

Platte Valley School District RE-7
Kersey, Colorado

Financial Statements

For the Year Ended June 30, 2024

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Independent Auditors' Report

Board of Education
Platte Valley School District RE-7
Kersey, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Platte Valley School District RE-7 (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 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 the 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, budgetary comparison information and historical pension and other post-employment benefit information 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other 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 other supplementary information and the auditors' integrity report listed in the table of contents 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 other supplementary information and the auditors' integrity report are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
October 11, 2024

Weld County School District RE-7
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024

This section of the Platte Valley School District, Weld Re-7 annual financial report provides readers with the District's financial statements, financial performance, and the discussion and analysis during the fiscal year which ended June 30, 2024.

We encourage readers to consider the information presented here in conjunction with additional information furnished in the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

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

- Among the major funds, the General Fund had \$17,896,885 in revenues, net of transfers, and \$18,100,072 in expenditures. Total revenues were less than expenditures by \$203,187, decreasing the General Fund balance from \$11,047,508 to \$10,844,321.
- General Fund revenues accounted for \$17,638,496 in revenue or 48.96% of all governmental funds revenues. Additionally, Total Program Reserve Fund revenues totaled \$11,720,518 or 32.54%, debt reduction revenues totaled \$4,552,111 or 12.64%, and other revenues in the form of charges for services, interest, grants and contributions accounted for \$2,112,298 or 5.86% of the total governmental funds revenues of \$36,023,423.
- The Governmental Accounting Standards Board (GASB) established financial reporting requirements for governments through GASB Rule 68, which became effective for the reporting year 2015. Among other requirements, the District is required to report its proportionate share of the total Public Employees' Retirement Association (PERA) net pension liability (NPL) in our government-wide financial statements. The District's share of the PERA NPL as of June 30, 2024 was \$27,208,401 and \$656,975 for the District's reported share for PERA other post-employment benefit plan (OPEB).
- Governmental activities assets and deferred outflows of resources totaled \$105,055,699 in cash, investments and other assets. Liabilities and deferred inflows of resources for governmental activities totaled \$62,537,574.

Weld County School District RE-7
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024

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 deferred outflows of resources, and liabilities and deferred inflows of resources. 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 district-wide statements report the District's net position and how they have changed. Net position (the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources) are one way to measure the District's financial position.

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

Weld County School District RE-7
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024

In the district-wide financial statements, the District's activities include:

- ***Governmental activities-*** Most of the District's basic services are included here, such as instruction, transportation, maintenance and operations, administration, food service operations and pupil activities. The governmental activities are financed mainly through property taxes.

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.

The District uses one type of funds:

- ***Governmental funds-*** Most of the District's basic services are included in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general operations and the services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.

Weld County School District RE-7
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024

Condensed Statement of Net Position

Table 1 provides a summary of the Total School District's net position for 2024 compared to 2023:

Table 1

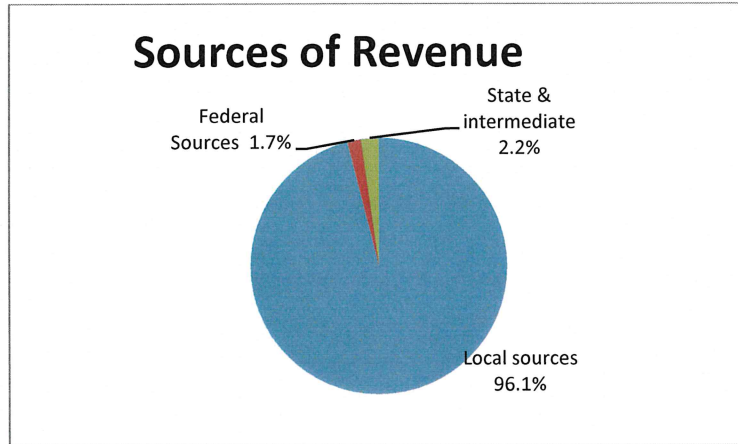
	Governmental Activities	
	2024	2023
Current and other assets	\$ 49,438,343	\$ 38,118,236
Capital assets	48,819,201	48,960,479
Total assets	98,257,544	87,078,715
Deferred outflows of resources	6,798,155	4,761,139
Total assets and deferred outflows of resources	\$ 105,055,699	\$ 91,839,854
Current liabilities	\$ 3,301,835	\$ 1,855,943
Long-term liabilities	57,388,143	55,429,160
Total liabilities	60,689,978	57,285,103
Deferred inflows of resources	1,847,596	3,806,568
Net investment in capital assets	19,442,757	16,189,321
Restricted for:		
Tabor emergency	840,000	520,000
Capital projects	2,848,768	4,437,290
Multi-year obligations	591,655	574,500
Food service program	259,037	268,295
Land dedication	30,516	25,347
Debt service	15,148,237	14,406,276
Total program reserve	272,118	1,957,193
Unrestricted	3,085,037	(7,630,039)
Total net position	42,518,125	30,748,183
Total liabilities, deferred inflows of resources and net position	\$ 105,055,699	\$ 91,839,854

Weld County School District RE-7
 Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2024

District Sources of Revenue for Fiscal Year 2024 (Total Government Funds)

Local sources, including property taxes for operating purposes and debt reduction accounted for most of the District's total revenue, \$34,601,043 or 96.1% (see table 2). State and intermediate sources accounted for \$804,731 or 2.2%, with federal sources totaling \$617,649 or 1.7%.

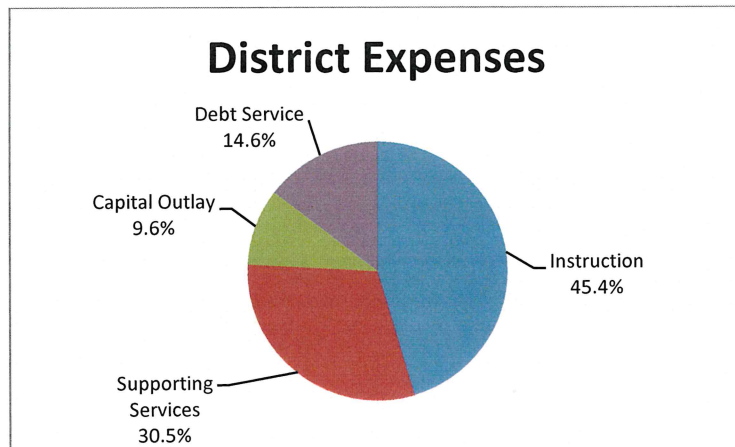
Table 2



District Expenses for Fiscal Year 2024 (Total Government Funds)

The District's expenses are predominately related to instruction (\$11,864,926), supporting services (\$7,969,691) and capital outlay (\$2,497,273) at a combined total of 85.40% (See Table 3). The district incurred 14.6% for debt reduction (\$2,895,000 principal, \$915,150 in interest and fiscal charges).

Table 3



Weld County School District RE-7
 Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2024

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 \$11,097.45 per funded student. In fiscal year 2024 the funded pupil count was 1,093.0. Funding for the SFA comes from property taxes, specific ownership taxes and state equalization. The District received approximately 100% of this from property and specific ownership taxes. The School District's assessed valuation generated \$15,065,627, \$11,331,248 and \$3,851,475 in property taxes for general purposes, total program reserve and debt service, respectively, for fiscal year 2024.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those service costs. Table 4 shows, for governmental activities, the total cost of services (before offsetting grants and other contributions).

Government Activities
Table 4

	FY 2024	FY 2023
Program revenues		
Charges for services	231,978	313,510
Operating grants & contributions	1,384,689	2,709,970
Capital grants & contributions	0	0
General revenues		
Property taxes	31,294,979	24,510,039
State equalization	0	-11,877
Other	3,158,612	2,221,686
Total revenues	36,070,258	29,743,328
Instruction	12,803,876	11,935,810
Pupil and instructional services	1,240,538	1,083,168
Administration and business	2,605,081	2,399,513
Maintenance and operations	2,322,961	2,533,428
Transportation	1,140,896	1,037,194
Other	4,186,964	3,907,888
Total expenses	24,300,316	22,897,001
Change in net position	\$11,769,942	\$6,846,327

- The net program expense of all governmental activities during the year was \$22,683,649.
- The portion of governmental activities financed with state equalization from the School Finance Act of 1994 (SFA) was \$0 and \$31,294,979 in property taxes.
- The instructional expenditures in FY 2024 were increased by \$920,384 due to pension and OPEB related expense.
- The instructional expenditures in FY 2023 were decreased by \$4,138,584 due to pension and OPEB related expense.

Weld County School District RE-7
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District's funds are accounted for using the modified accrual basis of accounting. All governmental funds have total revenues and other financing sources of \$49,767,304 and expenditures and other financing uses of \$39,885,921. Detailed information about the District's major funds starts on page 64.

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.

CAPITAL ASSET AND DEBT ADMINISTRATION

Platte Valley School District completed a minimal amount of capital construction during the 2023-2024 fiscal year. In November 2019 Platte Valley was fortunate to pass a bond initiative allowing for capital construction improvements throughout the district. By fiscal year end 2024, Platte Valley was in process of completing all of the identified capital asset and construction projects associated with the 2019 bond. Specifically, during fiscal year 2024, the District completed parking lot pavement projects and elementary school HVAC replacement totaling just under \$3,000,000. Projects that were part of the 2019 bond included: (a) completion of a 32,000 square foot addition to Platte Valley High School; (b) asbestos abatement and new flooring at Platte Valley Middle School; (c) locker room remodeling at Platte Valley Middle School; (d) conference room and office space remodeling at Platte Valley Elementary School; (e) parking lot paving, sealing, and coating, (f) replaced approximately 20 HVAC roof-top units across the district that had exceeded their life expectancy, (g) and began the process of replacing district vehicles and technology as spelled out in the election.

The District's capital debt includes general obligation bonds (see Note G – Long term debt). The district incurred additional bond debt of \$26,575,000, from which the District received \$3,166,607 in premium, due to a successful election in November of 2019. Bond payments for the fiscal year included principal payments of \$2,895,000 on the bond indebtedness, resulting in a balance due \$27,380,000 at June 30, 2024. When including all outstanding bond debt, the District has 95.35% of its bonding capacity available as specified by Colorado statute. Table 5 shows capital assets, net of accumulated depreciation for fiscal year 2024.

Weld County School District RE-7
 Management’s Discussion and Analysis
 For the Fiscal Year Ended June 30, 2024

Capital Assets at June 30, 2024
Table 5

	Governmental Activities
Land	\$ 48,100
Water rights	259,622
Construction in progress	1,510,268
Buildings	45,828,651
Furniture and equipment	758,963
Licensed vehicles	413,597
Total Capital Assets	\$ 48,819,201

Additional information on the District’s capital assets can be found in Note E of this report.

Long-term Debt
Table 6

At year-end, the School District’s long-term debt of \$29,522,767 consisted of the following:

	Governmental Activities
Compensated absences	\$ 162,615
Bonds payable	27,380,000
Bond premium	1,980,152
Total	\$ 29,522,767

Additional information on the District’s long-term debt can be found in Note G of this report.

FACTORS BEARING ON THE DISTRICT’S FUTURE

For the 2024 fiscal year, the general fund balance decreased \$203,187 resulting in a total general fund balance of \$10,844,321. The unassigned fund balance is enough to cover approximately six months of operating costs. The District completed an updated master planning process as part of a needs assessment of the District’s infrastructure. The assessment identified approximately \$89.5 million in capital projects needs and deferred maintenance. Additionally, the District’s mill levy override is due to expire in 2025. The Platte Valley Board of Education unanimously passed a resolution in support of placing two ballot questions on the November ballot. The first being an extension and increase of the current mill levy override and second a bond proposal to address the construction of a new middle school, additional capital projects, and deferred maintenance needs. The proposed bond would have a 15-year payoff period. The success of these initiatives will have a significant bearing on the District’s short- and long-term future.

The District has maintained a Moody’s A1 Stable Credit Rating over the course of the last five years. The district has been commended by Moody’s for its “strong financial performance” and “solid management team” with a “conservative debt management practice leading to a manageable debt burden with rapid payout”. Additionally, the District is scheduled to have its series 2016 and 2020 refunding bonds paid off in December 2024.

Weld County School District RE-7
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024

The District's assessed value increased by \$1,708,759,740, or 69% (from \$2,467,322,390 to \$4,176,082,130). The District's general fund mill levy of 5.624 mills remained constant in 2024. The mill levy for the voter approved override decreased by .483 mills from 1.178 mills in 2023 to .695 in 2024. Bond fund mill-levy decreased 1.828 mills from 2.752 mills to .924 mills. The overall mills decreased 2.304 mills to 7.249. The District will continue to be heavily influenced by the oil and gas industry.

Student enrollment at Weld County RE-7 decreased by 37 students to a total pupil count of 1,098 compared to 1,135 in 2022-2023 Pk-12. The Funded Pupil Count (FPC) for fiscal year 2024 was calculated at 1,098 with Per Pupil Funding at \$11,207.90 per student. Part of the year-over-year decrease in FPC is attributable to the change in how preschool students were counted in the state of Colorado. Due to the implementation of the state's Universal Preschool Program, preschool students were moved outside of the school finance act and counted as part of the Universal Preschool Program. Student enrollment Pk-12 will continue to have an impact on the District's finances and future.

Specific Ownership Revenues generated from bond indebtedness have been included in the General Fund. The property tax revenue in the Bond Redemption Fund is more than sufficient to make the scheduled debt service payments.

Salaries were allocated according to the salary agreement with PVEA. The salary agreement with PVEA is developed through a collaborative process with members of the association, Superintendent of Schools, CFO/COO, and members of the Board of Education. A stated goal for the extension and increase in for the mill-levy override is to maintain competitive salaries in an effort to recruit and retain high quality staff to the District.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, parents and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Administration Office, Weld County School District RE-7, PO Box 485, 501 Clark Street, Kersey, Colorado 80644.

Justin Decker
CFO/COO
Platte Valley School District

Basic Financial Statements

The basic financial statements of the District include the following:

Government-wide financial statements. The government-wide statements display information about the reporting government as a whole.

Fund financial statements. The fund financial statements display information about major funds individually and nonmajor funds in the aggregate for governmental funds.

Notes to the financial statements. The notes communicate information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements. As such, the notes are an integral part of the basic financial statements.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Statement of Net Position
June 30, 2024

	<u>Governmental Activities</u>
Assets	
Cash	\$ 17,223,116
Cash with fiscal agent	83,099
Investments	31,533,863
Receivables	535,272
Inventory	62,993
Capital assets, net of depreciation	<u>48,819,201</u>
Total assets	98,257,544
Deferred outflows of resources	
Pension deferrals	6,676,175
Other post-employment benefit deferrals	118,841
Deferred charges on refundings of bonds	<u>3,139</u>
Total deferred outflows of resources	<u>6,798,155</u>
Total assets and deferred outflows of resources	<u><u>\$ 105,055,699</u></u>

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

	<u>Governmental Activities</u>
Liabilities	
Accounts payable	\$ 1,247,209
Accrued salaries and benefits	1,939,444
Payroll deductions and withholdings	12,913
Unearned revenue	13,213
Unearned grant revenue	17,106
Accrued interest	71,950
Noncurrent liabilities	
Due within one year	2,995,000
Due in more than one year	26,527,767
Net pension liability	27,208,401
Net OPEB liability	656,975
Total liabilities	<u>60,689,978</u>
Deferred inflows of resources	
Pension deferrals	1,600,113
Other post-employment benefit deferrals	228,052
Deferred charges on refundings of bonds	19,431
Total deferred inflows of resources	<u>1,847,596</u>
Net position	
Net investment in capital assets	19,442,757
Restricted for:	
Emergencies	840,000
Multi-year obligations	591,655
Land dedication	30,516
Total program reserve	272,118
Capital projects	2,848,768
Debt service	15,148,237
Food service	259,037
Unrestricted	3,085,037
Total net position	<u>42,518,125</u>
Total liabilities, deferred inflows of resources and net position	<u><u>\$ 105,055,699</u></u>

Net (Expenses)
Revenues and
Changes in
Net Position

Total
Governmental
Activities

\$ (12,020,093)

(589,635)
(511,900)
(580,633)
(1,587,761)
(430,158)
(2,320,586)
(1,133,652)
(1,210,228)
(75,467)
(179,721)
(1,636,722)
(407,093)

(22,683,649)

15,065,627
11,331,248
3,851,475
1,035,409
11,220
1,671,790
1,480,322
6,500

34,453,591

11,769,942

30,748,183

\$ 42,518,125

PLATTE VALLEY SCHOOL DISTRICT RE-7
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Total Program Reserve Fund	Bond Redemption Fund	Building Fund
Assets				
Cash	\$ 1,246,837	\$ 153,195	\$ 15,143,960	\$ 53,351
Cash with fiscal agent	51,870	31,112	117	
Investments	11,282,627	80,468		3,552,937
Property taxes receivable	16,040	12,801	4,358	
Due from other funds	162,600			
Grants receivable	36,405			
Other receivables	243,530			
Inventory	23,862			
Total assets	\$ 13,063,771	\$ 277,576	\$ 15,148,435	\$ 3,606,288
Liabilities				
Due to other funds	\$ 305,003			
Accounts payable	55,233			\$ 757,520
Accrued salaries and benefits	1,842,700			
Payroll deductions and withholdings	12,913			
Unearned revenue				
Unearned grant revenue				
Total liabilities	2,215,849	\$ -	\$ -	757,520
Deferred inflows of resources				
Deferred property tax revenues	3,601	5,458	198	
Fund balance				
Nonspendable inventory	23,862			
Restricted for emergencies	840,000			
Restricted for multi-year obligation	591,655			
Restricted for land dedication	30,516			
Restricted for total program reserve		272,118		
Restricted for capital projects				2,848,768
Restricted for debt service			15,148,237	
Restricted to food service				
Assigned for employee benefits	45,444			
Assigned for sale of building	37,138			
Assigned to youth help				
Assigned to pupil activities				
Assigned to capital projects				
Unassigned	9,275,706			
Total fund balance	10,844,321	272,118	15,148,237	2,848,768
Total liabilities, deferred inflows of resources and fund balance	\$ 13,063,771	\$ 277,576	\$ 15,148,435	\$ 3,606,288

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

Capital Reserve Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
	\$ 625,773	\$ 17,223,116
16,617,831		83,099
		31,533,863
17,652	287,351	33,199
	222,125	467,603
	13	258,530
	39,131	243,543
		62,993
<u>\$ 16,635,483</u>	<u>\$ 1,174,393</u>	<u>\$ 49,905,946</u>
\$ 434,456	\$ 162,600	\$ 467,603
	96,744	1,247,209
	13,213	1,939,444
	17,106	12,913
		13,213
		17,106
434,456	289,663	3,697,488
		9,257
	39,131	62,993
		840,000
		591,655
		30,516
		272,118
		2,848,768
		15,148,237
	218,443	218,443
		45,444
		37,138
	1,463	1,463
	625,693	625,693
16,201,027		16,201,027
		9,275,706
<u>16,201,027</u>	<u>884,730</u>	<u>46,199,201</u>
<u>\$ 16,635,483</u>	<u>\$ 1,174,393</u>	<u>\$ 49,905,946</u>

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

PLATTE VALLEY SCHOOL DISTRICT RE-7
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2024

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

Total fund balance - governmental funds	\$ 46,199,201
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	48,819,201
Property taxes and other receivables will be collected this year, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.	9,257
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(71,950)
Deferred outflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	6,798,155
Long-term liabilities, including bonds payable, net pension and OPEB liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(57,388,143)
Deferred inflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	<u>(1,847,596)</u>
Net position of the governmental activities	<u><u>\$ 42,518,125</u></u>

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

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PLATTE VALLEY SCHOOL DISTRICT RE-7
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2024

	General Fund	Total Program Reserve Fund	Bond Redemption Fund	Building Fund
Revenues				
Local sources	\$ 17,072,066	\$ 11,720,518	\$ 4,552,111	\$ 219,103
Intermediate sources	93,536			
State sources	472,894			
Federal sources				
Total revenues	17,638,496	11,720,518	4,552,111	219,103
Expenditures				
Instruction	10,986,493			
Supporting services	7,113,579	28,323		
Capital outlay				1,807,625
Debt service				
Principal retirement			2,895,000	
Interest and fiscal charges			915,150	
Total expenditures	18,100,072	28,323	3,810,150	1,807,625
Excess of revenues over (under) expenditures	(461,576)	11,692,195	741,961	(1,588,522)
Other financing sources (uses)				
Transfers in	625,000			
Transfers out	(366,611)	(13,377,270)		
Total other financing sources (uses)	258,389	(13,377,270)	-	-
Net change in fund balances	(203,187)	(1,685,075)	741,961	(1,588,522)
Fund balance at beginning of year	11,047,508	1,957,193	14,406,276	4,437,290
Fund balance at end of year	<u>\$ 10,844,321</u>	<u>\$ 272,118</u>	<u>\$ 15,148,237</u>	<u>\$ 2,848,768</u>

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

Capital Reserve Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
\$ 245,648	\$ 791,597	\$ 34,601,043
		93,536
	238,301	711,195
	617,649	617,649
245,648	1,647,547	36,023,423
	878,433	11,864,926
689,648	827,789	7,969,691
		2,497,273
		2,895,000
		915,150
689,648	1,706,222	26,142,040
(444,000)	(58,675)	9,881,383
13,118,881		13,743,881
		(13,743,881)
13,118,881	-	-
12,674,881	(58,675)	9,881,383
3,526,146	943,405	36,317,818
<u>\$ 16,201,027</u>	<u>\$ 884,730</u>	<u>\$ 46,199,201</u>

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

PLATTE VALLEY SCHOOL DISTRICT RE-7
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

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

Net change in fund balances - governmental fund	\$ 9,881,383
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation exceeded capital outlays in the current period.	(141,278)
Because some receivables will not be collected for several months after the fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as unearned revenues. They are, however, recorded as revenues in the statement of activities.	(15,510)
In the statement of activities, certain expenses related to the pension and OPEB liabilities and related deferred outflows and inflows, compensated absences, interest, and amortization are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	506,160
In the statement of activities, pension and OPEB expense reflects the changes in the net pension and OPEB liabilities, net of related deferred inflows and outflows of resources. In the governmental funds, however, pension and OPEB expenditures reflect payments made to the plans. This is the amount by which the change in liabilities and related deferrals exceeded contributions.	(1,355,813)
Repayment of principal on general obligation bonds are expenditures in the governmental funds, but the repayment reduces the long-term debt liability in the statement of net position.	<u>2,895,000</u>
Change in net position of governmental activities	<u><u>\$ 11,769,942</u></u>

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

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note A – Summary of significant accounting policies

This summary of the Platte Valley School District RE-7’s significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the District’s accounting policies are described below.

A.1 – Reporting entity

The Platte Valley School District RE-7 is a school district governed by an elected five-member board of education. The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The reporting entity’s financial statements should present the funds of the primary government (including its blended component units, which are, in substance, part of the primary government) and provide an overview of the discretely presented component units.

The District has examined other entities that could be included as defined in number 2 and 3 above. Based on these criteria, the District has no component units.

A.2 – Fund accounting

The District uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate “fund types.” The District does not have any proprietary or fiduciary funds.

Governmental funds are used to account for all or most of a government’s general activities, including the collection and disbursement of earmarked funds (special revenue funds), and the servicing of general long-term debt (debt service fund). The following are the District’s major governmental funds:

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

General Fund – The General Fund is the operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include local property taxes, specific ownership taxes, and State of Colorado equalization funding, as determined by the School Finance Act of 1994, as amended.

Expenditures include all costs associated with the daily operation of the schools, except for certain programs funded by grants from federal and state governments, certain capital outlay expenditures, debt service, food service operations and pupil activities.

Total Program Reserve Fund – This fund is a special revenue fund used to account for the revenues from a specific tax levy pursuant to § 22-54-107(5), C.R.S.

Bond Redemption Fund – This fund is a debt service fund used to account for the revenues from a specific tax levy for the purpose of the repayment of debt principal, interest and other fiscal charges.

Building Fund – This fund is a capital projects fund used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). Revenues and other financing sources are primarily derived from the issuance of debt or transfers from other funds.

Capital Reserve Capital Projects Fund – This fund is a capital projects fund used to account for and report financial resources that have been designated for capital outlays acquisition or construction of major capital facilities and other capital assets.

The following are the District's nonmajor governmental funds:

Food Service Fund – This fund is a special revenue fund used to account for the financial activities associated with the District's food service operations.

Governmental Designated Purpose Grants Fund – This fund maintains a separate accounting for programs funded by federal, state and local grants that may or may not have a different fiscal period than that of the District.

Pupil Activity Fund – This fund is a special revenue fund used to record transactions related to school-sponsored pupil organizations and activities.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Note A.3 – Basis of presentation

Government-wide financial statements – The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund financial statements – Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources management focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balance, which reports the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.4 – Basis of accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Revenues – exchange and non-exchange transactions – Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end, except for state and federal grant revenues, which are considered available if collection is expected within six months of year end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. State equalization monies are recognized as revenues during the period in which they are appropriated. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes collected within sixty days after year-end, interest, tuition, grants and student fees.

Unearned revenue – Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

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

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

Expenditures – The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

A.5 – Encumbrances

Encumbrance accounting is utilized by the District to record purchase orders, contracts and other commitments for the expenditure of monies to assure effective budgetary control and accountability. Encumbrances outstanding at year-end are canceled and reappropriated in the ensuing year's budget.

A.6 – Short-term interfund receivables/payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the government-wide statement of net position, and are classified as due from other funds or due to other funds on the balance sheet.

A.7 – Inventories

General Fund – Inventories consist of general classroom and janitorial supply items and are stated at cost as determined by the first-in, first-out method.

Food Service Fund – Commodity inventories are stated at the United States Department of Agriculture's assigned values, which approximate fair value, at the date of receipt. Expenditures for food items are recorded when consumed. The federal government donates surplus commodities to the national school lunch program. Commodity distributions used by the District are recorded as nonoperating revenues at the date of their consumption.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.8 – Capital assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets with a unit cost greater than \$5,000 are capitalized at cost (or estimated historical cost, if actual cost is not available) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair value on the date received. Infrastructure assets, consisting of certain improvements other than buildings (such as parking facilities, sidewalks, landscaping and lighting systems) are capitalized along with other capital assets. Improvements to assets are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not.

Interest is capitalized on assets reported in the governmental activities that are acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of borrowing until project completion with interest earned on invested proceeds over the same period. No interest was capitalized in the current period.

All reported capital assets are depreciated with the exception of land costs. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities</u>
Land and improvements	0-20 years
Buildings and improvements	20-50 years
Furniture and equipment	5-20 years
Licensed vehicles	5-10 years

A.9 – Compensated absences

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Sick leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. Accumulated sick leave benefits are paid to employees upon termination of employment. The entire compensated absence liability is reported on the government-wide financial statements.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account “accrued compensated absences” in the fund from which the employees who have accumulated unpaid leave are paid.

The amount recorded as liabilities for all applicable compensated absences include salary-related payments associated with the payment of compensated absences using the rates in effect at the balance sheet date.

A.10 – Accrued liabilities and long-term obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the noncurrent portion of compensated absences and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. Bonds payable and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due. Bond premiums and discounts, and amounts deferred upon refunding are amortized over the life of the bonds using the straight-line method.

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

A.11 – Fund balance

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

Nonspendable, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),

Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the board of education (the District's highest level of decision-making authority),

Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and

Unassigned fund balance is the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications.

Committed fund balance is established by a formal passage of a resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the board of education through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes).

When both restricted and unrestricted resources are available in governmental funds, the District applies expenditures against restricted fund balance first, and followed by committed fund balance, assigned fund balance and unassigned fund balance.

A.12 – Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

A.13 – Interfund transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. In general, the effect of interfund activity has been eliminated from the government-wide financial statements.

A.14 – Extraordinary and special items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the board of education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the year.

Note B – Cash and investments

Cash and deposits

Colorado State statutes govern the District's deposit of cash. The Public Deposit Protection Act (PDPA) for banks and savings and loans requires state regulators to certify eligible depositories for public deposits. The PDPA require eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 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 not have a deposit policy for custodial credit risk. As of year-end, the District had total deposits of \$2,159,501, of which \$250,251 was insured and \$1,909,250 was collateralized with securities held by the pledging institution's trust department or agent in the District's name.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note B – Cash and investments (Continued)

Investments

Authorized investments – Investment policies are governed by Colorado State Statutes and the District's own investment policies and procedures. Investments of the District may include:

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

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

During the year, the District invested in ColoTrust (the Trust) and the Colorado Statewide Investment Program (CSIP), investment vehicles established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the pools, which operate as an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. A designated custodial bank serves as custodian for the pool's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the pools investment portfolios and provides services as the depository in connection with direct investments and withdrawals.

The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note B – Cash and investments (Continued)

CSIP also operate two portfolios, CSIP Liquid and CSIP Term. The CSIP Liquid Portfolio is a fully liquid, variable interest rate option while the CSIP Term Portfolio is a fixed-rate, fixed-term investment and investment principal and interest are paid at maturity.

The investments in ColoTrust are maintained in the General, Total Program Reserve, Building, and Capital Reserve Capital Projects funds, while the investment in CSIP is maintained in the Building Fund.

Custodial credit risk – investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. At year-end, none of the District’s investments are subject to custodial credit risk.

Interest rate risk – As a means of limiting exposure to fair value losses from interest rates, Colorado Revised Statutes limit maturities to five years or less, unless the Board of Directors authorizes longer maturities. The District’s investment policy follows Colorado Revised Statutes for its investments.

Credit risk – State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the highest rating from at least one nationally recognized rating agency at the time of purchase. The District’s investment policy follows state law. At year-end, the District’s investment in ColoTrust and CSIP were rated AAAM by Standard and Poor’s.

Investment type	Fair value	Investment maturities (in years)		
		Less than 1	1-5	6-10
ColoTrust Plus+	\$ 28,466,506	\$ 28,466,506	-	-
CSIP LGIP	3,067,357	3,067,357	-	-
Total	<u>\$ 31,533,863</u>	<u>\$ 31,533,863</u>	<u>\$ -</u>	<u>\$ -</u>

Note C – Receivables

Receivables at year-end consist of the following:

	Governmental Activities
Property taxes receivable	\$ 33,199
Grants receivable	258,530
Other receivables	<u>243,543</u>
Total	<u>\$ 535,272</u>

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note C – Receivables (Continued)

Property taxes are levied on December 15th and attach as a lien on property the following January 1st. They are payable in full by April 30th or are due in two equal installments on February 28th and June 15th. Weld County bills and collects property taxes for all taxing entities within the County. The tax receipts collected by the County are remitted to the District in the subsequent month.

Note D – Interfund transactions

The following is a summary of interfund borrowings and transfers for the year as presented in the fund financial statements:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<u>Governmental funds</u>		
General fund	\$ 162,600	\$ 305,003
Total program reserve fund	-	-
Capital reserve capital projects fund	17,652	-
Other governmental funds	<u>287,351</u>	<u>162,600</u>
Total	<u>\$ 467,603</u>	<u>\$ 467,603</u>

All balances resulted from the time lag between the dates that (1) interfund reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental funds</u>		
General fund	\$ 625,000	\$ 366,611
Total program reserve fund	-	13,377,270
Capital reserve capital projects fund	<u>13,118,881</u>	-
Total	<u>\$ 13,743,881</u>	<u>\$ 13,743,881</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. The District transferred \$13,377,270 from the Total Program Reserve Fund to the General Fund (\$625,000) and Capital Reserve Capital Projects Fund (\$12,752,270) in accordance with C.R.S. Section 22-45-103(k). Additionally, the General Fund transferred \$366,611 to the Capital Reserve Capital Projects Fund for capital acquisitions.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note E – Capital assets

Capital asset activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Additions/ Adjustments</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 48,100	\$ -	\$ -	\$ 48,100
Water rights	259,622	-	-	259,622
Construction in progress	<u>-</u>	<u>1,510,268</u>	<u>-</u>	<u>1,510,268</u>
Total capital assets, not being depreciated	307,722	1,510,268	-	1,817,990
Capital assets, being depreciated:				
Buildings and improvements	66,303,968	201,686	-	66,505,654
Furniture and equipment	2,711,588	25,073	-	2,736,661
Licensed vehicles	<u>1,995,914</u>	<u>55,550</u>	<u>(26,431)</u>	<u>2,025,033</u>
Total capital assets, being depreciated	<u>71,011,470</u>	<u>282,309</u>	<u>(26,431)</u>	<u>71,267,348</u>
Total capital assets	71,319,192	1,792,577	(26,431)	73,085,338
Less accumulated depreciation for:				
Buildings and improvements	(19,040,281)	(1,636,722)	-	(20,677,003)
Furniture and equipment	(1,816,845)	(160,853)	-	(1,977,698)
Licensed vehicles	<u>(1,501,587)</u>	<u>(136,280)</u>	<u>26,431</u>	<u>(1,611,436)</u>
Total accumulated depreciation	<u>(22,358,713)</u>	<u>(1,933,855)</u>	<u>26,431</u>	<u>(24,266,137)</u>
Governmental activities capital assets, net	<u>\$ 48,960,479</u>	<u>\$ (141,278)</u>	<u>\$ -</u>	<u>\$ 48,819,201</u>

Depreciation expense was charged to programs of the District as follows:

Governmental activities	
Instruction	\$ 16,668
School administration	6,258
Operations and maintenance	71,931
Student transportation	136,279
Central support	43,752
Food services	22,245
Unallocated	<u>1,636,722</u>
Total depreciation expense	<u>\$ 1,933,855</u>

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note F – Accrued salaries and benefits

Salaries and benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned but not paid at year-end are estimated to be \$1,939,444. Accordingly, this accrued compensation is reflected as a liability in the accompanying financial statements.

Note G – Long-term debt

The following is a summary of the changes in long-term debt for the year:

	<u>Beginning Balances</u>	<u>Additions/ Adjustments</u>	<u>Reductions/ Adjustments</u>	<u>Ending Balances</u>	<u>Due within one year</u>
Governmental activities					
Compensated absences	\$ 160,718	\$ 1,897*	\$ -	\$ 162,615	\$ -
Bonds payable	30,275,000	-	(2,895,000)	27,380,000	2,995,000
Bond premium	<u>2,382,117</u>	<u>-</u>	<u>(401,965)</u>	<u>1,980,152</u>	<u>-</u>
Total	<u>\$ 32,817,835</u>	<u>\$ 1,897</u>	<u>\$ (3,296,965)</u>	<u>\$ 29,522,767</u>	<u>\$ 2,995,000</u>

*The change in the compensated absences liability is presented as a net change.

Payments on the bonds payable are made in the Bond Redemption Fund. The District believes that the current portion of compensated absences is negligible and is therefore not reported.

Bonds payable

General obligation bonds payable consists of the following individual issues:

\$3,200,000 general obligation refunding bonds, dated September 20, 2016, due in annual installments ranging from \$50,000 to \$655,000; annual interest rate of 2.00%, payable semi-annually on December 1st and June 1st. \$ 545,000

\$26,575,000 general obligation bonds, dated December 30, 2019, due in annual installments beginning in fiscal year 2024 ranging from \$460,000 to \$3,830,000; varying annual interest rates ranging from 2.00% to 4.00%, payable semi-annually on June 1st and December 1st. The bonds maturing on or before December 1, 2029 are not subject to redemption prior to their stated maturity dates. The bonds maturing on or after December 1, 2030 are subject to redemption prior to maturity at the option of the District, in whole or in part. 25,020,000

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note G – Long-term debt (Continued)

\$6,925,000 general obligation refunding bonds, dated September 3, 2020, due in annual installments ranging from \$55,000 to \$1,815,000; varying annual interest rates ranging from 2.00% to 4.00%, payable semi-annually on June 1 st and December 1 st .	<u>1,815,000</u>
Total general obligation bonds	<u>\$ 27,380,000</u>

The following schedule represents the District’s debt service requirements to maturity for all outstanding bonded indebtedness:

<u>Year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 2,995,000	\$ 830,300
2026	3,190,000	733,400
2027	3,315,000	636,450
2028	3,380,000	569,500
2029	3,450,000	488,850
2030-2032	<u>11,050,000</u>	<u>674,600</u>
Totals	<u>\$ 27,380,000</u>	<u>\$ 3,933,100</u>

Prior-year defeasance of debt

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District’s financial statements. At year-end, \$2,460,000 of bonds outstanding are considered defeased.

Note H – Defined benefit pension plan

Summary of Significant Accounting Policies

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

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note H – Defined benefit pension plan (Continued)

General Information about the Pension Plan

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

Benefits provided as of December 31, 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. Section 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.

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

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

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

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note H – Defined benefit pension plan (Continued)

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

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

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

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

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:

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Notes to Financial Statements

Note H – Defined benefit pension plan (Continued)

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

**Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. Section 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 \$2,239,668 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 used to calculate the net pension liability was determined by an

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note H – Defined benefit pension plan (Continued)

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

At year end, the District reported a liability of \$27,208,401 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District’s proportionate share of the net pension liability	\$ 27,208,401
The State’s proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	<u>596,600</u>
Total	<u>\$ 27,805,001</u>

At December 31, 2023, the District’s proportion was 0.1539%, which was an increase of 0.0338% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$3,827,225 and revenue of \$45,455 for support from the State as a nonemployer contributing entity. At year-end, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,282,577	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	609,629	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	3,609,045	1,600,113
Contributions subsequent to the measurement date	<u>1,174,924</u>	<u>-</u>
Total	<u>\$ 6,676,175</u>	<u>\$ 1,600,113</u>

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note H – Defined benefit pension plan (Continued)

\$1,174,924 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 subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended</u> <u>June 30, _____</u>	<u>Amount</u>
2025	\$ 449,666
2026	2,143,158
2027	1,852,145
2028	<u>(543,831)</u>
Totals	<u>\$ 3,901,138</u>

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

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

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

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

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

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note H – Defined benefit pension plan (Continued)

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

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

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

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

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.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note H – Defined benefit pension plan (Continued)

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

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

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

Discount rate. The discount rate used to measure the total pension liability 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.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note H – Defined benefit pension plan (Continued)

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

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note H – Defined benefit pension plan (Continued)

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 <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Increase <u>(8.25%)</u>
Proportionate share of the net pension liability	\$ <u>36,382,159</u>	\$ <u>27,208,401</u>	\$ <u>19,558,598</u>

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

Payables to the pension plan

The District did not report any payables to the pension plan at year-end.

Note I – 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 PERAPlus 401(k) Plan 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. The District does not offer matching contributions to its employees. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended June 30, 2024, program members contributed \$205,639 and the District recognized pension expense of \$257,803, for the PERAPlus 401(k) Plan.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note J – Defined benefit other post-employment benefit (OPEB) plan

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

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

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

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.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)

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.

DPS Benefit Structure

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for retirees 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 retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

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

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$112,093 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 year-end, the District reported a liability of \$656,975 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 used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2023. The District’s proportion of the net OPEB liability was based on the District’s contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the District’s proportion was 0.0920%, which was an increase of 0.0007% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2024, the District recognized OPEB expense of \$(18,352). At year-end, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 133,114
Changes of assumptions or other inputs	7,820	68,951
Net difference between projected and actual earnings on OPEB plan investments	19,710	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	32,507	25,987
Contributions subsequent to the measurement date	<u>58,804</u>	<u>-</u>
Total	<u>\$ 118,841</u>	<u>\$ 228,052</u>

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)

\$58,804 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 subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended</u> <u>June 30, ___</u>	<u>Amount</u>
2025	\$ (80,824)
2026	(36,059)
2027	(11,312)
2028	(30,568)
2029	(7,942)
2030	<u>(1,310)</u>
Total	<u>\$ (168,015)</u>

Actuarial assumptions. The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs for the School Division:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	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	7.00% in 2023, gradually decreasing to 4.50% in 2033
Medicare Part A premiums ¹	3.50% in 2023, gradually increasing to 4.50% in 2035
DPS benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

¹ UnitedHealthcare MAPD PPO plans are 0% for 2023.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)

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

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

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

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)

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

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

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

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

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

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

<u>Year</u>	<u>PERACare Medicare Plans</u>	<u>Medicare Part A Premiums</u>
2023	7.00%	3.50%
2024	6.75%	3.50%
2025	6.50%	3.75%
2026	6.25%	3.75%

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)

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 total OPEB liability 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.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)

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

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.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)

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

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

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

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:

	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
Initial PERACare Medicare trend rate ¹	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	<u>3.50%</u>	<u>4.50%</u>	<u>5.50%</u>
Net OPEB Liability	\$ 638,119	\$ 656,975	\$ 677,486

¹For the January 1, 2024, plan year.

Discount rate. The discount rate used to measure the total OPEB liability 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:

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023 measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

Based on the above assumptions and methods, the 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 total OPEB liability. 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.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)

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

	1% Decrease <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Increase <u>(8.25%)</u>
Proportionate share of the net OPEB liability	\$ <u>775,970</u>	\$ <u>656,975</u>	\$ <u>555,175</u>

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.

Payables to the OPEB plan

The District did not report any payables to the OPEB plan at year-end.

Note K – 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. The District participates in the Colorado School Districts Self-Insurance Pool (the Pool). The Pool’s objectives are to provide member school districts defined property and liability coverages through self-insurance and excess insurance purchased from commercial companies. The District pays an annual contribution to the Pool for its insurance coverages. The District’s contribution for the year was \$295,500. The District continues to carry commercial insurance for all other risks of loss, including workers’ compensation and employee health and accident insurance.

Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three fiscal years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note L – Commitments and contingencies

Federal and state funding

The District receives revenues from various federal and state grant programs which are subject to final review and approval by the grantor agencies. The amount, if any, of expenditures 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.

TABOR Amendment

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth in student enrollment. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate. On November 3, 1998, the voters of the District approved a ballot initiative permitting the District to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR. However, the District has made certain interpretations of TABOR's language in order to determine its compliance. The District has reserved funds in the General Fund in the amount of \$840,000 for the emergency reserve.

Note M – Joint venture

The District participates in the Centennial Board of Cooperative Educational Services (BOCES). This joint venture does not meet the criteria for inclusion within the reporting entity because the BOCES 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,

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to Financial Statements

Note M – Joint venture (Continued)

- the governing board and management have the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome or 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.

This is a jointly governed organization with twelve other school districts with the District being represented by one member on the governing board of the cooperative. This board has final authority for all budgeting and financing of the joint venture. Separate financial statements of the BOCES are available by contacting their administrative office in Longmont, Colorado.

For the year, the District's financial contribution to the BOCES was \$49,554.

Note N – Termination Benefits

The District has entered into early retirement agreements under the District's Voluntary Early Retirement of Employees policy. These agreements call for payments in the total amount of \$93,051 to be paid out in fiscal year 2024.

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Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule – General Fund
- Budgetary Comparison Schedule – Total Program Reserve Fund
- Schedule of the District’s Proportionate Share of the Net Pension Liability – PERA’s School Division Trust Fund
- Schedule of District Contributions – PERA’s School Division Trust Fund
- Schedule of the District’s Proportionate Share of the Net OPEB Liability – PERA’s Health Care Trust Fund
- Schedule of District Contributions – PERA’s Health Care Trust Fund

PLATTE VALLEY SCHOOL DISTRICT RE-7
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources	\$ 15,993,225	\$ 15,882,224	\$ 17,072,066	\$ 1,189,842
Intermediate sources	4,500	93,536	93,536	-
State sources	731,854	772,568	472,894	(299,674)
Total revenues	16,729,579	16,748,328	17,638,496	890,168
Expenditures				
Instruction	10,292,076	10,688,511	10,986,493	(297,982)
Supporting services	6,700,748	6,648,838	7,113,579	(464,741)
Reserve for contingency	10,663,939	10,845,079		10,845,079
Total expenditures	27,656,763	28,182,428	18,100,072	10,082,356
Excess of revenues over (under) expenditures	(10,927,184)	(11,434,100)	(461,576)	10,972,524
Other financing sources (uses)				
Transfers in	336,396	625,000	625,000	-
Transfers out			(366,611)	(366,611)
Total other financing sources (uses)	336,396	625,000	258,389	(366,611)
Net change in fund balance	\$ (10,590,788)	\$ (10,809,100)	(203,187)	\$ 10,605,913
Fund balance at beginning of year			11,047,508	
Fund balance at end of year			\$ 10,844,321	

PLATTE VALLEY SCHOOL DISTRICT RE-7
Total Program Reserve Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources				
Property taxes	\$ 3,884,429	\$ 11,333,887	\$ 11,327,875	\$ (6,012)
Specific ownership taxes	25,000	123,076	242,784	119,708
Delinquent taxes and interest			813	813
Earnings on investments			149,046	149,046
Total revenues	<u>3,909,429</u>	<u>11,456,963</u>	<u>11,720,518</u>	<u>263,555</u>
Expenditures				
Supporting services				
Purchased services	8,000	5,000	28,323	(23,323)
Appropriated reserves	<u>1,934,760</u>	<u>182,000</u>		<u>182,000</u>
Total expenditures	<u>1,942,760</u>	<u>187,000</u>	<u>28,323</u>	<u>158,677</u>
Excess of revenues over (under) expenditures	1,966,669	11,269,963	11,692,195	422,232
Other financing uses				
Transfers out	<u>(3,717,459)</u>	<u>(13,227,156)</u>	<u>(13,377,270)</u>	<u>(150,114)</u>
Net change in fund balance	<u>\$ (1,750,790)</u>	<u>\$ (1,957,193)</u>	<u>(1,685,075)</u>	<u>\$ 272,118</u>
Fund balance at beginning of year			<u>1,957,193</u>	
Fund balance at end of year			<u>\$ 272,118</u>	

PLATTE VALLEY SCHOOL DISTRICT RE-7
Schedule of the District's Proportionate Share of the Net Pension Liability
PERA's School Division Trust Fund
June 30, 2024

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
District's proportion of the net pension liability	0.1539%	0.1201%	0.1430%	0.1566%
District's proportionate share of the net pension liability	\$ 27,208,401	\$ 21,866,238	\$ 16,639,529	\$ 23,674,305
State's proportionate share of the net pension liability	<u>596,600</u>	<u>6,372,042</u>	<u>1,907,510</u>	<u>-</u>
Total	<u><u>\$ 27,805,001</u></u>	<u><u>\$ 28,238,280</u></u>	<u><u>\$ 18,547,039</u></u>	<u><u>\$ 23,674,305</u></u>
District's covered payroll	\$ 9,260,349	\$ 9,260,349	\$ 8,936,028	\$ 8,372,955
District's proportionate share of the net pension liability as a percentage of its covered payroll	293.82%	236.13%	186.21%	282.75%
Plan fiduciary net position as a percentage of the total pension liability	64.74%	61.79%	74.86%	66.99%

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

<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
0.1361%	0.1431%	0.1592%	0.1616%	0.1659%	0.1639%
\$ 20,329,418	\$ 25,341,173	\$ 51,477,544	\$ 48,110,414	\$ 25,367,408	\$ 22,220,071
<u>2,578,528</u>	<u>3,465,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 22,907,946</u>	<u>\$ 28,806,226</u>	<u>\$ 51,477,544</u>	<u>\$ 48,110,414</u>	<u>\$ 25,367,408</u>	<u>\$ 22,220,071</u>
\$ 7,996,252	\$ 7,867,715	\$ 7,343,091	\$ 7,252,209	\$ 7,228,219	\$ 6,868,124
254.24%	322.09%	701.03%	663.39%	350.95%	323.52%
64.52%	57.01%	43.96%	43.10%	59.20%	62.84%

PLATTE VALLEY SCHOOL DISTRICT RE-7
Schedule of District Contributions
PERA's School Division Trust Fund
June 30, 2024

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Contractually required contribution	\$ 2,239,668	\$ 1,976,737	\$ 1,780,969	\$ 1,745,112
Contributions in relation to the contractually required contribution	<u>(2,239,668)</u>	<u>(1,976,737)</u>	<u>(1,780,969)</u>	<u>(1,745,112)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 10,989,519	\$ 9,699,405	\$ 8,958,590	\$ 8,778,394
Contributions as a percentage of covered payroll	20.38%	20.38%	19.88%	19.88%

<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
\$ 1,579,689	\$ 1,406,609	\$ 1,414,928	\$ 1,329,171	\$ 1,277,084	\$ 1,181,839
<u>(1,579,689)</u>	<u>(1,406,609)</u>	<u>(1,414,928)</u>	<u>(1,329,171)</u>	<u>(1,277,084)</u>	<u>(1,181,839)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,152,659	\$ 7,352,896	\$ 7,493,256	\$ 7,231,054	\$ 7,196,480	\$ 6,991,277
19.38%	19.13%	18.88%	18.38%	17.75%	16.90%

PLATTE VALLEY SCHOOL DISTRICT RE-7
Schedule of the District's Proportionate Share of the Net OPEB Liability ¹
PERA's Health Care Trust Fund
June 30, 2024

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
District's proportion of the net OPEB liability	0.0920%	0.0913%	0.0934%	0.0905%
District's proportionate share of the net OPEB liability	\$ 656,975	\$ 745,087	\$ 805,026	\$ 860,365
District's covered payroll	\$ 9,260,349	\$ 9,260,349	\$ 8,936,028	\$ 8,372,955
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	7.09%	8.05%	9.01%	10.28%
Plan fiduciary net position as a percentage of the total OPEB liability	46.16%	38.57%	39.40%	32.78%

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

¹ Information is not available prior to June 30, 2017. In future reports, additional years will be added until 10 years of historical data are presented.

Notes to schedule:

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
0.0889%	0.0930%	0.0904%
\$ 999,576	\$ 1,265,638	\$ 1,175,478
\$ 7,996,252	\$ 7,867,715	\$ 7,343,091
12.50%	16.09%	16.01%
24.49%	17.03%	17.53%

PLATTE VALLEY SCHOOL DISTRICT RE-7
Schedule of District Contributions ¹
PERA's Health Care Trust Fund
June 30, 2024

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Contractually required contribution	\$ 112,093	\$ 98,934	\$ 91,378	\$ 89,540
Contributions in relation to the contractually required contribution	<u>(112,093)</u>	<u>(98,934)</u>	<u>(91,378)</u>	<u>(89,540)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 10,989,519	\$ 9,699,405	\$ 8,958,590	\$ 8,778,394
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%

¹ Information is not available prior to June 30, 2017. In future reports, additional years will be added until 10 years of historical data are presented.

<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
\$ 83,157	\$ 75,000	\$ 76,431	\$ 73,757
<u>(83,157)</u>	<u>(75,000)</u>	<u>(76,431)</u>	<u>(73,757)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,152,659	\$ 7,352,896	\$ 7,493,256	\$ 7,231,054
1.02%	1.02%	1.02%	1.02%

PLATTE VALLEY SCHOOL DISTRICT RE-7
Notes to the Required Supplementary Information

Note A – Budgetary data

The District adheres to the following procedures in compliance with Colorado Revised Statutes, establishing the budgetary data in the financial statements:

1. Budgets are required by state law for all funds. Prior to May 31, the superintendent of schools submits to the board of education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the board of education to obtain taxpayer comments.
3. Prior to June 30, the budget is adopted by formal resolution.
4. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments within any fund and reallocation of budget line items within any department in the General Fund rests with the superintendent of schools. Revisions that alter the total expenditures of any fund must be approved by the board of education.
5. Budgets for all funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
6. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the board of education throughout the year. After budget approval, the District board of education may approve supplemental appropriations if an occurrence, condition, or need exists which was not known at the time the budget was adopted.
7. Appropriations lapse at year-end.

Note B – Factors affecting trends in amounts reported in the pension and OPEB schedules

Information about factors that significantly affect trends in the amounts reported in the Schedules of the District's Proportionate Share of the Net Pension and OPEB Liabilities and the Schedules of District Contributions is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

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General Fund

The General Fund accounts for all transactions of the District not required to be accounted for in other funds. This fund represents an accounting of the District's ordinary operations financed primarily from property and specific ownership taxes and state aid. It is the most significant fund in relation to the District's overall operations. The schedules of revenues and expenditures are included to provide a greater level of detail to the reader of the financial statements.

PLATTE VALLEY SCHOOL DISTRICT RE-7
General Fund
Budgetary Comparison Schedule - Revenues
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources				
Property taxes	\$ 15,095,929	\$ 14,442,691	\$ 15,075,919	\$ 633,228
Specific ownership taxes	646,496	736,923	792,625	55,702
Delinquent taxes and interest			7,581	7,581
Earnings on investments	3,000	272,055	367,715	95,660
Pupil activities	36,500	59,092	62,362	3,270
Other local revenue	211,300	371,463	765,864	394,401
Total local sources	15,993,225	15,882,224	17,072,066	1,189,842
Intermediate sources	4,500	93,536	93,536	-
State sources				
Gifted and talented		(7,724)	(18,271)	(10,547)
State grants to libraries			4,989	4,989
Small rural schools funding	140,000	190,504	190,504	-
At risk funding			7,360	7,360
Career success pilot program			11,838	11,838
READ Act	30,000	35,464	35,464	-
New comer funding			72,048	72,048
Summer EBT			1,900	1,900
Revenues from other agencies	561,854	546,600	522,476	(24,124)
On-behalf payment			45,455	45,455
Services within the BOCES		7,724	(400,869)	(408,593)
Total state sources	731,854	772,568	472,894	(299,674)
Total revenues	\$ 16,729,579	\$ 16,748,328	\$ 17,638,496	\$ 890,168

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PLATTE VALLEY SCHOOL DISTRICT RE-7
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Expenditures				
Instruction				
Salaries	\$ 6,884,880	\$ 7,528,705	\$ 7,561,992	\$ (33,287)
Employee benefits	2,715,791	2,496,214	2,721,140	(224,926)
Purchased services	392,255	333,896	342,066	(8,170)
Supplies and materials	279,850	309,534	338,885	(29,351)
Property	19,300	20,162	22,410	(2,248)
Total instruction	10,292,076	10,688,511	10,986,493	(297,982)
Supporting services				
Students				
Salaries	287,795	387,424	371,539	15,885
Employee benefits	114,741	111,472	119,671	(8,199)
Purchased services	63,265	61,987	51,610	10,377
Supplies and materials	4,500	2,387	4,875	(2,488)
Property	500			-
Total students	470,801	563,270	547,695	15,575
Instructional staff				
Salaries	204,580	213,807	276,399	(62,592)
Employee benefits	98,984	89,188	110,273	(21,085)
Purchased services	43,592	61,382	62,575	(1,193)
Supplies and materials	18,350	16,195	19,552	(3,357)
Property	3,200	949	1,099	(150)
Total instructional staff	368,706	381,521	469,898	(88,377)
General administration				
Salaries	241,250	260,254	267,794	(7,540)
Employee benefits	110,618	116,541	119,747	(3,206)
Purchased services	100,750	75,571	116,250	(40,679)
Supplies and materials	3,000	3,885	4,231	(346)
Property	1,500			-
Other	1,000	2,867	13,095	(10,228)
Total general administration	458,118	459,118	521,117	(61,999)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
School administration				
Salaries	1,026,410	1,075,476	1,088,845	(13,369)
Employee benefits	337,590	335,858	352,374	(16,516)
Purchased services	10,500	11,897	13,454	(1,557)
Total school administration	1,374,500	1,423,231	1,454,673	(31,442)
Business services				
Salaries	220,495	241,298	240,497	801
Employee benefits	76,015	76,629	77,909	(1,280)
Purchased services	70,135	42,135	71,953	(29,818)
Supplies and materials	10,000	7,500	8,905	(1,405)
Property	2,000	285	285	-
Other			85	(85)
Total business services	378,645	367,847	399,634	(31,787)
Operations and maintenance				
Salaries	526,950	574,821	558,838	15,983
Employee benefits	184,856	192,819	200,178	(7,359)
Purchased services	714,535	669,010	776,840	(107,830)
Supplies and materials	594,250	460,889	525,172	(64,283)
Property	8,500	15,450	9,959	5,491
Total operations and maintenance	2,029,091	1,912,989	2,070,987	(157,998)
Student transportation				
Salaries	531,105	503,052	534,603	(31,551)
Employee benefits	175,345	165,771	174,572	(8,801)
Purchased services	59,165	83,285	87,335	(4,050)
Supplies and materials	128,850	136,449	141,725	(5,276)
Property	1,100	1,100		1,100
Other			465	(465)
Total student transportation	895,565	889,657	938,700	(49,043)

(continued)

PLATTE VALLEY SCHOOL DISTRICT RE-7
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2024

(continued)	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Central support services				
Salaries	320,575	345,267	349,933	(4,666)
Employee benefits	110,137	109,013	119,214	(10,201)
Purchased services	260,910	169,004	202,026	(33,022)
Supplies and materials	21,700	19,921	22,446	(2,525)
Property	12,000	8,000	10,058	(2,058)
Other			7,198	(7,198)
Total central support services	<u>725,322</u>	<u>651,205</u>	<u>710,875</u>	<u>(59,670)</u>
Total supporting services	6,700,748	6,648,838	7,113,579	(464,741)
Reserve for contingency	<u>10,663,939</u>	<u>10,845,079</u>		<u>10,845,079</u>
Total expenditures	<u>\$ 27,656,763</u>	<u>\$ 28,182,428</u>	<u>\$ 18,100,072</u>	<u>\$ 10,082,356</u>

**Combining Statements and Budgetary Comparison Schedules –
Nonmajor Governmental Funds**

The District reports the following nonmajor governmental funds:

Special Revenue Funds – These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- Food Service Fund – This fund is used to record financial transactions related to the District’s food service operations.
- Governmental Designated Purpose Grants Fund – This fund maintains a separate accounting for programs funded by federal, state and local grants that may or may not have a different fiscal period than that of the District.
- Pupil Activity Fund – This fund is used to record transactions related to school-sponsored pupil organizations and activities.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2024

	Food Service Fund	Governmental Designated Purpose Grants Fund	Pupil Activity Fund	Total
Assets				
Cash	\$ 80		\$ 625,693	\$ 625,773
Due from other funds	287,351			287,351
Grants receivable		\$ 222,125		222,125
Other receivables	13			13
Inventory	39,131			39,131
Total assets	\$ 326,575	\$ 222,125	\$ 625,693	\$ 1,174,393
Liabilities				
Due to other funds		\$ 162,600		\$ 162,600
Accrued salaries and benefits	\$ 51,020	45,724		96,744
Unearned revenue	13,213			13,213
Unearned grant revenue	3,305	13,801		17,106
Total liabilities	67,538	222,125	\$ -	289,663
Fund balance				
Nonspendable for inventory	39,131			39,131
Restricted to food service	218,443			218,443
Assigned to youth help	1,463			1,463
Assigned to pupil activities			625,693	625,693
Total fund balance	259,037	-	625,693	884,730
Total liabilities and fund balance	\$ 326,575	\$ 222,125	\$ 625,693	\$ 1,174,393

PLATTE VALLEY SCHOOL DISTRICT RE-7
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2024

	Food Service Fund	Governmental Designated Purpose Grants Fund	Pupil Activity Fund	Total
Revenues				
Local sources	\$ 54,898		\$ 736,699	\$ 791,597
State sources	238,301			238,301
Federal sources	395,524	\$ 222,125		617,649
Total revenues	688,723	222,125	736,699	1,647,547
Expenditures				
Instruction		92,317	786,116	878,433
Supporting services	697,981	129,808		827,789
Total expenditures	697,981	222,125	786,116	1,706,222
Net change in fund balance	(9,258)	-	(49,417)	(58,675)
Fund balance at beginning of year	268,295	-	675,110	943,405
Fund balance at end of year	<u>\$ 259,037</u>	<u>\$ -</u>	<u>\$ 625,693</u>	<u>\$ 884,730</u>

PLATTE VALLEY SCHOOL DISTRICT RE-7
Food Service Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local revenues	\$ 44,855	\$ 42,889	\$ 54,898	\$ 12,009
State sources	161,750	259,825	238,301	(21,524)
Federal sources	247,000	319,474	395,524	76,050
Total revenues	453,605	622,188	688,723	66,535
Expenditures				
Supporting services				
Salaries	238,837	256,848	261,625	(4,777)
Employee benefits	111,900	122,452	131,799	(9,347)
Purchased services	4,000	4,885	10,442	(5,557)
Supplies and materials	188,977	223,442	288,353	(64,911)
Property	1,025	5,004	5,762	(758)
Appropriated reserves	226,172	277,852		277,852
Total expenditures	770,911	890,483	697,981	192,502
Net change in fund balance	\$ (317,306)	\$ (268,295)	(9,258)	\$ 259,037
Fund balance at beginning of year			268,295	
Fund balance at end of year			\$ 259,037	

PLATTE VALLEY SCHOOL DISTRICT RE-7
Governmental Designated Purpose Grants Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal sources				
Services within the BOCES	\$ 227,665	\$ 244,227	\$ 222,125	\$ (22,102)
Expenditures				
Instruction				
Salaries	111,386	107,904	71,686	36,218
Purchased services		71	71	-
Supplies and materials	14,789	20,074	20,560	(486)
Total instruction	126,175	128,049	92,317	35,732
Supporting services				
Salaries	94,811	111,959	124,555	(12,596)
Employee benefits			1,033	(1,033)
Purchased services		3,828	3,829	(1)
Supplies and materials	6,679	391	391	-
Total supporting services	101,490	116,178	129,808	(13,630)
Total expenditures	227,665	244,227	222,125	22,102
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance at beginning of year			-	
Fund balance at end of year			\$ -	

PLATTE VALLEY SCHOOL DISTRICT RE-7
Pupil Activity Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources				
Pupil activities	\$ 655,000	\$ 698,505	\$ 736,699	\$ 38,194
Expenditures				
Pupil activity expenditures				
Purchased services		4,143	4,792	(649)
Supplies and materials	655,000	716,603	781,324	(64,721)
Appropriated reserves	695,466	652,868		652,868
Total expenditures	1,350,466	1,373,614	786,116	587,498
Net change in fund balance	<u>\$ (695,466)</u>	<u>\$ (675,109)</u>	(49,417)	<u>\$ 625,692</u>
Fund balance at beginning of year			675,110	
Fund balance at end of year			<u>\$ 625,693</u>	

Budgetary Comparison Schedule – Debt Service Fund

The District reports the following major debt service fund:

Debt Service Funds – These funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

- Bond Redemption Fund – The revenues from a tax levy for the purpose of satisfying bonded indebtedness obligations, both principal and interest and related expenditures, shall be recorded in this fund.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Bond Redemption Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources				
Property taxes	\$ 3,807,819	\$ 3,858,700	\$ 3,859,007	\$ 307
Delinquent taxes and interest			2,826	2,826
Interest on investments	2,500	539,757	690,278	150,521
Total revenues	3,810,319	4,398,457	4,552,111	153,654
Expenditures				
Debt service				
Principal retirement	2,895,000	2,895,000	2,895,000	-
Interest and fiscal charges	913,450	913,450	915,150	(1,700)
Appropriated reserves	14,068,489	14,996,283		14,996,283
Total expenditures	17,876,939	18,804,733	3,810,150	14,994,583
Net change in fund balance	<u>\$ (14,066,620)</u>	<u>\$ (14,406,276)</u>	741,961	<u>\$ 15,148,237</u>
Fund balance at beginning of year			14,406,276	
Fund balance at end of year			<u>\$ 15,148,237</u>	

Budgetary Comparison Schedules – Capital Projects Funds

The District reports the following major capital projects funds:

Capital Projects Funds – These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

- Building Fund – This fund is used to account for the proceeds of bond sales, revenues from other sources and expenditures for capital outlay for land or existing buildings, improvements of grounds, construction of buildings, additions to buildings, remodeling of buildings, or initial, additional and replacement of equipment as authorized by the local board of education, as specified in the related bond issue.

- Capital Reserve Capital Projects Fund – This fund was established to account for and report financial resources that have been designated for capital outlays acquisition or construction of major capital facilities and other capital assets.

PLATTE VALLEY SCHOOL DISTRICT RE-7
Building Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local revenues				
Earnings on investments	\$ 4,000	\$ 169,891	\$ 219,103	\$ 49,212
Expenditures				
Capital outlay				
Purchased services			151,700	(151,700)
Property	1,232,000	897,527	1,655,925	(758,398)
Appropriated reserves	4,369,165	3,709,654		3,709,654
Total expenditures	5,601,165	4,607,181	1,807,625	2,799,556
Net change in fund balance	<u>\$ (5,597,165)</u>	<u>\$ (4,437,290)</u>	(1,588,522)	<u>\$ 2,848,768</u>
Fund balance at beginning of year			4,437,290	
Fund balance at end of year			<u>\$ 2,848,768</u>	

PLATTE VALLEY SCHOOL DISTRICT RE-7
Capital Reserve Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources				
Earnings on investments	\$ 2,000	\$ 157,112	\$ 245,648	\$ 88,536
Expenditures				
Capital outlay				
Property	30,000	33,057	689,648	(656,591)
Appropriated reserves	3,741,529	16,741,207		16,741,207
Total expenditures	3,771,529	16,774,264	689,648	16,084,616
Excess of revenues over (under) expenditures	(3,769,529)	(16,617,152)	(444,000)	(15,996,080)
Other financing sources				
Transfers in	3,381,063	13,227,156	13,118,881	(108,275)
Net change in fund balance	\$ (388,466)	\$ (3,389,996)	12,674,881	\$ 16,064,877
Fund balance at beginning of year			3,526,146	
Fund balance at end of year			\$ 16,201,027	

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**Colorado Department of Education
Supplementary Schedule**

Auditors' integrity report – This fiscal-year report is required by the Colorado Department of Education to maintain statewide consistency in financial reporting. This report is also used to gather financial data that could affect future state funding.



Colorado Department of Education
Auditors Integrity Report
 District: 3130 - Platte Valley RE-7
 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	11,047,508		17,896,885		18,100,072		10,844,321
18 Risk Mgmt Sub-Fund of General Fund	0		0		0		0
19 Colorado Preschool Program Fund	0		0		0		0
Sub-Total	11,047,508		17,896,885		18,100,072		10,844,321
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 Revenue Fund	1,957,193		-1,656,752		28,323		272,118
21 Food Service Spec Revenue Fund	268,295		688,723		697,981		259,037
22 Govt Designated-Purpose Grants Fund	0		222,125		222,125		0
23 Pupil Activity Special Revenue Fund	675,110		736,699		786,117		625,693
25 Transportation Fund	0		0		0		0
31 Bond Redemption Fund	14,406,276		4,552,111		3,810,150		15,148,237
39 Certificate of Participation (COP) Debt Service Fund	0		0		0		0
41 Building Fund	4,437,290		219,103		1,807,625		2,848,768
42 Special Building Fund	0		0		0		0
43 Capital Reserve Capital Projects Fund	3,526,146		13,364,528		689,648		16,201,027
46 Supplemental Cap Const, Tech, Main Fund	0		0		0		0
Totals	36,317,818		36,023,423		26,142,041		46,199,200
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

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