

**MOFFAT COUNTY
AFFILIATED JUNIOR COLLEGE DISTRICT**

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

JUNE 30, 2024

FINANCIAL STATEMENTS - 2024

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**MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT
CRAIG, COLORADO**

BOARD OF CONTROL

June 30, 2024

Kirstie McPherson, Chairman

Christina Oxley, Secretary

Jennifer Holloway, Treasurer

Denise Kleinschnitz

Cuyler Meade



INDEPENDENT AUDITOR'S REPORT

To the Board of Control
Moffat County Affiliated Junior College District

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Moffat County Affiliated Junior College District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Moffat County Affiliated Junior College 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 and the major fund of the Moffat County Affiliated Junior College 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Moffat County Affiliated Junior College 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 Moffat County Affiliated Junior College District 's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures

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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 Moffat County Affiliated Junior College 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 Moffat County Affiliated Junior College District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

ColoCPA Services, PC

Rangely, Colorado
November 22, 2024

MANAGEMENT DISCUSSION AND ANALYSIS

The discussion and analysis of the Moffat County Affiliated Junior College District's (the "District") financial performance provides readers with an overall review of the financial activities of the District for the year ended June 30, 2024. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

- The District's assets exceeded liabilities by \$3,103,674 at June 30, 2024.
- The District's total cash and investments increased by \$50,338 or approximately 2 percent from fiscal year 2023.
- The June 30, 2024 General Fund balance is \$335,905 more than the previous year. The total fund balance is 246 percent of fiscal year 2024 General Fund operating expenditures.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the District as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at our specific financial conditions.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those assets. The Statement of Activities shows a net (expense) revenue and changes to net position related to each department of the District. Fund financial statements tell how services were financed in the short-term as well as what dollars remain for future spending.

OVERVIEW OF THE DISTRICT'S FINANCIAL STATEMENTS

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances. The Statement of Net Position and Statement of Activities include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the year's revenues and expenses regardless of when the cash was received or paid.

These two statements report the District's net position and the changes in those positions. This change in position is important because it tells the reader whether, for the District as a whole, the financial position of the District has improved or diminished. However, in evaluating the overall position of the District, non-financial information such as changes in the District's tax base and the condition of District capital assets will also need to be evaluated.

In the Statement of Net Position and Statement of Activities, all of the District's activities are reported as Governmental Activities.

Fund Financial Statements

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 through 22 of this report.

Budgetary Comparisons. The District adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund on page 25 of this report.

REPORTING THE DISTRICT AS A WHOLE

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government’s financial position.

The following table provides a summary of the District’s net position for fiscal years 2023 and 2024.

	Governmental Activities	
	2023	2024
Assets		
Current and other assets	\$ 2,968,223	\$ 3,037,837
Capital assets, net	246,931	246,931
Total assets	3,215,154	3,284,768
Liabilities		
Current and other liabilities	447,385	181,094
Total Liabilities	447,385	181,094
Net Position		
Net investment in capital assets	246,931	246,931
Restricted	58,273	62,155
Unrestricted	2,462,565	2,794,588
Total net position	\$ 2,767,769	\$ 3,103,674

A significant portion of the District’s assets represent unrestricted net position of \$2,794,588 which may be used to meet the ongoing obligations to patrons and creditors.

Another significant portion of the District’s net position reflects its net investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to patrons; consequently, they are not available for future spending.

An additional \$62,155 of the District’s net position represents resources that are subject to external restrictions on how they may be used. Included in this category are the (1) TABOR emergency reserve of \$44,871 and (2) reserved for future projects of \$17,284.

The following table indicates the changes in net position for fiscal year 2023 and 2024.

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2024</u>
Revenues:		
Program revenues:		
Charge for services	\$ -	\$ -
Capital grants and contributions	-	-
General revenues:		
General property taxes	1,258,392	1,336,255
Specific ownership tax	121,733	130,146
Investment earnings	12,689	26,025
County leases	2,224	1,612
Other	2,011	1,665
Total revenues	<u>1,397,049</u>	<u>1,495,703</u>
Expenses:		
Administration	20,895	23,323
College Support	769,114	790,087
Tuition Assistance	477,933	346,388
Total expenses	<u>1,267,942</u>	<u>1,159,798</u>
Increase (decrease) in net position	<u>\$ 129,107</u>	<u>\$ 335,905</u>

Governmental Activities. Governmental activities increased the District's net position by \$335,905 for fiscal year 2024. Key elements of this increase are as follows:

Total revenues exceeded total expenses.

Several revenue sources fund the District. Property tax is the biggest contributor, accounting for 89 percent of gross revenue. This comes from a 3.001 Mill Levy. Total property taxes were \$1,336,255, up 6 percent from the prior year.

Total expenses were \$1,159,798, down 8 percent from the prior year.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUND

The District has one governmental fund, the General Fund. Information about the District's governmental fund begins on page 11. These funds are accounted for using the modified accrual basis of accounting.

As of June 30, 2024, the total fund balance of the District's General Fund was \$2,856,743. Approximately 99 percent of the General Fund balance consists of the unassigned fund balance, which is available as working capital and for current spending in accordance with the purposes of the District. The remainder of the General Fund balance is reserved to indicate that it is not available for new spending because it is committed for a (1) TABOR emergency reserve of \$44,871 and (2) reserved for future projects of \$17,284. The District had General Fund revenues of \$1,495,703 and expenditures of \$1,159,798.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to Colorado statutes.

2024 General Fund Budget

	<u>Original Budget</u>	<u>Amend- ments</u>	<u>Final Budget</u>	<u>Actual</u>
Beginning Fund Balance	\$ 2,520,838	\$ -	\$ 2,520,838	\$ 2,520,838
Revenues and other financing sources	1,307,260	-	1,307,260	1,495,703
Expenditures and other financing uses	<u>(1,307,260)</u>	-	<u>(1,307,260)</u>	<u>(1,159,798)</u>
Ending Fund Balance	<u>\$ 2,520,838</u>	<u>\$ -</u>	<u>\$ 2,520,838</u>	<u>\$ 2,856,743</u>

Revenues and other financing sources were \$188,443 more than budget. Specific ownership tax revenues and interest received were \$75,146 and \$26,025 more than budgeted, respectively, accounting for the majority of the difference. Actual expenditures and other financing uses were \$147,462 less than budgeted. College support expenditures were \$35,777 less than budgeted and tuition assistance expenditures were \$133,120 less than budgeted and accounted for the majority of the difference.

CAPITAL ASSETS

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2024 totaled \$246,931 (net of accumulated depreciation). This investment includes all land, buildings, and equipment.

No capital asset activity took place during the current fiscal year.

The District uses the straight-line depreciation method under GASB 34 for its capital assets, except for land which is not depreciated.

ECONOMIC FACTORS AND OTHER MATTERS

Other Matters. The following factors are expected to have a significant effect on the District's financial position and results of operations and were taken into account in developing the fiscal year 2025 budget:

- A decrease in property tax collected for 2024-2025.
- Decreased tuition buydown support and continued payment of a bond.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the District, 2801 W. 9th Street, Craig, Colorado 81625.

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FINANCIAL STATEMENTS

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

STATEMENT OF NET POSITION
June 30, 2024

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 2,966,660
Investments	17,284
Property taxes receivable	53,893
Capital assets, nondepreciable	<u>246,931</u>
TOTAL ASSETS	<u>3,284,768</u>
LIABILITIES	
Accounts payable	<u>181,094</u>
TOTAL LIABILITIES	<u>181,094</u>
NET POSITON	
Net investment in capital assets	246,931
Restricted for:	
Future projects	17,284
Labor emergencies	44,871
Unrestricted	<u>2,794,588</u>
TOTAL NET POSITION	<u>\$ 3,103,674</u>

The accompanying "Notes to Financial Statements" are an integral part of the statement.

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
				<u>Governmental Activities</u>
GOVERNMENTAL ACTIVITIES				
Administrative	\$ 23,323	\$ -	\$ -	\$ (23,323)
College Support	484,698	-	-	(484,698)
College Projects	305,389	-	-	(305,389)
Tuition Assistance	<u>346,388</u>	<u>-</u>	<u>-</u>	<u>(346,388)</u>
TOTAL ACTIVITIES	<u><u>\$ 1,159,798</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>(1,159,798)</u></u>
GENERAL REVENUES				
General Property Taxes				1,336,255
Specific Ownership Tax				130,146
Investment Earnings				26,025
County Leases				1,612
Other Income				<u>1,665</u>
TOTAL GENERAL REVENUES				<u>1,495,703</u>
CHANGE IN NET POSITION				335,905
NET POSITION - BEGINNING OF YEAR				<u>2,767,769</u>
NET POSITION - END OF YEAR				<u><u>\$ 3,103,674</u></u>

The accompanying "Notes to Financial Statements" are an integral part of the statement.

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

BALANCE SHEET
GOVERNMENTAL FUND
June 30, 2024

	<u>General Fund</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 2,966,660
Investments	17,284
Property taxes receivable	<u>53,893</u>
TOTAL ASSETS	<u><u>\$ 3,037,837</u></u>
<u>LIABILITIES AND FUND BALANCE</u>	
LIABILITIES	
Accounts payable	<u>\$ 181,094</u>
TOTAL LIABILITIES	<u>181,094</u>
FUND BALANCES	
Restricted for:	
TABOR emergencies	44,871
Assigned for:	
Future projects	17,284
Unassigned	<u>2,794,588</u>
TOTAL FUND EQUITY	<u>2,856,743</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 3,037,837</u></u>

The accompanying "Notes to Financial Statements" are an integral part of the statement.

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

RECONCILIATION OF BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2024

Balance sheet - total fund balances	\$ 2,856,743
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>246,931</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 3,103,674</u>

The accompanying "Notes to Financial Statements" are an integral part of the statement.

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
For the Year Ended June 30, 2024**

	<u>General Fund</u>
REVENUES	
General Property Taxes	\$ 1,336,255
Specific Ownership Tax	130,146
Interest Earned	26,025
County Leases	1,612
Miscellaneous	<u>1,665</u>
TOTAL REVENUES	<u>1,495,703</u>
EXPENDITURES	
Current Operating	
Administrative	23,323
College Support	484,698
College Projects	305,389
Tuition Assistance	<u>346,388</u>
TOTAL EXPENDITURES	<u>1,159,798</u>
EXCESS OF OPERATING REVENUES OVER OPERATING EXPENDITURES	<u>335,905</u>
FUND BALANCE - BEGINNING OF YEAR	<u>2,520,838</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,856,743</u>

The accompanying "Notes to Financial Statements" are an integral part of the statement.

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024**

Net change in fund balances - total governmental funds	\$ 335,905
Amounts reported for governmental activities in the statement of activities are different because:	
No difference	<u>-</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 335,905</u>

The accompanying "Notes to Financial Statements" are an integral part of the statement.

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NOTES TO FINANCIAL STATEMENTS

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Moffat County Affiliated Junior College District are in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant policies are described below.

A. Financial Reporting Entity

The Moffat County Affiliated Junior College District is a county wide taxing district which provides financial support to Colorado Northwestern Community College, a campus in the State of Colorado community college system. The District provides tuition assistance to local residents, financial support to new and continuing college programs and accumulation of funds for campus expansion.

Funds for the operation of the District are derived through a property tax levy certified by the Board of Control. Interest and other investment income also provide revenues.

The District is not included in any other governmental "reporting entity" as defined by GASB Statement No. 14. The Board has decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accounting for fiscal matters. In addition, the District does not exercise any of the above powers over any other entity. These financial statements, therefore, include only the operations of Moffat County Affiliated Junior College District.

B. Government-wide and fund financial statements

During fiscal year 2005, the District adopted GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued June 1999; GASB Statement No. 37, *Basic Financial Statement - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*, an amendment to GASB Statements No. 21 and No. 34, issued in June 2001, and; GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, issued in 2001.

The Statement of Net Position and the Statement of Activities display information about the government-wide entity as a whole. The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "*Accounting and Financial Reporting for Non-exchange Transactions.*"

The government-wide financial statements report information on all of the activities of the District. The effect of interfund activity has been removed from these statements.

C. Measurement focus, basis of accounting, and financial statement presentation

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

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Measurement focus, basis of accounting, and financial statement presentation, continued

Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within 60 days of fiscal year end. For this purpose, the District considers revenues, other than property taxes, that are susceptible to accrual to be available if they are collected within 90 days of fiscal year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The accounts of a governmental entity are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following fund is currently being used by the Moffat County Affiliated Junior College District.

Governmental Fund

General Fund – The General Fund is the general operation fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

D. Budget and Budgetary Accounting

An annual appropriated budget for the District is adopted after public notice and hearings as required by Colorado State law. The District is prohibited from spending more from any fund than is provided in the budget. The budget may be altered by increasing the fund's total appropriation if unanticipated revenues become available during the year. All appropriations lapse at year end whether or not encumbered. The level of budgetary control, by legal appropriation, is total expenditures by fund. However, the budget document which is adopted by the Board of Control includes a detailed breakdown of revenues and expenditures by departments, programs and objects.

E. Use of Estimates

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

F. Capital Assets

Capital Assets are carried at actual or estimated historical cost based on appraisals. Depreciation is computed using the straight-line method and the estimated useful lives are as follows:

Buildings	40 years
Equipment	7 years

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

G. Property Taxes

Property Taxes are levied on or before December 15 on property assessed as of January 1 (lien date) of each year. Tax bills are mailed on or before December 31. The taxes are collectible in the following year in two installments, due February 28 and June 15, or in full by April 30. Uncollected property taxes are sold at public auction during December of each year. Taxes not sold are immaterial in amount and, therefore, are not reflected in the financial statements. The mill levy, assessed valuation, anticipated revenue, estimated uncollectable, and property taxes receivable, net are as follows:

	<u>Mill Levy</u>	<u>Assessed Valuation</u>	<u>Anticipated Revenue</u>	<u>Property Taxes Receivable, Net June 30, 2024</u>
General Fund	3.001	\$ 411,725,505	\$ 1,235,589	\$ 53,893

NOTE 2 - CASH AND INVESTMENTS

The District’s bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Authority’s custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral included municipal bonds, U.S. government securities, mortgage, and deeds of trust.

State statutes authorized the District to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school, authority, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

The District’s investment policy is not more restrictive than State statutes. The District’s investments are concentrated in local government investment pools, U.S. government and agency securities, and bank CDs.

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair value arising from increasing interest rates.

Investments held as of June 30, 2024 are as follows:

<u>June 30, 2024</u>	<u>Cost</u>	<u>Market Value</u>
COLOTRUST	<u>\$ 17,284</u>	<u>\$ 17,284</u>

Included in investments are amounts held in the Colorado Local Government Liquid Asset Trust (the Trust), and investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust offer shared in three portfolios, COLOTRUST Prime, COLOTRUST Plus+, and COLOTRUST EDGE. COLOTRUST Prime and COLOTRUST Plus+ operates similarly to a money market fund and each share is equal in value to \$1.00. COLOTRUST EDGE is a variable NAV fund managed to approximate a \$10.00 transactional share price, calculated and publishing a fair value NAV on a daily basis. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian’s internal records identify the investments owned by COLOTRUST. At June 30, 2024, the District invested \$17,284 in COLOTRUST Plus. The District’s investment in the COLOTRUST Plus+ is rated AAAM by S&P Global Ratings.

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2024

NOTE 2 - CASH AND INVESTMENTS, Continued

At June 30, 2024 Cash and Cash Equivalents and Investments were held as follows:

Cash in Checking Accounts:			
Bank of Colorado		\$ 699,728	
LPL Financial Services MMA		1,939,685	
Cash with Moffat County Treasurer		<u>327,247</u>	
Total			<u>\$ 2,966,660</u>
Investments represent all monies invested in The Colorado Liquid Asset Trust (ColoTrust)			<u>\$ 17,284</u>

The District generally limits its concentration of investments to those which are believed to have a minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements subject to investment custodial credit risk for investments that are in the possession of another party.

NOTE 3 – CAPITAL ASSETS

Governmental Activities

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

	<u>Balance 07/01/23</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06/30/24</u>
Capital assets not being depreciated:				
Land	\$ 246,931	\$ -	\$ -	\$ 246,931
Total assets not being depreciated	<u>246,931</u>	<u>-</u>	<u>-</u>	<u>246,931</u>
Capital assets being depreciated:				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets being depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Less accumulated depreciation:				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets being depreciated, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Governmental activities capital assets, net	<u>\$ 246,931</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 246,931</u>

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS June 30, 2024

NOTE 4 – CONTINGENCIES

In November 1992, Colorado voters passed an amendment (Amendment One) 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 construction valuation. 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. The amendment also requires that reserves in the amount of 3 percent of fiscal year spending be established for declared emergencies.

The District has no authorized but un-issued debt subject to the amendment's limitation. Based on estimated fiscal year spending for 2024, \$44,871 of the year-end fund balance in the General Fund has been reserved for emergencies.

NOTE 5 – RISK MANAGEMENT

The District is exposed to various risks of loss related to tort, thefts of or damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance for most risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 6 – OTHER COMMITMENTS

The District resolved on November 16, 2009 to commit the necessary mill-levy up to a maximum of \$315,000 annually to make the bond payments for a bond issuance of up to and including five million dollars for a period up to and including thirty years. Debt service payments for fiscal year 2024 were \$267,988.

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2024

NOTE 7 – COMMITTED FUND BALANCE

Beginning with the fiscal year 2011, the District implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level of action to remove or change the constraint.
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The board establishes (and modifies or rescinds) fund balance commitments as action items in board meetings. A fund balance commitment is further indicated in the budget document as a designation or commitment on the fund. Assigned fund balance is established by the board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure for which any could be used.

The balances at June 30, 2024 are represented below:

Restricted Fund Balance – TABOR Emergency Reserve	\$ 44,871
Assigned Fund Balance - Future Projects	17,284

NOTE 8 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 22, 2024, the date at which the financial statements were available to be issued, and determined that no events have occurred that require disclosure.

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REQUIRED SUPPLEMENTARY INFORMATION

MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2024

	Budget		Actual	Variance
	Original	Final		
REVENUES				
General Property Taxes	\$ 1,252,260	\$ 1,252,260	\$ 1,336,255	\$ 83,995
Specific Ownership Tax	55,000	55,000	130,146	75,146
Interest	-	-	26,025	26,025
County Leases	-	-	1,612	1,612
Miscellaneous	-	-	1,665	1,665
TOTAL REVENUES	1,307,260	1,307,260	1,495,703	188,443
EXPENDITURES				
Current Operating				
Administrative	156,443	156,443	23,323	133,120
College Support	520,475	520,475	484,698	35,777
College Projects	276,217	276,217	305,389	(29,172)
Tuition Assistance	354,125	354,125	346,388	7,737
TOTAL EXPENDITURES	1,307,260	1,307,260	1,159,798	147,462
EXCESS REVENUES OVER (UNDER) EXPENDITURES	\$ -	\$ -	335,905	\$ 335,905
FUND BALANCE, BEGINNING OF YEAR			2,520,838	
FUND BALANCE, END OF YEAR			\$ 2,856,743	

The accompanying "Notes to Financial Statements" are an integral part of the statement.