



**COLORADO ASSOCIATION
OF SCHOOL BOARDS**

FINANCIAL STATEMENTS

June 30, 2024 and 2023

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To the Board of Trustees
Colorado Association
Of School Boards
Denver, Colorado

Opinion

We have audited the accompanying financial statements of Colorado Association of School Boards (CASB) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CASB as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Statements of financial position, activities, and cash flows from our audit report for the prior year are presented for comparison purposes.

Basis For Opinion

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 CASB 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 opinion.

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 CASB's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 opinion. 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 statement

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CASB'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 CASB'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.



CAHILL & ASSOCIATES, P.C.
Boulder, Colorado
September 27, 2024

COLORADO ASSOCIATION OF SCHOOL BOARDS
Statement of Financial Position
June 30, 2024

	OPERATING PROGRAM	PERA PENSION	CAPITAL PROGRAM	NON-DUES PROGRAM	CASB TOTAL ACCOUNTS	ATTORNEYS' COUNCIL PROGRAM	2024 TOTAL	2023 TOTAL
ASSETS								
CURRENT ASSETS								
Cash and Cash Equivalents	\$ 415,261	\$ -	1,201,965	-	\$ 1,617,226	\$ 18,208	\$ 1,635,434	\$ 1,651,452
Accounts Receivable	1,749,371	-	-	-	1,749,371	-	1,749,371	1,613,208
Employee Receivable	(11,892)	-	-	-	(11,892)	-	(11,892)	-
Due From 2253 S Oneida Condo Association	14,212	-	-	-	14,212	-	14,212	1,687
Due From Attorney Council	1,810	-	-	-	1,810	(1,240)	570	-
Due From CASB Foundation	488	-	-	-	488	-	488	-
Investments	1,742,532	-	-	-	1,742,532	-	1,742,532	1,650,776
Prepaid Expenses	143,026	-	-	-	143,026	-	143,026	41,781
Total Current Assets	4,054,808	-	1,201,965	-	5,256,773	16,968	5,273,741	4,958,904
PROPERTY AND EQUIPMENT								
Land	-	-	318,313	-	318,313	-	318,313	318,313
Buildings	-	-	1,415,323	-	1,415,323	-	1,415,323	1,370,904
Furniture and Equipment	-	-	45,612	-	45,612	-	45,612	45,612
	-	-	1,779,248	-	1,779,248	-	1,779,248	1,734,829
Less: Accumulated Depreciation	-	-	(490,989)	-	(490,989)	-	(490,989)	(417,480)
Total Property and Equipment	-	-	1,288,259	-	1,288,259	-	1,288,259	1,317,349
OTHER ASSETS								
Cash Surrender Value of Life Insurance Policies	-	-	1,899,472	-	1,899,472	-	1,899,472	1,776,584
PERA Net Pension Deferred Outflows	-	386,773	-	-	386,773	-	386,773	827,084
Total Other Assets	-	386,773	1,899,472	-	2,286,245	-	2,286,245	2,603,668
TOTAL ASSETS	\$ 4,054,808	\$ 386,773	4,389,696	-	\$ 8,831,277	\$ 16,968	\$ 8,848,245	\$ 8,879,921
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES								
Accounts Payable	\$ 42,046	\$ -	-	-	\$ 42,046	\$ -	\$ 42,046	\$ 39,905
Deferred Revenue	2,184,613	-	-	-	2,184,613	-	2,184,613	2,073,624
Total Current Liabilities	2,226,659	-	-	-	2,226,659	-	2,226,659	2,113,529
Accrued Compensation	96,261	-	-	-	96,261	-	96,261	90,062
Other Accrued Liabilities	1,733	-	-	-	1,733	-	1,733	-
PERA Net Pension Liability	-	2,574,733	-	-	2,574,733	-	2,574,733	2,809,304
PERA Net pension Deferred Inflows	-	139,481	-	-	139,481	-	139,481	472,055
Total Liabilities	2,324,653	2,714,214	-	-	5,038,867	-	5,038,867	5,484,950
NET ASSETS								
Without Donor Restrictions	1,730,155	(2,327,441)	4,389,696	-	3,792,410	16,968	3,809,378	3,394,971
Total Net Assets	1,730,155	(2,327,441)	4,389,696	-	3,792,410	16,968	3,809,378	3,394,971
TOTAL LIABILITIES AND NET ASSETS	\$ 4,054,808	\$ 386,773	4,389,696	-	\$ 8,831,277	\$ 16,968	\$ 8,848,245	\$ 8,879,921

See Accompanying Notes to Financial Statements

COLORADO ASSOCIATION OF SCHOOL BOARDS
Statement of Activities
For the Year Ended June 30, 2024

	CASB Operating Program	CASB PERA Pension	CASB Capital Fund	CASB Non-Dues	CASB Accounts Total	Attorney Council	2023 TOTAL	2022 TOTAL
SUPPORT AND REVENUE								
Membership Dues	\$ 1,782,099	\$ -	-	-	\$ 1,782,099	\$ 40,185	\$ 1,822,284	\$ 1,716,142
Registrations	857,035	-	-	-	857,035	4,550	861,585	801,981
Product Sales	228,635	-	-	-	228,635	-	228,635	235,418
Services Provided	3,500	-	-	-	3,500	-	3,500	-
Advertising and Sponsorships	136,994	-	-	-	136,994	-	136,994	122,986
Special Events	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-
Investment Income	138,336	-	123,222	-	261,558	341	261,899	142,187
Superintendent Search Revenue	9,820	-	-	-	9,820	-	9,820	10,755
PPP Loan Forgiveness	-	-	-	-	-	-	-	-
Other Income	56,770	-	-	-	56,770	-	56,770	86,695
Total Support and Revenue	3,213,189	-	123,222	-	3,336,411	45,076	3,381,487	3,116,164
EXPENSES								
Advocacy Expense	24,243	-	-	-	24,243	-	24,243	25,827
Assesment Expense	76,954	-	-	-	76,954	-	76,954	130,077
Bad Debt Expense	12,520	-	-	-	12,520	-	12,520	-
Conferences and Meetings	827,504	-	-	-	827,504	6,784	834,288	658,157
Capital Fund Contribution	-	-	-	-	-	-	-	51,425
Credit Card Processing Fees	35,879	-	-	-	35,879	-	35,879	35,027
Depreciation	-	-	73,509	-	73,509	-	73,509	71,013
Dues, Subscriptions and Memberships	80,140	-	-	-	80,140	37,044	117,184	84,405
Insurance	14,892	-	-	-	14,892	-	14,892	14,001
Maintenance	44,559	-	-	-	44,559	-	44,559	23,324
Miscellaneous	2,819	-	-	-	2,819	-	2,819	3,391
Moving Expenses	-	-	5,000	-	5,000	-	5,000	-
Office Expenses	4,325	-	-	-	4,325	573	4,898	2,551
Payroll Taxes and Benefits	335,278	-	-	-	335,278	-	335,278	255,402
PERA Net Pension Adjustment	-	(126,834)	-	-	(126,834)	-	(126,834)	(253)
Policy Expense	46,169	-	-	-	46,169	-	46,169	41,037
Professional Development	43,490	-	-	-	43,490	-	43,490	1,681
Professional Fees	36,420	-	-	-	36,420	-	36,420	116,994
Publication Expenses	6,972	-	-	-	6,972	-	6,972	-
Salaries	1,286,395	-	-	-	1,286,395	-	1,286,395	981,239
Supplies	1,208	-	-	-	1,208	-	1,208	18,263
Telephone	9,987	-	-	-	9,987	-	9,987	8,424
Travel	61,914	-	-	-	61,914	-	61,914	77,743
Website	19,336	-	-	-	19,336	-	19,336	8,573
Total Expenses	2,971,004	(126,834)	78,509	-	2,922,679	44,401	2,967,080	2,608,301
CHANGE IN NET ASSETS	242,185	126,834	44,713	-	413,732	675	414,407	507,863
Beginning Net Assets	1,487,154	(2,454,275)	4,334,953	11,724	3,379,556	15,415	3,394,971	2,887,108
Interprogram Transfers	816	-	10,030	(11,724)	(878)	878	-	-
Ending Net Assets	\$ 1,730,155	\$ (2,327,441)	4,389,696	-	\$ 3,792,410	\$ 16,968	\$ 3,809,378	\$ 3,394,971

See Accompanying Notes to Financial Statements

COLORADO ASSOCIATION OF SCHOOL BOARDS
Operating Program Statement of Activities
For the Year Ended June 30, 2024

		Strategic	Member	Policy		Board	Legal	Public		
	Conferences	Partnerships	Relations	Services	Commun.	Development	Council	Affairs	Operating	Total
	Convention							Advocacy	Fund	Program
SUPPORT AND REVENUE										-
Membership Dues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,782,099	\$ 1,782,099
Registrations	90,300	766,735	-	-	-	-	-	-	-	857,035
Product Sales	-	-	-	228,635	-	-	-	-	-	228,635
Services Provided	-	-	3,500	-	-	-	-	-	-	3,500
Advertising and Sponsorships	-	135,865	-	-	-	1,000	-	-	129	136,994
Investment Income	-	-	-	-	-	-	-	-	138,336	138,336
Superintendent Search Revenue	-	-	-	-	-	9,820	-	-	-	9,820
Other Income	7,165	-	19,999	-	-	14,790	-	-	14,816	56,770
Total Support and Revenue	97,465	902,600	23,499	-	228,635	-	25,610	-	1,935,380	3,213,189
EXPENSES										
Advocacy Expense	-	-	-	-	-	-	-	24,243	-	24,243
Assesment Expense	-	-	-	-	-	-	-	-	76,954	76,954
Bad Debt	-	-	-	-	-	-	-	-	12,520	12,520
Conferences and Meetings	123,182	672,942	-	-	-	-	-	13,487	17,893	827,504
Credit Card Processing Fees	-	-	-	-	-	-	-	-	35,879	35,879
Dues, Subscriptions and Memberships	-	-	-	15	10	659	7,280	2,725	69,451	80,140
Insurance	-	-	-	-	-	-	2,928	-	11,964	14,892
Maintenance	-	-	-	-	-	-	-	-	44,559	44,559
Miscellaneous	-	-	-	-	50	238	-	-	2,531	2,819
Office Expenses	189	-	-	260	151	-	335	-	3,390	4,325
Payroll Taxes and Benefits	23,250	23,250	20	111	55,341	13,950	42,501	20,880	155,975	335,278
Policy Expense	-	-	-	46,169	-	-	-	-	-	46,169
Professional Development	5,408	426	-	3,681	1,176	3,799	3,134	-	25,866	43,490
Professional Fees	1,131	-	-	-	-	-	200	-	35,089	36,420
Publications Expense	-	-	-	-	6,972	-	-	-	-	6,972
Salaries	112,453	103,615	-	249,331	64,815	-	203,084	108,036	445,061	1,286,395
Supplies	-	-	-	13	-	-	2	-	1,193	1,208
Telephone	-	-	-	-	-	-	-	-	9,987	9,987
Travel	3,228	86	-	2,246	585	-	4,236	2,346	49,187	61,914
Website	-	-	-	-	19,336	-	-	-	-	19,336
Total Expenses	268,841	800,319	20	111	357,056	107,045	4,696	263,700	171,717	2,971,004
CHANGE IN NET ASSETS	\$ (171,376)	\$ 102,281	\$ 23,479	\$ (111)	\$ (128,421)	\$ (107,045)	\$ 20,914	\$ (263,700)	\$ (171,717)	\$ 937,881
										\$ 242,185

COLORADO ASSOCIATION OF SCHOOL BOARDS
Statement of Cash Flows
Year Ended June 30, 2024

	<u>OPERATING PROGRAM</u>	<u>NON-DUES PROGRAM</u>	<u>CAPITAL PROGRAM</u>	<u>ATTORNEY'S PROGRAM</u>	<u>TOTAL 2023</u>	<u>TOTAL 2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES						
Support and Revenue Received	\$ 3,089,734	\$ 10,753	\$ 133,252	\$ 47,194	\$ 3,280,933	\$ 2,745,169
Salaries and Operating Expenses Paid	<u>(2,962,829)</u>	<u>(11,724)</u>	<u>(3,700)</u>	<u>(59,636)</u>	<u>(3,037,889)</u>	<u>(2,353,505)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	126,905	(971)	129,552	(12,442)	243,044	391,664
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of Property and Equipment	-	-	(44,419)	-	(44,419)	(9,350)
Reinvested Investment In Life Insurance (Net)	-	-	(122,888)	-	(122,888)	(52,584)
Investment Activity, net	<u>(91,755)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(91,755)</u>	<u>(508,959)</u>
NET CASH (USED) BY INVESTING ACTIVITIES	(91,755)	-	(167,307)	-	(259,062)	(570,893)
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments On Note Receivable	-	-	-	-	-	622,820
NET CASH PROVIDED BY FINANCING ACTIVITIES	-	-	-	-	-	622,820
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	35,150	(971)	(37,755)	(12,442)	(16,018)	443,591
CASH AND CASH EQUIVALENTS - Beginning of Year	380,111	971	1,239,720	30,650	1,651,452	1,207,861
CASH AND CASH EQUIVALENTS - End of Year	\$ 415,261	\$ -	\$ 1,201,965	\$ 18,208	\$ 1,635,434	\$ 1,651,452
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES						
Change in Net Assets	\$ 242,185	\$ -	\$ 44,713	\$ 675	\$ 287,573	\$ 507,610
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:						
Depreciation	-	-	73,509	-	73,509	71,013
PERA Activity Change	-	-	-	-	-	253
Interprogram Transfers	816	(11,724)	10,030	878	-	-
Changes in Operating Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	(136,163)	-	-	-	(136,163)	(373,780)
Increase in Employee Payable	11,892	-	-	-	11,892	-
(Increase) Decrease in Prepaid Expenses	(102,545)	-	1,300	-	(101,245)	17,507
Increase (Decrease) in Payables	2,141	-	-	-	2,141	12,850
Increase (Decrease) from Due To 2253 S. Oneida	(12,525)	-	-	-	(12,525)	3,741
Increase in Due from Attorney Council	(1,810)	-	-	1,240	(570)	-
Increase in Due from CASB Foundation	(488)	-	-	-	(488)	-
Increase (Decrease) in Due from Non-Dues Program	(10,753)	10,753	-	-	-	-
(Increase) Decrease in Washington Employer Admin Fund	-	-	-	-	-	90
Increase (Decrease) in Accrued Compensation	6,198	-	-	-	6,198	(51,010)
Increase in Other Accrued Liabilities	1,733	-	-	-	1,733	-
Increase (Decrease) in Deferred Revenue	<u>126,224</u>	<u>-</u>	<u>-</u>	<u>(15,235)</u>	<u>110,989</u>	<u>203,390</u>
Total Adjustments	(115,280)	(971)	84,839	(13,117)	(44,529)	(115,946)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 126,905	\$ (971)	\$ 129,552	\$ (12,442)	\$ 243,044	\$ 391,664

See Accompanying Notes to Financial Statements

**COLORADO ASSOCIATION
OF SCHOOL BOARDS**
Notes to Financial Statements
June 30, 2024 and 2023

NOTE 1 - ORGANIZATION

Organization and Activities

The Colorado Association of School Boards (CASB), (The Association), a non-profit Organization, was established in 1940 and originally incorporated in Colorado in 1955.

The Association provides a structure through which school board members can unite in their efforts to promote the interests and welfare of Colorado's 178 school districts.

CASB represents and advocates for over 1,000 school board members statewide to groups both within and outside the public education community. CASB provides services, information and training programs to support school board members as they govern their local districts. Membership benefits and solutions are designed to enhance school board effectiveness and help board members increase their knowledge, boost their efficiency and connect with their communities.

To meet its goals, CASB operates four primary programs:

Operating Program accounts for all operations of the Association, except for those operations for which a separate program has been established.

Non-Dues Program accounts for non-dues revenue that can be used without restriction. These operations are generally used for expenses for which school district dues cannot be used, such as campaign contributions.

Capital Program is used primarily for property and equipment purchases.

Attorney's Program accounts for the Colorado Council of School Board Attorneys (CCSBA). This association was created by CASB, however it does not have separate legal status. The members of CCSBA pay dues which are passed through directly to the National School Board Association (NASB).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation Financial statements are prepared using the accrual basis of accounting in conformity with US generally accepted accounting principles applicable to non-for-profit organizations. These principles include reporting activities according to two classes of net assets - Net Assets Without Restrictions and Net Assets With Restrictions. Net Assets With Restrictions are composed of two types; Temporarily Restricted and Permanently Restricted. For the years presented, there are no Net Assets With Restrictions.

Cash and Cash Equivalents For cash flow reporting, cash and cash equivalents includes cash on hand, and in bank checking, savings and money market accounts.

Property and Equipment Property and equipment are stated at cost if purchased and at fair market value if donated. Depreciation is calculated using the straight-line method over estimated useful lives ranging from 5 to 20 years. Expenditures for maintenance, repairs and minor replacements are expensed as incurred; major replacements and improvements are capitalized. Depreciation for the years ended June 30, 2024 and 2023 was \$73,509 and \$71,013 respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allocations of Expenses The overall costs of programs and supporting functions are reported in the statement of activities. Certain costs are allocated to programs and supporting functions.

Estimates The preparation of financial statements may require management to make estimates and assumptions that affect amounts and disclosures presented. Accordingly, actual results could differ from such estimates and assumptions.

Income Tax Exemption The Association's revenue is exempt from income taxes and the Organization is exempt, from filing a federal form 990 information return under Section 115 of the Internal Revenue Code,

Credit Risk The Association's cash deposit policy is in accordance with The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. Amounts on deposit with the depositories that are above the FDIC limits of \$250,000 must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At June 30, 2024 the Association had two cash deposits that totaled \$1,723,522 in excess of the FDIC insurance limits. The remaining cash deposits were collateralized under PDPA.

NOTE 3 – INVESTMENTS

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are described below:

(i) Level 1—Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

(ii) Level 2—Inputs to the valuation methodology include:

- **quoted prices for similar assets or liabilities in active markets;**
- **quoted prices for identical or similar assets or liabilities in inactive markets;**
- **inputs other than quoted prices that are observable for the asset or liability;**
- **inputs that are derived principally from or corroborated by observable market data by correlation or by other means.**

(i) Level 3—Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value, on a recurring basis. There have been no changes to the methodologies used at June 30, 2024 and 2023.

NOTE 3 – INVESTMENTS (Continued)

(i) Mutual funds: Valued at the net asset value (NAV) of shares on the last trading day of the fiscal year, which is the basis for transactions at that date.

(ii) Governmental obligations: Valued at the closing price reported on the active market on which the individual securities are traded. If the obligation is not actively traded, the Association uses a pricing service. The service employs a proprietary market approach method that uses as inputs observed interest rates and yield curves, prices in active markets for similar assets, and prices for identical assets in inactive markets that have been adjusted by observable indexes.

(iii) Real estate investments funds: Valued at the net asset value (NAV) of shares held by the Association at year end.

(iv) Certificates of deposit: Valued at cost plus accrued interest, which approximates fair value due to the short-term nature of these investments.

(v) Life insurance policy: Valued at the cash surrender value at year end.

The following table sets forth by level, within the fair value hierarchy, the Association's financial instruments at fair value as of June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Measured using Level 1 fair value measures:		
Certificates of Deposit	\$ 1,201,965	\$ 1,239,720
Local Government Pools	<u>1,742,532</u>	<u>1,650,776</u>
	<u>\$ 2,944,497</u>	<u>\$ 2,890,496</u>
Measured using Level 2 fair value Measures:		
Cash Value Life Insurance	<u>\$ 1,899,472</u>	<u>\$ 1,776,584</u>

Colorado Government Liquid Asset Trust

The Association invests in the Colorado Government Liquid Asset Trust (Colotrust) which is an investment vehicle established for local entities in Colorado to pool surplus funds. The Trust operates similarly to a money market fund and each share is equal to one dollar. Investments of the Trust 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 the Trust in connection with the direct investment and withdrawal functions of the Trust. Substantially all securities owned by the Trust are held by the Federal Reserve bank in the account maintained for the custodial bank. CASB had \$1,742,535 and \$1,650,776 invested in the Colotrust at June 30, 2024 and 2023 respectively.

Life Insurance Policies

The Association purchased fully funded life insurance policies on certain current and former employees. The Association is the primary beneficiary of the policies which were purchased through The Penn Mutual Life Insurance Company. Payment on the policies is subject to risks related to the financial health of Penn Mutual. The policies had a cash surrender value of \$1,899,472 and \$1,776,584 at June 30, 2024 and 2023 respectively. The Association recognized investment earnings of \$122,888 and \$52,584 on the value of the outstanding policies at June 30, 2024 and 2023 respectively.

NOTE 3 – INVESTMENTS (Continued)

Life Insurance Policies Activity:

	<u>Cash Value</u>	<u>Life Ins. Loans</u>	<u>Loan Interest</u>	<u>Cash Sndr Value</u>
Beginning, July 1, 2022	\$ 1,776,584	\$ -	\$ -	\$ 1,776,584
Investment Earnings	<u>122,888</u>	<u>-</u>	<u>-</u>	<u>122,888</u>
Ending June 30, 2023	<u>\$ 1,899,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,899,472</u>

Cash and Investment balances by type and presentation are as follows:

	<u>Cash</u>	<u>Investments</u>	<u>Long-Term Investments</u>	<u>Total</u>
Bank Accounts	\$ 415,219	\$ -	\$ -	\$ 415,219
Certificates of Deposit	1,201,965	-	-	1,201,965
Petty Cash	42	-	-	42
Local Government Pools	-	1,742,532	-	1,742,532
Cash Value Life Insurance	-	-	1,899,472	1,899,472
Total	<u>\$ 1,617,226</u>	<u>\$ 1,742,532</u>	<u>\$ 1,899,472</u>	<u>\$ 5,259,230</u>

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30,

	<u>2024</u>	<u>2023</u>
Dues Receivable	\$ 1,749,371	\$ 1,613,197
Employees	(11,892)	-
Miscellaneous	-	11
2253 S Oneida HOA	14,212	1,687
Attorney Council	570	-
CASB Foundation	<u>488</u>	<u>-</u>
	<u>1,752,749</u>	<u>1,614,895</u>
Less: Allowance for Doubtful Accounts	<u>-</u>	<u>-</u>
	<u>\$ 1,752,749</u>	<u>\$ 1,614,895</u>

Management has reviewed all receivables as of June 30, 2024 and considers the entire amount to be collectable, therefore, no allowance for doubtful accounts has been accrued (See Note 10).

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NOTE 5 – DEFINED BENEFIT PENSION PLAN

CASB participates in the State Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The SDTF provides retirement and disability, annual increases and death benefits for members or their beneficiaries. All employees of the Association are members of the SDTF. Terms and management of this plan are not functions in which the Organization has direct control or involvement

Plan benefits are specified in Title 24, ARTICLE 51 OF THE Colorado Revised Statutes (CRS), 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.

NOTE 6 – DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan

The SDTF serves as a defined benefit retirement plan whereby eligible retirees receive a monthly benefit for their lifetime when certain age and service-credit requirements are met. Eligibility may vary by the membership date and consider service-credits at key dates. The benefits are based upon a defined multiplier calculated based on age, years of credited service, and highest average salary. If a member reaches early retirement eligibility and wishes to begin benefit payments prior to achieving the full retirement requirements, then the monthly amount is reduced to consider the early receipt of monthly payments. Alternatively, if greater, a lifetime benefit is available that is calculated by annuitizing the member's account. At benefit commencement, the member can choose from different payment options, some of which can continue after the retiree's death to a named beneficiary, and for which the benefit amount is properly adjusted

In addition to retirement benefits, the SDTF provides refund opportunities with matching employer dollars, if eligible, when leaving covered employment, and disability retirement and survivor benefits for those meeting certain criteria.

Employer Contributions

Employers are required to contribute to the SDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. 24-51-401, et seq. Employer contribution requirements, as a percentage of salary, are summarized on the following tables:

2023	Rate
Employer Contribution Rate ¹	11.40%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%
Amount Apportioned to the LGDTF ¹	10.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	5.00%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	5.00%
Defined contribution supplement as specified in § 24-51-411 ¹	.17%
Total Employer Contribution Rate to the LGDTF¹	20.55%

¹Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions received by the trust fund from CASB were \$249,890, \$255,402 and \$225,292 for the years ended June 30, 2024, 2023 and 2022 respectively.

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

At June 30, 2024, CASB reported a liability of \$2,574,733 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. The CASB proportion of the net pension liability was based on CASB's contributions to the SDTF for the calendar year 2023 relative to the total contributions of participating employers to the SDTF.

NOTE 6 - DEFINED BENEFIT PENSION PLAN- (Continued)

For the year ended June 30, 2024, CASB recognized pension expense adjustment of \$126,834. At June 30, 2024, CASB reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	46,497	206,600
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	176,910	(67,119)
Contributions subsequent to the measurement date	163,366	-
Total	386,773	139,481

Deferred outflows of resources resulting from contributions subsequent to the measurement date is recognized as a reduction of the net pension liability for the year ended December 31, 2023. The net of the differences between expected and actual experiences and changes in assumptions will be recognized in pension expense for each of the subsequent five years.

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

Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.30 – 10.90 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount Rate	7.25 percent
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	1.00 percent

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2021 with Males set back 1 year, and Females set back 2 years.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2016 through December 31, 2019, adopted by PERA's Board on November 20, 2020, and an economic experience study, adopted by PERA's Board on October 28, 2020.

The SDTF's long-term expected rate of return on pension plan investments was determined using 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 percentage and then adding expected inflation.

NOTE 6 - DEFINED BENEFIT PENSION PLAN- (Continued)

As of the most recent analysis of the long-term expected rate of return, reaffirmed by the PERA Board on November 15, 2019, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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

The discount rate used to measure the total pension liability at December 31, 2023 was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law, including current and future AED and SAED, until the Actuarial Value Funding Ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Based on those assumptions, the SDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	3,717,826	2,844,852	2,110,247

Other Post-Employment Benefits

Health Care Trust Fund

CASB contributes to the Health Care Trust Fund ("HCTF"), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (known as PERACare) to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the C.R.S., as amended, establishes the HCTF 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 health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF.

CASB is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the Association are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending June 30, 2024, June 30, 2023 and June 30, 2022, contributions to the HCTF were \$11,203 \$16,844 and \$11,233, respectively, equal to their required contributions for each year.

NOTE 7 – DEFERRED REVENUE

Deferred revenue consists primarily of advance payments made by members for dues and other services provided by the Association to be recognized in a future period. Deferred revenue consisted of the following at June 30, 2024:

District Dues	\$ 1,724,195
BOCES Dues	9,200
ODPM	73,258
Convention	198,905
Convention Sponsorships	8,500
Exhibit Hall	43,540
Fall Delegate Assembly	10,575
Fall Regionals	1,190
Partner Program	10,000
Policy Support Payments	99,750
Miscellaneous	5,500
	<u>\$ 2,184,613</u>

NOTE 8 - BOARD DESIGNATED NET ASSETS

In order to be proactive in maintaining operations during seasonal cash flow fluctuations and unforeseen declines in revenues, Board policy mandates the designation of three months of the annual budget as an Operating Reserve. This designation was \$449,186 at June 30, 2024 and is included in Cash & Cash Equivalents of the Capital Fund.

NOTE 9 – RELATED PARTIES

2253 S Oneida Condominium Association. In the 2019 fiscal year CASB sold a portion of the building it had acquired which created the need for a separate entity to administer collection and payment of costs common to the overall property. CASB is manager of the condo association and as such collects fees from CASB and the other occupant of the building for common area expenses that will be paid by the association. CASB had a balance due from the Association of \$14,212 at June 30, 2024.

Colorado Association of School Boards Foundation is a 501(c)(3) non-profit entity that the Association operates with the CASB Executive Committee serving as its board. This organization has not been active for the past three years.

NOTE 10 - SUBSEQUENT EVENTS

Management has evaluated all subsequent events through September 27, 2024 the date these financials were made available, and found nothing that had a material effect on the financial statements.