

**MOFFAT COUNTY  
AFFILIATED JUNIOR COLLEGE DISTRICT**

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

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**JUNE 30, 2025**

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

**BOARD OF CONTROL**

**June 30, 2025**

Christina Oxley, Chairman

Cuyler Meade, Secretary

Denise Kleinschnitz, Treasurer



## 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, 2025, 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, 2025, 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.

*CaloPA Services, PC*

Rangely, Colorado  
December 12, 2025

## **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, 2025. 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 \$3,354,355 at June 30, 2025.
- The District's total cash and investments increased by \$410,282 or approximately 14 percent from fiscal year 2024.
- The June 30, 2025 General Fund balance is \$250,681 more than the previous year. The total fund balance is 271 percent of fiscal year 2025 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 2024 and 2025.

|                                  | <b>Governmental Activities</b> |                     |
|----------------------------------|--------------------------------|---------------------|
|                                  | <b>2024</b>                    | <b>2025</b>         |
| <b>Assets</b>                    |                                |                     |
| Current and other assets         | \$ 3,037,837                   | \$ 3,458,742        |
| Capital assets, net              | 246,931                        | 246,931             |
| Total assets                     | <u>3,284,768</u>               | <u>3,705,673</u>    |
| <b>Liabilities</b>               |                                |                     |
| Current and other liabilities    | 181,094                        | 351,318             |
| Total Liabilities                | <u>181,094</u>                 | <u>351,318</u>      |
| <b>Net Position</b>              |                                |                     |
| Net investment in capital assets | 246,931                        | 246,931             |
| Restricted                       | 62,155                         | 60,015              |
| Unrestricted                     | 2,794,588                      | 3,047,409           |
| Total net position               | <u>\$ 3,103,674</u>            | <u>\$ 3,354,355</u> |

A significant portion of the District's assets represent unrestricted net position of \$3,047,409 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 \$60,015 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 \$41,888 and (2) reserved for future projects of \$18,127.

The following table indicates the changes in net position for fiscal year 2024 and 2025.

|                                     | <u>Governmental Activities</u> |                   |
|-------------------------------------|--------------------------------|-------------------|
|                                     | <u>2024</u>                    | <u>2025</u>       |
| <b>Revenues:</b>                    |                                |                   |
| Program revenues:                   |                                |                   |
| Charge for services                 | \$ -                           | \$ -              |
| Capital grants and contributions    | -                              | -                 |
| <b>General revenues:</b>            |                                |                   |
| General property taxes              | 1,336,255                      | 1,174,640         |
| Specific ownership tax              | 130,146                        | 127,647           |
| Investment earnings                 | 26,025                         | 89,751            |
| County leases                       | 1,612                          | 2,143             |
| Other                               | 1,665                          | 2,074             |
| <b>Total revenues</b>               | <u>1,495,703</u>               | <u>1,396,255</u>  |
| <b>Expenses:</b>                    |                                |                   |
| Administration                      | 23,323                         | 37,697            |
| College Support                     | 790,087                        | 900,531           |
| Tuition Assistance                  | 346,388                        | 207,346           |
| <b>Total expenses</b>               | <u>1,159,798</u>               | <u>1,145,574</u>  |
| Increase (decrease) in net position | <u>\$ 335,905</u>              | <u>\$ 250,681</u> |

**Governmental Activities.** Governmental activities increased the District's net position by \$250,681 for fiscal year 2025. 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 84 percent of gross revenue. This comes from a 3.001 Mill Levy. Total property taxes were \$1,174,640, down 12 percent from the prior year.

Total expenses were \$1,145,574, down 1 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, 2025, the total fund balance of the District's General Fund was \$3,107,424. 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 \$41,888 and (2) reserved for future projects of \$18,127. The District had General Fund revenues of \$1,396,255 and expenditures of \$1,145,574.

## GENERAL FUND BUDGETARY HIGHLIGHTS

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

### **2025 General Fund Budget**

|  | <u>Original<br/>Budget</u> | <u>Amend-<br/>ments</u> | <u>Final<br/>Budget</u> | <u>Actual</u>       |
|--|----------------------------|-------------------------|-------------------------|---------------------|
| Beginning Fund Balance                   | \$ -                       | \$ -                    | \$ -                    | \$ 2,856,743        |
| Revenues and other<br>financing sources  | 1,290,587                  | -                       | 1,290,587               | 1,396,255           |
| Expenditures and other<br>financing uses | (1,290,587)                | -                       | (1,290,587)             | (1,145,574)         |
| Ending Fund Balance                      | <u>\$ -</u>                | <u>\$ -</u>             | <u>\$ -</u>             | <u>\$ 3,107,424</u> |

Revenues and other financing sources were \$105,668 more than budget. Specific ownership tax revenues and investment income were \$72,647 and \$89,751 more than budgeted, respectively, accounting for the majority of the difference. Actual expenditures and other financing uses were \$145,013 less than budgeted. administrative expenditures were \$83,667 less than budgeted and tuition assistance expenditures were \$57,654 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, 2025 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 2026 budget:

- A decrease in property tax collected for 2025-2026.
- 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. 9<sup>th</sup> Street, Craig, Colorado 81625.

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**FINANCIAL STATEMENTS**

**MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT**

STATEMENT OF NET POSITION  
June 30, 2025

|                                  | <u>Governmental<br/>Activities</u> |
|----------------------------------|------------------------------------|
| <b>ASSETS</b>                    |                                    |
| Cash and cash equivalents        | \$ 1,396,292                       |
| Investments                      | 1,997,934                          |
| Property taxes receivable        | 52,329                             |
| Interest receivable              | 12,187                             |
| Capital assets, nondepreciable   | <u>246,931</u>                     |
| TOTAL ASSETS                     | <u>3,705,673</u>                   |
| <b>LIABILITIES</b>               |                                    |
| Accounts payable                 | <u>351,318</u>                     |
| TOTAL LIABILITIES                | <u>351,318</u>                     |
| <b>NET POSITION</b>              |                                    |
| Net investment in capital assets | 246,931                            |
| Restricted for:                  |                                    |
| Future projects                  | 18,127                             |
| Labor emergencies                | 41,888                             |
| Unrestricted                     | <u>3,047,409</u>                   |
| TOTAL NET POSITION               | <u>\$ 3,354,355</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, 2025

|   | <u>Expenses</u>     | <u>Charges for<br/>Services</u> | <u>Program Revenues<br/>Capital Grants<br/>and<br/>Contributions</u> | <u>Net (Expense)<br/>Revenue and<br/>Changes in<br/>Net Position</u> |
|---|---------------------|---------------------------------|--|--|
|   |                     |                                 |  | <u>Governmental<br/>Activities</u>                                   |
| <b>GOVERNMENTAL ACTIVITIES</b>          |                     |                                 |  |  |
| Administrative                          | \$ 37,697           | \$ -                            | \$ -   | \$ (37,697)  |
| College Support                         | 632,343             | -                               | -  | (632,343)  |
| College Projects                        | 268,188             | -                               | -  | (268,188)  |
| Tuition Assistance                      | <u>207,346</u>      | <u>-</u>                        | <u>-</u>   | <u>(207,346)</u>   |
| <b>TOTAL ACTIVITIES</b>                 | <u>\$ 1,145,574</u> | <u>\$ -</u>                     | <u>\$ -</u>  | <u>(1,145,574)</u>   |
| <b>GENERAL REVENUES</b>                 |                     |                                 |  |  |
| General Property Taxes                  |                     |                                 |  | 1,174,640  |
| Specific Ownership Tax                  |                     |                                 |  | 127,647  |
| Investment Earnings                     |                     |                                 |  | 89,751   |
| County Leases                           |                     |                                 |  | 2,143  |
| Other Income                            |                     |                                 |  | <u>2,074</u>   |
| <b>TOTAL GENERAL REVENUES</b>           |                     |                                 |  | <u>1,396,255</u>   |
| <b>CHANGE IN NET POSITION</b>           |                     |                                 |  | 250,681  |
| <b>NET POSITION - BEGINNING OF YEAR</b> |                     |                                 |  | <u>3,103,674</u>   |
| <b>NET POSITION - END OF YEAR</b>       |                     |                                 |  | <u>\$ 3,354,355</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, 2025

|  | <u>General<br/>Fund</u> |
|--|-------------------------|
| <br><u>ASSETS</u>                          |                         |
| Cash and cash equivalents                  | \$ 1,396,292            |
| Investments                                | 1,997,934               |
| Property taxes receivable                  | 52,329                  |
| Interest receivable                        | <u>12,187</u>           |
| <br>TOTAL ASSETS                           | <br><u>\$ 3,458,742</u> |
| <br><u>LIABILITIES AND FUND BALANCE</u>    |                         |
| <br>LIABILITIES                            |                         |
| Accounts payable                           | \$ <u>351,318</u>       |
| <br>TOTAL LIABILITIES                      | <br><u>351,318</u>      |
| <br>FUND BALANCES                          |                         |
| Restricted for:                            |                         |
| TABOR emergencies                          | 41,888                  |
| Assigned for:                              |                         |
| Future projects                            | 18,127                  |
| Unassigned                                 | <u>3,047,409</u>        |
| <br>TOTAL FUND EQUITY                      | <br><u>3,107,424</u>    |
| <br>TOTAL LIABILITIES<br>AND FUND BALANCES | <br><u>\$ 3,458,742</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, 2025

|   |                     |
|---|---------------------|
| Balance sheet - total fund balances   | \$ 3,107,424        |
| 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>\$ 3,354,355</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, 2025

|   | <u>General<br/>Fund</u>    |
|---|----------------------------|
| <b>REVENUES</b>   |                            |
| General Property Taxes  | \$ 1,174,640               |
| Specific Ownership Tax  | 127,647                    |
| Investment income   |                            |
| Net increase (decrease) in fair value of investments            | 4,156                      |
| Interest  | 33,386                     |
| Dividends   | 52,029                     |
| Capital gain distributions                                      | 180                        |
| County Leases   | 2,143                      |
| Miscellaneous   | <u>2,074</u>               |
| <b>TOTAL REVENUES</b>   | <u>1,396,255</u>           |
| <b>EXPENDITURES</b>   |                            |
| Current Operating   |                            |
| Administrative  | 37,697                     |
| College Support   | 632,343                    |
| College Projects  | 268,188                    |
| Tuition Assistance  | <u>207,346</u>             |
| <b>TOTAL EXPENDITURES</b>                                       | <u>1,145,574</u>           |
| <b>EXCESS OF OPERATING REVENUES OVER OPERATING EXPENDITURES</b> | <u>250,681</u>             |
| <b>FUND BALANCE - BEGINNING OF YEAR</b>                         | <u>2,856,743</u>           |
| <b>FUND BALANCE - END OF YEAR</b>                               | <u><u>\$ 3,107,424</u></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, 2025**

|  |                   |
|--|-------------------|
| Net change in fund balances - total governmental funds   | \$ 250,681        |
| 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>\$ 250,681</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, 2025

### **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, 2025

**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, 2025

**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<br/>Levy</u> | <u>Assessed<br/>Valuation</u> | <u>Anticipated<br/>Revenue</u> | <u>Property Taxes<br/>Receivable, Net<br/>June 30, 2025</u> |
|--------------|----------------------|-------------------------------|--------------------------------|---|
| General Fund | 3.001                | \$ 398,574,697                | \$ 1,196,124                   | \$ 52,329   |

**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, 2025 are as follows:

| <u>June 30, 2025</u>                   | <u>Cost</u>         | <u>Market<br/>Value</u> |
|--|---------------------|-------------------------|
| COLOTRUST                              | \$ 18,127           | \$ 18,127               |
| LPL Money Market                       | 529,346             | 529,346                 |
| LPL Mutal Funds                        | 768,702             | 770,204                 |
| LPL Government and Agency Bonds        | 151,957             | 152,823                 |
| LPL Negotiable Certificates of Deposit | <u>552,670</u>      | <u>553,000</u>          |
| Total                                  | <u>\$ 2,020,802</u> | <u>\$ 2,023,500</u>     |

**MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 2 - CASH AND INVESTMENTS, Continued**

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, 2025, the District invested \$18,127 in COLOTRUST Plus. The District's investment in the COLOTRUST Plus+ is rated AAAM by S&P Global Ratings.

At June 30, 2025 Cash and Cash Equivalents and Investments were held as follows:

|   |                     |
|---|---------------------|
| Cash in Checking Accounts:                  |                     |
| Bank of Colorado                            | \$1,051,515         |
| LPL Financial Services MMA                  | 25,566              |
| Cash with Moffat County Treasurer           | 319,211             |
| Total                                       | <u>\$ 1,396,292</u> |
| Investments:                                |                     |
| The Colorado Liquid Asset Trust (ColoTrust) | \$ 18,127           |
| LPL Money Market                            | 503,780             |
| LPL Mutal Funds                             | 770,204             |
| LPL Government and Agency Bonds             | 152,823             |
| LPL Negotiable Certificates of Deposit      | 553,000             |
| Total                                       | <u>\$ 1,997,934</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.

**MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 3 – CAPITAL ASSETS**

**Governmental Activities**

Capital Asset activity for the year ended June 30, 2025 was as follows:

|   | Balance<br>07/01/24 | Additions | Deletions | Balance<br>06/30/25 |
|---|---------------------|-----------|-----------|---------------------|
| Capital assets not being depreciated:       |                     |           |           |                     |
| Land  | \$ 246,931          | \$ -      | \$ -      | \$ 246,931          |
| Total assets not being depreciated          | 246,931             | -         | -         | 246,931             |
| Capital assets being depreciated:           |                     |           |           |                     |
| None  | -                   | -         | -         | -                   |
| Total assets being depreciated              | -                   | -         | -         | -                   |
| Less accumulated depreciation:              |                     |           |           |                     |
| None  | -                   | -         | -         | -                   |
| Total accumulated depreciation              | -                   | -         | -         | -                   |
| Total assets being depreciated, net         | -                   | -         | -         | -                   |
| Governmental activities capital assets, net | \$ 246,931          | \$ -      | \$ -      | \$ 246,931          |

**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 2025, \$41,888 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.

# MOFFAT COUNTY AFFILIATED JUNIOR COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS June 30, 2025

### 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 2025 were \$268,188.

### 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, 2025 are represented below:

|   |           |
|---|-----------|
| Restricted Fund Balance – TABOR Emergency Reserve | \$ 41,888 |
| Assigned Fund Balance - Future Projects           | 18,127    |

### NOTE 8 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 12, 2025, 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, 2025

|  | Budget           |                  | Actual              | Variance          |
|--|------------------|------------------|---------------------|-------------------|
|  | Original         | Final            |                     |                   |
| <b>REVENUES</b>                                      |                  |                  |                     |                   |
| General Property Taxes                               | \$ 1,235,587     | \$ 1,235,587     | \$ 1,174,640        | \$ (60,947)       |
| Specific Ownership Tax                               | 55,000           | 55,000           | 127,647             | 72,647            |
| Investment income                                    | -                | -                | 89,751              | 89,751            |
| County Leases  | -                | -                | 2,143               | 2,143             |
| Miscellaneous  | -                | -                | 2,074               | 2,074             |
| <b>TOTAL REVENUES</b>                                | <u>1,290,587</u> | <u>1,290,587</u> | <u>1,396,255</u>    | <u>105,668</u>    |
| <b>EXPENDITURES</b>                                  |                  |                  |                     |                   |
| Current Operating                                    |                  |                  |                     |                   |
| Administrative                                       | 121,364          | 121,364          | 37,697              | 83,667            |
| College Support                                      | 628,006          | 628,006          | 632,343             | (4,337)           |
| College Projects                                     | 276,217          | 276,217          | 268,188             | 8,029             |
| Tuition Assistance                                   | 265,000          | 265,000          | 207,346             | 57,654            |
| <b>TOTAL EXPENDITURES</b>                            | <u>1,290,587</u> | <u>1,290,587</u> | <u>1,145,574</u>    | <u>145,013</u>    |
| <b>EXCESS REVENUES OVER<br/>(UNDER) EXPENDITURES</b> | <u>\$ -</u>      | <u>\$ -</u>      | 250,681             | <u>\$ 250,681</u> |
| <b>FUND BALANCE,<br/>BEGINNING OF YEAR</b>           |                  |                  | <u>2,856,743</u>    |                   |
| <b>FUND BALANCE,<br/>END OF YEAR</b>                 |                  |                  | <u>\$ 3,107,424</u> |                   |

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