

**CONEJOS SCHOOL DISTRICT NO. 6J
SANFORD, COLORADO**

FINANCIAL STATEMENTS

June 30, 2024



**Wall,
Smith,
Bateman** Inc.
Certified Public Accountants

CONEJOS SCHOOL DISTRICT NO. 6J

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Conejos School District No. 6J
Sanford, Colorado



Wall,
Smith,
Bateman Inc.

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Conejos School District No. 6J (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material

Certified Public Accountants

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining and individual fund financial schedules and the Colorado School District Auditor's Integrity Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial schedules and the Colorado School District Auditor's Integrity Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

January 30, 2025

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

FINANCIAL HIGHLIGHTS

Key financial highlights for the District in FY 2024 are as follows:

- Net position for governmental activities increased by \$343,653.
- Revenue for all governmental activities was \$6,511,215.
- The District incurred \$6,167,562 in expenses related to governmental activities.

Key financial highlights for the District in FY 2023 were as follows:

- Net position for governmental activities decreased by \$52,368.
- Revenue for all governmental activities was \$5,747,656.
- The District incurred \$5,800,024 in expenses related to governmental activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as instruction were financed in the short-term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplemental information that further explains and supports the financial statements with a comparison of the District's budget for the year.

District-wide Statements

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

The two district-wide statements report the District's net position and how it has changed. Net position (the difference between the District's assets and liabilities) is one way to measure the District's financial position.

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating.
- To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school facilities.

Fund Financial Statements

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Total assets for the District were \$22,809,789 in 2023 and \$23,268,613 in 2024. Cash and investments were \$5,808,826 in 2023 and \$6,690,919 in 2024. Property tax receivable was \$24,392 in 2023 and \$15,128 in 2024. Receivables from other governmental entities were \$108,203 in 2023 and \$209,508 in 2024. Capital assets were in the amount of \$16,854,018 in 2023 and \$16,331,348 in 2024. Current liabilities were \$623,490 in 2023 and \$738,274 in 2024.

The effect of the PERA pension and OPEB expense on the District's total net position for Fiscal Year 2024 and 2023 is summarized below:

	FY 2024	FY 2023
Net position (GAAP Basis)	\$ 16,287,173	\$ 15,943,520
GASB 68 - Pension	\$ 5,253,090	\$ 5,143,070
GASB75 - OPEB	\$ 198,370	\$ 230,450
Net position excluding Pension and OPEB	\$ 21,738,633	\$ 21,317,040

The effect of the PERA pension and OPEB expense on the District's unrestricted net position is summarized below:

	FY 2024	FY 2023
Unrestricted - Net position (GAAP Basis)	\$ (186,025)	\$ (930,182)
GASB 68 - Pension	\$ 5,253,090	\$ 5,143,070
GASB 75 - OPEB	\$ 198,370	\$ 230,450
Net position excluding Pension and OPEB	\$ 5,265,435	\$ 4,443,338

In addition to the \$225 million (actual dollars) direct distribution due on July 1, 2022. House Bill HB 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of \$380 million (actual dollars), upon enactment, with reduction to future direct distributions scheduled to occur July 1, 2023, and July 1, 2024.

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

Table 1 provides a summary of the District's net position for fiscal year 2023 & 2024:

Table 1

Condensed Statement of Net Position

	Governmental Activities	Governmental Activities	Total Percent Change
	2023	2024	2023-2024
Assets			
Current Assets	\$ 5,955,771	\$ 6,937,265	16.48%
Capital Assets	\$ 16,854,018	\$ 16,331,348	-3.10%
Total Assets	\$ 22,809,789	\$ 23,268,613	2.01%
Deferred Outflows of Resources	\$ 1,328,843	\$ 1,817,551	36.78%
Liabilities			
Current liabilities	\$ 623,490	\$ 738,274	18.41%
Long-term liabilities	\$ 6,588,061	\$ 7,539,754	14.45%
Total Liabilities	\$ 7,211,551	\$ 8,278,028	14.79%
Deferred Inflow of Resources			
Pension	\$ 879,612	\$ 438,791	-50.12%
OPEB	\$ 79,557	\$ 67,044	-15.73%
Property Taxes	\$ 24,392	\$ 15,128	-37.98%
Net Position			
Net Investment in Capital Assets	\$ 16,196,124	\$ 15,735,319	-2.85%
Restricted for:			
Tabor	\$ 155,000	\$ 174,000	12.26%
Debt Service	\$ 194,928	\$ 197,679	1.41%
BEST Capital Renewal Reserve	\$ 327,650	\$ 366,200	11.77%
Unrestricted	\$ (930,182)	\$ (186,025)	-80.00%
Total Net Position	\$ 15,943,520	\$ 16,287,173	2.16%

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

Table 2 shows the changes in net position for fiscal year 2023 & 2024:

Table 2

Changes in Net Position

	Governmental Activities	Governmental Activities	Total Percentage Change
	2023	2024	2023-2024
Revenues			
Program Revenues			
Charges for Services	\$ 46,294	\$ 16,302	-64.79%
Operating Grants & Contributions	\$ 1,302,925	\$ 1,359,658	4.35%
Property Taxes	\$ 376,400	\$ 352,734	-6.29%
State Equalization	\$ 3,916,202	\$ 4,560,893	16.46%
Other	\$ 105,835	\$ 221,628	109.41%
Total Revenues	\$ 5,747,656	\$ 6,511,215	13.28%
Expenses			
Instruction	\$ 3,768,246	\$ 4,044,662	7.34%
Pupil & Instructional Services	\$ 233,727	\$ 200,134	-14.37%
Admin & Business	\$ 609,334	\$ 650,905	6.82%
Maintenance & Operations	\$ 510,497	\$ 520,898	2.04%
Transportation	\$ 209,720	\$ 219,736	4.78%
Other	\$ 468,500	\$ 531,227	13.39%
Total Expenses	\$ 5,800,024	\$ 6,167,562	6.34%
Increase(Decrease) in Net Position	\$ (52,368)	\$ 343,653	-756.23%
Net Position- Beginning of the year	\$ 15,995,888	\$ 15,943,520	-0.33%
Net Position- End of year	\$ 15,943,520	\$ 16,287,173	2.16%

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

State equalization accounted for a major portion of the District's total revenue, contributing 70.0 percent of total revenue. Another 20.9 percent came from state and federal grants, 5.4 percent came from property taxes, and the remainder from charges for services and miscellaneous sources.

The District's expenses are predominately related to instruction (65.6 percent). The District's administrative and business activities accounted for 10.6 percent of total costs.

Governmental Activities

The primary source of operating revenue for school districts comes from the School Finance Act of 1994 (SFA). Under the SFA the District received \$11,692 for 2023 and \$12,665 in 2024 per funded student. In fiscal year 2023 the funded pupil count was 359.0 and in fiscal year 2024 the pupil count was 385.5. Funding for the SFA comes from property taxes, specific ownership taxes, and state equalization. The District receives approximately 90 percent of this funding from state equalization while the remaining amounts come from property and specific ownership taxes.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those service costs. Table 3 shows, for governmental activities, the total cost of services and net cost of services. That is, it identifies the cost of these services supported by unrestricted state equalization and property taxes.

Table 3

Government Activities

	Total Cost of Services	Total Cost of Services	Percentage Change	Net Cost of Services	Net Cost of Services	Percentage Change
	2023	2024	2023-2024	2023	2024	2023-2024
Instruction	\$ 3,768,246	\$ 4,044,662	7%	\$ 2,666,518	\$ 2,964,327	11.17%
Pupil & instructional services	\$ 233,727	\$ 200,134	-14%	\$ 207,671	\$ 174,037	-16.20%
Administration and business	\$ 609,334	\$ 650,905	7%	\$ 609,334	\$ 650,905	6.82%
Maintenance and operations	\$ 510,497	\$ 520,898	2%	\$ 510,497	\$ 520,898	2.04%
Transportation	\$ 209,720	\$ 219,736	5%	\$ 183,689	\$ 191,888	4.46%
Food Services	\$ 297,123	\$ 324,300	9%	\$ 101,719	\$ 82,620	-18.78%
Other	\$ 171,377	\$ 206,927	21%	\$ 171,377	\$ 206,927	20.74%
Total	\$ 5,800,024	\$ 6,167,562	6%	\$ 4,450,805	\$ 4,791,602	7.66%

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

- The cost of all governmental activities during the year 2023 was \$5,800,024. During the year 2024 it was \$4,450,805.
- Federal and state government subsidized certain programs with grants and contributions in the amount of \$1,302,925 in 2023 and \$1,359,658 in 2024.
- Most of the District's costs were financed by State and District taxpayers. This portion of governmental activities was financed with \$3,916,202 for 2023 and \$4,560,893 in 2024 in state equalization from the School Finance Act of 1994 (SFA) and \$442,544 in property and specific ownership taxes for 2023 and \$427,026 in 2024.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

The governmental funds provide information on inflows, outflows, and balances of spendable resources. This information is helpful in assessing the District's financial responsibilities. One element that may be valuable in determining the net resources at the end of the fiscal year is the unassigned fund balance.

The following table shows the fund balance and total changes in fund balances for major fund and other governmental funds. At the end of FY 2024 the collective ending fund balances total \$6,283,810, an increase of \$880,123 from FY 2023.

Table 4

Fund Balance

	Fund Balance	Fund Balance	Increase (Decrease)	Percentage Change
	2023	2024	2023-2024	2023-2024
Major Governmental Funds:				
General Fund	\$ 4,721,681	\$ 4,820,318	\$ 98,637	2.1%
GDPG Fund	\$ -	\$ -	\$ -	0.0%
Capital Reserve Fund	\$ 329,497	\$ 1,078,458	\$ 748,963	227.3%
Nonmajor Governmental Funds	\$ 352,511	\$ 385,034	\$ 32,523	9.2%
Total Fund Balance	<u>\$ 5,403,689</u>	<u>\$ 6,283,810</u>	<u>\$ 880,123</u>	<u>16.3%</u>

General Fund

The primary operating fund of the District is the General Fund. The unassigned fund balance for the General Fund for FY 2024 was \$2,746,318 and the total fund balance was \$4,820,318. To determine the liquidity of the General Fund you could compare both unassigned fund balance and total fund balance to total expenditures. Unassigned fund balance represents 64.2 percent of the total General Fund expenditures, the total fund balance represents 112.6 percent of that same amount. In FY 2024 the fund balance of the General funds increased by \$98,637. This increase was mostly due to regulating expenditures within the available revenues.

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

General Fund Budgetary Highlights

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

The District's board of education receives monthly financial packets and quarterly financial statements. These reports are reviewed and approved by the board of education. The preliminary budget is reviewed and approved by the board; the final budget is approved in January. If necessary, the board will amend the budget for unseen encumbrances, projects, or adjustments such as grants after the budget approval.

General Fund revenues are under budget by \$223,762. Local sources were under budget \$295,955 while state and federal sources were over budget \$56,803. General Fund expenditures are under budget by \$278,899 of which \$147,828 were in supporting services with 53 percent \$131,071 was from our instructional program with 47 percent and the remaining \$0 in reserves with 0 percent.

CAPITAL ASSET ADMINISTRATION

By the end of 2024, the District has invested \$16,331,348 in land, buildings, and equipment (including vehicles). By the end of 2023, the District had invested \$16,854,018 in land, buildings, and equipment (including vehicles).

Table 5 shows capital assets for FY 2023-2024:

Table 5

Capital Assets at June 30

	Governmental Activities	Governmental Activities	Total Percentage Change
	2023	2024	2023-2024
Land	\$ 43,969	\$ 43,969	0.00%
Construction in progress	\$ 2,000	\$ -	-100.00%
Land Improvements	\$ 120,414	\$ 309,444	156.98%
Buildings	\$ 20,595,005	\$ 20,595,005	0.00%
Equipment	\$ 2,176,149	\$ 2,167,829	-0.38%
Buses & Vehicles	\$ 750,419	\$ 750,419	0.00%
Total	\$ 23,687,956	\$ 23,866,666	0.75%
Accumulated Depreciation			
Buildings	\$ 4,743,699	\$ 5,257,590	10.83%
Land Improvements	\$ 34,680	\$ 52,748	52.10%
Equipment	\$ 1,431,247	\$ 1,576,558	10.15%
Vehicles	\$ 624,312	\$ 648,422	3.86%
Total	\$ 6,833,938	\$ 7,535,318	10.26%
Gov Activities Cap Assets, Net	\$ 16,854,018	\$ 16,331,348	-3.10%

CONEJOS SCHOOL DISTRICT 6-J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

LONG -TERM LIABILITY ADMINISTRATION

The largest long-term liabilities of the District is the Series 2011 General Obligation Bonds that were issued to fund the District's portion of the construction and renovation of the school buildings. Payments will continue through 2032. The other long-term liabilities relate to the retirement benefit and compensated absences. The retirement benefit activity consists of current year accrual for eligible employees and payout of previous balances. Compensated absences change from year to year depending on the leave days that have been given to employees, but remain unused at year end.

Table 6

Long-term Liabilities at June 30

	Beginning Balance 6/30/2023	Additions	Deletions	Ending Balance 6/30/2024	Due Within One Year
Governmental Activities					
G.O. Bonds Payable-Series 2011	\$ 657,894	\$ -	\$ (61,865)	\$ 596,029	\$ 64,413
Retirement Benefit	\$ 192,800	\$ 18,200	\$ (16,700)	\$ 194,300	\$ 18,300
Compensated Absences	\$ 72,738	\$ -	\$ (3,776)	\$ 68,962	\$ -
Total	\$ 923,432	\$ 18,200	\$ (82,341)	\$ 859,291	\$ 82,713

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

Additional funding to the District came through the Elementary and Secondary School Emergency Relief (ESSER) Fund. The District has been awarded \$679,194 in ESSER III funds. In FY21 \$142,840 was expended, in FY22 \$95,344 was expended, in FY23 \$213,064 was expended leaving \$227,946 expended by the end of September 2024.

The District has been partnering with the town and working on a couple of grants. If they work out, we may have some projects to improve our site and activity's locations. We will know if we have received these grants in spring of 2025.

In recent years our student count has held fairly consistent, and we have not seen a decline in enrollment as most districts have. However, we are aware that we will probably see a dip at some point as this has been our trend in the past. For FY22 we had 356.0, FY23 was 359.0, FY24 was 385.5, and FY25 is 363.0.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, parents, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jared Morgan, Superintendent of Sanford School District 6-J, at 755 Second Street, Sanford, CO 81151.

CONEJOS SCHOOL DISTRICT NO. 6J

BASIC FINANCIAL STATEMENTS

CONEJOS SCHOOL DISTRICT NO. 6J

STATEMENT OF NET POSITION

June 30, 2024

	Primary Government Governmental Activities
ASSETS	
Current Assets	
Cash and Investments	\$ 6,690,919
Accounts Receivable	15,000
Due from Other Governments	209,508
Property Tax Receivable	15,128
Inventories	6,710
Capital Assets	
Capital Assets Not Being Depreciated	43,969
Capital Assets, Net of Accumulated Depreciation	16,287,379
TOTAL ASSETS	23,268,613
DEFERRED OUTFLOWS OF RESOURCES	
Pension	1,789,424
OPEB	28,127
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,817,551
LIABILITIES	
Current Liabilities	
Accounts Payable	7,116
Accrued Salaries and Benefits	499,719
Unearned Grant Revenue	131,492
Accrued Interest Payable	17,234
General Obligation Bonds	64,413
Retirement Benefit	18,300
Long-term Liabilities	
General Obligation Bonds	531,616
Retirement Benefit	176,000
Compensated Absences	68,962
Net Pension Liability	6,603,723
Net OPEB Liability	159,453
TOTAL LIABILITIES	8,278,028
DEFERRED INFLOWS OF RESOURCES	
Pension	438,791
OPEB	67,044
Unavailable Revenue - Property Tax	15,128
TOTAL DEFERRED INFLOWS OF RESOURCES	520,963
NET POSITION	
Net Investment in Capital Assets	15,735,319
Restricted for	
TABOR	174,000
Debt Service	197,679
BEST Capital Reserve	366,200
Unrestricted	(186,025)
TOTAL NET POSITION	\$ 16,287,173

The accompanying notes are an integral part of this financial statement.

CONEJOS SCHOOL DISTRICT NO. 6J

STATEMENT OF ACTIVITIES

Fiscal Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Revenue and Changes in Net Position
					Primary Government
Primary Government:					
Governmental Activities:					
Instructional Program	\$ 4,044,662	\$ -	\$ 1,080,335	\$ -	\$ (2,964,327)
Student Supporting Services	163,238	-	14,500	-	(148,738)
Instructional Staff Supporting Services	36,896	-	11,597	-	(25,299)
General Administration Supporting Services	301,200	-	-	-	(301,200)
School Administration Supporting Services	222,629	-	-	-	(222,629)
Business Supporting Services	127,076	-	-	-	(127,076)
Operations & Maintenance of Plant Services	520,898	-	-	-	(520,898)
Student Transportation Services	219,736	-	27,848	-	(191,888)
Central Supporting Services	107,115	-	-	-	(107,115)
Other Supporting Services	13,943	-	-	-	(13,943)
Food Services	324,300	16,302	225,378	-	(82,620)
Facilities Acquisition and Construction Services	58,568	-	-	-	(58,568)
Interest on Long-term Debt	27,301	-	-	-	(27,301)
Total Governmental Activities	<u>6,167,562</u>	<u>16,302</u>	<u>1,359,658</u>	<u>-</u>	<u>(4,791,602)</u>
Total Primary Government	<u>\$ 6,167,562</u>	<u>\$ 16,302</u>	<u>\$ 1,359,658</u>	<u>\$ -</u>	<u>(4,791,602)</u>

General Revenues:

Taxes:

General Property Taxes - Net	352,734
Specific Ownership Taxes	74,292
Other Taxes	1,255
State Equalization	4,560,893
Interest on Investments	94,226
Miscellaneous	51,855

Total General Revenues:

5,135,255

Change in Net Position

343,653

Net Position - Beginning of Year

15,943,520

Net Position - End of Year

\$ 16,287,173

The accompanying notes are an integral part of this financial statement.

CONEJOS SCHOOL DISTRICT NO. 6J
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2024

	GENERAL FUND	GOVERNMENTAL DESIGNATED PURPOSE GRANTS FUND	CAPITAL RESERVE CAPITAL PROJECTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Investments	\$ 5,215,759	\$ -	\$ 1,079,614	\$ 395,546	\$ 6,690,919
Accounts Receivable	11,316	-	-	3,684	15,000
Property Tax Receivable	10,895	-	-	4,233	15,128
Due from Other Governments	43,959	163,366	-	2,183	209,508
Due from Other Funds	73,963	-	-	-	73,963
Inventories	-	-	-	6,710	6,710
TOTAL ASSETS	\$ 5,355,892	\$ 163,366	\$ 1,079,614	\$ 412,356	\$ 7,011,228
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 3,878	\$ 2,752	\$ -	\$ 486	\$ 7,116
Accrued Salaries and Benefits	408,429	69,046	-	22,244	499,719
Due to Other Funds	-	73,963	-	-	73,963
Unearned Grant Revenue	112,372	17,605	1,156	359	131,492
TOTAL LIABILITIES	524,679	163,366	1,156	23,089	712,290
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Tax	10,895	-	-	4,233	15,128
FUND BALANCE					
Nonspendable	-	-	-	6,710	6,710
Restricted	174,000	-	366,200	197,679	737,879
Committed	1,900,000	-	712,258	187,226	2,799,484
Assigned	-	-	-	-	-
Unassigned	2,746,318	-	-	(6,581)	2,739,737
TOTAL FUND BALANCE	4,820,318	-	1,078,458	385,034	6,283,810
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 5,355,892	\$ 163,366	\$ 1,079,614	\$ 412,356	\$ 7,011,228

The accompanying notes are an integral part of this financial statement.

CONEJOS SCHOOL DISTRICT NO. 6J
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
June 30, 2024

Total governmental fund balances	\$	6,283,810
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		16,331,348
Deferred results and contributions to pension and OPEB plans made after the measurement date are recorded as expenditures in the governmental funds but must be deferred in the statement of net position.		1,817,551
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Refunding Bonds	\$ (596,029)	
Accrued Interest Payable	(17,234)	
Retirement Benefit	(194,300)	
Compensated Absences	<u>(68,962)</u>	
		(876,525)
Net pension and OPEB liabilities are not due and payable in the current period and are not reported in the funds.		(6,763,176)
Certain amounts related to the net pension and OPEB liabilities are deferred and amortized over time. These are not reported in the funds.		<u>(505,835)</u>
Net position of governmental activities	\$	<u><u>16,287,173</u></u>

The accompanying notes are an integral part of this financial statement.

CONEJOS SCHOOL DISTRICT NO. 6J
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2024

	GENERAL FUND	GOVERNMENTAL DESIGNATED PURPOSE GRANTS FUND	CAPITAL RESERVE CAPITAL PROJECTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Local Sources	\$ 483,945	\$ -	\$ -	\$ 305,325	\$ 789,270
State Sources	4,938,598	135,577	-	56,618	5,130,793
Federal Sources	67,095	355,297	-	168,760	591,152
TOTAL REVENUES	5,489,638	490,874	-	530,703	6,511,215
EXPENDITURES					
Instructional Program	2,732,829	387,575	-	222,362	3,342,766
Student Supporting Services	114,929	45,414	-	-	160,343
Instructional Staff Supporting Services	35,753	592	-	-	36,345
General Administration Supporting Services	294,211	2,268	-	-	296,479
School Administration Supporting Services	218,126	-	-	-	218,126
Business Supporting Services	124,710	-	-	-	124,710
Operations and Maintenance of Plant Services	498,344	7,667	5,439	-	511,450
Student Transportation Services	191,221	-	-	-	191,221
Central Supporting Services	55,402	47,358	-	-	102,760
Other Supporting Services	13,943	-	-	-	13,943
Food Services	33	-	-	299,652	299,685
Facilities Acquisition and Construction Services	-	-	245,598	-	245,598
Debt Service	-	-	-	87,666	87,666
TOTAL EXPENDITURES	4,279,501	490,874	251,037	609,680	5,631,092
Excess (Deficiency) of Revenues Over Expenditures	1,210,137	-	(251,037)	(78,977)	880,123
OTHER FINANCING SOURCES (USES)					
Transfers (to)/from Other Funds	(1,111,500)	-	1,000,000	111,500	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,111,500)	-	1,000,000	111,500	-
Net Change in Fund Balance	98,637	-	748,963	32,523	880,123

The accompanying notes are an integral part of this financial statement.

CONEJOS SCHOOL DISTRICT NO. 6J
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2024

	GENERAL FUND	GOVERNMENTAL DESIGNATED PURPOSE GRANTS FUND	CAPITAL RESERVE CAPITAL PROJECTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Fund Balance, Beginning of Year as previously stated	4,721,681	-	-	682,006	5,403,687
Change within financial reporting entity (nonmajor to major fund)	-	-	329,495	(329,495)	-
Fund Balance, Beginning of Year restated	4,721,681	-	329,495	352,511	5,403,687
Fund Balance at End of Year	\$ 4,820,318	\$ -	\$ 1,078,458	\$ 385,034	\$ 6,283,810

The accompanying notes are an integral part of this financial statement.

CONEJOS SCHOOL DISTRICT NO. 6J
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

Net change in fund balances - total governmental funds \$ 880,123

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the activity in the capital assets in the current period.

Capital asset additions	\$ 187,030	
Depreciation expense	(709,700)	
		(522,670)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal Payments on General Obligation Bonds	61,865	
Change in accrued interest payable	-	
		61,865

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.

Compensated Absences	3,776	
Retirement Benefit	(1,500)	
		2,276

Certain items reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. This item consists of the change in pension and OPEB expense.

		(77,941)
Change in net position of governmental activities	\$	343,653

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the District reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*.

REPORTING ENTITY

Primary Government

Conejos School District No. 6J is a public school as established by Colorado State Statute. The District is declared to be a corporate body with perpetual existence and in its name may hold property, sue and be sued, and be a party to contracts for any purpose authorized by law. Members of the school board are voted on at large by the registered, qualified electors of the District. Taxes are levied upon all taxable property within the District's boundaries by the County Commissioners. The County Treasurer collects the taxes and remits them to the District. The District also receives State and Federal funds. The school board has the authority to issue bonds up to 20% of the latest assessed valuation of the taxable property in the District. The board also has authority to select the depository of school funds and acquire short-term loans.

Component Units

The District's combined financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The District holds the corporate powers of the organization
- The District appoints a voting majority of the organization's board
- The District is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the District
- There is fiscal dependency by the organization on the District
- The organization is financially accountable to the District
- The organization receives or holds funds that are for the benefit of the District; and the District has access to a majority of the funds held; and the funds that are accessible are also significant to the District.

Based on the aforementioned criteria, the Conejos School District No. 6J has no component units.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. Government-wide statements report information on all of the activities of the District. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

The Statement of Activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from services, or privileges provided by a given function or segment and
- Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds. The emphasis of fund financial statements is on major governmental funds, each reported as a separate column.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The District reports the following major governmental funds:

- The **General Fund** is the general operating fund of the District. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The **Governmental Designated Purpose Grants Fund** is used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes other than debt service or capital projects. The federal, state and local grants account for revenue and expenses specifically related to grants which have various restrictions based on the specific grant.
- The **Capital Reserve Capital Projects Fund** is used to account for all resources available for acquiring capital sites, buildings, and equipment.

Certain eliminations have been made as prescribed in GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

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

Cash

The District's cash and cash equivalents are considered to be cash in bank, certificates of deposit, and liquid investments with initial maturity of three months or less.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

Investments

All investments, if any, are recorded at fair market value.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The District’s property taxes are collected by the County Treasurer who remits monthly receipts to the District. Property tax revenue is recognized when received by the County Treasurer.

Uncollected property taxes that became an enforceable lien January 1, 2024 have been recorded in the financial statements as an asset and a corresponding deferred inflow of resources.

Receivables/Payables From Other District Funds

Balances that originate from current lending/borrowing arrangements between funds are referred to as “Due To/From Other Funds”.

Inventories

Purchased inventories are stated at cost and consist of supplies and food to be used within one year. Donated inventory is priced at the U.S. Department of Agriculture established values.

USDA Commodities

The Food Service Fund receives donated commodities to use in meal preparation from the U.S. Department of Agriculture. The value of these commodities received during the year is shown as income, and the value of commodities used is shown as expense.

Capital Assets

Capital assets, which include land, buildings, equipment, vehicles, and construction in progress are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	20-50
Equipment	4-20
Vehicles	7-20

Long-Term Obligations

Long-term debt and other long-term obligations are recorded as liabilities in the government-wide financial statements. In the fund financial statements for governmental fund types, debt proceeds are reported as an other financing source and debt payments are reported as debt service expenditures.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

Compensated Absences

Employees of the District receive from 4.5 to 9 days each term for sick leave. At the end of each term, an employee has the option to either accumulate unused sick leave or be paid for the unused sick leave of that term provided they have 20 days or more of accumulated sick leave. Employees of the District shall receive reimbursement at the rate of \$100 per day for certified employees and \$96 per day for non-certified employees for unused sick leave, up to a maximum of 30 days, upon separation from the District. A liability for accrued personal leave is accrued in the government-wide financial statements.

Unearned Grant Revenue

Revenues on grants, which are restricted by the grant document for specific purposes, are recognized as revenue only after eligible grant costs have been incurred. Grant funds received in excess of grant expenditures are recorded as unearned revenues.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (as either an expense or expenditure) until that period.

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

Certain amounts related to pensions must be deferred.

Pensions

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

Other Postemployment Benefits (OPEB)

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the 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.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position should be displayed in the following three components:

- *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.

- *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- *Unrestricted* – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund Balance

Fund balances are reported by classification based on the extent to which the District is bound to honor constraints for the specific purposes on which amounts in the fund can be spent. Fund balances are classified in one of the following five categories:

- *Nonspendable Fund Balance* – amounts that cannot be spent because they are not in spendable form – such as inventory and prepaid expenditures.
- *Restricted Fund Balance* – amounts restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed Fund Balance* – amounts that can only be used for specific purposes as a result of constraints imposed through adopted resolution by the Board of Education, the highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- *Assigned Fund Balance* – amounts a government intends to use for a specific purpose; intent is expressed by the Board of Education.
- *Unassigned Fund Balance* – amounts that are available for any purpose; these amounts are reported only in the General Fund.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

As of June 30, 2024, fund balances are composed of the following:

	General Fund	Governmental Designated Purpose Grants Fund	Capital Reserve Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
Nonspendable					
Inventory	\$ -	\$ -	\$ -	\$ 6,710	\$ 6,710
Restricted					
TABOR 3% Reserve	174,000	-	-	-	174,000
Preschool	-	-	-	-	-
Debt Service	-	-	-	197,679	197,679
BEST Capital Reserve	-	-	366,200	-	366,200
	<u>174,000</u>	<u>-</u>	<u>366,200</u>	<u>197,679</u>	<u>737,879</u>
Committed					
Early Retirement of Bonds	900,000	-	-	-	900,000
Emergency Reserves	1,000,000	-	-	-	1,000,000
Food Services	-	-	-	-	-
Student Activities	-	-	-	187,226	187,226
Capital Projects	-	-	712,258	-	712,258
	<u>1,900,000</u>	<u>-</u>	<u>712,258</u>	<u>187,226</u>	<u>2,799,484</u>
Unassigned	<u>2,746,318</u>	<u>-</u>	<u>-</u>	<u>(6,581)</u>	<u>2,739,737</u>
Total Fund Balance	<u>\$ 4,820,318</u>	<u>\$ -</u>	<u>\$ 1,078,458</u>	<u>\$ 385,034</u>	<u>\$ 6,283,810</u>

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

Encumbrances

The District does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are rebudgeted in the succeeding year. End of the year fund balance intended to be used in the succeeding year is reported as designated fund balance.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

New Accounting Pronouncements

During fiscal year 2024, the District adopted the provisions of GASB Statement No. 100, *Accounting Changes and Error Corrections*, which establishes accounting and financial reporting requirements for a) accounting changes and b) the correction of an error in previously issued financial statements. Accounting changes are defined as a) changes in accounting principles, b) changes in accounting estimates, and c) changes to within the reporting entity. As a result of the change in presentation of Capital Reserve Capital Projects fund from a nonmajor fund to major fund, the beginning fund balances of the nonmajor funds were restated.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

Conejos School District No. 6J follows the procedures set forth in the Colorado School District Budget Law when preparing annual budgets for each fund. Budget procedures include:

- 1) Preparation of budget documents by administrative staff shall be submitted to the Board no later than June 1 of each year.
- 2) Publication of a notice stating that the budget is available for public inspection.
- 3) Discussion of the budget in a meeting open to the public.
- 4) Adoption of the budget in a public meeting by appropriate resolution.

Formal budgetary integration is employed as a management control device for all funds of the District. All fund budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP).

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The Board of Education did not adopt any supplemental appropriations during fiscal year 2024.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget, if applicable.

NOTE 3 CASH, DEPOSITS, AND INVESTMENTS

A summary of Cash, Deposits, and Investments for the District are as follows:

Cash in Banks and on Hand	\$ 2,951,977
COLOTRUST Investments	<u>3,738,942</u>
Total cash, deposits, and investments on the Statement of Net Position	<u><u>\$ 6,690,919</u></u>

Cash and Deposits

Colorado State Statutes govern the District's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories, determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does have a deposit policy for custodial credit risk. As of year-end, \$2,172,913 of the District's bank balance of \$2,880,415 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institution through PDPA.

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest. They include the following:

- Obligations of the United States and certain U.S. governments agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Banker's acceptance of certain banks
- Commercial paper holding the highest credit rating category and with a maturity within 180 days
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Corporate or bank debt issued by eligible corporations or banks

COLOTRUST is a money market investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. The pool operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities. COLOTRUST is rated AAAM by Standard and Poors, and maintains a constant net asset value of \$1 per share. Financial statements for COLOTRUST are available at www.colotrust.com. The total COLOTRUST investment was valued at \$3,738,942 at June 30, 2024 with a credit rating of AAAM by Standard & Poors.

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

Credit Risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligation. State statutes limit investments in U.S. Agency securities to the highest rating issued by Nationally Recognized Statistical Rating Organizations (NRSROs).

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

Concentration of Credit Risk – The risk of loss attributed to the magnitude of a government’s investment in a single issuer. The District has not established a policy limiting the investment in any type of security and deems it unnecessary at this time.

NOTE 4 PROPERTY TAXES RECEIVABLE

At June 30, 2024, the District’s General Fund and Bond Redemption Fund had an estimated property tax receivable of \$10,895 and \$4,233, respectively.

NOTE 5 DUE FROM OTHER GOVERNMENTS

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

As of June 30, 2024, the District had \$209,508 due from Federal, State, and Local governments, reflected as intergovernmental receivables in the accompanying basic financial statements.

NOTE 6 INTERFUND RECEIVABLES, PAYABLE, AND TRANSFERS

Interfund Transfers

Interfund transfers for the year ended June 30, 2024, were as follows:

Transfers In	Transfer Out	Total
Capital Reserve Capital Projects Fund	General Fund	\$ 1,000,000
Food Service Fund	General Fund	56,500
Student Activity Fund	General Fund	55,000
	Total	\$ 1,111,500

These transfers were made to set aside funds for capital projects and subsidize the Food Service and Student Activity Funds.

Interfund Receivables and Payables

The District reports interfund balances between some of its funds. The balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date. Interfund receivable and payable balances at June 30, 2024, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Governmental Des. Purpose Grants Fund	\$ 73,963

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

NOTE 7 CAPITAL ASSETS

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

	Balance 06/30/2023	Additions	Deletions	Balance 06/30/2024
<i>Governmental Activities:</i>				
Capital assets not being depreciated				
Land	\$ 43,969	\$ -	\$ -	\$ 43,969
Construction in Progress	2,000	-	2,000	-
Total capital assets not being depreciated	<u>45,969</u>	<u>-</u>	<u>2,000</u>	<u>43,969</u>
Capital assets being depreciated				
Land Improvements	120,414	189,030	-	309,444
Buildings	20,595,005	-	-	20,595,005
Equipment	2,176,149	-	8,320	2,167,829
Vehicles	750,419	-	-	750,419
Total capital assets being depreciated	<u>23,641,987</u>	<u>189,030</u>	<u>8,320</u>	<u>23,822,697</u>
Less accumulated depreciation for:				
Land Improvements	34,680	18,068	-	52,748
Buildings	4,743,699	513,891	-	5,257,590
Equipment	1,431,247	153,631	8,320	1,576,558
Vehicles	624,312	24,110	-	648,422
Total accumulated depreciation	<u>6,833,938</u>	<u>709,700</u>	<u>8,320</u>	<u>7,535,318</u>
Total Capital Assets being depreciated, net	<u>16,808,049</u>	<u>(520,670)</u>	<u>-</u>	<u>16,287,379</u>
Governmental Activities Capital Assets, net	<u>\$ 16,854,018</u>	<u>\$ (520,670)</u>	<u>\$ -</u>	<u>\$ 16,331,348</u>

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

Governmental activities:

Instructional Program	\$ 652,118
Operations and Maintenance	5,932
Student Transportation Services	25,846
Food Services	21,449
Central Supporting Services	4,355
Total depreciation expense – governmental activities	<u>\$ 709,700</u>

NOTE 8 ACCRUED SALARIES AND BENEFITS

The teachers, administrators, and the administrative staff are employed under nine, ten, and eleven month contracts. All District employees are paid on a twelve-month basis and, therefore, a difference exists between the actual amount

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of salaries earned under the contract and the amount paid. The difference between salaries earned and paid, including the District's share of benefits, has been accrued in the financial statements in the amount of \$499,719.

NOTE 9 LONG-TERM DEBT

Changes in Long-Term Debt

Long-term liability balances for the year ended June 30, 2024, were as follows:

	Beginning Balance <u>06/30/2023</u>	Additions	Deletions	Ending Balance <u>06/30/2024</u>	Due Within One Year
<i>Governmental Activities:</i>					
G.O. Bonds Payable-Series 2011	\$ 657,894	\$ -	\$ (61,865)	\$ 596,029	\$ 64,413
Retirement Benefit	192,800	18,200	(16,700)	194,300	18,300
Compensated Absences	72,738	-	(3,776)	68,962	-
Total	<u>\$ 923,432</u>	<u>\$ 18,200</u>	<u>\$ (82,341)</u>	<u>\$ 859,291</u>	<u>\$ 82,713</u>

General Obligation Bonds Payable

On December 8, 2011, the District issued general obligation bonds series 2011 in the amount of \$1,197,335 with an interest rate of 4.12% to be paid in full on December 1, 2031. The District issued the bonds to fulfill the required match of the Building Excellent Schools Today Act (BEST). The bond proceeds were used for the construction and renovation of schools within the District. The bonds are subject to redemption prior to maturity at the option of the District, in whole, but not in part at a redemption price equal to the principal amount thereof and a redemption premium of 3% of the principal amount redeemed, plus accrued interest to the redemption date.

The annual debt service for the General Obligation Bonds Payable is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
FY 2025	\$ 64,413	\$ 24,547	\$ 88,960
FY 2026	67,066	21,894	88,960
FY 2027	69,828	19,132	88,960
FY 2028	72,704	16,256	88,960
FY 2029	75,698	13,262	88,960
FY 2030 - FY 2032	246,320	20,562	266,882
	<u>\$ 596,029</u>	<u>\$ 115,653</u>	<u>\$ 711,682</u>

Retirement Benefit

The District offers a retirement benefit for eligible staff. The amount of the benefit is based on the length of employment by the District. Part time employees will be eligible for one-half of this benefit if the length of their employment meets the requirements noted in the policy. The retirement benefit will be paid to the employee, or the designated beneficiary after retirement in five equal yearly payments.

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NOTE 10 DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

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

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

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

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

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

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

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, 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.

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

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

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$521,810, for the year ended June 30, 2024.

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

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

At June 30, 2024, the District reported a liability of \$6,603,723 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer

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contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

Conejos School District's proportionate share of the net position liability	\$	6,603,723
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Conejos School District		144,800
Total	\$	6,748,523

At December 31, 2023, the District's proportion was 0.037%, which was an increase of 0.007% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$110,019 and revenue of \$11,033 for support from the State as a nonemployer contributing entity. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 313,141	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	473,384	-
Changes in proportion share and differences between contributions recognized and proportionate share of contributions	731,431	438,791
Contributions subsequent to the measurement date	271,468	-
Total	\$ 1,789,424	\$ 438,791

\$271,468 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2025	\$ 120,172
2026	545,259
2027	545,727
2028	(131,992)
2029	-
Thereafter	-

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%

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Salary increases, including wage inflation	3.40 – 11.00%
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07 (compounded annually)	1.00%
PERA Benefit Structure hired after 12/31/06 ¹	Financed by the AIR

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

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

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

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

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

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

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

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

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

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

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

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to

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be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as

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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.

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 8,830,276	\$ 6,603,723	\$ 4,747,047

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

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

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

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

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

PERA Benefit Structure

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$26,116 for the year ended June 30, 2024.

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

At June 30, 2024, the District reported a liability of \$159,453 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TOL to December 31, 2023. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the District proportion was 0.022%, which was a decrease of 0.0008% from its proportion measured as of December 31, 2022.

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For the year ended June 30, 2024, the District recognized OPEB expense of (\$32,079). At June 30, 2024, District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 32,682
Net difference between projected and actual earnings on OPEB plan investments	4,932	-
Changes of assumptions or other inputs	1,875	16,907
Changes in proportion and differences between contributions recognized and proportionate share of contributions	7,733	17,455
Contributions subsequent to the measurement date	13,587	-
Total	\$ 28,127	\$ 67,044

\$13,587 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2025	(21,126)
2026	(12,009)
2027	(4,457)
2028	(9,915)
2029	(3,843)
Thereafter	(1,154)

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40%-11.00%
Long-term investment rate of return, net of 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 ¹	7.00% in 2023 gradually decreasing to 4.50% in 2033
Medicare Part A premiums	3.50% in 2023, gradually increasing to 4.50% in 2035.

¹ UnitedHealthcare MAPD PPO plans are 0% for 2023.

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

Age-Related Morbidity Assumptions

Participant Age	Annual Increase	Annual Increase
	(Male)	(Female)
65-68	2.20%	2.30%
69	2.80%	2.20%
70	2.70%	1.60%
71	3.10%	0.50%
72	2.30%	0.70%
73	1.20%	0.80%
74	0.90%	1.50%
75-85	0.90%	1.30%
86 and older	0.00%	0.00%

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

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

The 2023 Medicare Part A premium is \$506 (actual dollars) per month.

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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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 that were used to measure the TOL are summarized in the table below:

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

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

Pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee 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 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.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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Disabled mortality assumptions for members were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

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

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

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

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

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

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:

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

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	5.75%	6.75%	7.75%
Ultimate PERACare Medicare Part A trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	<u>\$ 154,877</u>	<u>\$ 159,453</u>	<u>\$ 164,432</u>

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

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

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

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 134,746	\$ 159,453	\$ 157,556

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

NOTE 12 DEFINED CONTRIBUTION PENSION PLAN

Voluntary Investment Program (PERAPlus 401(k) Plan)

Plan Description - Employees of the District that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program (PERAPlus 401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 401(k) Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits 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. For the year ended June 30, 2024, program members contributed \$5,513 for the Voluntary Investment Program. The District does not make matching contributions to this plan.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

NOTE 13 JOINT VENTURES AND RELATED PARTIES

The District participates in the following entity. This joint venture and related party does not meet the criteria for inclusion within the reporting entity because the following entity:

- is financially independent and responsible for its own financing deficits and entitled to its own surpluses,
- has a separate governing board from that of the District,
- has a separate management which is responsible for day-to-day operations and is accountable to the separate governing board,
- has governing boards and management with the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome for disposition of matters affecting the recipients of services provided, and
- has absolute authority over all funds and fiscal responsibility including budgetary responsibility and reporting to state agencies and controls fiscal management.

San Luis Valley Board of Cooperative Educational Services (BOCES)

The BOCES is an organization that provides member districts educational services at a shared lower cost per district. The Board of the BOCES is selected from the elected members of the District Boards. The District has one member on the Board. This Board has final authority for all budgeting and financing of the joint venture. The District's share of the joint venture is approximately 7% at June 30, 2024. Complete separate financial statements may be obtained from BOCES.

NOTE 14 COMMITMENTS AND CONTINGENCIES

The District participates in federal grant programs subject to program compliance audits by the grantors or their representatives. The amount, if any, of expenses which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

NOTE 15 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the current year or the three prior years.

Self Insurance Program

Health Insurance

Effective July 1, 2014, the District began a level-funding self-insurance program, accounted for in the General Fund, to internally provide services previously purchased through a third party contract. The purpose of the program is to pay medical and prescription claims of the District employees and minimize annual medical insurance costs to the District. Medical claims exceeding \$20,000 per covered individual claim liability is covered by a private insurance carrier. The District does not report a liability based on the requirements of Governmental Accounting Standards Board No. 10, as the plan is a level-funding health plan in which monthly payments to the Third Party Administrator are fixed.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

NOTE 16 TABOR EMERGENCY RESERVE

Colorado voters passed an amendment to the State constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment.

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

In November 1996, voters approved a ballot which stated that the District is authorized to collect, retain and expend all revenues including grants and other funds collected during 1996-97 budget year and each subsequent year from any source, notwithstanding the limitations of Article X, Section 20 of the Colorado constitution, provided, however, that no property tax mill levy be increased at any time nor shall any new tax be imposed without the prior approval of the voters.

The amendment also requires that Emergency Reserves be established. These reserves must be at least three percent of fiscal year spending. This Emergency Reserve is accounted for as a restricted fund balance in the General Fund balance sheet and a restricted net position in the government-wide statement of net position. The entity is not allowed to use the Emergency Reserve to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

CONEJOS SCHOOL DISTRICT NO. 6J

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and each of the District's major special revenue funds. In addition, pension and OPEB plan contributions and the District's proportionate share of the net pension and OPEB liabilities is required to supplement the basic financial statements.

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2024

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Local Sources	\$ 779,900	\$ 779,900	\$ 483,945	\$ (295,955)
State Sources	6,110,550	4,883,500	4,938,598	55,098
Federal Sources	50,000	50,000	67,095	17,095
TOTAL REVENUES	6,940,450	5,713,400	5,489,638	(223,762)
EXPENDITURES				
Instructional Program	2,935,900	2,863,900	2,732,829	131,071
Student Supporting Services	114,000	114,000	114,929	(929)
Instructional Staff Supporting Services	42,000	42,000	35,753	6,247
General Administration Supporting Services	316,750	316,750	294,211	22,539
School Administration Supporting Services	207,250	207,250	218,126	(10,876)
Business Supporting Services	136,000	136,000	124,710	11,290
Operations and Maintenance of Plant Services	554,500	554,500	498,344	56,156
Student Transportation Services	257,500	257,500	191,221	66,279
Central Supporting Services	52,000	52,000	55,402	(3,402)
Other Supporting Services	14,500	14,500	13,943	557
Food Services	-	-	33	(33)
Reserves	-	-	-	-
TOTAL EXPENDITURES	4,630,400	4,558,400	4,279,501	278,899
Excess (Deficiency) of Revenues Over Expenditures	2,310,050	1,155,000	1,210,137	55,137
OTHER FINANCING SOURCES (USES)				
Transfer to Other Funds	(2,442,050)	(1,155,000)	(1,111,500)	43,500
TOTAL OTHER FINANCING SOURCES (USES)	(2,442,050)	(1,155,000)	(1,111,500)	43,500
Net Change in Fund Balance	(132,000)	-	98,637	98,637
Fund Balance at Beginning of Year	132,000	155,000	4,721,681	4,566,681
Fund Balance at End of Year	\$ -	\$ 155,000	\$ 4,820,318	\$ 4,665,318

Notes to the Required Supplementary Information

The basis of budgeting is the same as GAAP.

This schedule is presented on the GAAP basis.

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GOVERNMENTAL DESIGNATED PURPOSE GRANTS FUND
For the Year Ended June 30, 2024

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
State Sources	\$ 187,000	\$ 186,000	\$ 135,577	\$ (50,423)
Federal Sources	448,000	448,000	355,297	(92,703)
TOTAL REVENUES	635,000	634,000	490,874	(143,126)
EXPENDITURES				
Instructional Program	492,000	492,000	387,575	104,425
Student Supporting Services	110,000	110,000	45,414	64,586
Instructional Staff Supporting Services	17,000	17,000	592	16,408
General Administration Supporting Services	16,000	16,000	2,268	13,732
School Administration Supporting Services	-	-	-	-
Business Supporting Services	-	-	-	-
Operations and Maintenance of Plant Services	-	-	7,667	(7,667)
Student Transportation Services	-	-	-	-
Central Supporting Services	-	-	47,358	(47,358)
Food Services	-	-	-	-
TOTAL EXPENDITURES	635,000	635,000	490,874	144,126
Excess (Deficiency) of Revenues Over Expenditures	-	(1,000)	-	1,000
OTHER FINANCING SOURCES (USES)				
Transfer to Other Funds	-	1,000	-	(1,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	1,000	-	(1,000)
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

Notes to the Required Supplementary Information

The basis of budgeting is the same as GAAP.
This schedule is presented on the GAAP basis.

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
PERA SCHDTF PENSION PLAN

For the Years Ended June 30,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.0373%	0.0305%	0.0371%	0.0398%	0.0358%	0.0360%	0.0404%	0.0414%	0.0426%	0.0438%
District's proportionate share of the net pension liability (asset)	\$ 6,603,723	\$ 5,553,867	\$ 4,317,363	\$ 6,016,248	\$ 5,351,817	\$ 6,379,531	\$ 13,056,284	\$ 12,325,653	\$ 6,518,257	\$ 5,938,564
State's proportionate share of the net pension liability (asset) associated with the District	144,800	1,618,453	494,931	-	678,810	872,312	-	-	-	-
Total	\$ 6,748,523	\$ 7,172,320	\$ 4,812,294	\$ 6,016,248	\$ 6,030,627	\$ 7,251,843	\$ 13,056,284	\$ 12,325,653	\$ 6,518,257	\$ 5,938,564
District's covered payroll	\$ 2,465,985	\$ 2,351,871	\$ 2,318,579	\$ 2,128,495	\$ 2,099,576	\$ 1,980,663	\$ 1,865,776	\$ 1,858,496	\$ 1,857,318	\$ 1,834,005
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	268%	236%	186%	283%	255%	322%	700%	663%	351%	324%
Plan fiduciary net position as a percentage of the total pension liability	64.74%	61.79%	74.86%	66.99%	64.52%	57.01%	43.96%	43.1%	59.2%	62.8%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

See Notes to Required Supplementary Information

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF DISTRICT CONTRIBUTIONS
PERA SCDTIF PENSION PLAN
For the Years Ended June 30,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 521,810	\$ 489,169	\$ 459,222	\$ 448,263	\$ 408,965	\$ 391,352	\$ 361,636	\$ 340,754	\$ 328,964	\$ 314,426
Contributions in relation to the contractually required contribution	(521,810)	(489,169)	(459,222)	(448,263)	(408,965)	(391,352)	(361,636)	(340,754)	(328,964)	(314,426)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 2,560,399	\$ 2,400,238	\$ 2,309,965	\$ 2,254,839	\$ 2,110,250	\$ 2,045,758	\$ 1,914,423	\$ 1,853,383	\$ 1,854,277	\$ 1,861,402
Contributions as a percentage of covered payroll	20.38%	20.38%	19.88%	19.88%	19.38%	19.13%	18.89%	18.39%	17.74%	16.89%

See Notes to Required Supplementary Information

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
COLORADO PERA HEALTH CARE TRUST FUND
For the Years Ended June 30,

	2024	2023	2022	2021	2020	2019	2018	2017
District's proportion of the net OPEB liability	0.02234%	0.02319%	0.02422%	0.02302%	0.02341%	0.02342%	0.02294%	0.02353%
District's proportionate share of the net OPEB liability	\$ 159,453	\$ 189,327	\$ 208,875	\$ 218,714	\$ 263,181	\$ 318,619	\$ 298,201	\$ 305,085
District's covered payroll	\$ 2,465,985	\$ 2,351,871	\$ 2,318,579	\$ 2,128,495	\$ 2,099,576	\$ 1,980,663	\$ 1,865,776	\$ 1,858,496
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	6%	8%	9%	10%	13%	16%	16%	16%
Plan fiduciary net position as a percentage of the total OPEB liability	46.16%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	20.07%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

** This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the District presents information for those years for which information is available.

See Notes to Required Supplementary Information

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
COLORADO PERA HEALTH CARE TRUST FUND
For the Years Ended June 30,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 26,116	\$ 24,482	\$ 23,562	\$ 22,999	\$ 21,525	\$ 20,867	\$ 19,527	\$ 18,905	\$ 18,914	\$ 18,986
Contributions in relation to the contractually required contribution	(26,116)	(24,482)	(23,562)	(22,999)	(21,525)	(20,867)	(19,527)	(18,905)	(18,914)	(18,986)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 2,560,399	\$ 2,400,238	\$ 2,309,965	\$ 2,254,839	\$ 2,110,250	\$ 2,045,758	\$ 1,914,423	\$ 1,853,383	\$ 1,854,277	\$ 1,861,402
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

See Notes to Required Supplementary Information

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2024

NOTE 1 PENSION PLAN - COLORADO PERA SCHDTF

Significant Changes in Plan Provisions Affecting Trends in Actuarial Information

2023

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

2022

- HB 22-1029, effective upon enactment in 2022, required the State Treasurer to issue, in addition to the regularly scheduled \$225,000 direct distribution, a warrant to PERA in the amount of \$380,000 with reductions to future direct distributions. The July 1, 2023, direct distribution will be reduced by \$190,000 to \$35,000. The July 1, 2024, direct distribution will not be reduced from \$225,000 due to a negative investment return in 2022.

2021

- The following changes reflect the anticipated adjustments resulting from the 2020 automatic adjustment provision (AAP) assessment, statutorily recognized July 1, 2021, and effective July 1, 2022:
 - Member contribution rates increase by 0.50%.
 - Employer contribution rates increase by 0.50%.
 - Annual increase (AI) cap is lowered from 1.25% per year to 1.00% per year.

2020

- HB 20-1379, enacted on June 29, 2020, suspended the \$225,000 direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.

2019

- SB 18-200 was enacted on June 4, 2018, which included the adoption of the AAP. The following changes reflect the anticipated adjustments resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020:
 - Member contribution rates increase by 0.50%.
 - Employer contribution rates increase by 0.50%.
 - AI cap is lowered from 1.50% per year to 1.25% per year.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2024

2018

- The following changes were made to the plan provisions as part of SB 18-200:
 - Member contribution rates increase by 0.75% effective July 1, 2019, an additional 0.75% effective July 1, 2020, and an additional 0.50% effective July 1, 2021.
 - Employer contribution rates increase by 0.25% effective July 1, 2019
 - An annual direct distribution of \$225,000 from the State of Colorado, recognized as a nonemployer contributing entity, is distributed between the State, School, Judicial, and DPS Divisions proportionally based on payroll.
 - AI cap is lowered from 2.00% per year to 1.50% per year.
 - Initial AI waiting period is extended from one year after retirement to three years after retirement.
 - AI payments are suspended for 2018 and 2019.
 - The number of years used in the Highest Average Salary calculation for non-vested members as of January 1, 2020, increases from three to five years.

2017 – no changes

2016 – no changes

2015 – no changes

2014 – no changes

Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2023 – no changes

2022 – no changes

2021

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

2020

- The price inflation assumption was lowered from 2.40% to 2.30%.
- The wage inflation assumption was lowered from 3.50% 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.
- Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2024

- 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 Divisions was changed to 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.
- The disabled mortality assumption for the Division Trust Funds 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 are generational mortality tables developed on a benefit-weighted basis.

2019

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

2018

- 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.

2017

- The SEIR for the School Division 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.

2016

- The investment return assumption was lowered from 7.50% to 7.25%.
- The price inflation assumption was lowered from 2.80% to 2.40%.
- The wage inflation assumption was lowered from 3.90% to 3.50%.
- The post-retirement mortality assumption for healthy lives 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, for 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.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2024

- 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 SEIR for the State and School Divisions 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 FNP, and the resulting application of the municipal bond index rate of 3.86% on the measurement date.

2015

- The following programming changes were made:
 - Valuation of the full survivor benefit without any reduction for possible remarriage.
 - Reflection of the employer match on separation benefits for all eligible years.
 - Reflection of one year of service eligibility for survivor annuity benefit.
 - Refinement of the 18-month AI timing.
 - Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.
- The following methodology changes were made:
 - 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 UAAL payment calculations to reflect contributions throughout the year.

2014 – no changes

NOTE 2 OTHER POST-EMPLOYMENT BENEFIT PLAN - COLORADO PERA HCTF

Significant Changes in Plan Provisions Affecting Trends in Actuarial Information

2023

- As of the December 31, 2023, measurement date, the fiduciary net position (FNP) and related disclosure components for the Health Care Trust Fund (HCTF) reflect payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24,000 payment received on December 4, 2023 and a \$2,000 receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1,033 and \$24,967, respectively.

2022

- The total OPEB liability 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, effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2024

received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

2021 – no changes

2020 – no changes

2019 – no changes

2018 – no changes

2017

- The Cunningham Fire Protection District (CFPD) disaffiliated from the Local Government Division, thereby ending participation in the HCTF on December 2, 2017. For the purpose of disclosure as of the December 31, 2017, measurement date, liabilities were determined assuming no additional service accruals impacting possible future premium subsidies for the disaffiliated membership of the CFPD that had not refunded their PERA member contribution accounts. The total disaffiliation payment of \$1,159 was allocated to the Local Government Division Trust Fund and the HCTF in the amount of \$1,063 and \$96, respectively.

Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2023 – no changes

2022

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

2021 – no changes

2020

- The price inflation assumption was lowered from 2.40% to 2.30%.
- The wage inflation assumption was lowered from 3.50% 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 was changed to the PubT-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption was changed to 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.

CONEJOS SCHOOL DISTRICT NO. 6J
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2024

- The post-retirement non-disabled beneficiary mortality assumption for the Division Trust Funds was changed to 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.
- The disabled mortality assumption 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 are generational mortality tables developed on a head-count weighted basis.

2019 – no changes

2018 – no changes

2017 – no changes

CONEJOS SCHOOL DISTRICT NO. 6J

SUPPLEMENTARY INFORMATION

These schedules present more detailed information for the individual funds in a format that segregates information by fund type.

CONEJOS SCHOOL DISTRICT NO. 6J
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of special revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Food Service Fund - This fund is used to account for the operations of the school breakfast and lunch programs.

Student Activity Fund – This fund is used to record financial transactions related to school-sponsored pupil intrascholastic and interscholastic athletic and other related activities. These activities are supported in whole or in part by revenue from pupils, gate receipts, and other fundraising activities.

DEBT SERVICE FUND

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Bond Redemption Fund- This fund is used to account for the accumulation of resources for and the payment of principal, interest, and related expenses on the long-term general obligation debt.

CONEJOS SCHOOL DISTRICT NO. 6J
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2024

	SPECIAL REVENUE FUNDS			TOTAL NONMAJOR GOVERNMENTAL FUNDS
	FOOD SERVICE FUND	STUDENT ACTIVITY FUND	BOND REDEMPTION FUND	
ASSETS				
Cash and Investments	\$ 16,508	\$ 187,226	\$ 191,812	\$ 395,546
Accounts Receivable	-	-	3,684	3,684
Property Tax Receivable	-	-	4,233	4,233
Due from Other Governments	-	-	2,183	2,183
Inventories	6,710	-	-	6,710
TOTAL ASSETS	\$ 23,218	\$ 187,226	\$ 201,912	\$ 412,356
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 486	\$ -	\$ -	\$ 486
Accrued Salaries and Benefits	22,244	-	-	22,244
Unearned Grant Revenue	359	-	-	359
TOTAL LIABILITIES	23,089	-	-	23,089
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	4,233	4,233
FUND BALANCE				
Nonspendable	6,710	-	-	6,710
Restricted	-	-	197,679	197,679
Committed	-	187,226	-	187,226
Unassigned	(6,581)	-	-	(6,581)
TOTAL FUND BALANCE	129	187,226	197,679	385,034
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 23,218	\$ 187,226	\$ 201,912	\$ 412,356

CONEJOS SCHOOL DISTRICT NO. 6J
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2024

	<u>SPECIAL REVENUE FUNDS</u>		<u>BOND REDEMPTION FUND</u>	<u>CAPITAL RESERVE CAPITAL PROJECTS FUND</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
	<u>FOOD SERVICE FUND</u>	<u>STUDENT ACTIVITY FUND</u>			
REVENUES					
Local Sources	\$ 16,302	\$ 198,606	\$ 90,417	\$ -	\$ 305,325
State Sources	56,618	-	-	-	56,618
Federal Sources	168,760	-	-	-	168,760
TOTAL REVENUES	<u>241,680</u>	<u>198,606</u>	<u>90,417</u>	<u>-</u>	<u>530,703</u>
EXPENDITURES					
Instructional Program	-	222,362	-	-	222,362
Operations and Maint. of Plant Service	-	-	-	-	-
Food Services	299,652	-	-	-	299,652
Facilities Acq. and Const. Services	-	-	-	-	-
Debt Service	-	-	87,666	-	87,666
TOTAL EXPENDITURES	<u>299,652</u>	<u>222,362</u>	<u>87,666</u>	<u>-</u>	<u>609,680</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(57,972)</u>	<u>(23,756)</u>	<u>2,751</u>	<u>-</u>	<u>(78,977)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from Other Funds	<u>56,500</u>	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>111,500</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>56,500</u>	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>111,500</u>
Net Change in Fund Balance	(1,472)	31,244	2,751	-	32,523
Fund Balance, Beginning of Year as previously stated	<u>1,601</u>	<u>155,982</u>	<u>194,928</u>	<u>329,495</u>	<u>682,006</u>
Change within financial reporting entity (nonmajor to major)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(329,495)</u>	<u>(329,495)</u>
FUND BALANCE, Beginning of Year restated	<u>1,601</u>	<u>155,982</u>	<u>194,928</u>	<u>-</u>	<u>352,511</u>
Fund Balance at End of Year	<u>\$ 129</u>	<u>\$ 187,226</u>	<u>\$ 197,679</u>	<u>\$ -</u>	<u>\$ 385,034</u>

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOOD SERVICE FUND
For the Year Ended June 30, 2024

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Local Sources	\$ 20,000	\$ 20,000	\$ 16,302	\$ (3,698)
State Sources	47,000	47,000	56,618	9,618
Federal Sources	121,000	147,000	168,760	21,760
TOTAL REVENUES	188,000	214,000	241,680	27,680
EXPENDITURES				
Food Services				
Salaries	120,000	120,000	115,168	4,832
Fringe Benefits	38,000	38,000	39,961	(1,961)
Supplies and Materials	127,500	153,500	144,098	9,402
Purchased Services	500	500	425	75
Other Operating	2,000	2,000	-	2,000
Reserves	-	-	-	-
TOTAL EXPENDITURES	288,000	314,000	299,652	14,348
Excess (Deficiency) of Revenues Over Expenditures	(100,000)	(100,000)	(57,972)	42,028
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund	100,000	100,000	56,500	(43,500)
TOTAL OTHER FINANCING SOURCES (USES)	100,000	100,000	56,500	(43,500)
Net Change in Fund Balance	-	-	(1,472)	(1,472)
Fund Balance at Beginning of Year	-	-	1,601	1,601
Fund Balance at End of Year	\$ -	\$ -	\$ 129	\$ 129

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
STUDENT ACTIVITY FUND
For the Year Ended June 30, 2024

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Local Sources	\$ 205,000	\$ 205,000	\$ 198,606	\$ (6,394)
TOTAL REVENUES	<u>205,000</u>	<u>205,000</u>	<u>198,606</u>	<u>(6,394)</u>
EXPENDITURES				
Instructional Program	260,000	260,000	222,362	37,638
TOTAL EXPENDITURES	<u>260,000</u>	<u>260,000</u>	<u>222,362</u>	<u>37,638</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(55,000)</u>	<u>(55,000)</u>	<u>(23,756)</u>	<u>31,244</u>
OTHER FINANCING SOURCES (USES)				
Transfer to/from Other Funds	55,000	55,000	55,000	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	31,244	31,244
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>155,982</u>	<u>155,982</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 187,226</u>	<u>\$ 187,226</u>

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
BOND REDEMPTION FUND
For the Year Ended June 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
REVENUES				
Local Sources	\$ 89,000	\$ 89,000	\$ 90,417	\$ 1,417
TOTAL REVENUES	<u>89,000</u>	<u>89,000</u>	<u>90,417</u>	<u>1,417</u>
EXPENDITURES				
Debt Service	<u>89,000</u>	<u>89,000</u>	<u>87,666</u>	<u>1,334</u>
TOTAL EXPENDITURES	<u>89,000</u>	<u>89,000</u>	<u>87,666</u>	<u>1,334</u>
Net Change in Fund Balance	-	-	2,751	2,751
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>194,928</u>	<u>194,928</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 197,679</u>	<u>\$ 197,679</u>

CONEJOS SCHOOL DISTRICT NO. 6J
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CAPITAL RESERVE CAPITAL PROJECTS FUND
For the Year Ended June 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
REVENUES				
Local Sources	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Operations and Maint. of Plant Services	6,000	6,000	5,439	561
Facilities Acquisition and Construction Services	2,281,050	994,000	245,598	748,402
TOTAL EXPENDITURES	<u>2,287,050</u>	<u>1,000,000</u>	<u>251,037</u>	<u>748,963</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,287,050)</u>	<u>(1,000,000)</u>	<u>(251,037)</u>	<u>748,963</u>
OTHER FINANCING SOURCES (USES)				
Transfer From Other Funds	2,287,050	1,000,000	1,000,000	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,287,050</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	748,963	748,963
Fund Balance at Beginning of Year	<u>-</u>	<u>329,495</u>	<u>329,495</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 329,495</u>	<u>\$ 1,078,458</u>	<u>\$ 748,963</u>

CONEJOS SCHOOL DISTRICT NO. 6J

CDE COMPLIANCE SECTION



Colorado Department of Education
Auditors Integrity Report
 District: 0560 - Sanford 6j
 Fiscal Year 2023-24
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	=	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental						
10 General Fund	4,671,554		4,309,493	4,160,729		4,820,317
18 Risk Mgmt Sub-Fund of General Fund	50,127		68,644	118,771		0
19 Colorado Preschool Program Fund	0		0	0		0
Sub-Total	4,721,681		4,378,137	4,279,500		4,820,317
11 Charter School Fund	0		0	0		0
20.26-29 Special Revenue Fund	0		0	0		0
06 Supplemental Cap Const, Tech, Main, Fund	0		0	0		0
07 Total Program Reserve Fund	0		0	0		0
21 Food Service Spec Revenue Fund	1,600		298,179	299,651		129
22 Govt Designated-Purpose Grants Fund	0		490,874	490,874		0
23 Pupil Activity Special Revenue Fund	155,983		253,605	222,363		187,225
25 Transportation Fund	0		0	0		0
31 Bond Redemption Fund	194,928		90,417	87,666		197,679
39 Certificate of Participation (COP) Debt Service Fund	0		0	0		0
41 Building Fund	0		0	0		0
42 Special Building Fund	0		0	0		0
43 Capital Reserve Capital Projects Fund	329,496		1,000,000	251,038		1,078,458
46 Supplemental Cap Const, Tech, Main Fund	0		0	0		0
Totals	5,403,687		6,511,212	5,631,091		6,283,807
Proprietary						
50 Other Enterprise Funds	0		0	0		0
64 (63) Risk-Related Activity Fund	0		0	0		0
60.65-69 Other Internal Service Funds	0		0	0		0
Totals	0		0	0		0
Fiduciary						
70 Other Trust and Agency Funds	0		0	0		0
72 Private Purpose Trust Fund	0		0	0		0
73 Agency Fund	0		0	0		0
74 Pupil Activity Agency Fund	0		0	0		0
79 GASB 34/Permanent Fund	0		0	0		0
85 Foundations	0		0	0		0
Totals	0		0	0		0
FINAL						0