,293,668</u>	<u>\$ 1,808,212</u>	<u>\$ 2,055,856</u>
School's covered payroll	\$ 831,933	\$ 637,834	\$ 645,088	\$ 639,349	\$ 696,693
School's proportionate share of the net pension liability as a percentage of its covered payroll	267%	349%	182%	283%	254%
Plan fiduciary net position as a percentage of the total pension liability	64.74%	61.79%	66.99%	66.99%	64.50%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
School's proportion of the net pension liability	0.0121%	0.0134%	0.0125%	0.0116%	0.0122%
School's proportionate share of the net pension liability	\$ 2,137,495	\$ 4,329,319	\$ 3,728,764	\$ 1,773,439	\$ 1,648,393
State's proportionate share of the net pension liability as a non-employer contributing entity associated with the School	292,273	-	-	-	-
Total proportionate share of the net pension liability associated with the School	<u>\$ 2,429,768</u>	<u>\$ 4,329,319</u>	<u>\$ 3,728,764</u>	<u>\$ 1,773,439</u>	<u>\$ 1,648,393</u>
School's covered payroll	\$ 699,608	\$ 617,589	\$ 562,066	\$ 505,325	\$ 509,515
School's proportionate share of the net pension liability as a percentage of its covered payroll	306%	701%	663%	351%	324%
Plan fiduciary net position as a percentage of the total pension liability	57.00%	44.00%	43.10%	59.20%	62.80%

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

**GEORGETOWN COMMUNITY SCHOOL**  
**Schedule of the School Pension Contributions**  
**Colorado Public Employees' Retirement Association School Division Trust Fund**  
**Last 10 Fiscal Years**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contributions	\$ 192,159	\$ 141,209	\$ 123,199	\$ 131,289	\$ 130,689
Contributions in relation to the contractually required contribution	<u>(192,159)</u>	<u>(141,209)</u>	<u>(123,199)</u>	<u>(131,289)</u>	<u>(130,689)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's covered payroll	\$ 942,879	\$ 692,880	\$ 619,592	\$ 660,352	\$ 674,348
Contributions as a percentage of covered payroll	20.38%	20.38%	19.88%	19.88%	19.38%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 134,416	\$ 119,132	\$109,534	\$100,393	\$87,770
Contributions in relation to the contractually required contribution	<u>(134,416)</u>	<u>(119,132)</u>	<u>(109,534)</u>	<u>(100,393)</u>	<u>(87,770)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's covered payroll	\$ 699,608	\$ 631,030	\$595,864	\$535,451	\$490,753
Contributions as a percentage of covered payroll	19.21%	18.88%	18.38%	18.75%	17.88%

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

**GEORGETOWN COMMUNITY SCHOOL**  
**Schedule of School's Proportionate Share of the Net Other Post-Employment Benefit Liability**  
**Colorado Public Employees' Retirement Association Health Care Trust Fund**  
**Last 10 Fiscal Years \***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
School's proportion of the net Other Post-Employment Benefit liability	0.00753%	0.00629%	0.00657%	0.00692%	0.00770%
School's proportionate share of the net Other Post-Employment Benefit liability	53,734	51,320	56,638	65,718	87,091
School's covered payroll	831,933	637,834	645,088	639,349	696,693
School's proportionate share of the net Other Post-Employment Benefit liability as a percentage of its covered payroll	6.5%	8.0%	8.8%	10.3%	12.5%
Plan fiduciary net position as a percentage of the total Other Post-Employment Benefit liability	46.16%	38.57%	32.78%	32.78%	24.50%
	<u>2018</u>	<u>2017</u>	<u>2016</u>		
School's proportion of the net Other Post-Employment Benefit liability	0.00790%	0.00760%	0.00710%		
School's proportionate share of the net Other Post-Employment Benefit liability	106,754	98,863	92,292		
School's covered payroll	699,608	617,589	\$ 562,066		
School's proportionate share of the net Other Post-Employment Benefit liability as a percentage of its covered payroll	15.3%	16.0%	16.4%		
Plan fiduciary net position as a percentage of the total Other Post-Employment Benefit liability	17.00%	17.50%	16.70%		

\* The amounts presented for each fiscal year were determined as of occurred within the fiscal year. Information is only available beginning in fiscal year 2017.

**GEORGETOWN COMMUNITY SCHOOL**  
**Schedule of School Other Post-Employment Benefit Contributions**  
**Colorado Public Employees' Retirement Association Health Care Trust Fund**  
**Last 10 Fiscal Years \***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contributions	\$ 9,617	\$ 7,067	\$ 6,321	\$ 6,736	\$ 6,878
Contributions in relation to the contractually required contribution	<u>\$ (9,617)</u>	<u>\$ (7,067)</u>	<u>\$ (6,321)</u>	<u>\$ (6,736)</u>	<u>\$ (6,878)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's covered payroll	\$ 942,879	\$ 692,880	\$ 619,592	\$ 660,352	\$ 674,348
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%
	<u>2019</u>	<u>2018</u>	<u>2017</u>		
Contractually required contributions	\$ 7,136	\$ 6,437	\$ 6,078		
Contributions in relation to the contractually required contribution	<u>\$ (7,136)</u>	<u>\$ (6,437)</u>	<u>\$ (6,078)</u>		
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
School's covered payroll	\$ 699,608	\$ 631,030	\$ 595,864		
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%		

\* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. Information is only available beginning in fiscal year 2017.

**Georgetown Community School**  
**Notes to Required Supplementary Information**  
**June 30, 2024**

**I. Schedule of School's Proportionate Share of the Net Pension Liability**

**A. Changes to assumptions or other inputs**

**1. Changes since the December 31, 2022 actuarial valuation:**

- There were no changes made to the actuarial method or assumption

**2. Changes since the December 31, 2021 actuarial valuation:**

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

**3. Changes since the December 31, 2020 actuarial valuation:**

- The assumption used to value the AI cap benefit provision was changed from 1.25% to 1.00%.

**4. Changes since the December 31, 2019 actuarial valuation:**

- The price inflation assumption was lowered from 2.4% to 2.30%.
- The wage inflation assumption was lowered from 3.5% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Healthy Retiree Table, adjusted as follow:
  - 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.
- The post-retirement non-disabled beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2019 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.
- The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a head-count weighted basis.

**4. Changes since the December 31, 2018 actuarial valuation:**

- The assumption used to value the AI cap benefit provision was changed from 1.50% to 1.25%.

**Georgetown Community School**  
**Notes to Required Supplementary Information**  
**June 30, 2024**  
**(Continued)**

**I. Schedule of School's Proportionate Share of the Net Pension Liability (continued)**

**A. Changes to assumptions or other inputs (continued)**

**5. Changes since the December 31, 2017 actuarial valuation:**

- The single equivalent interest rate ("SEIR") was increased from 4.78% to 7.25% to reflect the changes to the projection's valuation basis, which no longer resulted in a projected year of depletion of the FNP, thereby eliminating the need to apply the municipal bond index rate

**6. Changes since the December 31, 2016 actuarial valuation:**

- The single equivalent interest rate ("SEIR") was lowered from 5.26% to 4.78% to reflect the changes to the projection's valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate.
- The municipal bond index rate used in the determination of the SEIR changed from 3.86% on the prior measurement date to 3.43% on the measurement date.

**7. Changes since the December 31, 2015 actuarial valuation:**

- The investment return assumption was lowered from 7.50% to 7.25%
- The wage inflation assumption was lowered from 3.90% to 3.50%
- The post-retirement mortality assumption for healthy lives for the School and DPS Divisions was changed to the RP-2014 White Collar Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of a 93% factor applied to ages below 80 and a 113% factor applied to age 80 and above, projected to 2018, or males, and a 68% factor applied to ages below 80 and a 106% factor applied to age 80 and above, projected to 2020, for females.
- For disabled retirees, the mortality assumption was changed to reflect 90% of RP-2014 Disabled Retiree Mortality Table.
- The mortality assumption for active members was changed to RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70% factor applied to male rates and a 55% factor applied to female rates.
- The rates of retirement, withdrawal, and disability were revised to reflect more closely actual experience.
- The estimated administrative expense as a percentage of covered payroll was increased from 0.35% to 0.40%.
- The single equivalent interest rate (the "SEIR") for the SCHDTF was lowered from 7.50% to 5.26% to reflect the changes to the projection's valuation basis, a projected year of depletion of the fiduciary net position (the "FNP"), and the resulting application of the municipal bond index rate
- The SEIR for the DPS Division was lowered from 7.50% to 7.25%, reflecting the change in the long-term expected rate of return.

**8. Changes Since the December 31, 2014 actuarial valuation:**

- Valuation of the full survivor benefit without any reduction for possible remarriage.
- Reflection of the employer match on separation benefits for all eligible years.

**Georgetown Community School  
Notes to Required Supplementary Information  
June 30, 2024  
(Continued)**

**I. Schedule of School's Proportionate Share of the Net Pension Liability (continued)**

**A. Changes to Assumptions or Other Inputs (continued)**

**8. Changes Since the December 31, 2014 Actuarial Valuation are as Follows (continued):**

- Reflection of one year of service eligibility for survivor annuity benefit.
- Refinement of the 18-month annual increase timing.
- Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.
- Recognition of merit salary increases in the first projection year.
- Elimination of the assumption that 35% of future disabled members elect to receive a refund.
- Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
- Adjustments to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year.

**B. Changes of benefit terms.**

No changes during the years presented.

**C. Changes of size or composition of population covered by benefit terms.**

No changes during the years presented.

**II. Notes to the Schedule of School Pension Contributions**

**A. Changes to assumptions or other inputs**

No changes during the years presented.

**B. Changes of benefit terms.**

No changes during the years presented.

**C. Changes of size or composition of population covered by benefit terms.**

No changes during the years presented.

**III. Schedule of School's Proportionate Share of the OPEB Liability**

**A. Changes to assumptions or other inputs**

No changes during the years presented.

**B. Changes of benefit term**

No changes during the years presented.

**C. Changes of size or composition of population covered by terms**

No changes during the years presented.

**Georgetown Community School  
Notes to Required Supplementary Information  
June 30, 2024  
(Continued)**

**IV. Notes to the Schedule of School OPEB Contributions**

**A. Changes to assumptions or other inputs**

**1. Changes since the December 31, 2021 actuarial valuation:**

- The timing of the retirement decrement was adjusted to middle-of-year.

**2. Changes since the December 31, 2020 actuarial valuation:**

- There were no change made to the actuarial methods or assumptions.

**3. Changes since the December 31, 2019 actuarial valuation:**

Changes since the December 31, 2019 to the Health Care Trust Fund actuarial valuation are the same as the changes to the School Division Trust Fund noted in Note I.A.4 above.

**B. Changes of benefit terms.**

No changes during the years presented.

**C. Changes of size or composition of population covered by benefit terms.**

No changes during the years presented.



**Colorado Department of Education**

Charter School Auditor's Integrity Report

Colorado School District/BOCES

District: 0540 - Clear Creek RE-1

Fiscal Year 2023-24

Revenues, Expenditures, & Fund Balance by Location and Fund

**Location (900- 969): 902**

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	1,122,137	-1,055,762	66,375	0
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
<b>Sub- Total</b>	<b>1,122,137</b>	<b>-1,055,762</b>	<b>66,375</b>	<b>0</b>
11 Charter School Fund	807,509	1,576,586	1,825,477	558,619
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
21 Food Service Spec Revenue Fund	6,641	-6,641	0	0
22 Govt Designated-Purpose Grants Fund	30,096	0	30,096	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	0	0	0	0
41 Building Fund	641,931	0	641,931	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	3,580	0	3,580	0
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
<b>Totals</b>	<b>2,611,894</b>	<b>514,183</b>	<b>2,567,458</b>	<b>558,619</b>
<b>Proprietary</b>				
50 Other Enterprise Funds	31,220	0	31,220	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
<b>Totals</b>	<b>31,220</b>	<b>0</b>	<b>31,220</b>	<b>0</b>
<b>Fiduciary</b>				
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
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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