Arapahoe County School District Number Six

LITTLETON PUBLIC SCHOOLS

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

5776 South Crocker Street, Littleton, Colorado 80120
www.littletonpublicschools.net

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX

Littleton, Colorado

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

Prepared by Financial Services

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Chief Financial Officer

Stacey Wyatt
Director of Finance

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LITTLETON PUBLIC SCHOOLS

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October 25, 2024

Board of Education and Citizens
Arapahoe County School District Number Six
Littleton, Colorado

The Annual Comprehensive Financial Report (Annual Report) of the Arapahoe County School District Number Six (the district) as of June 30, 2024, and for the fiscal year then ended, is hereby submitted. Colorado state law requires that each local government undergo an annual audit of the financial statements by independent certified public accountants in accordance with generally accepted auditing standards. This report fulfills that requirement.

Responsibility for the accuracy, completeness, and fairness of the information presented in this report rests with the management of the district based upon a comprehensive framework of internal controls that it has established for this purpose. The district's financial services department prepared this report, which contains management's representations concerning the finances of the district. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and reported in a manner to present fairly the financial position and results of operations of the district's funds. As the cost of internal controls should not outweigh the benefits, the outcome is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Annual Report is presented in conformity with Statement No. 34 of the Governmental Accounting Standards Board (GASB), titled *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments (as amended)*. This reporting standard is intended to parallel private sector reporting by consolidating governmental activities into a single total column for government-wide activities. GASB Statement No. 34 also requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement, and should be read in conjunction with, the MD&A.

The Annual Report is required to conform to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions (as amended)*, which establishes financial reporting requirements for most governments that provide pension benefits through a multiple-employer, cost-sharing defined benefit pension plan. Statement No. 68 requires the district to record a proportionate share of the unfunded pension liability of Public Employee's Retirement Association of Colorado (PERA).

Additionally, the Annual Report is required to conform to GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which establishes financial reporting requirements for most governments that provide postemployment benefits other than pensions (OPEB). Statement No. 75 requires cost-sharing employers participating in the Health Care Trust Fund (HCTF) administered by PERA to record their proportionate share of the HCTF's net OPEB liability.

For GASB Statements No. 68 and No. 75, the district has no legal obligation to fund any shortfall, nor does it have any liability to affect funding, benefits, or annual required contribution decisions made by PERA.

In May 2020, the Governmental Accounting Standards Board (GASB) adopted Statement No. 96, Subscription-Based Information Technology Arrangement (SBITAs). This standard required the recognition of certain subscription-based information technology arrangements for government end users that were previously classified as information technology (IT) software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. The District reviewed the SBTIAs and determined they are insignificant for the year ended June 30, 2024.

Beginning July 2018, Colorado Revised Statutes (C.R.S. 24-51-413) specifies that the state is required to contribute $225 million each year to PERA, the pension plan that covers all district employees. A portion of the direct distribution payment is allocated to the district based on the district's proportionate amount of annual payroll to the total payroll of all PERA divisions. This portion is considered a non-employer contribution for financial reporting purposes. PERA's goal is to eliminate its unfunded actuarial accrued liability and reach a 100 percent funded ratio by 2048. However, House Bill (HB) 20-1379 suspended the $225 million direct distribution payable on July 1, 2020, for the state's 2020–2021 fiscal year due to budget restraints. Most recently, Senate Bill (SB) 21-228 restored the suspended payment to PERA on July 1, 2022, for a total of $380 million, which includes calculated interest from the suspended payment.

Profile of the District

Arapahoe County School District Number Six, commonly referred to as Littleton Public Schools (LPS), is a political subdivision of the State of Colorado and a corporate body duly organized in 1889 for the purpose of operating and maintaining an educational program for the school-age children residing within its boundaries. The district provides a full range of educational programs and services, including Pre-K–12 instruction, special education and special education preschool, vocational education, and numerous other programs. The number of students enrolled in fiscal year 2023–2024 was 13,226.

The district encompasses approximately 28 square miles in western Arapahoe County in the southern portion of the Denver metropolitan area. The district's boundaries include the town of Columbine Valley, the majority of the city of Littleton, and portions of the municipalities of Bow Mar, Centennial, Englewood, and Greenwood Village.

The district is governed by a five-member Board of Education (the Board), whose members are elected by qualified electors within the district's boundaries. General duties the Board is empowered to perform include employing all personnel necessary to maintain the operations and carry out the educational programs of the district, paying their compensation, fixing attendance boundaries, establishing annual budgets, determining the educational programs to be offered in the schools of the district, prescribing the textbooks of any course of instruction or study in such educational programs, and levying a property tax on both real and personal properties located within the district's boundaries.

The district includes two charter schools as component units. The charter schools are public schools authorized by state statutes, and under the supervision of the Board, provide alternatives in education for pupils, parents, and teachers. Each charter school has a separate governing board, but they are fiscally dependent on the district for the majority of their funding. The component units are discretely presented in the Annual Report and have separate, audited financial statements.

Factors Affecting Financial Condition

State funding: The state has not fully funded the Colorado Public School Finance Act of 1994 (SFA) based on the full requirement of the state constitution's Amendment 23 since the national fiscal crisis in 2008. The budget stabilization factor was initially adopted in 2008 by the state's General Assembly to reduce the overall statewide contribution to K–12 education since local funding of the SFA is primarily fixed. The SFA for fiscal year 2023–2024 included a 1.54 percent budget stabilization factor, or a $141.2 million statewide K–12 funding reduction. The district's program revenue budget stabilization factor reduction for the 2023–2024 school year was $2.2

million which increased funding by $1.8 million from the previous year's budget stabilization factor result of $4.0 million. This represents an annual loss of district program revenue when compared to the state fully funding the program revenue. For 2024–2025, the state intends to include inflation of 5.2 percent and eliminate the budget stabilization factor.

The state continues to focus on K–12 education funding. Each year comes with new challenges for the state to meet all the obligations of the state's general fund while making TABOR refunds to taxpayers.

In November 2020, voters approved the Debt-Free Schools Mill Levy tax increase of $12 million, or no more than 6 mills, for collection starting in 2021. One additional mill can be approved by the Board each year, not to exceed 11 mills in total. This allowed the district to cover ongoing building maintenance, capital improvements, and technology expenditures, which allows the district's General Fund to be available for purposes such as continuing to attract and retain quality teachers, maintaining school counseling for mental health, and providing career, technical, and skilled trade classes.

State and local economy: The state's economic picture is important to the district because a major source of funding for the district's General Fund is received through the SFA established by the state legislature. Colorado's economy continues to expand, with positive consumer spending and a stable labor market indicating growth. The job market and wage growth areas are stable. The inflationary pressures and challenging economic recovery as federal funding recedes erodes the gains made in wages. These pressures have driven the Federal Reserve to raise interest rates and reduce asset purchases. These measures have increased borrowing costs and have further influenced access to credit, asset prices, business activity, and construction. Continued inflationary pressures and its effects leads to a concerning economic outlook around the world while the possibility of a national downturn continues.

The district received one-time federal funding for COVID-19 of $14.0 million between fiscal year 2019–2020 and 2022–2023 through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and Elementary and Secondary School Emergency Relief (ESSER), respectively. Projects, salary and benefit expenditures were selected as one-time spending and will not result in a funding shortfall.

Colorado's economic activity expects moderate strength as the economy continues to expand. However, steep price hikes from energy, housing, food, and vehicles have eroded real gains in earnings and income. Inflationary pressures have prompted the Federal Reserve to raise interest rates and reduce asset purchases. These measures have increased borrowing costs and have further influenced access to credit, business activity, and construction. The risk of a near-term recession remains possible. The current forecast anticipates slowing expansion.

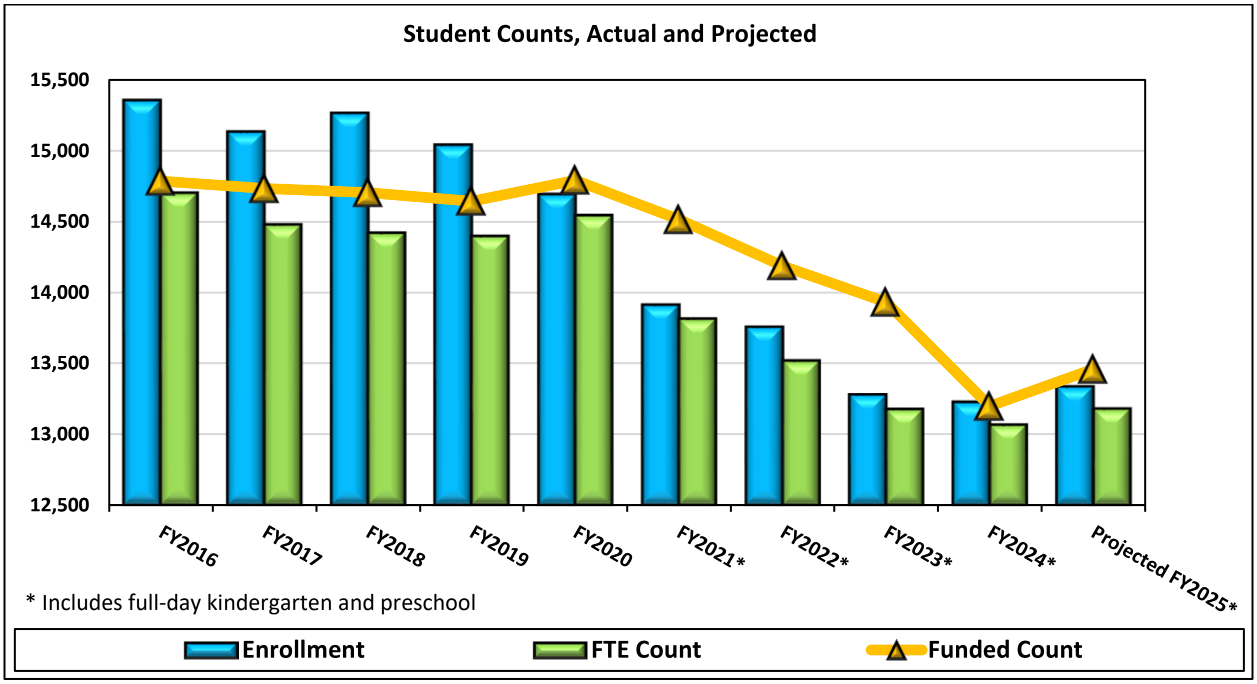
The Denver metro area has the largest share of the state's population and workforce. The unemployment rate is expected to end at 3.8 percent in 2024, outperforming the national average of 4.0 percent. The state's unemployment projection for 2025 is to decrease to 3.7 percent due to housing and wage challenges.

Home prices have leveled off at historical highs and have started to recede as interest rate increases slow down. Rent is expected to remain high through 2024. In Colorado, single-family and multi-family new home permits are down from the same period last year reflecting continued market challenges and a strong rental market.

The State Education Fund (SEF) continues to support a large share of education funding. The SEF is required to be used to fund kindergarten through twelfth grade public education. Revenue to the SEF from income taxes increased $25.5 million in 2023–2024 to $1,036.7 million due to property valuation increases. However, income taxes are expected to decrease 3.7 percent in 2024–2025 to $1,075.1 million.

The Colorado Constitution requires the SEF to receive one-third of one percent of taxable income.

Enrollment and demographics: In fiscal year 2023–2024, the district's enrollment decreased by 52 students to 13,226 students. Budgeted membership counts for the 2024–2025 school year indicate that enrollment will increase to 13,334 students. The trends from the last two years continue as the district has seen a lower number in all grade levels except preschool. This pattern has also been seen across the state with lower total enrollment statewide. It is less likely for those students to return to the district. The student full-time equivalent (FTE) count is less than enrollment mostly due to part-time students. The actual SFA funded count allows for the current year FTE count to be averaged with up to four previous years' counts. Declining enrollment continues to challenge the district to provide services and keep a balanced budget while maintaining necessary reserves for long-term fiscal stability.



Major Initiatives

In 2018–2019, the LPS Long-Range Planning Committee (LRPC), representing a cross-section of the community, continued discussions on instructional programs and facility needs. Based on the LRPC's recommendation, the Board placed a $298.9 million bond measure on the November 2018 ballot. Voters approved the bond measure, sending a strong endorsement of the district's commitment to providing the resources needed for students to succeed. Major projects for fiscal year 2023-2024 included completion of the New Little Raven Elementary School, the EPIC campus, the LPS Centennial Stadium and various improvement projects throughout the district. As the bond measure nears completion, smaller improvement projects will continue through fiscal year 2024-2025, including planning for a future bond request to maximize benefit to the district.

In 2022–2023, a new subset of the original LRPC was charged to continue its review of elementary school boundaries east of Broadway and middle schools east of Santa Fe. The request was to bring two or three recommendations to the Board of Education in the fall of 2023–2024 to better balance enrollment at Newton, Powell, and Euclid middle schools and all elementary schools east of Broadway. These data-based recommendations were presented to the Board with a decision to leave boundaries intact.

Long-Term Financial Planning

The district's long-range financial projections are regularly updated for review and consideration by the Board. These include forecasts of student enrollment, which directly impact school funding calculations. With the passage of the Debt-Free Schools Mill Levy and restored funding from the state to pre-pandemic levels, the district's long-range financial projections are stable and in alignment with the Board's strategic plan.

Strategic Plan

The superintendent and staff work closely with the Board to ensure that their vision and strategic plan is fulfilled. In November 2014, the Board approved revisions to the strategic plan to better guide the work of the district, students, and community and align the district's direction to follow eleven core beliefs. The Board's vision is, "Extraordinary learning, exceptional community, expanded opportunity, and success for all students." The strategic plan includes ten focus areas to support the mission statement, "To educate all students for the future by challenging every individual to continuously learn, achieve, and act with purpose and compassion in a safe and secure environment."

- Enhance instructional systems and career pathways that maximize achievement for all students and integrate knowledge and skills relevant to 21st century career choices.
- Expand utilization of instructional technology with appropriate use for student achievement while providing the infrastructure for organizational efficiency and effectiveness.
- Provide an educational and work environment that supports professional learning and collaborative work for all staff.
- Promote, sustain, and create quality programs that make Littleton Public Schools the uniquely preferred choice for families inside and outside the district.
- Engage the community and parents as active partners in the objectives, activities, and performance of the district and its students.
- Optimize the use of district resources and facilities to meet student learning needs while operating the district efficiently.
- Promote and provide a safe environment that fosters caring, respect, and compassion for others.
- Enhance and support quality early childhood and childcare programs.
- Educate and support staff, parents, and community to address diverse student learning by providing access and opportunities for all students.
- Partner with parents and the community to expand and enhance programs that address the physical, social, and emotional well-being of students, families, and staff.

The environment should foster community engagement, staff collaboration, and student learning. The district will continue to address the diverse community needs and keep the public involved as active partners in increasing achievement levels, a major component of the LPS strategic plan. LPS has established a district achievement goal that states, "One hundred percent of LPS students will graduate prepared for meaningful post-secondary opportunities."

In the spring of 2022, the Board, superintendent, and superintendent staff established five main strategic priorities based on the core beliefs and focus areas:

- Professional Learning Communities and Multi-tiered Systems of Support, Including Equity
- Mental Health and Behavior Support, Including Student and Staff Wellness
- Structure of School - More Time (Longer Year and/or School Day, Smaller Class Sizes)
- Stay Competitive with Compensation
- Long Range Planning (Facilities, Properties, Etc.)

These priorities help focus the work of the Board, the district, and the community as we all work together to improve the lives of all students and staff.

Annual Audit

State statutes require an annual audit by independent certified public accountants. The accounting firm of Plante and Moran, PLLC serves as the independent auditor for the district. In addition to meeting the requirements set forth in state law, the audit is also designed to meet the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the district for its Annual Report for the fiscal year ended June 30, 2023. In order to be awarded the Certificate of Achievement, the district published an easily readable and efficiently organized Annual Report. That report satisfied both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements. The Certificate of Achievement is valid for a period of one year. We believe that our current Annual Report continues to meet the award program's requirements, and we are submitting it to GFOA to determine its eligibility for a new Certificate of Achievement.

The preparation of the Annual Report on a timely basis was made possible by the dedicated service of the entire staff of financial services, grant administrators, and payroll. Each department member has our sincere appreciation for the contributions made in the preparation of this report.

In closing, we thank the members of the Board of Education for their interest, leadership, and support in maintaining the highest standards of professionalism in the management of the district's finances.

Respectfully submitted,

Todd Lambert
Superintendent

Jonathan Levesque
Chief Financial Officer

Arapahoe County School District Number Six
ANNUAL REPORT AWARD CERTIFICATE

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Arapahoe County School District Number Six
Colorado

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

Arapahoe County School District Number Six
PRINCIPAL OFFICIALS

Board of Education

Angela Christensen
President
Term: 2021–2025

Andrew Graham
Vice President
Term: 2021–2025

Lindley McCrary
Treasurer
Term: 2023–2027

Joan Anderssen
Secretary
Term: 2021–2025

Chérie Garcia-Kuper
Assistant Secretary
Term: 2023–2027

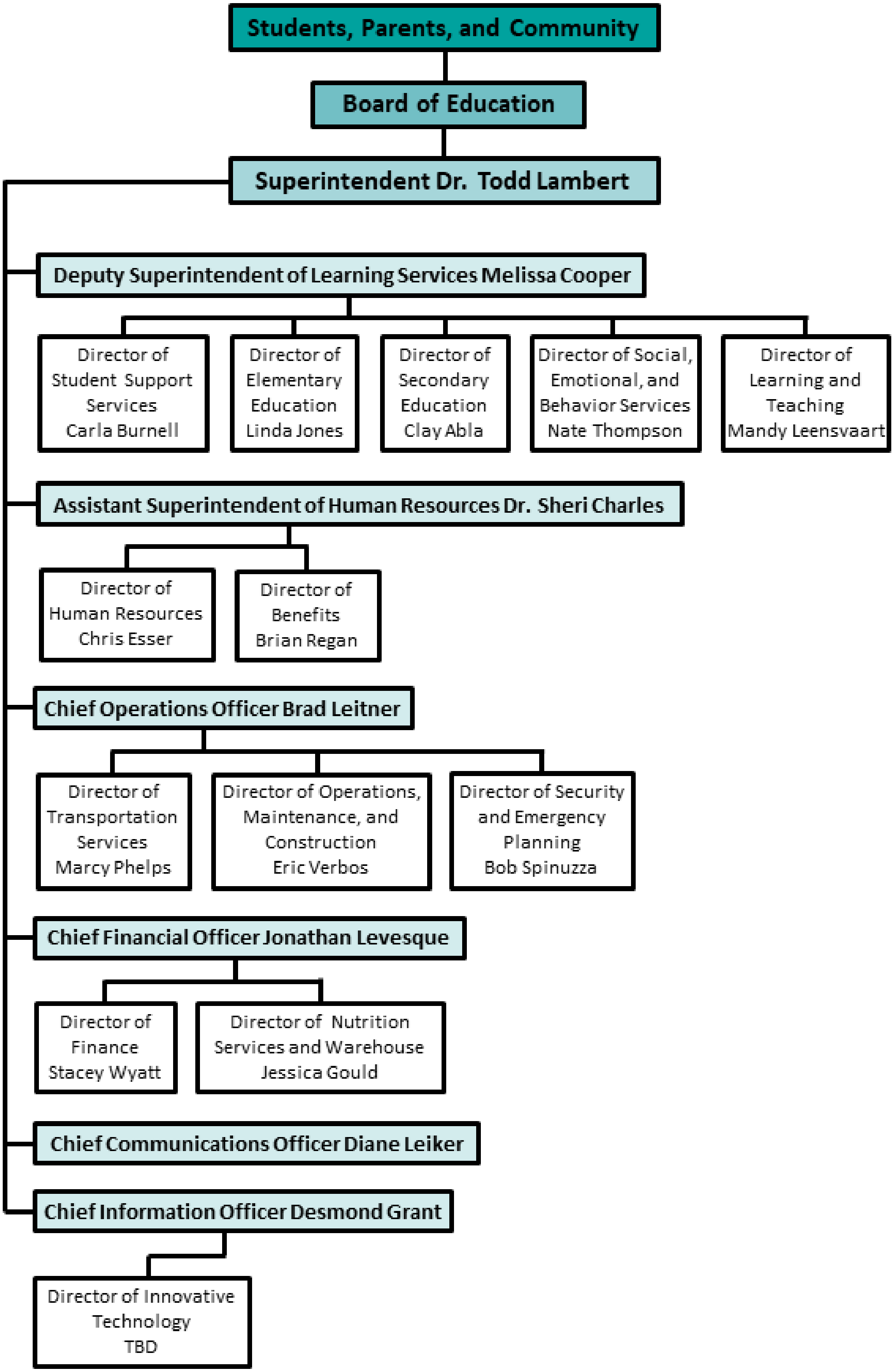
Superintendent and Superintendent's Staff

Dr. Todd Lambert	Superintendent
Melissa Cooper	Deputy Superintendent of Learning Services
Dr. Sheri Charles	Assistant Superintendent of Human Resources
Brad Leitner	Chief Operations Officer
Jonathan Levesque	Chief Financial Officer
Diane Leiker	Chief Communications Officer
Desmond Grant	Chief Information Officer

MISSION STATEMENT

To educate all students for the future by challenging every individual to continuously learn, achieve, and act with purpose and compassion in a safe and secure environment.

Arapahoe County School District Number Six
ORGANIZATIONAL CHART



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Independent Auditor's Report

To the Board of Education
Arapahoe County School District Number Six

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County School District Number Six (the "School District") as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise Arapahoe County School District Number Six's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County School District Number Six as of June 30, 2024 and the respective changes in its 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 School 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 School District's ability to continue as a going concern for 12 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 GAAS and *Government 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.

To the Board of Education
Arapahoe County School District Number Six

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the School 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 School 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 other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Arapahoe County School District Number Six's basic financial statements. The other supplementary information, as identified in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

To the Board of Education
Arapahoe County School District Number Six

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2024 on our consideration of Arapahoe County School District Number Six's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Arapahoe County School District Number Six's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Arapahoe County School District Number Six's internal control over financial reporting and compliance.

Plante & Moran, PLLC

October 25, 2024

Arapahoe County School District Number Six
Management's Discussion and Analysis
As of and For the Fiscal Year Ended June 30, 2024

As management of the Arapahoe County School District Number Six, Arapahoe County, Colorado (the district), we offer readers of the district's Annual Comprehensive Financial Report this narrative and analysis of the financial activities of the district for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that can be found in the letter of transmittal on pages 1–6.

Financial Highlights

- Beginning June 30, 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, which established new financial reporting requirements for most governments that provide pension benefits through a multiple-employer, cost-sharing defined-benefit pension plan. District employees, including the two charter schools' employees, are in a program administered by the Public Employees' Retirement Association of Colorado (PERA). Statement No. 68 requires the district and its charter schools to record a proportionate share of PERA's unfunded pension liability. The district and its charter schools have no legal obligation to fund any shortfall, nor do they have any liability to affect funding, benefits, or annual required contribution decisions made by PERA.
- Beginning June 30, 2018, the district adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which is effective for financial statements beginning after June 15, 2017. Statement No. 75 revises and establishes new financial reporting requirements for most governments that provide postemployment benefits other than pensions (OPEB). Statement No. 75 requires cost-sharing employers participating in the Health Care Trust Fund (HCTF) administered by PERA to record their proportionate share of the HCTF's net OPEB liability. For the district, the effect of implementing this standard was to change how it accounts for and reports the net OPEB liability.
- Beginning June 30, 2019, the district is reporting the resulting effects of the Senate Bill (SB) 18-200 passed and signed into Colorado law June 4, 2018. SB 18-200 makes changes in several key ways to the PERA retirement plan including increasing contribution rates from employers and employees and directing the state to make a $225 million on-behalf contribution each year to PERA to reduce the unfunded liability. Other changes include modifying retirement benefits by reducing the annual increase for all current and future retirees, raising the retirement age for new employees, and establishing an automatic adjustment provision designed to keep PERA on a path to full funding in 30 years. House Bill (HB) 20-1379 suspended the $225 million direct distribution payable on July 1, 2020, for the state's 2020–2021 fiscal year due to budget restraints. The direct distribution payable on July 1, 2022, of $225 million, House Bill (HB) 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of $380 million, upon enactment, with reductions to future direct distributions scheduled on July 1, 2023, and July 1, 2024. Due to the advanced payment made in 2022, the State reduced the distribution to $35 million. Additionally, the newly added C.R.S. 24-51-414(9) providing compensatory payment of $14.6 million for 2023 only.
- Beginning June 30, 2022, the district adopted the provisions of GASB Statement No. 87, *Leases*, which is effective for financial statements starting with the fiscal year ending June 30, 2022. Statement No. 87 revises and establishes new financial reporting requirements for most governments that enter into lease agreements. Leased assets are determined by the districts right to control, right to use the asset, and the lease term as specified in the contract, in an exchange-like transaction. The district had deferred lease inflows of $0.1 million.
- The liabilities and deferred inflows of resources of the district, sometimes referred to as the primary government, exceeded assets and deferred outflows of resources at June 30, 2024, by $179.9 million, primarily due to the net OPEB and pension liabilities, explained above, of $327.4 million.

- The financial position of the primary government increased as the total net position increased by $0.9 million.
- The total cost of basic programs increased $16.9 million or 6.4 percent, to $281.3 million compared to the prior year. Support decreased $19.1 million, instruction increased $36.5 million offset by $0.5 million decrease in interest expense.
- Revenues increased $20.5 million, or 7.8 percent, to $282.2 million compared to prior year primarily due to the increase in property taxes of $18.3 million and interest and other revenues of $6.8 million, offset by decreases of $2.2 million in charges for services, $0.3 million in operating grants and $2.1 million in state equalization.
- The net cost of governmental activities increased $19.3 million, or 8.5 percent, primarily due to the Board approved salary and benefit increases of $16.7 million.

Overview of the Financial Statements

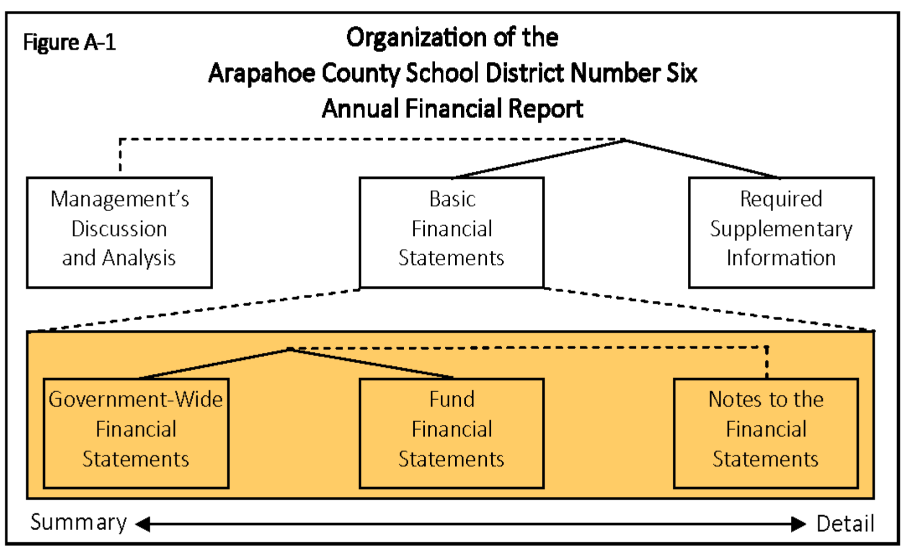
Management's discussion and analysis are intended to serve as an introduction to the district's annual report and basic financial statements. The financial section of the annual report consists of four parts: management's discussion and analysis, basic financial statements, required supplementary information, and combining statements and individual fund statements and schedules. The basic financial statements include two types of statements that present different views of the district.

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

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

Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-2 summarizes the major features of the district's financial statements, including the portion of activities they cover and the types of information they contain.



The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Figure A-2
Major Features of the Districtwide and Fund Financial Statements

	Government-Wide Statements	Fund Financial Statements Governmental Funds
Scope	Entire district (except the fiduciary fund)	The activities of the district which are not proprietary or fiduciary, such as instruction and support services
Required Financial Statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balance
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
Type of Inflow/Outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

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

The two government-wide statements report the district's net position and how it has changed. Net position—the difference between the district's assets, liabilities, and deferred outflows and inflows of resources—is one way to measure the district's financial health or position.

- Over time, increases or decreases in the district's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the district's overall health, additional nonfinancial factors may need to be considered, such as changes in the district's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements, the district's activities are divided into two categories:

- Governmental activities: Most of the district's basic services are included here, such as instruction and support services.
- Component units: The district's two charter schools have independent governing boards but are financially dependent upon the district for most of their funding. Generally accepted accounting principles (GAAP) prescribe a discrete presentation of the component units—meaning separate presentation from the primary government.

Fund Financial Statements
The fund financial statements provide more detailed information about the district's funds, focusing on its most significant or "major" funds—not the district as a whole. Funds are accounting devices the district uses to keep track of specific sources of funding and spending on particular programs.

- Some funds are required by state law or GAAP.
- The district establishes other funds to control and manage money for particular purposes such as athletics, activities and clubs are funded by fees and ticket sales or to show that it is properly using certain revenues, such as federal grants.

The district has one category of funds:

- *Governmental funds:* Most of the district's basic services are included in governmental funds, which generally focus on how cash and other financial assets can readily be converted to cash flow in and out and the balances left at fiscal year-end that are available for spending. Consequently, the governmental fund statements provide an expanded, short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs.

Financial Analysis of the District as a Whole

The district's net position of the governmental activities on June 30, 2024, increased $0.9 million to a negative $179.9 million from what it was the previous year (see Figure A-3), primarily due to the impact of GASB Statements No. 68 and No. 75.

Assets, deferred outflows of resources, liabilities, and deferred inflows of resources changed from the prior year for the following reasons:

- Current and other assets decreased by $27.9 million, primarily from lower restricted cash and investments related to Capital Projects–Building Fund.
- Capital assets increased $1.0 million, which is the net result of capital asset depreciation expense, asset additions, and construction in progress.
- Deferred outflows of resources for deferred charges on refunding decreased $0.2 million due to amortization expense. Deferred outflows related to OPEB decreased by $0.3 million compared to the prior year. Deferred outflows related to pension increased by $35.0 million due to a increase of $0.2 million to the district's pension contribution subsequent to the measurement date; an increase of $38.2 million to the district's pension contribution of proportionate share; a decrease of deferred assumptions of $4.5 million; and the net difference between experience and earnings of $1.1 million.
- Current and other liabilities decreased $6.9 million, mainly due to lower contracts payable in the Capital Projects–Building Fund.
- The net OPEB liability decreased $1.0 million due to the GASB Statement No. 75 requirement to record a proportionate share of PERA's Health Care Trust Fund (HCTF) net OPEB liability. The net pension liability increased $63.1 million due to the GASB Statement No. 68 requirement to record a proportionate share of PERA's unfunded pension liability net of the contributions subsequent to the measurement date.
- Noncurrent liabilities decreased $23.2 million, the net result of bond principal payments, refunding proceeds and issuance costs associated with the 2010 refunding bonds, amortization of bond premium, and accreted interest on bonds.
- Deferred inflows of resources for OPEB decreased $0.9 million which includes interest earnings and the change in proportionate share of contributions. Deferred inflows of resources for pension decreased $24.3 million for pension-related activities with a corresponding increase of deferred proportionate share of $24.3 million.
- Net position increased $0.9 million. This change included a $3.9 million decrease to net investment in capital assets (capital assets less related debt), a $3.8 million decrease in restricted net position, and a $8.6 million increase in unrestricted net position.

Figure A-3, on the next page, presents a two-year, condensed statement of the district's net position.

Figure A-3
Condensed Statement of Net Position (in millions of dollars)

	Primary Government Governmental Activities 2023	2024	Total Dollars Change 2023–2024
Assets			
Current and other assets	$ 184.5	$ 156.6	$ (27.9)
Capital assets	339.5	340.5	1.0
Total assets	524.0	497.1	(26.9)
Deferred outflows of resources			
Deferred charges on refunding	0.3	0.1	(0.2)
Deferred OPEB outflows	1.4	1.1	(0.3)
Deferred pension outflows	58.0	93.0	35
Total deferred outflows	59.7	94.2	34.5
Liabilities			
Current and other liabilities	33.1	26.2	(6.9)
Net OPEB liability	8.7	7.7	(1.0)
Net pension liability	256.5	319.6	63.1
Noncurrent liabilities	416.2	393.0	(23.2)
Total liabilities	714.5	746.5	32.0
Deferred inflows of resources			
Deferred OPEB inflows	4.0	3.1	(0.9)
Deferred pension inflows	45.8	21.5	(24.3)
Deferred lease inflows	0.2	0.1	(0.1)
Total deferred inflows	50.0	24.7	(25.3)
Net position			
Net investment in capital assets	(12.2)	(16.1)	(3.9)
Restricted	42.3	38.5	(3.8)
Unrestricted	(210.9)	(202.3)	8.6
Total net position (deficit)	$ (180.8)	$ (179.9)	$ 0.9

The district's change in financial position is related to operating results (see Figure A-4), which are highlighted as follows:

- Revenues of $282.2 million were higher than expenses of $281.3 million, resulting in a $0.9 million increase in net position. Total revenues increased $20.5 million over revenues in the prior year and total expenses increased $17.0 million.
- The State of Colorado's General Assembly included a 8.0 percent increase per-pupil for inflation through the School Finance Act (SFA) for fiscal year 2023–2024 for K-12 students. The district's per-pupil revenue was $10,177 compared to $10,336 without the budget stabilization factor. The SFA was supported by state equalization funds, local taxes, and property taxes in the fiscal year.
- Through the Colorado Department of Education (CDE) the average SFA funded student count for K-12 students on a per-pupil basis for fiscal year 2023–2024, decreased 2.6 percent to 13,472.3 from 13,837 the previous year, adjusted for preschool. For preschool students, funding comes from the newly formed Colorado Department of Early Childhood (CDEC). For fiscal year 2023-2024, the funded count increased 60.6 or 64.1 percent to 155.1 compared to 94.5 in fiscal year 2022-2023.
- Property tax collections were strong compared to the prior year increasing by $18.3 million,

primarily due to timing of collections and higher property assessment values. The collection of specific ownership taxes was slightly higher this year compared to the prior year. Interest rates were high for most of the fiscal year.

- Total expenses of $281.3 million represent a $17.0 million or 6.4 percent increase compared to the prior year. Instructional expenses increased $36.5 million primarily due to Board approved salary increases and math and foreign language curriculum improvements compared to fiscal year 2022–2023. Support services expenses decreased $19.1 million due to category realignment with instruction compared to the prior fiscal year. Interest expenses decreased $0.5 million compared to the prior year due to timing of interest rate increases at the end of last fiscal year.
- Assigned fund balance totals $23.0 million.

Figure A-4 presents a two-year summary of change in net position.

Figure A-4
Change in Net Position from Operating Results (in millions of dollars)

	Primary Government Governmental Activities		Total Percent Change
	2023	**2024**	**2023–2024**
Revenues			
Program revenues			
Charges for services	$11.1	$ 8.9	19.8%
Operating grants/contributions	26.4	26.1	1.1
General revenues			
Property and S.O. taxes	146.0	164.3	12.5
State Equalization aid	68.1	66.0	3.1
Interest and other revenues	10.1	16.9	67.3
Total revenues	261.7	282.2	7.8
Expenses			
Instruction	128.3	164.8	28.4
Support services	121.5	102.5	(15.6)
Interest	14.5	14.0	(3.4)
Total expenses	264.3	281.3	6.4
Change in net position	(2.6)	0.9	(104.6)
Net position (deficit) — beginning of year	(178.2)	(180.8)	
Net position (deficit) — end of year	$(180.8)	$(179.9)	

Figure A-5
Sources of Revenue for Fiscal Year 2024

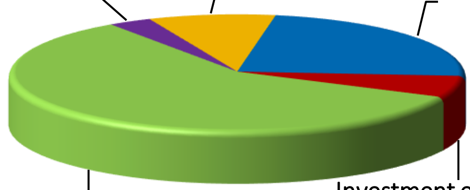
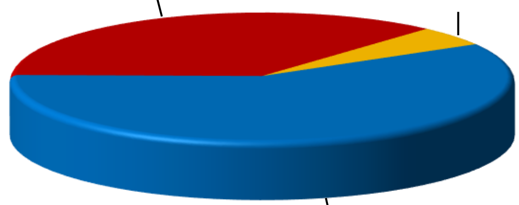


Figure A-6
Expenses for Fiscal Year 2024



Governmental Activities

Revenues increased $20.5 million, or 7.8 percent, to $282.2 million. Total expenses increased $17.0 million to $281.3 million. Revenues exceeded expenses resulting in an $0.9 million increase in net position.

Figure A-7 summarizes the net cost of governmental activities, as presented in the statement of activities in the government-wide financial statements. The table also shows each activity's *net cost* (total cost less fees generated by the activities and other aid provided for specific programs). The net cost shows the financial burden placed on local and state taxpayers for each of the functions. Program revenues of $35.0 million are a much smaller funding source for public school district governmental activities, representing only 12.4 percent of total revenues of $282.2 million.

Figure A-7

Net Cost of Governmental Activities (in millions of dollars)

Function/Program	Total Cost of Services 2023	Total Cost of Services 2024	Percent Change 2023–2024	Net Cost of Services 2023	Net Cost of Services 2024	Percent Change 2023–2024
Instruction	$ 128.3	$ 164.8	28.5%	$ 105.8	$ 144.8	36.9%
Support services	121.5	102.4	(15.7)	106.6	87.4	(18.0)
Interest expense	14.5	14.0	(3.5)	14.5	14.0	(3.5)
Total	$ 264.3	$ 281.3	6.4	$ 226.9	$ 246.2	8.5

Other items of note about governmental activities from the statement of activities are as follows:

- The cost of all governmental activities for the year was $281.3 million.
- Some of the cost was financed by the users of the programs, $8.9 million.
- The federal and state governments, along with private donors, subsidized certain programs with operating grants of $26.1 million.
- Most of the net cost of $246.2 million was financed by general revenues from state and local taxpayers.
- Net cost of governmental services increased $19.3 million, or 8.5 percent, from $226.9 million in the previous year to $246.2 million.
- General revenues totaled $282.2 million, consisting of $164.3 million in property and specific ownership taxes, $66.0 million in state equalization aid, $5.9 million of interest earnings, $11.0 million of other revenue, $8.9 million of charges for services, and $26.1 million in operating grants.
- The resulting increase in governmental activities' net position was $0.9 million.

Financial Analysis of the District's Governmental Funds

As noted earlier, the district uses fund accounting to ensure and demonstrate compliance with GAAP, the SFA, and other related legal requirements. The governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the district's financing requirements.

Fund Analysis

The General Fund, including the Risk Management sub-fund, is a major fund and is the most significant fund of the district. The Capital Projects Fund and the Student Athletic, Activities, and Clubs Fund are supported by the General Fund and recorded transfers out totaling $12.5 million for the year. The Capital Projects—Building Fund is a capital improvement fund used to account for the major capital outlays for district facilities supported by the voter-approved 2018 bond election. These one-time bond proceeds are used for major capital expenditures to replace facilities for the district and were incurred for this fiscal year. The Designated Purpose Grant Fund is supported by grant revenues and the Debt Service Fund by voter-approved property tax mill levies to meet general obligation debt service requirements. The Extended Day Care Program Fund is supported by tuition, while the Nutrition Services Fund receives funding from federal grants along with sales of breakfasts and lunches. The operations and technology fund was created on January 1, 2021, and is funded by the Debt-Free Schools Mill Levy that was passed by the voters in November 2020. Expenditures eligible for this fund include ongoing building maintenance, capital improvements, and technology expenditures.

Total General Fund school finance program funding, which includes property taxes, specific ownership taxes, and state equalization for fiscal year 2023–2024, was impacted by the state's cost-of-living increase, a negative per-pupil budget stabilization factor of 1.54 percent, and slightly lower enrollment.

- Overall, the combined General Fund and Risk Management sub-fund reported revenue of $198.4 million for fiscal year 2023–2024, which was $15.4 million higher when compared to the previous year. This increase is primarily due to increased property and specific ownership taxes and insurance claim reimbursements.
- Expenditures reported in the combined General Fund and Risk Management sub-fund increased $4.1 million to $181.0 million for fiscal year 2023–2024. Net transfers to other funds increased $5.8 million to $12.6 million when compared to the prior year due to the transfer from the Risk Management fund to the Capital Projects fund for hail damage loss proceeds. Expenditures included salaries and benefits, new school start-ups, and one-time student and staff spending. The fund balance increased $5.0 million for fiscal year 2023–2024.

District management intends to continue to review current resources compared to budgeted expenditures in order to maintain an adequate fund balance. Administration, with Board approval, will make the necessary long-term budgetary adjustments in order to achieve a continued healthy financial outlook.

The Capital Projects—Building Fund expenditures totaled $28.8 million related to major capital construction projects and district facility upgrades. This resulted in a decrease in fund balance of $26.1 million.

General Fund Budget

Current General Fund expenditures, including the Risk Management sub-fund, totaled $181.0 million or 99.9 percent of the budget compared to 84.3 percent of budget the prior year. Budget carryovers are allowed by policy in various operating areas. The unspent expenditure amounts at the end of 2023–2024 is mostly due to the under-spending of the final budget that will be rolled into the subsequent year. The district's contingency budget represents the majority of unspent appropriation and anticipated ending fund balance. The final budget reported a contingency reserve of $27.7 million, which represents 13.6 percent of budgeted expenditures. Revenues of the General Fund amounted to 105.6 percent of budgeted revenues.

Capital Assets and Long-Term Debt

Capital Assets

As shown in Figure A-8, total primary government capital assets, net of depreciation, increased a net $1.0 million to $340.5 million compared to the previous year. This was the result of $17.9 million of depreciation expense, $2.3 million of net asset disposals, $102.4 million of asset capitalization, and $81.1 million of net change in construction in progress. Asset additions consisted of building improvements, buildings, equipment, and vehicles.

Figure A-8
Capital Assets (net of depreciation, in millions of dollars)

	Total Primary Government Governmental Activities 2023	2024	Dollars Change 2023–2024
Land	$ 10.6	$ 10.6	$ 0.0
Land improvements	9.1	7.9	(1.2)
Buildings	221.9	304.1	82.2
Equipment	4.6	5.4	0.8
Vehicles	2.3	2.7	0.4
Leases	0.4	0.3	(0.1)
Construction in progress	90.6	9.5	(81.1)
Total	$ 339.5	$ 340.5	$ 1.0

More detailed information about capital assets is presented in Note 5, C. Capital Assets, of the financial statements.

Long-Term Debt

At the end of fiscal year 2024, the district had $392.9 million in general obligation (G.O.) bonds and other long-term debt outstanding, a decrease of $23.3 million, as shown in Figure A-9. The outstanding G.O. bonds as of June 30, 2024, consisted of the 2013 G.O. bonds of $50.0 million, 2014 G.O. bonds of $17.0 million, 2015 G.O. bonds of $15.6 million, and the 2019 G.O. bonds of $254.4 million and the 2020 G.O. refunding bonds of $7.8 million.

More detailed information about long-term liabilities is presented in Note 6 - Long-term Debt, of the financial statements.

Figure A-9
Outstanding Long-Term Debt (in millions of dollars)

	Governmental Activities 2023	Governmental Activities 2024	Dollars Change 2023–2024	Credit Rating Moody's Underlying Rate
General obligation (G.O.) bonds	$ 364.2	$ 344.8	$ (19.4)	Aa2
Premium on G.O. bonds	47.2	42.7	(4.5)	
Accreted interest	1.9	2.3	0.4	
Leases	0.4	0.3	(0.1)	
Compensated absences	2.5	2.8	0.3	
Total	$ 416.2	$ 392.9	$ (23.3)	

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the district contemplated the following factors that could significantly affect its financial health in the future.

- While the economy continues to navigate challenges like inflation, labor market issues, and housing, the economic outlook continues to emerge with a mix of strengths and challenges. Slowing employment growth and reduced inflationary pressures have prompted the Federal Reserve to ease monetary policy with interest rate cuts beginning in September 2024.
- The state's General Assembly incorporated a statewide base per-pupil revenue (PPR) increase of 5.2 percent for inflation and repealed the budget stabilization factor.
- Due to state funding changes, it is projected that the district's per-pupil funding will increase 4.9 percent to $139.9 million when compared to 2023–2024 budget of $133.4 million.
- The district received Elementary and Secondary School Emergency Relief (ESSER) funds, which provided one-time grant funding to education to support expenses incurred due to COVID-19. The district received $5.1 million allocated from the ESSER grant at inception. Allowable uses for these funds include complying with state and local public health orders, planning and implementing remote learning, recovering plans from lost learning time, meeting mental health needs, purchasing sanitation supplies, and providing other services necessary to limit the transmission of the COVID-19 virus. The district accounted for revenue and expenditures of this grant in its Designated Purpose Grants Fund. Fiscal year 2024–2025 will be the final year for this spending.
- The 2024–2025 budget has an average 6.78 percent salary increase for licensed staff, 5.5 percent for classified staff, and 5.5 percent for administrative staff. Health benefits increased 3.5 percent.
- Major projects for fiscal year 2024–2025 for the Operatons and Technology fund include concluding the construction at the Littleton District Stadium. Projects for the building fund for 2024–2025 include AEA compliant restroom renovations, a secure vestibule at the ESC, and various projects throughout the district. A citizen's oversight committee will continue to review the use of these dollars to ensure that the funding is used for the purposes that were represented to the voters.
- In August 2020, the Board approved language for a Debt-Free Schools Mill Levy to be placed on the November 2020 ballot. The question asked voters to approve a tax increase of $12 million, or no more than six mills, for collection starting in 2021. One additional mill can be approved by the Board each year, not to exceed 11 mills in total. The passage of this mill levy override will allow the district to cover ongoing building maintenance, capital improvements, and technology expenditures, thereby freeing up General Fund dollars for purposes such as continuing to attract and retain quality teachers; maintaining counselors and mental health support; and providing career, technical, and skilled trade programming. The 2024–2025

Adopted Budget included revenue from one additional mill along with the corresponding expenditures to be approved by the Board in December 2024.

- On September 4, 2024, the District refunded the outstanding Series 2013 bonds, a portion of the Series 2014 and 2020 bonds resulting in a Refunding Bond Series 2024 in the amount of $61.2 million. The gross savings to the taxpayers was $8.7 million with a net present value savings of $7.3 million or 10.7 percent of the refunded bonds.
- On August 26, 2024, the Govenor called a special Legislative session to review property tax ballot initiatives and solutions for taxpayer relief. Colorado lawmakers passed House Bill 1001 which removes Initiative 108 and 50 from the November ballot. For tax year 2025, residential tax rates are reduced for school districts to 7.05 percent with a property tax cap of 12.0 percent over two years for school districts.

Contacting the District's Financial Management

This financial report is designed to provide the district's citizens, taxpayers, customers, investors, and creditors with a general overview of the district's finances and to demonstrate the district's accountability for the money it receives and spends. If you have questions about this report or need additional financial information, please contact the Finance Office, Littleton Public Schools, 5776 South Crocker Street, Littleton, CO 80120. Additional information is available on the district website at www.littletonpublicschools.net.

Arapahoe County School District Number Six

Statement of Net Position

June 30, 2024

	Primary Government: Governmental Activities	Component Units
Assets		
Equity in pooled cash and investments (Note 3)	$ 73,360,399	$ 7,182,468
Receivables:		
Taxes receivable - Net	4,102,933	-
Taxes receivable from the county treasurer	2,195,654	-
Leases receivable	101,180	-
Other receivables	2,041,718	-
Due from other governments	1,269,025	56,857
Inventories	729,995	-
Prepaid expenses and other assets	1,186,303	-
Deposits	74,667	-
Restricted investments (Note 3)	71,579,161	1,715,216
Capital assets:		
Assets not subject to depreciation	20,055,571	1,938,646
Assets subject to depreciation - Net	320,447,155	20,079,369
Total assets	497,143,761	30,972,556
Deferred Outflows of Resources		
Deferred charges on bond refunding (Note 6)	144,275	220,937
Deferred pension costs (Note 10)	92,973,582	4,963,574
Deferred OPEB costs (Note 11)	1,124,866	60,543
Total deferred outflows of resources	94,242,723	5,245,054
Liabilities		
Accounts and contracts payable	14,661,608	128,472
Accrued payroll and other liabilities:		
Accrued salaries and wages	9,036,340	626,010
Accrued interest payable	1,401,526	98,995
Other unearned revenue	1,311,945	13,290
Noncurrent liabilities:		
Due within one year (Note 6)	24,890,571	390,121
Due in more than one year (Note 6)	368,029,139	15,866,518
Net pension liability (Note 10)	319,647,872	17,104,437
Net OPEB liability (Note 11)	7,716,550	414,677
Total liabilities	746,695,551	34,642,520
Deferred Inflows of Resources		
Deferred lease inflows	101,180	-
Deferred pension cost reductions (Note 10)	21,480,551	1,169,107
Deferred OPEB cost reductions (Note 11)	3,074,118	164,920
Total deferred inflows of resources	24,655,849	1,334,027
Net Position (Deficit)		
Net investment in capital assets	(16,115,862)	7,548,079
Restricted:		
Debt service	28,600,539	1,555,216
Nutrition services	4,111,655	-
Emergency reserve under TABOR (Note 9)	5,720,000	359,200
Operations and technology	59,726	-
Capital projects	-	1,495,829
Repair and replacement	-	160,000
Unrestricted	(202,340,974)	(10,877,261)
Total net position (deficit)	**$ (179,964,916)**	**$ 241,063**

	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Governmental Activities: Net (Expense) Revenue and Changes in Net Position	Component Units
Functions/Programs						
Primary government - Governmental activities:						
Instruction	$ 164,789,973	$ 1,196,339	$ 18,832,029	$ -	$ (144,761,605)	$ -
Support services	96,475,941	7,117,044	2,153,868	-	(87,205,029)	-
Nutrition services	5,959,887	572,839	5,151,148	-	(235,900)	-
Interest and fiscal charges	14,040,614	-	-	-	(14,040,614)	-
Total primary government	**$ 281,266,415**	**$ 8,886,222**	**$ 26,137,045**	**$ -**	(246,243,148)	-
Component units - Charter Schools:						
Littleton Academy	$ 6,648,022	$ -	$ 9,052	$ 179,877	-	(6,459,093)
Littleton Preparatory Charter School	6,937,318	112,778	343,992	195,329	-	(6,285,219)
Total component units	**$ 13,585,340**	**$ 112,778**	**$ 353,044**	**$ 375,206**	-	(12,744,312)
General revenue (expense):						
Taxes:						
Property taxes - Levied for general purposes					96,303,976	1,461,516
Property taxes - Levied for debt service					58,891,172	1,276,920
Specific ownership taxes					9,056,027	-
State aid not restricted to specific purposes					66,008,122	9,588,523
Interest and investment earnings					5,916,763	433,066
Loss on sale of capital assets					-	(8,586)
Other					10,951,695	446,228
Total general revenue					247,127,755	13,197,667
Change in Net Position					884,607	453,355
Net Position (Deficit) - Beginning of year					(180,849,523)	(212,292)
Net Position (Deficit) - End of year					**$ (179,964,916)**	**$ 241,063**

Governmental Funds
Balance Sheet

June 30, 2024

	General Fund	Debt Service Fund	Capital Projects - Building Fund	Nonmajor Funds	Total Governmental Funds
Assets					
Equity in pooled cash and investments (Note 3)	$ 56,871,205	$ -	$ -	$ 16,489,194	$ 73,360,399
Receivables:					
Taxes receivable - Net	2,545,991	969,402	-	587,540	4,102,933
Taxes receivable from the county treasurer	1,596,749	372,910	-	225,995	2,195,654
Leases receivable	101,180	-	-	-	101,180
Other receivables	2,041,718	-	-	-	2,041,718
Due from other governments	-	-	-	1,269,025	1,269,025
Inventories	275,140	-	-	454,855	729,995
Prepaid expenses	962,379	-	-	-	962,379
Deposits	74,667	-	-	-	74,667
Restricted investments (Note 3)	-	30,893,893	40,685,268	-	71,579,161
Total assets	**$ 64,469,029**	**$ 32,236,205**	**$ 40,685,268**	**$ 19,026,609**	**$ 156,417,111**
Liabilities					
Accounts and contracts payable	$ 2,628,489	$ -	$ 6,856,042	$ 5,177,077	$ 14,661,608
Accrued payroll and other liabilities	8,319,805	-	-	716,535	9,036,340
Other unearned revenue	155,724	-	-	1,156,221	1,311,945
Total liabilities	11,104,018	-	6,856,042	7,049,833	25,009,893
Deferred Inflows of Resources					
Unavailable revenue property tax revenue	2,545,991	969,402	-	587,540	4,102,933
Deferred lease inflows	101,180	-	-	-	101,180
Total liabilities and deferred inflows of resources	13,751,189	969,402	6,856,042	7,637,373	29,214,006
Fund Balances					
Nonspendable:					
Inventory	275,140	-	-	454,855	729,995
Deposits and prepaids	1,037,046	-	-	-	1,037,046
Restricted:					
Debt service	-	31,266,803	-	-	31,266,803
Capital projects	-	-	33,829,226	-	33,829,226
Nutrition services	-	-	-	3,656,800	3,656,800
Emergency reserve under TABOR (Note 9)	5,720,000	-	-	-	5,720,000
Operations and technology	-	-	-	59,726	59,726
Committed:					
Capital projects	-	-	-	3,944,419	3,944,419
Risk management	5,385,501	-	-	-	5,385,501
Pupil activities	-	-	-	671,069	671,069
Student care services	-	-	-	2,581,917	2,581,917
Assigned:					
Budget carryovers	7,761,037	-	-	-	7,761,037
One-time spending related to staffing needs	6,968,025	-	-	-	6,968,025
Subsequent year expenditures	1,193,875	-	-	-	1,193,875
One-time spending related to student and district needs	7,092,393	-	-	-	7,092,393
Contracts	-	-	-	20,450	20,450
Unassigned	15,284,823	-	-	-	15,284,823
Total fund balances	50,717,840	31,266,803	33,829,226	11,389,236	127,203,105
Total liabilities, deferred inflows of resources, and fund balances	**$ 64,469,029**	**$ 32,236,205**	**$ 40,685,268**	**$ 19,026,609**	**$ 156,417,111**

See notes to financial statements.

Governmental Funds
Reconciliation of the Balance Sheet to the Statement of Net Position

	June 30, 2024
Fund Balances Reported in Governmental Funds	$ 127,203,105
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets (including right-of-use assets) are not financial resources and are not reported in the funds:	
Cost of capital assets (including right-of-use assets)	559,466,313
Accumulated depreciation	(218,963,587)
Net capital assets (including right-of-use assets) used in governmental activities	340,502,726
Receivables that are not collected soon after year end are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds	4,102,933
Other noncurrent assets do not represent current financial resources and are not reported in the funds	223,924
Deferred inflows and outflows related to bond refunding are not reported in the funds	144,275
Bonds payable and lease liabilities are not due and payable in the current period and are not reported in the funds	(390,127,198)
Accrued interest is not due and payable in the current period and is not reported in the funds	(1,401,526)
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:	
Employee compensated absences	(2,792,512)
Net pension liability and related deferred inflows and outflows	(248,154,841)
Retiree health care benefits	(9,665,802)
Total employee fringe benefits not reported as fund liabilities	(260,613,155)
Net Position (Deficit) of Governmental Activities	**$ (179,964,916)**

See notes to financial statements.

Governmental Funds
Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2024

	General Fund	Debt Service Fund	Capital Projects - Building Fund	Nonmajor Funds	Total Governmental Funds
Revenue					
Local sources	$ 121,023,303	$ 37,529,418	$ 2,756,873	$ 29,122,814	$ 190,432,408
State sources	76,792,198	-	-	4,094,655	80,886,853
Federal sources	579,158	-	-	8,655,648	9,234,806
Total revenue	198,394,659	37,529,418	2,756,873	41,873,117	280,554,067
Expenditures					
Current:					
Instruction	119,530,283	-	-	4,605,020	124,135,303
Support services	60,238,781	-	-	30,731,557	90,970,338
Nutrition services	-	-	-	5,919,879	5,919,879
Debt service:					
Principal retirement on bonds and leases (Note 6)	-	19,325,000	-	-	19,325,000
Interest and fiscal charges	-	18,195,704	-	-	18,195,704
Capital outlay	1,238,338	-	28,808,566	14,673,779	44,720,683
Total expenditures	181,007,402	37,520,704	28,808,566	55,930,235	303,266,907
Excess of Revenue Over (Under) Expenditures	17,387,257	8,714	(26,051,693)	(14,057,118)	(22,712,840)
Other Financing Sources (Uses)					
Transfers in (Note 4)	254,772	-	-	12,647,239	12,902,011
Transfers out (Note 4)	(12,647,239)	-	-	(254,772)	(12,902,011)
Total other financing (uses) sources	(12,392,467)	-	-	12,392,467	-
Net Change in Fund Balances	4,994,790	8,714	(26,051,693)	(1,664,651)	(22,712,840)
Fund Balances - Beginning of year	45,723,050	31,258,089	59,880,919	13,053,887	149,915,945
Fund Balances - End of year	**$ 50,717,840**	**$ 31,266,803**	**$ 33,829,226**	**$ 11,389,236**	**$ 127,203,105**

See notes to financial statements.

Governmental Funds
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities

Year Ended June 30, 2024

Net Change in Fund Balances Reported in Governmental Funds	$ (22,712,840)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capitalized capital outlay	21,223,956
Depreciation expense (Note 5)	(17,843,155)
Net book value of assets disposed of (Note 5)	(2,349,637)
Total	1,031,164
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	1,471,966
Repayment of bond principal and leases is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt and leases); amortization of premium/discounts and inflows/outflows related to bond refunding are not expenses in the governmental funds	23,432,517
Interest expense is recognized in the government-wide statements as it accrues	76,561
Some employee costs (pension, OPEB, and compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	(2,414,761)
Change in Net Position of Governmental Activities	**$ 884,607**

Component Units
Statement of Net Position

June 30, 2024

	Littleton Academy	Littleton Preparatory Charter School	Total
Assets			
Cash and cash equivalents	$ 3,340,211	$ 3,842,257	$ 7,182,468
Due from other governments	14,810	42,047	56,857
Restricted investments	927,659	787,557	1,715,216
Capital assets:			
Assets not subject to depreciation	1,019,806	918,840	1,938,646
Assets subject to depreciation - Net	14,700,476	5,378,893	20,079,369
Total assets	20,002,962	10,969,594	30,972,556
Deferred Outflows of Resources			
Deferred charges on bond refunding	220,937	-	220,937
Deferred pension costs	2,299,182	2,664,392	4,963,574
Deferred OPEB costs	27,832	32,711	60,543
Total deferred outflows of resources	2,547,951	2,697,103	5,245,054
Liabilities			
Accounts payable	37,109	91,363	128,472
Accrued payroll and other liabilities	367,112	357,893	725,005
Other unearned revenue	1,500	11,790	13,290
Noncurrent liabilities:			
Due within one year	205,047	185,074	390,121
Due in more than one year:			
Net pension liability	7,905,392	9,199,045	17,104,437
Net OPEB liability	190,849	223,828	414,677
Due in more than one year	9,985,265	5,881,253	15,866,518
Total liabilities	18,692,274	15,950,246	34,642,520
Deferred Inflows of Resources			
Deferred pension cost reductions	531,591	637,516	1,169,107
Deferred OPEB cost reductions	76,029	88,891	164,920
Total deferred inflows of resources	607,620	726,407	1,334,027
Net Position (Deficit)			
Net investment in capital assets	6,678,566	869,512	7,548,078
Restricted:			
Debt service	927,659	627,557	1,555,216
Emergency reserve under TABOR	168,600	190,600	359,200
Capital projects	857,723	638,106	1,495,829
Repair and replacement	-	160,000	160,000
Unrestricted	(5,381,529)	(5,495,731)	(10,877,260)
Total net position (deficit)	**$ 3,251,019**	**$ (3,009,956)**	**$ 241,063**

See notes to financial statements.

Component Units Statement of Activities

Year Ended June 30, 2024

	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Littleton Academy	Net (Expense) Revenue and Changes in Net Position: Littleton Preparatory Charter School	Net (Expense) Revenue and Changes in Net Position: Total
Functions/Programs							
Littleton Academy:							
Instruction	$ 3,865,989	$ -	$ 9,052	$ -	$ (3,856,937)	$ -	$ (3,856,937)
Support services	2,468,938	-	-	179,877	(2,289,061)	-	(2,289,061)
Interest and fiscal charges	313,095	-	-	-	(313,095)	-	(313,095)
Total Littleton Academy	6,648,022	-	9,052	179,877	(6,459,093)	-	(6,459,093)
Littleton Preparatory Charter School:							
Instruction	4,751,873	-	343,992	-	-	(4,407,881)	(4,407,881)
Support services	1,863,608	112,778	-	195,329	-	(1,555,501)	(1,555,501)
Community services	24,575	-	-	-	-	(24,575)	(24,575)
Interest and fiscal charges	297,262	-	-	-	-	(297,262)	(297,262)
Total Littleton Preparatory Charter School	6,937,318	112,778	343,992	195,329	-	(6,285,219)	(6,285,219)
Total component units	**$ 13,585,340**	**$ 112,778**	**$ 353,044**	**$ 375,206**	(6,459,093)	(6,285,219)	(12,744,312)
General revenue (expense):							
Taxes - District mill levy					1,276,920	1,461,516	2,738,436
Per pupil revenue					4,661,936	4,926,587	9,588,523
Interest and investment earnings					208,103	224,963	433,066
Loss on sale of capital assets					(8,586)	-	(8,586)
Other					286,282	159,946	446,228
Total general revenue					6,424,655	6,773,012	13,197,667
Change in Net Position					(34,438)	487,793	453,355
Net Position (Deficit) - Beginning of year					3,285,457	(3,497,749)	(212,292)
Net Position (Deficit) - End of year					**$ 3,251,019**	**$ (3,009,956)**	**$ 241,063**

Note 1 - Nature of Business

Arapahoe County School District Number Six (the "School District") is a school district in the state of Colorado that provides educational services to students.

Note 2 - Significant Accounting Policies

Accounting and Reporting Principles

The School District follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board. The following is a summary of the significant accounting policies used by the School District:

Reporting Entity

The School District is governed by an elected five-member Board of Education. The accompanying financial statements present the School District and its component units, entities for which the School District is considered to be financially accountable. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the School District.

Discretely Presented Component Units

The School District's charter schools consist of two separately authorized charters: Littleton Academy and Littleton Preparatory Charter School. Charter schools are public schools authorized by the State of Colorado to provide alternatives for parents, pupils, and teachers. The charter schools are organized as legal entities, each with a separate governing board. However, the School District must approve all charter school applications. Funding, as required by law, flows from the Colorado Department of Education through the School District to the charter schools on a monthly basis. The charter schools are discretely presented as component units because of the significance of their financial relationship with the School District and the services they provide to district students. Separate financial statements for each of the charter schools can be found at the following websites:

- www.academy.littletonpublicschools.net
- www.littletonprep.littletonpublicschools.net

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The individual fund columns present their activities on the modified accrual basis of accounting, as discussed above, which demonstrates accountability for how the current resources have been spent. The government-wide columns are presented on the economic resources measurement focus and the full accrual basis of accounting in order to measure the cost of providing government services and the extent to which constituents have paid the full cost of government services.

On the full accrual basis of accounting, revenue is 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 revenue 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.

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the School District has spent its resources.

Note 2 - Significant Accounting Policies (Continued)

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care-related costs or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Encumbrance accounting is employed in governmental funds. Encumbrances (purchase orders and contracts) outstanding at year end are reported as restrictions, commitments, or assignments of fund balances and do not constitute expenditures or liabilities because the goods or services have not been received as of year end; the commitments will be reappropriated and honored during the subsequent year. The amount of encumbrances outstanding at year end is $124,149.

Revenue at the fund level is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the School District considers amounts collected within 30 days of year end, or within 90 days for federal grants, to be available for recognition. Revenue not meeting this definition is classified as a deferred inflow of resources.

Excess of Expenditures Over Appropriations in Budgeted Funds

Due to project expenditure timing, expenditures exceeded the Capital Projects Fund appropriations by $277,758 and the Operations and Technology Fund appropriations by $1,787,319.

Fund Accounting

The School District accounts for its various activities in several different funds in order to demonstrate accountability for how it spends certain resources; separate funds allow the School District to show the particular expenditures for which specific revenue is used. The various funds are aggregated into the following broad fund type:

<u>Governmental Funds</u>

Governmental funds include all activities that provide general governmental services that are not business-type activities. Governmental funds can include the General Fund, special revenue funds, debt service funds, capital project funds, and permanent funds. The School District reports the following funds as major governmental funds:

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide government services other than those specifically assigned to another fund.
- The Debt Service Fund accounts for dedicated revenue for the payments of principal and interest on long-term general obligation debt.
- The Capital Projects - Building Fund is a capital improvement fund that accounts for the major capital outlays for school district facilities funded by the voter-approved 2019 general obligation bonds.

Additionally, the School District reports the following nonmajor governmental fund types:

- Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.
- Capital projects funds are used to record bond proceeds or other revenue and the disbursement of invoices specifically designated for acquiring new school sites, buildings, and equipment; technology upgrades; and remodeling and repairs. The funds operate until the purpose for which they were created is accomplished.

Note 2 - Significant Accounting Policies (Continued)

Interfund Activity

During the course of operations, the School District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Specific Balances and Transactions

Deposits and Investments

In order to facilitate the recording of cash transactions and maximize earnings on investments, the School District has combined the cash resources of its funds and maintains accountability for each fund's equity in the pooled cash and investments reported at net asset value, amortized cost, or categorized by level within GASB Statement Nos. 72 and 79.

Receivables

Property taxes levied in 2023 but not yet collected in 2024 are identified as property taxes receivable in the governmental funds balance sheet at June 30, 2024, and are presented net of an allowance for uncollectible taxes. Intergovernmental receivables include amounts due from grantors for specific program grants.

Lessor: The School District determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements. Lease receivables represent the School District's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at the commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and inflow of resources when those options are exercised.

The School District elected to recognize payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

The individual contracts do not provide information about the discount rate implicit in the lease. Therefore, the School District elected to use its incremental borrowing rate to calculate the present value of expected lease payments.

Note 2 - Significant Accounting Policies (Continued)

Inventories, Deposits, and Prepaid Items

All inventories are valued at cost using the average cost method. Inventories are recorded as expenditures when consumed rather than when purchased. The School District deposited an amount with an insurance provider, which is termed deposits.

Expenditures for insurance and similar services extending over more than one accounting period are not allocated between or among accounting periods in the governmental funds and are instead accounted for as expenditures in the period of acquisition (purchase method).

Restricted Assets

As required by state law, a third-party custodian administers the School District's Debt Service Fund. The trust department of a commercial bank serves as custodian, receiving property tax collections directly from the county treasurer, investing money, and making debt service payments. The balance in the bank account is reported as a restricted investment. The Capital Projects - Building Fund has a balance related to general obligation bonds for capital improvements. The balance of this fund is reported as restricted.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the School District as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Maintenance, repairs, and minor renovations are recorded as expenditures when incurred. Major additions and improvements are capitalized.

Capital assets of the primary government and the component units are depreciated using the straight-line method over the following useful lives:

Asset Class	Depreciable Life - Years
Buildings and improvements	8-50
Furniture and equipment	5-20
Vehicles	8-15
Land improvements	10-20

Compensated Absences

School District policy allows unlimited accumulation of vacation leave and unused sick days. Accrued vacation is paid to eligible employees upon termination of employment, limited to two years' accrual. Payment for unused sick days is made upon an employee's retirement, as defined by the School District, not to exceed annual contract days times $52 a day. Each fund liquidates the accrued vacation and sick leave for its respective liabilities.

Deferred Outflows/Inflows of Resources

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

Note 2 - Significant Accounting Policies (Continued)

The School District reports deferred outflows related to deferred charge on refunding in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. See Note 10 for deferred pension outflows of resources and Note 11 for deferred OPEB outflows of resources.

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

The School District reports deferred inflows related to taxes that are levied and measurable and recognized as an inflow of resources in the period the taxes are collected as well as deferred inflows of leases. See Note 10 for deferred pension inflows of resources and Note 11 for deferred OPEB inflows of resources.

Pension

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

Other Postemployment Benefit Costs

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

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums are deferred and amortized over the life of the bond using the straight-line method, which approximates to the effective interest method, and issuance costs are expensed. Bonds payable are reported net of the applicable bond premium.

In the fund financial statements, governmental fund types recognize the face amount of debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs are reported as debt service expenditures.

Lessee: The School District determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statement of net position.

Lease assets represent the School District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease terms or the useful life of the underlying asset.

Note 2 - Significant Accounting Policies (Continued)

Lease liabilities represent the School District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the School District will exercise that option.

The School District elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-of-use lease assets on the statements of net position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the School District elected to use its incremental borrowing rate to calculate the present value of expected lease payments.

State Equalization Aid

State equalization aid is revenue received from the State of Colorado computed in accordance with a funding formula, as defined by state statute. The funding formula considers such factors as pupil enrollment and other revenue sources.

Net Position/Fund Balance

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. In the fund financial statements, governmental funds report fund balances based on financial reporting standards that establish criteria for classifying fund balances into specifically defined classifications to make the nature and extent of constraints more useful and understandable. The classifications comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances may be classified as nonspendable, restricted, committed, assigned, or unassigned.

Net Position

Net position of the School District is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

Net Position Flow Assumption

The School District will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements (as applicable), a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Nonspendable Fund Balance - Amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact, i.e., inventories and prepaids.

Restricted Fund Balance - Amounts that are restricted to specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors, laws, or regulations of other governments or imposed by law through constitutional provisions or enabling legislation that are legally enforceable, i.e., Taxpayer's Bill of Rights (TABOR).

Note 2 - Significant Accounting Policies (Continued)

Committed Fund Balance - Amounts that can only be used for specific purposes pursuant to constraints imposed by the board by resolution. The committed amounts cannot be used for any other purpose unless the board removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

Assigned Fund Balance - Amounts that are constrained by the School District’s intent to be used for specific purposes, including encumbrances, but are neither restricted nor committed. Per board policy, authority is delegated to the superintendent, or the superintendent’s designee, to assign fund balance.

Unassigned Fund Balance - The remaining fund balance after amounts are set aside for other classifications. The board assigns the superintendent or designee the responsibility of accumulating and maintaining a minimum General Fund unassigned fund balance of 5.0 percent of the School District's adopted General Fund revenue budget of the current fiscal year.

The School District has established a policy for its use of restricted and unrestricted fund balances. When expenditures are incurred, the School District uses restricted fund balances first if the expenditure is for a restricted purpose. Unrestricted expenditures are applied to committed, assigned, and unassigned fund balances in that order.

Property Taxes

Property taxes are levied by the board. The levy is based on assessed valuations determined by the county assessor. The levy is set by December 15 by certification to the county treasurer to levy the individual properties as of January 1 of the following year. The county treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or in equal installments at the taxpayers’ election on February 28 and June 15. Delinquent taxpayers are notified in August, and tax sales of the liens on delinquent properties are held in November. The county treasurer remits taxes collected to the School District on a monthly basis.

In the fund financial statements, property taxes are recorded initially as a receivable, net of allowance for doubtful collections, and as a deferred inflow of resources in the year they represent an enforceable lien and are measurable. The deferred inflow of resources is recorded as revenue in the year they are available.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Leases

The School District is a lessor for noncancelable leases of district property and facilities. The School District recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements. Amounts related to leases are not significant for the School District at June 30, 2024.

At the commencement of a lease, the School District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Note 2 - Significant Accounting Policies (Continued)

Key estimates and judgments include how the School District determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- The School District uses the actual rate charged to lessees as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The School District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Upcoming Accounting Pronouncements

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2025.

In December 2023, the Governmental Accounting Standards Board issued Statement No. 102, *Certain Risk Disclosures*, which requires governments to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. It also requires governments to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If certain criteria are met for a concentration or constraint, disclosures are required in the notes to the financial statements. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2025.

In April 2024, the Governmental Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes new accounting and financing reporting requirements, or modifies existing requirements, related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2026.

Note 3 - Deposits and Investments

Deposits and investments are reported in the financial statements as follows:

	Governmental Activities	Component Units
Equity in pooled cash and investments	$ 73,360,399	$ 7,182,468
Restricted investments	71,579,161	1,715,216
Total deposits and investments	$ 144,939,560	$ 8,897,684

Note 3 - Deposits and Investments (Continued)

The School District’s cash and deposit policies are approved by the board and governed by Colorado statutes. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories; eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral, as determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102.0 percent of the uninsured deposits.

Investment policies are governed by Colorado state statutes and the School's own investment policies and procedures. Investments of the School may include:

- U.S. Treasury obligations
- Federal instrumentality securities
- Repurchase agreements with a termination date of 180 days or less
- Time certificates of deposit
- Local government investment pools
- Money market mutual funds
- Commercial paper
- Municipal notes or bonds
- Any other investment that is authorized by state statute

The School District holds shares or interests in government pooled investment funds where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment fund as a practical expedient. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy established by generally accepted accounting principles.

As of June 30, 2024, the School District had investments of approximately $37.7 million in the Colorado Local Government Liquid Asset Trust (the "Trust"). The Trust is an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust operates similarly to a money market fund, and each share is equal in value to $1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. COLOTRUST PRIME invests only in U.S. Treasury and government agencies. COLOTRUST PLUS+ can invest in U.S. Treasury, government agencies, and the highest-rated commercial paper. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. The Trust is rated AAAm by Standard & Poor's and is measured at net asset value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

As of June 30, 2024, the School District invested approximately $68.6 million in the Colorado Surplus Asset Fund Trust (CSAFE) Colorado CORE, an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing CSAFE. CSAFE operates similarly to a money market fund, and each share is equal in value to $2.00. CSAFE is rated AAAf/S1 by Fitch and is valued at fair value. CSAFE records investments at fair value, and the School District records investments in CSAFE at net asset value. There are no unfunded commitments, the redemption frequency is daily, and there is a one-day redemption notice period.

Note 3 - Deposits and Investments (Continued)

As of June 30, 2024, the School District invested approximately $40.4 million in the Colorado Statewide Investment Program (CSIP), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing CSIP. CSIP operates similarly to a money market fund, and each share is equal in value to $1.00. CSIP Liquid Portfolio is rated AAAm by Standard & Poor's and is valued at amortized cost. CSIP Term is rated AAAf by Fitch. It records investments at fair value, and the School District records investments in CSIP Term at net asset value. There are no unfunded commitments, the redemption frequency is daily, and there is a one-day redemption notice period.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment policies are governed by Colorado state statutes and the School District's own investment policies and procedures. At June 30, 2024, the School District does not have investments with custodial credit risk.

Interest Rate Risk

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. The School District’s investment policy limits investment maturities to less than five years as a means of managing its exposure to interest rate risk. The School District investments have a maturity of less than five years. At June 30, 2024, the School District does not have investments with interest rate risk other than those disclosed above.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. State law has various restrictions on a majority of allowable investments and money markets related to ratings by a nationally recognized statistical rating organization. The School District's investment policy does not further limit its investment choices. As of June 30, 2024, the School District's investments were rated AAAm and AAAf by Standard & Poor's.

Concentration of Credit Risk

State statutes generally do not limit the amount the School District may invest in one issuer. The investments individually do not garner greater than 5.0 percent of total investments.

Component Units

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. The charter schools do not have a formal investment policy that limits investment maturities as a means of managing their exposure to fair value losses arising from increasing interest rates. State statutes generally limit the maturity of investment securities to five years from the date of purchase unless the governing board authorized the investment for a period in excess of five years. The charter schools’ investments have a maturity of less than 12 months.

At the Littleton Preparatory Charter School, there were investments of $0.8 million in the Morgan Stanley Government Liquidity Fund (the "Fund"), a money market mutual fund that complies with the Rule 2a-7 definition of a government money market fund. The fund is rated AAAm by Standard & Poor's and valued at amortized cost.

Credit risk for the charter schools is the same as the School District. The charter schools’ investments as of June 30, 2024, were rated AAAm by Standard & Poor’s.

Concentration of Credit Risk

State statutes generally do not limit the amount the charter schools may invest in one issuer.

Note 4 - Interfund Receivables, Payables, and Transfers

Interfund transfers in/out for the year ended June 30, 2024, are as follows:

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	2024
General Fund	Nonmajor funds	$ 12,647,239
Nonmajor funds	General Fund	254,772
	Total	$ 12,902,011

Annually, the School District subsidizes the Student Athletic, Activities, and Club Fund and the Capital Projects Fund by a transfer from the General Fund. The Extended Day Care Program Fund reimbursed the General Fund for the use of facilities.

Note 5 - Capital Assets

Capital asset activity of the School District's governmental activities for the year ended June 30, 2024, are as follows:

	Primary Government				
	Balance July 1, 2023	Reclassifications	Increases	Decreases	Balance June 30, 2024
Capital assets not being depreciated:					
Land	$ 10,592,063	$ -	$ -	$ -	$ 10,592,063
Construction in progress	90,630,029	(97,319,260)	16,152,739	-	9,463,508
Subtotal	101,222,092	(97,319,260)	16,152,739	-	20,055,571
Capital assets being depreciated:					
Buildings and improvements	401,325,416	97,319,260	2,010,048	(7,501,937)	493,152,787
Furniture and equipment	10,201,691	-	1,606,813	(200,804)	11,607,700
Buses and other vehicles	9,672,590	-	1,036,177	(724,868)	9,983,899
Land improvements	23,576,531	-	418,179	-	23,994,710
Lease assets - Land improvements	188,331	-	-	-	188,331
Lease assets - Building improvements	61,114	-	-	-	61,114
Lease assets - Vehicles	103,299	-	-	-	103,299
Lease assets - Equipment	318,902	-	-	-	318,902
Subtotal	445,447,874	97,319,260	5,071,217	(8,427,609)	539,410,742
Accumulated depreciation:					
Buildings and improvements	179,413,794	-	14,762,829	(5,152,300)	189,024,323
Furniture and equipment	5,555,974	-	789,598	(200,804)	6,144,768
Buses and other vehicles	7,420,132	-	615,349	(724,868)	7,310,613
Land improvements	14,490,688	-	1,646,391	-	16,137,079
Lease assets - Land improvements	39,072	-	-	-	39,072
Lease assets - Building improvements	49,901	-	6,735	-	56,636
Lease assets - Vehicles	87,782	-	15,517	-	103,299
Lease assets - Equipment	141,061	-	6,736	-	147,797
Subtotal	207,198,404	-	17,843,155	(6,077,972)	218,963,587
Net capital assets being depreciated	238,249,470	97,319,260	(12,771,938)	(2,349,637)	320,447,155
Net governmental activities capital assets	$ 339,471,562	$ -	$ 3,380,801	$ (2,349,637)	$ 340,502,726

Note 5 - Capital Assets (Continued)

Depreciation and amortization expense was charged to programs of the primary government for the year ended as follows:

Instruction	$ 16,058,840
Support services	1,784,315
Total depreciation and amortization expense	$ 17,843,155

	Component Units			
	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Capital assets not being depreciated:				
Land	$ 1,889,806	$ -	$ -	$ 1,889,806
Construction in progress	11,351,110	48,840	(11,351,110)	48,840
Subtotal	13,240,916	48,840	(11,351,110)	1,938,646
Capital assets being depreciated:				
Buildings and improvements	13,017,191	11,383,765	(12,295)	24,388,661
Furniture and equipment	730,776	-	(502,030)	228,746
Land improvements	107,681	502,030	-	609,711
Lease assets - Equipment	14,972	-	(14,972)	-
Subtotal	13,870,620	11,885,795	(529,297)	25,227,118
Accumulated depreciation:				
Buildings and improvements	4,008,124	866,280	(5,174)	4,869,230
Furniture and equipment	93,499	30,028	(5,230)	118,297
Land improvements	87,362	72,860	-	160,222
Lease assets - Equipment	7,082	1,195	(8,277)	-
Subtotal	4,196,067	970,363	(18,681)	5,147,749
Net capital assets being depreciated	9,674,553	10,915,432	(510,616)	20,079,369
Net governmental activities capital assets	$ 22,915,469	$ 10,964,272	$ (11,861,726)	$ 22,018,015

Note 6 - Long-term Debt

Long-term debt activity for the year ended June 30, 2024, can be summarized as follows:

Governmental Activities

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
Other debt - General obligations	$ 364,166,195	$ -	$ (19,325,000)	$ 344,841,195	$ 20,290,000
Unamortized bond premiums	47,207,593	-	(4,480,571)	42,727,022	4,480,571
Total bonds payable	411,373,788	-	(23,805,571)	387,568,217	24,770,571
Leases	353,830	-	(28,988)	324,842	120,000
Compensated absences	2,519,289	1,874,109	(1,600,885)	2,792,513	-
Accreted interest on bonds	1,976,373	257,767	-	2,234,140	-
Total governmental activities long-term debt	$ 416,223,280	$ 2,131,876	$ (25,435,444)	$ 392,919,712	$ 24,890,571

Note 6 - Long-term Debt (Continued)

The School District had deferred outflows of $144,275 related to deferred charges on bond refunding at June 30, 2024.

Component Units

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Building loan	$ 15,175,000	$ -	$ (305,000)	$ 14,870,000	$ 320,000
Unamortized premium on loan	1,457,451	-	(70,812)	1,386,639	70,121
Leases	4,809	-	(4,809)	-	-
Total component unit long-term debt	$ 16,637,260	$ -	$ (380,621)	$ 16,256,639	$ 390,121

General Obligation Bonds and Contracts

	Primary Government General Obligations		
	Maturing December 1	Interest Rates	Amount Outstanding
$50,000,000 - 2013 G.O. Bond	2037	4.5%-5.0%	$ 50,000,000
$17,000,000 - 2014 G.O. Bond	2038	3.0%-4.0%	17,000,000
$12,998,580 - 2015 G.O. Bond	2038	2.9%-5.0%	15,626,195
$298,870,000 - 2019 G.O. Bond	2043	5.0%-5.5%	254,450,000
$26,370,000 - 2020 G.O. refunding bonds	2024	2.0%-5.0%	7,765,000
Total			$ 344,841,195

Payment of G.O. bonds debt service, including bond principal, is made from the Debt Service Fund. The General Fund typically liquidates compensated absences and lease payments. The General Fund is also typically used to liquidate pension and OPEB liabilities.

Construction Commitments

The School District has active construction projects at year end. The projects include the bond issue and the escrow balance on projects. At year end, the School District's commitments with contractors are as follows:

- The School District has spent to date $35,363,842 and has a remaining commitment of $5,038,273.

Component Unit Leases

The Littleton Preparatory Charter School Building Corporation (the "Corporation") and the Colorado Educational and Cultural Facilities Authority (CECFA) entered into a mortgage loan agreement. Littleton Preparatory Charter School is obligated under a lease agreement to make monthly lease payments to the Corporation for use of the building. The Corporation is required to make semiannual loan payments to the trustee for payment of the bonds. Bond interest payments are due semiannually on June 1 and December 1, with interest accruing at 5.0 percent. Principal payments are due annually on December 1, beginning in 2014 through 2043. There are no assets pledged as collateral in relation to this loan, and the agreement contains a provision that, in an event of default, the principal outstanding may be declared or may become due and payable upon the conditions of the agreement.

Component Unit Intraentity Lease

Littleton Academy and Littleton Preparatory Charter School lease their buildings from their respective building corporations. The leases require monthly payments. Rent expenditure for Littleton Academy and Littleton Preparatory Charter School were $495,675 and $478,250, respectively, for the year ended June 30, 2024, and which included in supporting services expenditures in the General Fund.

Note 6 - Long-term Debt (Continued)

Other Long-term Liabilities

Compensated absences attributable to the governmental activities will be liquidated primarily by the School District and charter schools' General Fund. The claims and judgments liability will generally be liquidated through the School District's Risk Management Fund. That fund will finance the payment of those claims by charging the other funds based on management's assessment of the relative insurance risk that should be assumed by individual funds. The net pension liability and the net OPEB liability will be liquidated from the funds from which the individual employee's salaries are paid, generally the School District and charter schools' General Fund.

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the above bond obligations are as follows:

	Governmental Activities			Component Unit Activities		
	General Obligation Bonds			Direct Borrowings and Direct Placements		
Years Ending June 30	Principal	Interest	Total	Principal	Interest	Total
2025	$ 20,290,000	$ 17,190,050	$ 37,480,050	$ 320,000	$ 649,925	$ 969,925
2026	21,952,615	17,179,234	39,131,849	330,000	635,200	965,200
2027	20,595,000	15,297,650	35,892,650	345,000	619,850	964,850
2028	23,170,000	14,203,600	37,373,600	365,000	603,800	968,800
2029	24,390,000	12,951,438	37,341,438	375,000	586,850	961,850
2030-2034	60,685,000	54,111,375	114,796,375	2,155,000	2,655,050	4,810,050
2035-2039	74,373,580	40,140,658	114,514,238	2,690,000	2,105,450	4,795,450
2040-2044	99,385,000	14,249,812	113,634,812	8,290,000	2,865,675	11,155,675
Total	$ 344,841,195	$ 185,323,817	$ 530,165,012	$ 14,870,000	$ 10,721,800	$ 25,591,800

In September 2024, the School District issued general obligation refunding bonds in the amount of $61,230,000 at an interest rate of 3.47 percent for the purpose of refunding certain maturities from outstanding series 2013, 2014, and 2020 general obligation bonds. This refunding was undertaken to reduce total debt service payments by $8,731,937, with net present value savings of 10.74 percent. The net proceeds of this refunding were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on these general obligation bonds. As a result, these bonds are defeased, and the liability for these bonds will be removed from the 2024-2025 government-wide statement of net position.

Note 7 - Risk Management

The School District is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees.

Note 7 - Risk Management (Continued)

Liability and Property

The School District has a self-insured retention on its general liability, errors and omissions, and auto claims up to $200,000 per occurrence. For claims in excess of $200,000 up to $10,000,000, the School District is a member of the Excess-of-Loss Self-Insurance Pool (ELSIP), a public entity risk pool. ELSIP operates risk management and insurance programs for three participating member school districts. The School District pays an annual premium for its coverage. ELSIP may require additional contributions if it determines the financial condition, including cash flow availability, so necessitates additional contributions. Additionally, the School District purchases cyber liability coverage through American International Group (AIG). The School District self-insures the first $100,000 for each property claim and insures through Travelers additional losses up to approximately $579.5 million. The School District purchases other insurance policies for crime and fiduciary with varying deductibles and limits. Both charter schools participate with the School District for all coverages.

Employee Health Care

All employee health care benefit plans of the School District and the component units are commercially insured.

Workers' Compensation

In 1986, the School District joined with other school districts in the state of Colorado to form the Joint School Districts' Workers' Compensation Self-Insurance Pool (the "Joint Pool"), a public entity risk pool currently operating as a common risk management and insurance program with four participating members. The School District pays an annual premium to the Joint Pool for its workers' compensation coverage. The Joint Pool may require additional contributions if it determines the financial condition, including cash flow availability, so necessitates additional contributions. Each member of the Joint Pool is responsible for $100,000 of each loss. Losses between $100,000 and $550,000 are pooled between the member districts, and losses in excess of $550,000 are reinsured for up to statutory limits. The component units participate with the School District in the Joint Pool.

Note 8 - Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the School District expects such amounts, if any, to be immaterial.

The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the School District's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the School District.

Note 9 - Constitutional TABOR Amendment

In the November 1992 general election, Colorado voters approved an amendment to the Colorado Constitution commonly known as TABOR. This amendment limits the ability of the state and local governments, such as the School District, to increase revenue, debt, and spending. In addition, TABOR requires that the state and local governments obtain voter approval to create any multiple fiscal year direct or indirect debt or other financial obligations without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years.

Note 9 - Constitutional TABOR Amendment (Continued)

In the November 1998 general election, the School District's electorate authorized the School District to collect, retain, and expend all revenue and other funds collected during fiscal year 1999 and each subsequent year from any source, notwithstanding the TABOR limitations. The School District remains subject to TABOR with respect to general mill levy increase restrictions and to the issuance of any new debt without taxpayers' approval. The TABOR amendment is subject to many interpretations, but the School District believes it is in compliance. TABOR requires that an emergency reserve be established. Net position and fund balances of $5,720,000 have been restricted for this emergency reserve at June 30, 2024.

Note 10 - Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description

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

Benefits Provided as of December 31, 2023

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

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

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

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

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

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

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

Note 10 - Defined Benefit Pension Plan (Continued)

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

Disability benefits are available for eligible employees once they reach 5 years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formulas shown above considering a minimum 20 years of service credit, if deemed disabled.

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

Contributions Provisions as of June 30, 2024

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

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

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the School District and charter schools is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the School District and component units were $24,366,802 and $1,290,396, respectively, for the year ended June 30, 2024.

Note 10 - Defined Benefit Pension Plan (Continued)

For the purpose of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute $225 million (actual dollars) direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. The direct distribution from the State was suspended in 2020. To compensate to PERA for the suspension, C.R.S. § 24-51-414 (6-8) required restorative payments, providing an accelerated payment in 2022. In 2022, the state treasurer issued payment for the direct distribution of $225 million plus an additional amount of $380 million. Due to the advanced payment made in 2022, the State reduced the distribution in 2023 to $35 million. Additionally, the newly added C.R.S § 24-51-414(9) provided compensatory payment of $14.561 million for 2023 only.

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

The net pension liability for the SCHDTF was measured as of December 31, 2023, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll forward the TPL to December 31, 2023.

The School District and component units' proportion of the net pension liability was based on the School District's and component units' contributions to the SCHDTF for the calendar year 2023 relative to the total contributions of participating employers and the State as a nonemployer contribution entity.

At June 30, 2024, the School District and component units reported a liability for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the School District and component units as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with School District and component units were as follows:

	Primary Government	Component Units
School District's proportionate share of the net pension liability	$ 319,647,872	$ 17,104,438
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the School District	7,012,611	371,368
Total	$ 326,660,483	$ 17,475,806

At December 31, 2023, the School District's proportion was 1.8086 percent, which was an increase of 0.3989 (28.3 percent change) from its proportion measured as of December 31, 2022.

Note 10 - Defined Benefit Pension Plan (Continued)

For the year ended June 30, 2024, the School District and component units recognized pension expense of $3,831,428 and $202,901, respectively, and revenue of $546,804 and $15,783, respectively, for support from the State as a nonemployer contributing entity. At June 30, 2024, the School and component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government		Component Units	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 15,165,325	$ -	$ 803,112	$ -
Net difference between projected and actual earnings on pension plan investments	22,895,799	-	1,244,098	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	42,626,128	21,480,551	2,257,358	1,169,107
Contributions subsequent to the measurement date	12,286,330	-	659,006	-
Total	$ 92,973,582	$ 21,480,551	$ 4,963,574	$ 1,169,107

The $12,286,330 and $659,006 reported at the School District and component units, respectively, as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30	Primary Government	Component Unit
2025	$ 6,967,777	$ 368,994
2026	17,553,726	929,595
2027	35,040,389	1,855,639
2028	(355,152)	(18,808)

Actuarial Assumptions

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40% -11.00%
Long-term investment rate of return - Net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Postretirement benefit increases	
PERA benefit structure hired prior to January 1, 2007, and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after December 31, 2006*	Financed by the AIR

Note 10 - Defined Benefit Pension Plan (Continued)

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

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

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

Postretirement nondisabled mortality assumptions were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

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

Postretirement nondisabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

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

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

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

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies prepared at least every five years and asset/liability studies performed every three to five years. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in the experience study report dated October 28, 2020.

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

Note 10 - Defined Benefit Pension Plan (Continued)

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

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 %	

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

Discount Rate

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

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

Note 10 - Defined Benefit Pension Plan (Continued)

- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.

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

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 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 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Proportionate share of the net pension liability - Primary government	$ 427,646,897	$ 319,647,872	$ 229,897,674
Proportionate share of the net pension liability - Component units	22,646,962	17,104,437	12,174,725

Pension Plan Fiduciary Net Position

Detailed information about the SCHDTF's FNP is available in PERA's ACFR, which can be obtained at www.copera.org/investments/pera-financial-reports.

Note 11 - Defined Benefit Other Postemployment Benefits Plan

General Information about the OPEB Plan

<u>Plan Description</u>

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

Note 11 - Defined Benefit Other Postemployment Benefits Plan (Continued)

Benefits Provided

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

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

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

PERA Benefit Structure

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

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

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

Contributions

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

Note 11 - Defined Benefit Other Postemployment Benefits Plan (Continued)

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the School District and component units are statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the School District and component units were $1,219,529 and $64,591, respectively, for the year ended June 30, 2024.

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

At June 30, 2024, the School District and component units reported a liability of $7,716,550 and $414,677, respectively, for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll forward the TOL to December 31, 2023. The School District and component units' proportion of the net OPEB liability was based on the School District and component units' contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the School District's proportion was 1.1393 percent, which was an increase of 0.06803 (6.35 percent change) percent from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the School District and component units recognized OPEB cost recovery of $1,689,845 and $90,154, respectively. At June 30, 2024, the School District and component units reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Primary Government		Component Units	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 1,582,745	$ -	$ 83,829
Changes of assumptions or other inputs	90,279	816,820	5,338	45,364
Net difference between projected and actual earnings on OPEB plan investments	238,842	-	12,640	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	189,578	674,553	10,041	35,727
Contributions subsequent to the measurement date	606,167	-	32,524	-
Total	$ 1,124,866	$ 3,074,118	$ 60,543	$ 164,920

Note 11 - Defined Benefit Other Postemployment Benefits Plan (Continued)

The $606,167 and $32,524 within the School District and component units, respectively, reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30	Primary Government	Component Units
2025	$ (940,072)	$ (49,790)
2026	(695,130)	(36,817)
2027	(347,722)	(18,417)
2028	(392,684)	(20,798)
2029	(163,109)	(8,639)
Thereafter	(18,179)	(963)

Actuarial Assumptions

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

	Local Government Division
Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation - Members other than state troopers	3.40% -11.00%
Long-term investment rate of return - Net of OPEB investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates - PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans (1)	7.00% in 2023, gradually decreasing to 4.50% in 2033
Medicare Part A premiums	3.50% in 2023, gradually increasing to 4.50% in 2035

(1) UnitedHealthcare MAPD PPO plans are 0 percent for 2023.

Note 11 - Defined Benefit Other Postemployment Benefits Plan (Continued)

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

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

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

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

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

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

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

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

Note 11 - Defined Benefit Other Postemployment Benefits Plan (Continued)

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

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

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

Preretirement mortality assumptions for the State and Local Government Divisions (members other than state troopers) were based upon the PubG-2010 Employee Table, with generational projection using scale MP-2019.

Preretirement mortality assumptions for state troopers were based upon the PubS-2010 Employee Table, with generational projection using scale MP-2019.

The preretirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table, with generational projection using scale MP-2019.

Preretirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table, with generational projection using scale MP-2019.

Postretirement nondisabled mortality assumptions for the State and Local Government Divisions (members other than state troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019
- Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019

Postretirement nondisabled mortality assumptions for state troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Note 11 - Defined Benefit Other Postemployment Benefits Plan (Continued)

Postretirement nondisabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

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

Postretirement nondisabled mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table, with generational projection using scale MP-2019.

Postretirement nondisabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

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

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

Disabled mortality assumptions for state troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table, with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the rollforward calculation for the trust fund:

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

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

The actuarial assumptions used in the December 31, 2022, valuation were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2022, for the period from January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA board at its November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the experience study report dated October 28, 2020.

Note 11 - Defined Benefit Other Postemployment Benefits Plan (Continued)

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

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

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 %	

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

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current rates:

	1 Percentage Point Decrease in Trend Rates	Current Trend Rates	1 Percentage Point Increase in Trend Rates
Initial PERACare Medicare trend rate	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50	4.50	5.50
Initial Medicare Part A trend rate	2.50	3.50	4.50
Ultimate Medicare Part A trend rate	3.50	4.50	5.50
Net OPEB liability - Primary government	$7,500,589	$7,716,550	$7,963,321
Net OPEB liability - Component units	$397,260	$414,677	$421,768

Note 11 - Defined Benefit Other Postemployment Benefits Plan (Continued)

Discount Rate

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

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

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

Note 11 - Defined Benefit Other Postemployment Benefits Plan (Continued)

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

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

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Proportionate share of the net OPEB liability - Primary government	$ 9,120,921	$ 7,716,550	$ 6,525,646
Proportionate share of the net OPEB liability - Component units	483,709	414,677	345,624

OPEB Plan Fiduciary Net Position

Detailed information about the HCTF's FNP is available in PERA's ACFR, which can be obtained at www.copera.org/investments/pera-financial-reports.

Required Supplementary Information

Budgetary Information

The School District prepares budgets for all funds. During May, the superintendent of schools submits to the Board of Education a proposed budget for all funds for the fiscal year commencing July 1. The budget includes proposed expenditures and the means for financing them.

Notice is provided to taxpayers of the availability for inspection of the proposed budget. Prior to June 30, the budget is adopted by formal resolution of the Board of Education. C.R.S. 22-44-110 (5) allows the Board of Education to review and change the adopted budget, with respect to both revenue and expenditures, at any time prior to January 31.

Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments within any fund and the reallocation of budget line items within any department within any fund rests with the superintendent of schools. Revisions that alter the total expenditures of any fund must be approved by the Board of Education. Appropriations are based on total funds expected to be available in each budget year, including beginning fund balances and reserves, as established by the Board of Education.

Budgets are adopted on a basis consistent with GAAP, with the exception of the on-behalf payments for retirement benefits to Colorado PERA paid by the State of Colorado. Actual amounts in the budget schedules are presented on the same basis in which the board adopts the budgets, which is different than the presentation in the financial statements.

The budgets reported in the accompanying financial statements and schedules as adopted by the Board of Education were done so as authorized.

Appropriations for all funds lapse at the fiscal year end.

The Risk Management Fund is a subfund of the General Fund, and its budget is approved by the Board of Education annually. The statement of revenue, expenditures, and changes in fund balances combines the actual revenue and expenditures of the General Fund and the Risk Management Fund. A budgetary comparison schedule is provided separately for both the General Fund and the Risk Management Fund. The following is a reconciliation of the General Fund actual revenue and expenditures as reported in the statement of revenue, expenditures, and changes in fund balance.

	General Fund	Risk Management Fund	Total
Revenue and transfers - GAAP basis	$ 191,954,338	$ 10,395,093	$ 202,349,431
Expenditures and transfers - GAAP basis	(189,745,993)	(7,608,648)	(182,137,345)
Changes in fund balances - GAAP basis	2,208,345	2,786,445	4,994,790
Fund balance - Beginning - GAAP basis	43,049,327	2,673,723	45,723,050
Fund balance - Ending - GAAP basis	$ 45,257,672	$ 5,460,168	$ 50,717,840

Pension Information

Changes in Plan Provisions

Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the $225 million direct distribution originally scheduled for receipt on July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379 but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the state treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in §24-51-416, plus $10 million from the General Fund, totaling $14.561 million.

As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least 8 months but fewer than 12 months (including, but not limited to, positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.

Benefit Changes

There were no changes of benefit terms in 2023.

Changes in Assumptions

There was no significant changes of assumptions for the reported plan years ended December 31, 2023, or 2022.

Changes in assumptions or other inputs effective for the December 31, 2021, measurement period are as follows:

- The projected benefit payments reflect the lowered annual increase cap from 1.25 percent to 1.00 percent, resulting from the 2020 AAP assessment, effective July 1, 2022.
- Assumptions on employer and employee contributions were updated to include the additional 0.50 percent resulting from the 2020 AAP assessment, effective July 1, 2022.

Changes in assumptions or other inputs effective for the December 31, 2020, measurement period are as follows:

- The price inflation assumption was lowered from 2.40 percent to 2.30 percent, and the wage inflation assumption was lowered from 3.50 percent to 3.00 percent.
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses, from 4.85 percent per year, net of investment expenses.

Salary scale assumptions were revised to align with the revised economic assumptions and to more closely reflect actual experience.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

The preretirement mortality assumption for the State Division (members other than state troopers) was changed to the PubG-2010 Employee Table, with generational projection using scale MP-2019.

The preretirement mortality assumption for the Judicial Division was changed to the PubG-2010(A) Above Median Employee Table, with generational projection using scale MP-2019.

The postretirement nondisabled mortality assumption for the State Division (members other than state troopers) was changed to the PubG-2010 Health Retiree Table, adjusted as follows:

- Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

The postretirement nondisabled mortality assumption for state troopers was changed to the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

The disabled mortality assumptions for the Division Trust Funds (members other than state troopers) was changed to the PubNS-2010 Disabled Retiree Table, with generational projection using scale MP-2019.

The disability mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Disabled Retiree Table, with generational projection using scale MP-2019.

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

Changes in assumptions or other inputs effective for the December 31, 2019, measurement period are as follows:

- The assumption used to value the annual increase (AI) cap benefit provision was changed from 1.50 percent to 1.25 percent.

Changes in assumptions or other inputs effective for the December 31, 2018, measurement period are as follows:

- The assumed investment rate of return of 7.25 percent was used as the discount rate, rather than using the blended rate of 4.72 percent.

Changes in assumptions or other inputs effective for the December 31, 2017, measurement period are as follows:

- The discount rate was lowered from 5.26 percent to 4.72 percent.

Changes in assumptions or other inputs effective for the December 31, 2016, measurement period are as follows:

- The investment return assumption was lowered from 7.50 percent to 7.25 percent.
- The price inflation assumption was lowered from 2.80 percent to 2.40 percent.
- The real rate of investment return assumption increased from 4.70 percent per year, net of investment expenses, to 4.85 percent per year, net of investment expenses.
- The wage inflation assumption was lowered from 3.90 percent to 3.50 percent.
- The mortality tables were changed from RP-2000 Combined Mortality Table for Males and Females, as appropriate, with adjustments for mortality improvements based on a projection scale of Scale AA to 2020 to RP-2014 White Collar Employee Mortality for active employees, RP-2014 Healthy Annuitant Mortality tables projected to 2020 using the MP-2015 projection scales for retirees, or RP-2014 Disabled Retiree Mortality Table for disabled retirees.
- The discount rate was lowered from 7.50 percent to 5.26 percent.

There were no changes in terms or assumptions for the December 31, 2015, measurement period for pension compared to the prior year.

There were no changes in terms or assumptions for the December 31, 2014, measurement period for pension compared to the prior year.

Changes in assumptions or other inputs effective for the December 31, 2013, measurement period are as follows:

- The investment return assumption was lowered from 8.00 percent to 7.50 percent.
- The price inflation assumption was lowered from 3.50 percent to 2.80 percent.
- The wage inflation assumption was lowered from 4.25 percent to 3.90 percent.

OPEB Information

<u>Changes in Plan Provisions</u>

As of the December 31, 2023, measurement date, the fiduciary net position (FNP) and related disclosure components for the Health Care Trust Fund (HCTF) reflect payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. As of December 31, 2023, PERA recognized two additions for accounting and financial reporting purposes: a $24 million payment received on December 4, 2023, and a $2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were $1.033 million and $24.967 million, respectively.

<u>Benefit Changes</u>

There were no changes of benefit terms in 2023.

Changes in Assumptions

There were no significant changes of assumptions for the reported plan year ended December 31, 2023.

Changes in assumptions or other inputs effective for the December 31, 2022, measurement period are as follows:

- The timing of the retirement decrement was adjusted to middle of year.
- There were no significant changes of assumptions for each of the reported plan years ended December 31, 2021.

Changes in assumptions or other inputs effective for the December 31, 2020, measurement period are as follows:

- The price inflation assumption was lowered from 2.40 percent to 2.30 percent, and the wage inflation assumption was lowered from 3.50 percent to 3.00 percent.
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses, from 4.85 percent per year, net of investment expenses.
- Salary scale assumptions were revised to align with the revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

The preretirement mortality assumption for the State Division (members other than state troopers) was changed to the PubG-2010 Employee Table, with generational projection using scale MP-2019.

The preretirement mortality assumption for the Judicial Division was changed to the PubG-2010(A) Above Median Employee Table, with generational projection using scale MP-2019.

The postretirement nondisabled mortality assumption for the State Division (members other than state troopers) was changed to the PubG-2010 Health Retiree Table, adjusted as follows:

- Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

The postretirement nondisabled mortality assumption for the state troopers was changed to the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

The postretirement nondisabled mortality assumption for the Judicial Division was changed to the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table, with generational projection using scale MP-2019.

The postretirement nondisability beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:

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

The disabled mortality assumption for the Division Trust Funds (members other than state troopers) was changed to the PubNS-2010 Disabled Retiree Table, with generational projection using scale MP-2019.

The disabled mortality assumption for state troopers was changed to the unadjusted PubS-2010 Disabled Retiree Table, with generational projection using scale MP-2019.

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

There were no changes in assumptions or other inputs effective for the December 31, 2019, measurement period for OPEB.

There were no changes in assumptions or other inputs effective for the December 31, 2018, measurement period for OPEB compared to the prior year.

There were no changes in assumptions or other inputs effective for the December 31, 2017, measurement period for OPEB.

Required Supplementary Information
Budgetary Comparison Schedule - General Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Property taxes	$ 89,793,191	$ 89,793,191	$ 95,378,007	$ 5,584,816
Specific ownership taxes	7,929,760	7,929,760	9,056,027	1,126,267
Federal sources	300,000	300,000	579,158	279,158
State equalization aid	68,514,494	68,514,494	66,008,122	(2,506,372)
State education of students with disabilities	7,388,594	7,388,594	6,193,220	(1,195,374)
Other state entitlements	2,142,712	2,142,712	4,590,859	2,448,147
Investment earnings	654,933	654,933	1,357,927	702,994
Other	4,813,500	4,813,500	8,536,246	3,722,746
Total revenue	181,537,184	181,537,184	191,699,566	10,162,382
Expenditures				
Current:				
Instruction	117,878,179	122,822,341	120,127,900	(2,694,441)
Support services:				
Pupil services	13,471,313	14,232,453	11,997,771	(2,234,682)
Instructional staff services	9,679,065	11,372,855	9,807,877	(1,564,978)
General administration	2,491,094	2,567,898	2,486,405	(81,493)
School administration	12,840,842	13,952,704	12,950,089	(1,002,615)
Financial administration	2,034,134	2,302,141	1,833,708	(468,433)
Operations administration	1,307,172	2,191,264	1,920,039	(271,225)
Transportation	6,884,066	6,917,655	7,530,777	613,122
Central administration	6,362,597	9,405,087	8,213,670	(1,191,417)
Community services	256,395	672,549	330,518	(342,031)
Contingency reserve	39,737,245	26,505,155	-	(26,505,155)
Total expenditures	212,942,102	212,942,102	177,198,754	(35,743,348)
Excess of Revenue (Under) Over Expenditures	(31,404,918)	(31,404,918)	14,500,812	45,905,730
Other Financing Sources (Uses)				
Transfers in	300,561	300,561	254,772	(45,789)
Transfers out	(7,712,194)	(7,712,194)	(12,547,239)	(4,835,045)
Total other financing uses	(7,411,633)	(7,411,633)	(12,292,467)	(4,880,834)
Net Change in Fund Balance	(38,816,551)	(38,816,551)	2,208,345	41,024,896
Fund Balance - Beginning of year	38,816,551	38,816,551	43,049,327	4,232,776
Fund Balance - End of year	**$ -**	**$ -**	**$ 45,257,672**	**$ 45,257,672**

See notes to required supplementary information.

Required Supplementary Information
Budgetary Comparison Schedule - Risk Management Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Investment earnings	$ 70,000	$ 70,000	$ 206,870	$ 136,870
Insurance reimbursements and other	1,936,536	1,936,536	6,488,223	4,551,687
Total revenue	2,006,536	2,006,536	6,695,093	4,688,557
Expenditures				
Current services:				
Support services - Risk management	4,191,648	4,191,648	3,808,648	383,000
Contingency reserve	1,205,527	1,205,527	-	1,205,527
Total expenditures	5,397,175	5,397,175	3,808,648	1,588,527
Excess of Revenue (Under) Over Expenditures	(3,390,639)	(3,390,639)	2,886,445	6,277,084
Other Financing Sources (Uses)				
Transfers in	3,700,000	3,700,000	3,700,000	-
Transfers out	(3,800,000)	(3,800,000)	(3,800,000)	-
Total other financing uses	(100,000)	(100,000)	(100,000)	-
Net Change in Fund Balance	(3,490,639)	(3,490,639)	2,786,445	6,277,084
Fund Balance - Beginning of year	3,490,639	3,490,639	2,673,723	(816,916)
Fund Balance - End of year	**$ -**	**$ -**	**$ 5,460,168**	**$ 5,460,168**

See notes to required supplementary information.

Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Colorado Public Employees' Retirement Association

Last Ten Plan Years
For the Plan Years Ended December 31
(Dollar Amounts in Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	1.81000 %	1.41000 %	1.71000 %	1.90000 %	1.79000 %	1.82000 %	2.19000 %	2.21000 %	2.22000 %	2.25000 %
School District's proportionate share of the net pension liability	$ 319,648	$ 256,506	$ 198,717	$ 287,817	$ 267,995	$ 322,173	$ 676,856	$ 629,668	$ 325,723	$ 291,875
State's proportionate share of the net pension liability**	7,013	74,748	22,780	-	33,992	44,053	-	-	-	-
Total	**$ 326,661**	**$ 331,255**	**$ 221,497**	**$ 287,817**	**$ 301,987**	**$ 366,226**	**$ 676,856**	**$ 629,856**	**$ 325,723**	**$ 291,875**
School District's covered payroll	$ 119,557	$ 114,824	$ 106,702	$ 103,372	$ 104,900	$ 100,073	$ 96,531	$ 94,917	$ 93,180	$ 90,761
School District's proportionate share of the net pension liability as a percentage of its covered payroll	267.40 %	223.39 %	186.24 %	278.43 %	255.48 %	321.94 %	701.18 %	663.39 %	349.56 %	321.59 %
Plan fiduciary net position as a percentage of total pension liability	64.70 %	61.80 %	74.90 %	67.00 %	64.52 %	57.01 %	43.96 %	43.10 %	59.20 %	62.80 %

**A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018, based on Senate Bill 18-200. This distribution was suspended for fiscal year 2021 per House Bill 20-1379.

Required Supplementary Information
Schedule of Pension Contributions
Colorado Public Employees' Retirement Association

Last Ten Fiscal Years
Years Ended June 30
(Dollar Amounts in Thousands)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 24,367	$ 21,873	$ 21,295	$ 21,099	$ 20,519	$ 19,631	$ 18,436	$ 17,498	$ 16,843	$ 15,327
Contributions in relation to the statutorily required contribution	24,367	21,873	21,295	21,099	20,519	19,631	18,436	17,498	16,843	15,327
Contribution Excess	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
School District's Covered Payroll	$ 120,358	$ 108,883	$ 107,294	$ 107,516	$ 105,877	$ 102,612	$ 97,621	$ 95,196	$ 94,995	$ 91,217
Contributions as a Percentage of Covered Payroll	20.25 %	20.10 %	19.88 %	19.62 %	19.38 %	19.13 %	18.89 %	18.38 %	17.73 %	16.80 %

See notes to required supplementary information.

Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability
Colorado Public Employees' Retirement Association

Last Eight Plan Years
For the Plan Years Ended December 31
(Dollar Amounts in Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016
School District's proportion of the net OPEB liability	1.14000 %	1.07000 %	1.18000 %	1.16000 %	1.17000 %	1.18000 %	1.24000 %	1.26000 %
School District's proportionate share of the net OPEB liability	$ 7,717	$ 8,741	$ 9,665	$ 10,511	$ 13,177	$ 16,099	$ 15,456	$ 15,585
School District's covered payroll	$ 119,557	$ 114,824	$ 106,702	$ 103,372	$ 104,900	$ 100,073	$ 96,531	$ 94,917
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	6.45 %	7.61 %	9.06 %	10.17 %	12.56 %	16.09 %	16.01 %	16.42 %
Plan fiduciary net position as a percentage of total OPEB liability	46.16 %	38.57 %	39.40 %	32.78 %	24.49 %	17.03 %	17.53 %	16.72 %

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information will be presented for the years available.

Required Supplementary Information
Schedule of OPEB Contributions
Colorado Public Employees' Retirement Association

Last Ten Fiscal Years
Years Ended June 30
(Dollar Amounts in Thousands)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 1,220	$ 1,108	$ 1,094	$ 1,059	$ 1,080	$ 1,047	$ 996	$ 971	$ 968	$ 930
Contributions in relation to the statutorily required contribution	1,220	1,108	1,094	1,059	1,080	1,047	996	971	968	930
Contribution Excess	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
School District's Covered Payroll	$ 120,358	$ 108,883	$ 107,294	$ 107,516	$ 105,877	$ 102,612	$ 97,621	$ 95,196	$ 94,995	$ 91,217
Contributions as a Percentage of Covered Payroll	1.01 %	1.02 %	1.02 %	0.98 %	1.02 %	1.02 %	1.02 %	1.02 %	1.02 %	1.02 %

Other Supplementary Information

Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds						
	Nutrition Services Fund	Designated Purpose Grant Fund	Student Athletic, Activities, and Club Fund	Extended Day Care Program Fund	Capital Projects Fund	Operations and Technology Fund	Total
Assets							
Equity in pooled cash and investments	$ 3,500,765	$ 260,093	$ 848,629	$ 3,266,299	$ 5,934,644	$ 2,678,764	$ 16,489,194
Receivables:							
Taxes receivable - Net	-	-	-	-	-	587,540	587,540
Taxes receivable from the county treasure	-	-	-	-	-	225,995	225,995
Due from other governments	512,939	756,086	-	-	-	-	1,269,025
Inventories	454,855	-	-	-	-	-	454,855
Total assets	**$ 4,468,559**	**$ 1,016,179**	**$ 848,629**	**$ 3,266,299**	**$ 5,934,644**	**$ 3,492,299**	**$ 19,026,609**
Liabilities							
Accounts and contracts payable:							
Accounts payable	$ 52,292	$ 166,724	$ 104,524	$ 18,279	$ 1,901,447	$ 2,534,877	$ 4,778,143
Retainage payable	-	-	-	-	88,778	310,156	398,934
Accrued payroll and other liabilities	159,819	238,286	51,301	267,129	-	-	716,535
Other unearned revenue	144,793	611,169	1,285	398,974	-	-	1,156,221
Total liabilities	356,904	1,016,179	157,110	684,382	1,990,225	2,845,033	7,049,833
Deferred Inflows of Resources - Deferred property tax revenue	-	-	-	-	-	587,540	587,540
Total liabilities and deferred inflows of resources	356,904	1,016,179	157,110	684,382	1,990,225	3,432,573	7,637,373
Fund Balances							
Nonspendable - Inventory	454,855	-	-	-	-	-	454,855
Restricted:							
Nutrition services	3,656,800	-	-	-	-	-	3,656,800
Operations and technology	-	-	-	-	-	59,726	59,726
Committed:							
Capital projects	-	-	-	-	3,944,419	-	3,944,419
Pupil activities	-	-	671,069	-	-	-	671,069
Student care services	-	-	-	2,581,917	-	-	2,581,917
Assigned - Contracts	-	-	20,450	-	-	-	20,450
Total fund balances	4,111,655	-	691,519	2,581,917	3,944,419	59,726	11,389,236
Total liabilities, deferred inflows of resources, and fund balances	**$ 4,468,559**	**$ 1,016,179**	**$ 848,629**	**$ 3,266,299**	**$ 5,934,644**	**$ 3,492,299**	**$ 19,026,609**

Other Supplementary Information
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

Year Ended June 30, 2024

	Special Revenue Funds						
	Nutrition Services Fund	Designated Purpose Grant Fund	Student Athletic, Activities, and Club Fund	Extended Day Care Program Fund	Operations and Technology Fund	Capital Projects Fund	Total
Revenue							
Local sources	$ 752,970	$ -	$ 2,404,916	$ 3,838,179	$ 21,950,063	$ 176,686	$ 29,122,814
State sources	3,046,918	1,047,737	-	-	-	-	4,094,655
Federal sources	2,426,995	6,228,653	-	-	-	-	8,655,648
Total revenue	6,226,883	7,276,390	2,404,916	3,838,179	21,950,063	176,686	41,873,117
Expenditures							
Current:							
Instruction	-	4,605,020	-	-	-	-	4,605,020
Support services	-	2,490,170	4,649,838	3,864,539	19,727,010	-	30,731,557
Nutrition services	5,919,879	-	-	-	-	-	5,919,879
Capital outlay	40,008	181,200	121,114	295,665	6,712,614	7,323,178	14,673,779
Total expenditures	5,959,887	7,276,390	4,770,952	4,160,204	26,439,624	7,323,178	55,930,235
Excess of Revenue Over (Under) Expenditures	266,996	-	(2,366,036)	(322,025)	(4,489,561)	(7,146,492)	(14,057,118)
Other Financing Sources (Uses)							
Transfers in (Note 4)	-	-	1,835,239	-	-	10,812,000	12,647,239
Transfers out (Note 4)	-	-	-	(254,772)	-	-	(254,772)
Total other financing sources (uses)	-	-	1,835,239	(254,772)	-	10,812,000	12,392,467
Net Change in Fund Balances	266,996	-	(530,797)	(576,797)	(4,489,561)	3,665,508	(1,664,651)
Fund Balances - Beginning of year	3,844,659	-	1,222,316	3,158,714	4,549,287	278,911	13,053,887
Fund Balances - End of year	**$ 4,111,655**	**$ -**	**$ 691,519**	**$ 2,581,917**	**$ 59,726**	**$ 3,944,419**	**$ 11,389,236**

Other Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
Designated Purpose Grant Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue				
State sources	$ 1,505,448	$ 1,505,448	$ 1,047,737	$ (457,711)
Federal sources	7,395,545	7,395,545	6,228,653	(1,166,892)
Total revenue	8,900,993	8,900,993	7,276,390	(1,624,603)
Expenditures				
Current:				
Instruction	5,919,160	5,919,160	4,729,654	(1,189,506)
Support services	2,981,833	2,981,833	2,546,736	(435,097)
Total expenditures	8,900,993	8,900,993	7,276,390	(1,624,603)
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of year	-	-	-	-
Fund Balance - End of year	$ -	$ -	$ -	$ -

Other Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued)
Nutrition Services Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue				
Food sales	$ 645,034	$ 645,034	$ 572,833	$ (72,201)
Federal government programs reimbursements	1,642,023	1,642,023	2,104,230	462,207
Donated commodities	275,701	275,701	322,765	47,064
State programs reimbursements	2,924,045	2,924,045	3,046,918	122,873
Investment earnings	95,000	95,000	164,406	69,406
Other	8,000	8,000	15,731	7,731
Total revenue	5,589,803	5,589,803	6,226,883	637,080
Expenditures				
Current:				
Salaries and employee benefits	3,111,302	3,111,331	2,963,326	(148,005)
Food costs:				
Purchased food	1,610,000	1,863,129	2,332,115	468,986
Donated commodities	275,701	275,701	322,765	47,064
Purchased services	325,250	325,221	291,784	(33,437)
Supplies	201,990	201,990	7,649	(194,341)
Equipment	180,015	180,015	40,008	(140,007)
Other	2,500	2,500	2,240	(260)
Contingency reserve	3,023,449	2,770,320	-	(2,770,320)
Total expenditures	8,730,207	8,730,207	5,959,887	(2,770,320)
Excess of Revenue (Under) Over Expenditures	(3,140,404)	(3,140,404)	266,996	3,407,400
Other Financing Sources - Transfers in	116,955	116,955	-	(116,955)
Net Change in Fund Balance	(3,023,449)	(3,023,449)	266,996	3,290,445
Fund Balance - Beginning of year	3,023,449	3,023,449	3,844,659	821,210
Fund Balance - End of year	**$ -**	**$ -**	**$ 4,111,655**	**$ 4,111,655**

Other Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued)
Extended Day Care Program Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue				
Student care fees	$ 4,293,740	$ 4,293,740	$ 3,639,600	$ (654,140)
Interest and rentals	171,750	171,750	179,445	7,695
Other revenue	-	-	19,134	19,134
Total revenue	4,465,490	4,465,490	3,838,179	(627,311)
Expenditures				
Current:				
Salaries and employee benefits	3,258,056	3,261,615	3,362,617	(101,002)
Purchased services	275,304	268,840	244,611	24,229
Supplies	325,268	317,913	209,291	108,622
Equipment	128,813	139,073	295,665	(156,592)
Other	177,488	177,488	48,020	129,468
Contingency reserve	3,048,172	3,048,172	-	3,048,172
Total expenditures	7,213,101	7,213,101	4,160,204	3,052,897
Excess of Expenditures Over Revenue	(2,747,611)	(2,747,611)	(322,025)	2,425,586
Other Financing Uses - Transfers out	(300,561)	(300,561)	(254,772)	45,789
Net Change in Fund Balance	(3,048,172)	(3,048,172)	(576,797)	2,471,375
Fund Balance - Beginning of year	3,048,172	3,048,172	3,158,714	110,542
Fund Balance - End of year	**$ -**	**$ -**	**$ 2,581,917**	**$ 2,581,917**

Other Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued)
Student Athletic, Activities, and Club Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Pupil activities	$ 2,166,378	$ 2,166,378	$ 2,349,220	$ 182,842
Investment earnings	80,655	80,655	55,696	(24,959)
Total revenue	2,247,033	2,247,033	2,404,916	157,883
Expenditures				
Current - Support services	4,067,965	5,190,490	4,770,952	419,538
Contingency reserve	1,220,392	97,867	-	97,867
Total expenditures	5,288,357	5,288,357	4,770,952	517,405
Excess of Expenditures Over Revenue	(3,041,324)	(3,041,324)	(2,366,036)	675,288
Other Financing Sources - Transfers in	1,835,239	1,835,239	1,835,239	-
Net Change in Fund Balance	(1,206,085)	(1,206,085)	(530,797)	675,288
Fund Balance - Beginning of year	1,206,085	1,206,085	1,222,316	16,231
Fund Balance - End of year	**$ -**	**$ -**	**$ 691,519**	**$ 691,519**

Other Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued)
Capital Projects Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Investment earnings	$ 39,037	$ 39,037	$ 61,241	$ 22,204
Gifts to school and other revenue	35,000	35,000	115,445	80,445
Total revenue	74,037	74,037	176,686	102,649
Expenditures				
Capital outlay	5,858,610	12,712,697	7,323,178	5,389,519
Contingency reserve	1,186,810	(5,667,277)	-	(5,667,277)
Total expenditures	7,045,420	7,045,420	7,323,178	(277,758)
Excess of Expenditures Over Revenue	(6,971,383)	(6,971,383)	(7,146,492)	(175,109)
Other Financing Sources - Transfers in	5,860,000	5,860,000	10,812,000	4,952,000
Net Change in Fund Balance	(1,111,383)	(1,111,383)	3,665,508	4,776,891
Fund Balance - Beginning of year	1,111,383	1,111,383	278,911	(832,472)
Fund Balance - End of year	**$ -**	**$ -**	**$ 3,944,419**	**$ 3,944,419**

Other Supplementary Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued)
Operations and Technology Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Property taxes	$ 19,348,087	$ 19,348,087	$ 21,950,063	$ 2,601,976
Interest income	24,185	24,185	-	(24,185)
Total revenue	19,372,272	19,372,272	21,950,063	2,577,791
Expenditures				
Current:				
Salaries and employee benefits	10,602,380	10,602,380	9,059,076	(1,543,304)
Purchased services	3,404,196	4,180,949	4,830,966	650,017
Supplies	3,436,312	4,815,856	4,233,186	(582,670)
Capital outlay	5,278,014	5,179,817	6,712,614	1,532,797
Other	-	140	220	80
Contingency reserve	629,387	(1,428,853)	-	1,428,853
Transfers to charter schools	1,302,014	1,302,014	1,603,562	301,548
Total expenditures	24,652,303	24,652,303	26,439,624	1,787,321
Net Change in Fund Balance	(5,280,031)	(5,280,031)	(4,489,561)	790,470
Fund Balance - Beginning of year	5,280,031	5,280,031	4,549,287	(730,744)
Fund Balance - End of year	**$ -**	**$ -**	**$ 59,726**	**$ 59,726**

Other Supplementary Information
Budgetary Comparison Schedule - Capital Projects - Building Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Interest earnings	$ 613,266	$ 613,266	$ 2,756,873	$ 2,143,607
Total revenue	613,266	613,266	2,756,873	2,143,607
Expenditures				
Capital projects - Building and improvements	38,987,671	38,987,671	28,808,566	(10,179,105)
Contingency reserve	27,539,688	27,539,688	-	(27,539,688)
Total expenditures	66,527,359	66,527,359	28,808,566	(37,718,793)
Net Change in Fund Balance	(65,914,093)	(65,914,093)	(26,051,693)	39,862,400
Fund Balance - Beginning of year	65,914,093	65,914,093	59,880,919	(6,033,174)
Fund Balance - End of year	**$ -**	**$ -**	**$ 33,829,226**	**$ 33,829,226**

Other Supplementary Information
Budgetary Comparison Schedule - Debt Service Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue				
Property taxes	$ 37,164,458	$ 37,164,458	$ 36,395,113	$ (769,345)
Investment earnings	626,934	626,934	1,134,305	507,371
Total revenue	37,791,392	37,791,392	37,529,418	(261,974)
Expenditures				
Debt service:				
Principal	19,325,000	19,325,000	19,325,000	-
Interest and fiscal charges	18,201,151	18,201,151	18,195,704	(5,447)
Bookstore activities	33,303,869	33,303,869	-	(33,303,869)
Total expenditures	70,830,020	70,830,020	37,520,704	(33,309,316)
Net Change in Fund Balance	(33,038,628)	(33,038,628)	8,714	33,047,342
Fund Balance - Beginning of year	33,038,628	33,038,628	31,258,089	(1,780,539)
Fund Balance - End of year	**$ -**	**$ -**	**$ 31,266,803**	**$ 31,266,803**

Statistical Section
(Unaudited)

This part of the Arapahoe County School District Number Six's (the district) Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information i the financial statements, note disclosures, and required supplementary information says about the district's overall financial health.

Contents	Pages
Financial Trends	
These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changed over time.	85-93
Revenue Capacity	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	94-98
Debt Capacity	
These schedules present information to help the reader assess the affordability of the district's current level of outstanding debt and the district's ability to issue additional debt in the future.	99-103
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment in which the district's financial activities take place.	104-106
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the educational services provided and the activities performed.	107-109

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant fiscal year.

Net Position by Component

Last Ten Fiscal Years

June 30, 2024

	2015	2016	2017	2018	2019
Governmental activities:					
Net investment in capital assets	$ 14,567,407	$ 12,428,571	$ 5,825,329	$ 1,847,800	$ 1,147,396
Restricted	14,416,693	15,789,139	16,869,202	19,679,141	26,722,644
Unrestricted	(238,088,742)	(251,710,052)	(352,808,225)	(491,135,868)	(455,914,785)
Total governmental activities net position (deficit)	(209,104,642)	(223,492,342)	(330,113,694)	(469,608,927)	(428,044,745)
Primary government:					
Net investment in capital assets	14,567,407	12,428,571	5,825,329	1,847,800	1,147,396
Restricted	14,416,693	15,789,139	16,869,202	19,679,141	26,722,644
Unrestricted	(238,088,742)	(251,710,052)	(352,808,225)	(491,135,868)	(455,914,785)
Total primary government net position (deficit)	$ (209,104,642)	$ (223,492,342)	$ (330,113,694)	$ (469,608,927)	$ (428,044,745)

Note: GASB 68/71 was adopted effective July 1, 2014; see accompanying Notes to Basic Financial Statements.

Note: GASB 75 was adopted eddective July 1, 2017; see accompanying Notes to Basic Financial Statements.

Note: GASB 84 was adopted eddective July 1, 2019

Net Position by Component

Last Ten Fiscal Years

June 30, 2024

	2020	2021	2022	2023	2024
Governmental activities:					
Net investment in capital assets	$ 8,672,164	$ 15,832,523	$ (1,145,823)	$ (12,249,271)	$ (16,115,862)
Restricted	36,978,173	41,313,358	43,537,878	42,334,638	38,491,920
Unrestricted	(405,151,221)	(316,017,860)	(220,564,131)	(210,934,890)	(202,340,974)
Total governmental activities net position (deficit)	(359,500,884)	(258,871,979)	(178,172,076)	(180,849,523)	(179,964,916)
Primary government:					
Net investment in capital assets	8,672,164	15,832,523	(1,145,823)	(12,249,271)	(16,115,862)
Restricted	36,978,173	41,313,358	43,537,878	42,334,638	38,491,920
Unrestricted	(405,151,221)	(316,017,860)	(220,564,131)	(210,934,890)	(202,340,974)
Total primary government net position (deficit)	$ (359,500,884)	$ (258,871,979)	$ (178,172,076)	$ (180,849,523)	$ (179,964,916)

Note: GASB 68/71 was adopted effective July 1, 2014; see accompanying Notes to Basic Financial Statements.

Note: GASB 75 was adopted eddective July 1, 2017; see accompanying Notes to Basic Financial Statements.

Note: GASB 84 was adopted eddective July 1, 2019

Expenses, Program Revenues, and Net (Expense) Revenue

Last Ten Fiscal Years

June 30, 2024

	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
Instruction	$ 103,545,270	$ 109,313,858	$ 169,532,622	$ 185,027,246	$ 84,903,900
Support services	74,121,159	77,014,745	109,440,454	118,896,968	72,312,065
Interest expense	5,136,295	5,637,212	5,682,433	5,501,741	10,735,526
Total governmental activities expenses	182,802,724	191,965,815	284,655,509	309,425,955	167,951,491
Program Revenues					
Governmental activities:					
Charges for services:					
Direct instruction	1,260,425	1,308,087	1,238,727	1,244,972	1,201,349
Support services	10,328,932	10,585,801	11,059,436	10,840,527	11,581,916
Operating and capital grants and contributions:					
Direct instruction	10,578,555	10,162,428	9,437,377	10,415,285	11,037,389
Support services	3,181,197	2,732,523	2,714,781	2,642,877	2,711,678
Total governmental activities program revenues	25,349,109	24,788,839	24,450,321	25,143,661	26,532,332
Net (Expenses) Revenue					
Total primary government net expense	$ (157,453,615)	$ (167,176,976)	$ (260,205,188)	$ (284,282,294)	$ (141,419,159)

Expenses, Program Revenues, and Net (Expense) Revenue

Last Ten Fiscal Years

June 30, 2024

	2020	2021	2022	2023	2024
Expenses					
Governmental activities:					
Instruction	$ 78,646,819	$ 57,347,969	$ 60,353,810	$ 128,360,627	$ 164,789,973
Support services	75,402,286	50,749,141	89,472,121	121,518,950	102,435,828
Interest expense	16,924,527	14,936,796	14,928,382	14,504,158	14,040,614
Total governmental activities expenses	170,973,632	123,033,906	164,754,313	264,383,735	281,266,415
Program Revenues					
Governmental activities:					
Charges for services:					
Direct instruction	969,777	933,618	1,055,270	1,157,911	1,196,339
Support services	8,087,886	4,459,603	7,618,947	9,917,674	7,689,883
Operating and capital grants and contributions:					
Direct instruction	20,838,810	15,269,219	16,935,654	21,440,591	18,832,029
Support services	3,927,003	4,458,056	7,385,666	4,956,669	7,305,016
Total governmental activities program revenues	33,823,476	25,120,496	32,995,537	37,472,845	35,023,267
Net (Expenses) Revenue					
Total primary government net expense	$ (137,150,156)	$ (97,913,410)	$ (131,758,776)	$ (226,910,890)	$ (246,243,148)

General Revenues and Total Change in Net Position

Last Ten Fiscal Years

June 30, 2024

	2015	2016	2017	2018	2019
Net (Expenses) Revenue					
Total primary government net expense	$ (157,453,615)	$ (167,176,976)	$ (260,205,188)	$ (284,282,294)	$ (141,419,159)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property taxes:					
Property taxes levied for general purposes	61,600,095	68,066,334	67,201,560	72,777,313	72,355,611
Property taxes levied for debt service	10,882,156	12,871,720	12,823,760	14,435,952	25,078,617
Specific ownership taxes	5,675,945	6,049,245	6,445,006	7,012,770	6,957,456
Intergovernmental revenue—unrestricted					
State equalization aid	64,807,999	62,961,971	63,606,020	62,030,988	67,076,082
Investment earnings	197,283	532,626	372,214	624,135	8,260,069
Other	2,387,705	2,307,380	3,135,276	3,003,408	3,255,506
Total governmental activities	145,551,183	152,789,276	153,583,836	159,884,566	182,983,341
Change in Net Position					
Total primary government change in net position (deficit)	$ (11,902,432)	$ (14,387,700)	$ (106,621,352)	$ (124,397,728)	$ 41,564,182

General Revenues and Total Change in Net Position

Last Ten Fiscal Years

June 30, 2024

	2020	2021	2022	2023	2023	2024
Net (Expenses) Revenue						
Total primary government net expense	$ (137,150,156)	$ (97,913,410)	$ (131,758,776)	$ (226,910,890)	$ (226,910,890)	$ (246,243,148)
General Revenues and Other Changes in Net Position						
Governmental activities:						
Property taxes:						
Property taxes levied for general purposes	79,153,711	78,691,778	84,946,631	84,362,872	84,362,872	96,303,976
Property taxes levied for debt service	37,720,882	46,854,188	50,000,918	52,648,214	52,648,214	58,891,172
Specific ownership taxes	7,946,959	8,974,120	8,718,252	9,016,385	9,016,385	9,056,027
Intergovernmental revenue—unrestricted						
State equalization aid	67,591,718	60,360,383	63,964,671	68,133,926	68,133,926	66,008,122
Investment earnings	11,137,940	889,064	(390,409)	5,878,253	5,878,253	5,916,763
Other	1,842,048	2,772,782	5,218,616	4,193,793	4,193,793	10,951,695
Total governmental activities	205,393,258	198,542,315	212,458,679	224,233,443	224,233,443	247,127,755
Change in Net Position						
Total primary government change in net position (deficit)	$ 68,243,102	$ 100,628,905	$ 80,699,903	$ (2,677,447)	$ (2,677,447)	$ 884,607

Arapahoe County School District Number Six

Fund Balances - Governmental Funds

Last Ten Fiscal Years

June 30, 2024

	Fiscal Year				
	2015 (a)	**2016 (b)**	**2017**	**2018**	**2019 (c)**
General Fund					
Nonspendable	$ 427,218	$ 446,501	$ 382,179	$ 499,955	$ 573,831
Restricted	4,350,000	4,490,000	4,520,000	4,630,000	4,950,000
Committed	1,144,012	1,278,391	1,544,826	1,637,643	1,085,875
Assigned	11,532,298	10,060,820	20,503,140	17,067,247	14,327,086
Unassigned—unrestricted	23,464,550	23,837,029	12,554,636	11,363,610	7,946,605
Total general fund	$ 40,918,078	$ 40,112,741	$ 39,504,781	$ 35,198,455	$ 28,883,397
All Other Governmental Funds					
Nonspendable	$ -	$ -	$ -	$ -	$ -
Restricted	57,224,602	39,731,290	20,846,953	17,980,183	382,765,365
Committed	5,240,909	6,006,081	6,492,454	7,065,975	7,982,713
Assigned	53,164	45,772	38,448	44,442	688
Total all other governmental funds	$ 62,518,675	$ 45,783,143	$ 27,377,855	$ 25,090,600	$ 390,748,766

	Fiscal Year				
	2020	**2021 (d)**	**2022**	**2023 (e)**	**2024**
General Fund					
Nonspendable	$ 695,188	$ 632,158	$ 269,919	$ 333,948	$ 1,312,186
Restricted	5,070,000	4,660,000	5,110,000	5,440,000	5,720,000
Committed	1,377,301	2,528,456	4,963,946	2,599,056	5,385,501
Assigned	7,460,324	12,941,180	20,732,652	23,712,093	23,015,330
Unassigned—unrestricted	15,570,726	11,501,099	15,174,388	13,637,953	15,284,823
Total general fund	$ 30,173,539	$ 32,262,893	$ 46,250,905	$ 45,723,050	$ 50,717,840
All Other Governmental Funds					
Nonspendable	$ -	$ -	$ 240,346	$ 714,886	$ 454,855
Restricted	362,306,961	264,509,596	195,761,224	98,818,067	68,812,555
Committed	6,022,499	5,683,297	5,835,220	4,656,311	7,197,405
Assigned	959	1,861	2,691	3,630	20,450
Total all other governmental funds	$ 368,330,419	$ 270,194,754	$ 201,839,481	$ 104,192,894	$ 76,485,265

(a) Fiscal year 2015 the district sold $17 million in G.O. bonds.
(b) Fiscal year 2016 the district sold $13 million in G.O. bonds.
(c) Fiscal year 2019 the district sold $298.9 million in G.O. bonds.
(d) Fiscal year 2021 the district refinanced the majority of outstanding G.O. bonds, Series 2010 on an advance refunding basis.
(e) Fiscal year 2022 Nutrition Services records inventory separate from the General Fund

Governmental Funds, Revenues, Expenditures, and Debt Service Ratio

Last Ten Fiscal Years

June 30, 2024

	2015	2016	2017	2018	2019
Revenues					
Property taxes	$ 72,747,131	$ 80,262,499	$ 80,365,923	$ 85,532,502	$ 98,536,032
Specific ownership taxes	5,675,945	6,049,245	6,445,006	7,012,770	6,957,456
Federal grants	6,872,388	6,399,597	6,725,781	6,525,588	6,538,924
State equalization aid	64,807,999	62,961,971	63,606,020	62,030,988	67,076,082
State education of students with disabilities	2,521,840	2,584,084	2,540,651	2,665,689	2,836,346
Other state entitlements and state grants	2,386,031	2,484,178	2,417,971	3,187,712	3,131,816
Food Sales	1,999,699	2,013,244	2,116,018	2,295,622	2,443,505
Donated Commodities	233,715	246,190	265,199	255,520	257,196
Student Care	4,936,787	5,149,373	5,476,593	5,694,761	6,177,021
Pupil activities	2,181,150	2,178,587	2,160,240	2,248,088	2,332,383
Investment earnings	197,283	532,626	372,214	624,135	8,260,069
State contributions	-	-	-	-	2,616,432
Other	6,119,286	6,032,967	5,883,144	5,274,089	5,844,331
Total revenues	170,679,254	176,894,561	178,374,760	183,347,464	213,007,593
Expenditures					
Instruction	90,180,055	92,505,891	93,727,094	96,231,804	104,784,725
Support services	65,630,762	68,491,757	69,224,107	73,567,884	78,889,400
Capital outlay	22,598,771	39,776,526	22,835,777	8,540,912	10,793,740
Debt service:					
Principal	5,210,000	5,475,000	5,680,000	5,860,000	6,045,000
Interest and fiscal charges	5,492,555	5,922,169	5,921,030	5,740,445	11,195,343
Bond issuance costs	174,525	152,621	-	-	1,582,620
Total expenditures	189,286,668	212,323,964	197,388,008	189,941,045	213,290,828
Other Financing Sources (Uses)					
Bonds issued	17,000,000	15,626,195	-	-	298,870,000
Premium	1,115,552	2,262,339	-	-	60,756,343
Payment to escrow agent	-	-	-	-	-
Leases	-	-	-	-	-
Transfers in	4,707,814	4,446,532	4,434,529	4,572,462	4,145,905
Transfers out	(4,707,814)	(4,446,532)	(4,434,529)	(4,572,462)	(4,145,905)
Total other financing sources (uses)	18,115,552	17,888,534	-	-	359,626,343
Net change in fund balances	$ (491,862)	$ (17,540,869)	$ (19,013,248)	$ (6,593,581)	$ 359,343,108
Debt service as a percentage of noncapital expenditures*	6.2%	6.5%	6.5%	6.3%	8.3%

* Fiscal Year 2022 percentage updated.
Note: GASB 84 was adopted eddective July 1, 2019

Governmental Funds, Revenues, Expenditures, and Debt Service Ratio

Last Ten Fiscal Years

June 30, 2024

	2020	2021	2022	2023	2024
Revenues					
Property taxes	$ 115,828,921	$ 126,881,312	$ 134,581,636	$ 136,581,776	$ 153,723,183
Specific ownership taxes	7,946,959	8,974,120	8,718,252	9,016,385	9,056,027
Federal grants	11,468,764	11,860,428	11,955,122	10,222,909	8,912,040
State equalization aid	67,591,718	60,360,383	63,964,671	68,133,926	66,008,122
State education of students with disabilities	3,383,803	3,436,793	4,035,132	5,014,440	5,646,416
Other state entitlements and state grants	4,979,414	3,701,940	4,568,973	3,185,321	8,685,514
Food Sales	1,954,564	361,088	577,859	2,773,808	572,833
Donated Commodities	249,062	272,074	320,929	309,028	322,765
Student Care	3,142,991	2,073,619	3,761,138	3,888,362	3,639,600
Pupil activities	2,309,779	1,366,502	2,565,554	2,447,358	2,349,221
Investment earnings	11,137,940	889,064	(390,409)	5,878,253	5,916,763
State contributions	2,574,546	-	2,432,089	6,365,659	546,804
Other	4,527,396	4,820,834	7,997,357	7,459,753	15,174,779
Total revenues	237,095,857	224,998,157	245,088,303	261,276,978	280,554,067
Expenditures					
Instruction	104,079,570	105,946,132	109,472,537	123,032,991	124,135,303
Support services	81,863,051	72,139,864	81,992,805	93,518,790	96,867,614
Capital outlay	44,973,989	106,025,202	73,010,132	105,188,396	44,720,683
Debt service:					
Principal	6,230,000	10,310,000	15,146,150	18,561,566	19,347,252
Interest and fiscal charges	21,378,211	20,084,866	19,970,943	19,149,677	18,196,055
Bond issuance costs	-	232,172	-	-	-
Total expenditures	258,524,821	314,738,236	299,592,567	359,451,420	303,266,907
Other Financing Sources (Uses)					
Bonds issued	-	26,370,000	-	-	-
Premium	-	3,443,234	-	-	-
Payment to escrow agent	-	(36,119,466)	-	-	-
Leases	-	-	137,003	-	-
Transfers in	4,597,339	2,789,086	3,810,297	7,134,184	12,902,011
Transfers out	(4,597,339)	(2,789,086)	(3,810,297)	(7,134,184)	(12,902,011)
Total other financing sources (uses)	-	(6,306,232)	137,003	-	-
Net change in fund balances	$ (21,428,964)	$ (96,046,311)	$ (54,367,261)	$ (98,174,442)	$ (22,712,840)
Debt service as a percentage of noncapital expenditures*	12.4%	14.3%	13.7%	12.6%	13.3%

* Fiscal Year 2022 percentage updated.
Note: GASB 84 was adopted eddective July 1, 2019

Arapahoe County School District Number Six

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Assessed Value (a) Residential Property	Commercial Property	Other Property (b)	Total Assessed Value	Total Direct Tax Rate
2015	$ 833,309,337	$ 358,475,451	$ 97,954,968	$ 1,289,739,756	56.601
2016	1,012,764,913	404,052,769	95,202,784	1,512,020,466	53.424
2017	1,017,276,107	406,455,233	96,243,256	1,519,974,596	53.030
2018	1,119,903,286	482,579,061	95,028,781	1,697,511,128	51.166
2019	1,128,771,195	501,536,998	93,577,496	1,723,885,689	56.945
2020	1,315,201,040	548,739,037	111,348,772	1,975,288,849	59.266
2021	1,325,886,090	543,951,238	93,622,542	1,963,459,870	64.744
2022	1,409,196,321	574,824,306	95,026,608	2,079,047,235	64.936
2023	1,381,029,515	571,726,118	94,661,013	2,047,416,646	67.061
2024	1,728,181,943	650,253,875	92,568,944	2,471,004,762	62.847

The assessment rate, expressed as a percent of estimated actual value for all taxable property in Colorado, follows:

Year	Residential	Commercial	Base Year
2015	7.96	29.00	2014
2016	7.96	29.00	2015
2017	7.96	29.00	2016
2018	7.20	29.00	2017
2019	7.20	29.00	2018
2020	7.15	29.00	2019
2021	7.15	29.00	2020
2022	7.15	29.00	2021
2023	6.95	29.00	2022
2024	6.95	29.00	2023

(a) Assessed and estimated actual taxable values are per the Arapahoe County Assessor's Office.
(b) Other property includes vacant land, industrial, agricultural, state assessed, and oil and gas propert

Source: Arapahoe County Assessor's Office

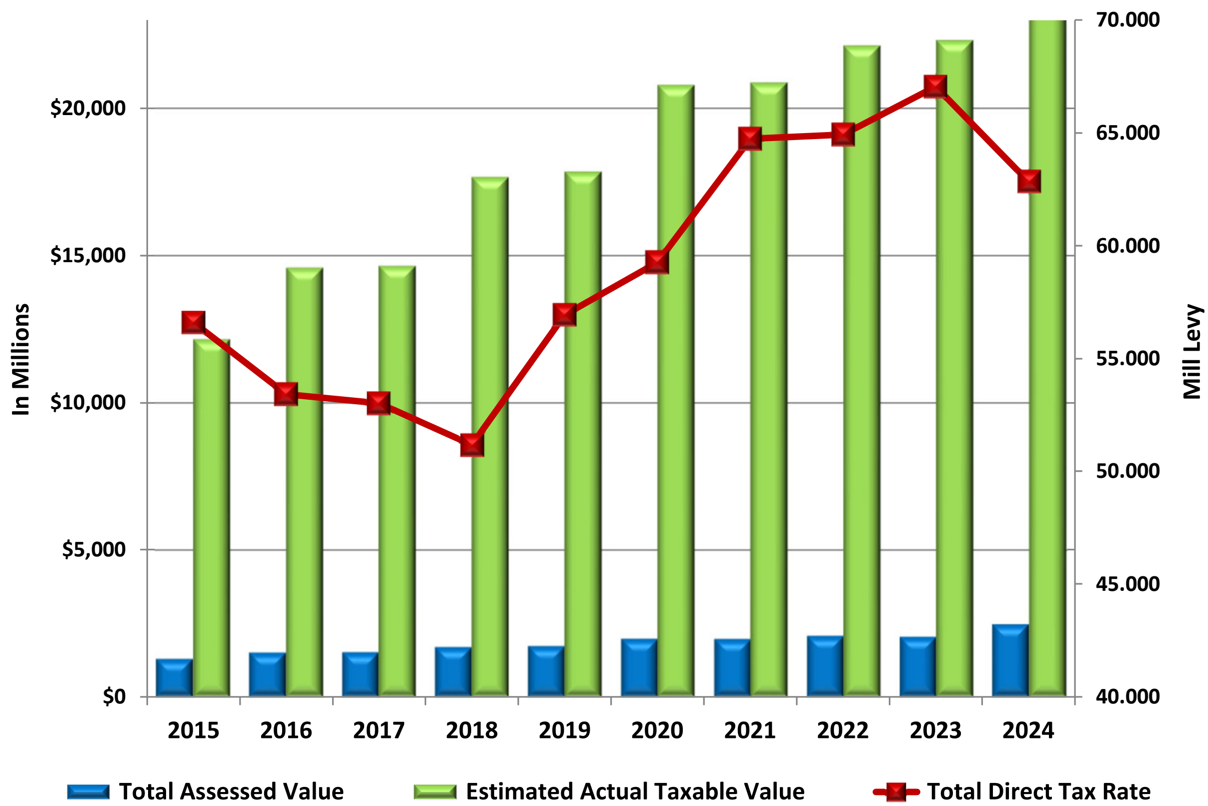
Arapahoe County School District Number Six

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Estimated Actual Taxable Value (a)	Assessed Value as a Percent of Actual Taxable Value
2015	$ 12,155,370,401	10.61 %
2016	14,582,623,716	10.37
2017	14,647,201,908	10.38
2018	17,668,425,091	9.61
2019	17,849,401,924	9.66
2020	20,802,560,159	9.50
2021	20,871,059,970	9.41
2022	22,136,009,050	9.39
2023	22,317,175,214	9.17
2024	28,576,574,426	8.65

Historical Assessed Value and Estimated Actual Value of Taxable Property



(a) Assessed and estimated actual taxable values are per the Arapahoe County Assessor's Office.
(b) Other property includes vacant land, industrial, agricultural, state assessed, and oil and gas property.

Source: Arapahoe County Assessor's Office

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years
(Unaudited)

	Arapahoe County School District Number Six					Overlapping Rates				
Collection Year	General Fund Millage	Bond Redemption Fund Millage		Operations & Technology Fund Millage		Total School District	Total Cities Millage	Total County Millage	Total Special Districts Millage		Grand Totals (a)
2015	48.104	8.497		-		56.601	57.438	16.950	135.957		266.946
2016	44.927	8.497		-		53.424	54.599	14.856	128.855		251.734
2017	44.533	8.497		-		53.030	59.590	15.039	128.112		255.771
2018	42.669	8.497		-		51.166	58.851	13.817	108.716		232.550
2019	42.303	14.642	(b)	-		56.945	59.200	14.301	108.115		238.561
2020	40.132	19.134		-		59.266	51.051	12.685	213.397	(c)	336.399
2021	40.618	18.126		6.000	(d)	64.744	53.511	13.013	215.340		346.608
2022	40.893	17.043		7.000		64.936	53.293	12.762	215.341		346.332
2023	41.292	17.769		8.000		67.061	53.954	13.750	218.739		353.504
2024	38.999	14.848		9.000		62.847	48.413	12.206	526.368	(e)	649.834

(a) The grand total represents the gross millage of all taxing entities within the district boundaries. It is not representative of the mill levy assessed to an individual taxpayer.
(b) Increase in 2019 bond millage results from the 2018 election.
(c) Inclusion of Littleton Village MDs #2 & #3
(d) Passage of Debt-Free Schools Mill Levy in 2020 election resulted in creation of Operations & Technology Fund.
(e) Inclusion of River Park Metropolitan District, Santa Fe Park Metropolitan Districts #1 & #3, Southglenn Metropolitan District, Southglenn Metropolitan District #2, and Wild Plum Metropolitan District.
Source: Arapahoe County Assessor's Office

Arapahoe County School District Number Six

Principal Property Tax Payers

Current and Nine Years Ago
June 30, 2024

Taxpayer	Assessed Valuation	Valuation of $2,471,004,762
Public Service Co. of Colorado	$ 31,898,162	1.29 %
Comcast Cable Communications	21,572,281	0.87
Lumen Centurylink	19,394,830	0.78
National Broadcasting Company	10,472,241	0.42
Aspen GRF2 LLC	9,763,605	0.40
Cherry Hills Marketplace LLC	9,204,489	0.37
National Digital Television Tax Departmer	9,090,657	0.37
GKT Southbridge TC1 LLC	8,978,220	0.36
Market at Southpark 1676 LLC	8,691,129	0.35
Republic National Distributing Company	7,883,703	0.32
Totals	$ 136,949,317	5.54 %

2015

Taxpayer	Assessed Valuation	Percent of Total Assessed Valuation of $1,289,739,756
Qwest Corp.	$ 34,956,855	2.71 %
Public Service Co. of Colorado	19,272,711	1.49
National Digital Television	12,900,914	1.00
Southglenn Property Holdings LLC	6,786,000	0.53
Sprint Nextel Wireless	6,315,813	0.49
Cherry Hills Marketplace LLC	6,136,690	0.48
Aspen Grove Lifestyle Center	5,829,000	0.45
Hillside Farms	5,800,000	0.45
Vermeil Southbridge LLC	5,510,000	0.43
Renco Southbridge LLC	5,510,000	0.43
Blair Southbridge LLC	5,510,000	0.43
Riverside Southbridge LLC	5,510,000	0.43
032476044 (035) ET AL	5,510,000	0.43
Cricket Communications Corp.	2,955,852	0.23
Totals	$ 128,503,835	9.96 %

Source: Arapahoe County Assessor's Office

Property Tax Levies and Collections

Last Ten Calendar Years
(Unaudited)

Calendar Year	Taxes Levied for the Calendar Year	Collected Within the Fiscal Year of the Levy		Collections Subsequent to Fiscal Year End (b)	Total Collections to Date	
		Amount (a)	Percentage of Levy		Amount	Percentage of Levy
2015	$ 73,000,560	$ 71,358,349	97.75	$ 1,094,819	$ 72,453,168	99.25 %
2016	80,778,181	78,786,108	97.53	1,213,133	79,999,241	99.04
2017	80,604,253	78,743,438	97.69	1,159,582	79,903,020	99.13
2018	86,854,854	83,497,350	96.13	2,508,503	86,005,853	99.02
2019	98,166,671	95,578,192	97.36	1,495,025	97,073,217	98.89
2020	117,067,469	113,482,752	96.94	2,185,311	115,668,063	98.80
2021	127,157,810	124,431,962	97.86	1,584,004	126,015,966	99.10
2022	135,005,012	132,411,839	98.08	1,823,889	134,235,728	99.43
2023	137,301,808	134,355,626	97.85	2,060,055	136,415,681	99.35
2024	155,295,236	150,992,122	97.23	2,141,943	153,134,065	98.61

(a) Property tax collection amounts are for current taxes only. In the financial statements, property tax revenue also includes delinquent taxes and interest on current and delinquent taxes. Amounts reported on this schedule yield true percentages of levy.

(b) Only July–August subsequent collections are known at time of publication.

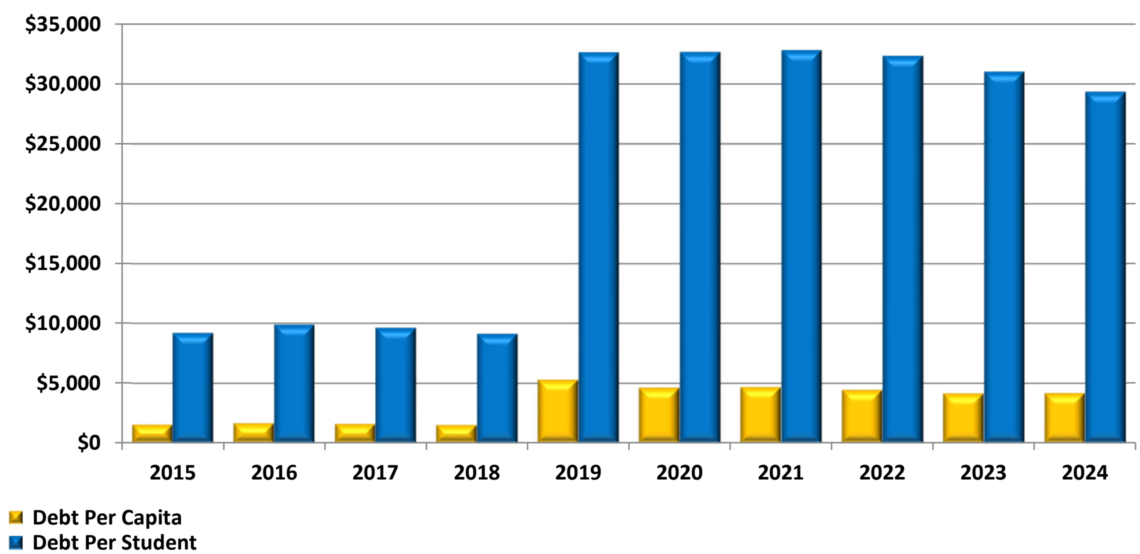
Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Governmental Activities General Obligation Bonds		Governmental Activities Capital Leases		Total Primary Government	Ratio of Debt to Actual Value (a)	Percentage of Personal Income (b)		Debt Per Capita (c)	Per Student (d)
2015	$ 140,803,526		-		$ 140,803,526	9.31	2.90		$ 1,525	$ 9,222
2016	152,383,312	(e)	-		152,383,312	10.02	3.03		1,647	9,914
2017	145,955,327		-		145,955,327	8.60	2.78		1,575	9,646
2018	139,347,343		-		139,347,343	8.08	2.49		1,499	9,129
2019	490,693,458	(f)	-		490,693,458	24.84	8.16		5,263	32,628
2020	479,499,666		-		479,499,666	24.42	6.90		4,600	32,639
2021	456,584,508	(h)	-		456,584,508	21.96	6.28		4,667	32,819
2022	436,472,040		510,396	(i)	436,982,436	21.34	5.77		4,406	32,326
2023	411,373,787		353,830		411,727,617	20.11	-	(g)	4,130	31,008
2024	387,568,217		324,842		387,893,059	15.70	-	(g)	4,141	29,328

Historical Outstanding Debt by Type



(a) See schedule on page 94-95 for assessed property value data.
(b) See schedule on page 104 for personal income data.
(c) See schedule on page 104 for estimated population data.
(d) See schedule on page 104 for October 1 School Enrollment data.
(e) Beginning in 2016, accreted interest on bond sales is included in the General Obligation Bond amounts.
(f) Fiscal year 2019 the district sold $298.9 million in G.O. bonds.
(g) Personal income data for Arapahoe County is not yet available from Bureau of Economic Analysis (BEA).
(h) Fiscal year 2021 the district refunded the majority of the G.O. bonds, Series 2010.
(i) Fiscal year 2022 the district implemented GASB Statement No. 87.

Arapahoe County School District Number Six

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

(Unaudited)

	Governmental Activities								
Fiscal Year	**General Obligation Bonds**	**Capital Leases**	**Less Debt Service Funds Available**	**Net Bonded Debt**	**Percentage of Estimated Actual Value of Taxable Property (a)**	**Percentage of Personal Income (b)**	**Debt Per Capita (c)**	**Per Student (d)**
2015	$ 140,803,526	-	$ 5,475,000	$ 135,328,526	0.93	2.79	$ 1,466	$ 8,863
2016	152,383,312 (e)	-	5,680,000	146,703,312	1.00	2.91	1,587	9,555
2017	145,955,327	-	5,860,000	140,095,327	0.79	2.67	1,511	9,256
2018	139,347,343	-	6,045,000	133,302,343	0.75	2.38	1,434	8,733
2019	490,693,458 (f)	-	6,230,000	484,463,458	2.33	8.06	5,196	32,214
2020	479,499,666	-	10,310,000	469,189,666	2.25	6.75	4,501	31,937
2021	436,472,040 (h)	-	14,985,000	421,487,040	1.90	6.08	4,514	31,742
2022	411,373,787	510,396 (i)	18,405,000	393,479,183	1.76	5.53	4,220	30,964
2023	411,373,787	353,830	19,325,000	392,402,617	1.76	- (g)	3,936	29,553
2024	387,568,217	324,842	20,290,000	367,603,059	1.29	- (g)	3,924	27,794

(a) See schedule on page 94-95 for estimated actual taxable property value data.
(b) See schedule on page 104 for personal income data.
(c) See schedule on page 104 for estimated population data.
(d) See schedule on page 104 for October 1 School Enrollment data.
(e) Beginning in 2016, accreted interest on bond sales is included in the General Obligation Bond amounts.
(f) Fiscal year 2019 the district sold $298.9 million in G.O. bonds.
(g) Personal income data for Arapahoe County is not yet available from Bureau of Economic Analysis (BEA).
(h) Fiscal year 2021 the district refunded the majority of the G.O. bonds, Series 2010
(i) Fiscal year 2022 the district implemented GASB Statement No. 87.

Arapahoe County School District Number Six

Direct and Overlapping Governmental Activities Debt

June 30, 2024
(Unaudited)

Name of Governmental Entity	Debt Amount Outstanding	Percent Applicable to District	Amount Applicable to District
Overlapping Debt:			
Aspen Grove Business Improvement District	$ 3,295,000	97.8 %	$ 3,222,899
Centennial Downs Metropolitan District	2,035,000	98.4	$ 2,001,619
City of Englewood	40,943,849	5.0	$ 2,039,971
Heritage Greens Metropolitan District	1,740,000	99.1	$ 1,723,744
Highline Crossing Metropolitan District	1,871,000	98.8	$ 1,849,274
Wild Plum Metropolitan District	8,415,000	98.9	$ 8,320,367
South Suburban Park and Recreation District	35,020,000	47.7	$ 16,692,735
Southglenn Metropolitan District	56,990,000	99.9	$ 56,929,330
Foxridge General Improvement District	1,690,000	34.4	$ 582,188
Total overlapping debt	151,999,849		93,362,127
Direct Debt:			
Arapahoe County School District Number Six	387,568,217	100 %	387,568,217
Totals	$ 539,568,066		$ 480,930,344

Note: Overlapping Debt is the proportionate share of the debts of local jurisdictions located wholly (part within the boundaries of Littleton Public Schools. The amount of debt applicable to Littleton Pu Schools is computed by:

1) determining what percentage of the total assessed value of the overlapping jurisdiction within the limits of the district, and
2) applying this percentage to the total general obligation debt of the overlapping jurisdiction.

Source: Arapahoe County Assessor's Office, Arapahoe County Finance Office, City of Centennial Finance Office, and City of Littleton Finance Office

Legal Debt Margin Information

Last Ten Fiscal Years

(Unaudited)

	2015	2016	2017	2018	2019
Debt limit	$ 257,947,951	$ 302,404,093	$ 303,994,919	$ 339,502,226	$ 1,216,608,411
Total net debt applicable to limit	140,803,526	152,211,308	145,955,327	139,347,343	490,693,458
Legal debt margin	$ 117,144,425	$ 150,192,785	$ 158,039,592	$ 200,154,883	$ 725,914,953
Total net debt applicable to the limit as a percentage of debt limit	54.59%	50.33%	48.01%	41.04%	40.33%

Note: In accordance with Colorado Revised Statute (C.R.S.) 22-42-104, two calculation options are available for determining the legal debit limit available to the district. The district is allowed to use whichever calculation is greater.

Option 1: Utilized in all years prior to and including 2018, this option allows 20.0 percent of the latest valuation for assessment of the taxable property in the district, as certified by the county assessor to the board of county commissioners. Using this 20.0 percent calculation, the legal debt margin for fiscal year 2018 was $200,154,883.

Option 2: Utilized in 2019–2021, this option allows 6.0 percent of the most recent determination of the actual value of the taxable property in the district, as certified by the county assessor to the board of county commissioners.

(a) Arapahoe County Assessor's Office 2023 Certification Report Actual

Legal Debt Margin Information

Last Ten Fiscal Years

(Unaudited)

Legal Debt Margin
Calculation for Fiscal Year 2024

Actual value	$ 28,576,574,426	(a)
Debt limit (6% of actual value)	1,714,594,466	
Debt applicable to limit	387,568,217	
Legal debt margin	$ 1,327,026,249	

	2020	2021	2022	2023	2024
Debt limit	$ 1,248,153,610	$ 1,252,263,598	$ 1,328,160,543	$ 1,339,030,513	$ 1,714,594,466
Total net debt applicable to limit	479,499,666	456,584,508	436,472,040	411,373,787	387,568,217
Legal debt margin	$ 768,653,944	$ 795,679,090	$ 891,688,503	$ 927,656,726	$ 1,327,026,249
Total net debt applicable to the limit as a percentage of debt limit	38.42%	36.46%	32.86%	30.72%	22.60%

Note: In accordance with Colorado Revised Statute (C.R.S.) 22-42-104, two calculation options are available for determining the legal debit limit available to the district. The district is allowed to use whichever calculation is greater.

Option 1: Utilized in all years prior to and including 2018, this option allows 20.0 percent of the latest valuation for assessment of the taxable property in the district, as certified by the county assessor to the board of county commissioners. Using this 20.0 percent calculation, the legal debt margin for fiscal year 2018 was $200,154,883.

Option 2: Utilized in 2019–2021, this option allows 6.0 percent of the most recent determination of the actual value of the taxable property in the district, as certified by the county assessor to the board of county commissioners.

(a) Arapahoe County Assessor's Office 2023 Certification Report Actual

Demographic and Economic Statistics

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Estimated Population (a)		Per Capita Personal Income (b)		Total Personal Income *(thousands of $)*		October 1 School Enrollment	October 1 Official Pupil Count (c)	Unemployment Rate (d)
2015	92,338		52,545		4,851,900		15,269	14,800	3.6
2016	92,432		54,452		5,033,107		15,353	14,785	3.0
2017	92,699		56,642		5,250,657		15,131	14,735	2.6
2018	92,967		60,180		5,594,754		15,264	14,704	3.0
2019	93,235		64,477		6,011,513		15,039	14,643	2.6
2020	104,247		66,691		6,952,337		14,691	14,673	6.9
2021	97,836	(f)	74,267		7,265,986		13,912	14,514	5.4
2022	99,190		76,304	(e)	7,472,603	(e)	13,518	14,278	3.4
2023	99,698		-	(e)	-	(e)	13,278	13,927	3.1
2024	93,670		-	(e)	-	(e)	13,226	13,754	4.0

Sources:

(a) 2015–2020 population data from Denver Regional Council of Governments (DRCOG).
(b) Bureau of Economic Analysis (BEA), U.S. Department of Commerce, reporting Arapahoe County, CO.
(c) Average funded pupil count is determined from the number of full-time equivalents of pupil enrollment averaged over the last five years.
(d) Bureau of Labor Statistics (BLS) for Arapahoe County, Colorado.
(e) Personal income data is not yet available from BEA.
(f) DRCOG no longer provides population data; effective 2021, population data from U.S. Census Bureau

Principal Employers

Current Year and Nine Years Ago
(Unaudited)

	2024				2015			
	Rank	Employees (a)		Percentage of Employment (b)	Rank	Employees (a)		Percentage of Employment (b)
Arapahoe County	1	2,486		9.55 %	6	522		2.29 %
Littleton Public Schools	2	1,891	(c)	7.26	4	830	(c)	3.64
AdventHealth Littleton	3	1,500		5.76	3	1,243		5.46
Dish Network (EchoStar)	4	1,057		4.06	2	1,543		6.77
Arapahoe Community College	5	955		3.67	5	632		2.77
McDonald Automotive Group	6	794		3.05	9	360		1.58
All Health Network - Center Point	7	593		2.28	10	320		1.40
Republic National Distributing	8	536		2.06	7	425		1.87
City of Littleton	9	327		1.26	8	425		1.87
Life Care Center of Littleton	10	160		0.61	-	-		-
Lumen (Century Link)	-	-		-	1	1,663		7.30

Note: Total employment for the City of Littleton in 2023 was 26,034 and for 2014 was 22,781 per the Bureau of Labor Statics Data.

Source:
(a) City of Littleton Economic Development Department
(b) Bureau of Labor statistics data
(c) Littleton Public Schools-provided employee data

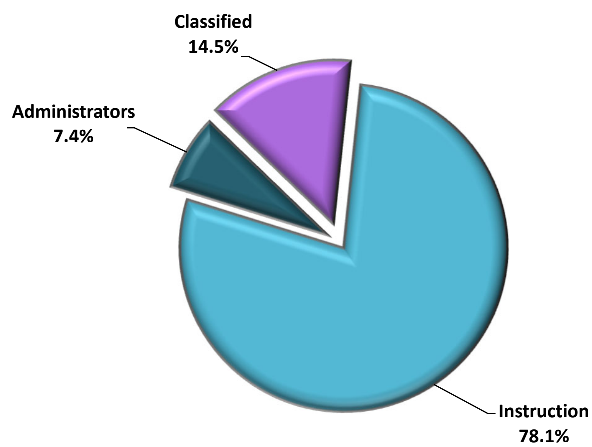
Arapahoe County School District Number Six

Full-Time Equivalent District General Fund Employees by Type

Last Ten Fiscal Years
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Instruction										
Teachers	888.5	900.6	894.3	889.5	905.4	920.4	903.6	876.7	878.7	875.9
Paraprofessionals	260.9	256.3	259.8	261.8	274.1	300.5	298.3	299.0	299.9	317.4
Total instruction	1,149.4	1,156.9	1,154.1	1,151.3	1,179.5	1,220.9	1,201.9	1,175.7	1,178.6	1,193.3
Administrators	61.0	61.7	62.3	63.7	68.3	69.7	63.3	71.7	70.5	74.4
Professional/Technical support	37.9	38.3	40.8	38.9	40.1	43.9	36.5	36.0	36.8	38.8
Bus drivers	53.5	53.0	54.0	54.0	54.0	81.7	82.7	77.0	77.0	86.1
Clerical/Other classified	121.9	125.9	126.9	125.5	128.4	121.9	115.4	115.7	114.3	119.9
Custodians	90.7	90.6	90.6	87.1	88.3	86.7	43.7	0.1	-	0.1
Maintenance	36.0	35.5	35.5	45.2	45.3	45.9	28.7	18.7	16.0	15.0
Total support services	401.0	405.0	410.1	414.4	424.4	449.8	370.3	319.2	314.6	334.3
Grand total	1,550.4	1,561.9	1,564.2	1,565.7	1,603.9	1,670.7	1,572.2	1,494.9	1,493.2	1,527.6

Source: Budget data



Operating Statistics

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Expenses	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2015	15,269	$ 155,810,817	$ 10,204	10.54 %	$182,802,724	$ 11,972	18.15 %	888.5	17	20.5 %
2016	15,353	160,997,648	10,486	2.76	191,965,815	12,503	4.44	900.6	17	19.3
2017	15,131	162,951,201	10,769	2.70	284,655,509	18,813	50.46	894.3	17	19.2
2018	15,264	169,799,688	11,124	3.29	309,425,955	20,272	7.75	889.5	17	18.0
2019	15,039	183,674,125	12,213	9.79	167,951,491 (a)	11,168	(44.91)	905.4	17	16.4
2020	14,691	185,942,621	12,657	3.63	170,973,632	11,638	4.21	920.4	16	16.6
2021	13,912	178,085,996	12,801	1.14	123,033,906	8,844	(24.01)	903.6	15	19.0
2022	13,518	191,465,342	14,164	10.65	164,754,313	12,188	37.81	876.7	15	12.8
2023	13,278	216,551,781	16,309	15.15	264,383,735	19,911	63.37	878.7	15	15.5
2024	13,226	221,025,520	16,711	2.47	281,266,415	21,266	6.81	875.9	15	21.9

(a) Decrease in expenses due to decrease in pension liability

Source: District student records and payroll and budget data

Schedule of Insurance

June 30, 2024
(Unaudited)

Coverage Description	Carrier or Pool	Coverage Limit	Deductible
General liability and school leaders errors and omissions	Excess-of-Loss Self-Insurance Pool (ELSIP)	$5,000,000 each occurrence $5,000,000 aggregate limit	$200,000
Excess liability	Excess-of-Loss Self-Insurance Pool (ELSIP)	$5,000,000 each occurrence $5,000,000 aggregate limit	*
Property:	Travelers		
buildings, property, and turf		$579,468,806	$100,000
boiler and machinery		$50,000,000	$100,000
flood and earthquake		$25,000,000	$100,000
Automobile physical damage	Excess-of-Loss Self-Insurance Pool (ELSIP)	$2,000,000	$100,000
Automobile liability	Excess-of-Loss Self-Insurance Pool (ELSIP)	$5,000,000 each occurrence $5,000,000 aggregate limit	$200,000
Crime	Travelers	$1,000,000	$25,000
Fiduciary liability	Travelers	$1,000,000	$10,000
Worker's compensation	Joint School Districts' Worker's Compensation Pool (JSDWCP)	$1,000,000	$550,000
Cyber liability	AIG	$1,000,000	$50,000

* Deductible for excess liability insurance is the coverage limit for the general liability insurance.

Arapahoe County School District Number Six

Facilities Statistics

June 30, 2024

(Unaudited)

Schools	
Elementary & Preschool	
Buildings	11
Square feet	690,285
Capacity	6,699
Enrollment	4,966
Middle	
Buildings	4
Square feet	547,009
Capacity	4,304
Enrollment	2,520
High	
Buildings	4
Square feet	805,911
Capacity	5,957
Enrollment	4,766
Administration/Other	
Buildings	7
Square feet	420,567
Transportation	
Buildings	1
Square feet	23,385
Athletics	
Athletics stadium	2
Football fields	5
Soccer fields	4
Running tracks	6
Swimming pools	3
Playgrounds	17

Note: Statistical section schedules normally present ten years of data. Only one year of statistics is presented here because the number of facilities, size and capacity are essentially unchanged over that period.

Source: Review of capacity and utilization conducted by Littleton Public Schools Operations/Maintenance Department and Finance Department, together with fiscal year 2023 actual enrollments and insurance square footage applicable to school buildings listed. Charter schools' enrollment sums are excluded.

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To Management and the Board of Education
Arapahoe County School District Number Six

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County School District Number Six (the "School District") as of and for the year ended June 30, 2024 and the related notes to the basic financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 25, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To Management and the Board of Education
Arapahoe County School District Number Six

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

October 25, 2024

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Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Education
Arapahoe County School District Number Six

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Arapahoe County School District Number Six's (the "School District") compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the School District's major federal program for the year ended June 30, 2024. The School District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor’s Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the School District and to meet our other ethical responsibilities in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School District's federal program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

To the Board of Education
Arapahoe County School District Number Six

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Plante & Moran, PLLC

October 25, 2024

Arapahoe County School District Number Six

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass Through Entity Grant Number	Accrued (Unearned) Revenue July 1, 2023	Cash/ Inventory Receipts	Federal Expenditures	Accrued (Unearned) Revenue June 30, 2024	Passed Through to Subrecipient
U.S. DEPARTMENT OF EDUCATION							
Passed through the State of Colorado Department of Education:							
Title I, Part A, Grants to Local Educational Agencies (LEAs)—General Fund (10)	84.010	4010	$ 30,121	$ 609,279	$ 579,158	$ -	$ -
Title I, Part A, Grants to Local Educational Agencies (LEAs)—Grant Fund (22)	84.010	4010	20,626	100,377	68,779	(10,972)	-
Title I, Part A, Empowering Action for School Improvement (EASI) Grant	84.010	5010	-	54,000	54,000	-	-
Subtotal Title I			50,747	763,656	701,937	(10,972)	-
Title II, Part A, Supporting Effective Instruction State Grants	84.367	4367	58,527	233,428	191,552	16,651	-
Title III, Part A, English Language Acquisition Language Grants	84.365A	4365	190	47,917	49,930	2,203	-
Title III, Set Aside, ELA	84.365A	7365	-	5,010	6,310	1,300	-
Title IV, Part A, Student Support & Academic Enrichment Grants	84.424A	4424	381	26,838	27,206	749	-
Total Title Grants			109,845	1,076,849	976,935	9,931	-
Special Education—Grants to States (IDEA, Part B)	84.027	4027	370,248	3,056,262	2,915,483	229,469	-
COVID-19 Special Education - ARPA Grants to States (IDEA, Part B)	84.027X	6027	26,253	26,253	-	-	-
Special Education—Preschool Grants (IDEA Preschool)	84.173	4173	1,262	79,580	86,994	8,676	-
COVID-19 Special Education - ARPA Preschool Grants (IDEA Preschool)	84.173X	6173	1,023	1,023	-	-	-
Total Special Education Cluster			398,786	3,163,118	3,002,477	238,145	-
Passed through the State of Colorado Department of Education:							
COVID-19 Education Stabilization Program Elementary and Secondary School Relief II (ESSER II) Program	84.425D	4420	184,060	329,290	145,230	-	-
COVID-19 Education Stabilization Program Elementary and Secondary School Relief II (ESSER II) Program, Supplemental	84.425D	4419	2,514	34,825	32,311	-	-
COVID-19 Education Stabilization Program Elementary and Secondary School Relief III (ESSER III) Program	84.425U	4414	879,710	1,588,434	828,005	119,281	-
COVID-19 Education Stabilization Program Elementary and Secondary School Relief III (ESSER III) Program - Learning Loss Set Aside	84.425U	9414	-	21,668	21,668	-	-
COVID-19 Education Stabilization Program Elementary and Secondary School Relief III (ESSER III) Program, Supplemental	84.425U	4418	1,435	1,435	2,309	2,309	-
COVID-19 Education Stabilization Program Elementary and Secondary School Relief III (ESSER III) Program, Sup - Learning Loss Set Aside	84.425U	9418	-	-	-	-	-
COVID-19 ARP ESSER Homeless Children and Youth (ARP-HCY II) Group 2	84.425W	8426	420	22,838	26,073	3,655	-
COVID-19 Education Stabilization Program ESSER III ARP 9.5% State Set-Aside, Early-Service Educator Mentoring Program	84.425U	4436	-	11,909	25,191	13,282	-
Passed through from Arapahoe County:							
COVID-19 ESSER III 9.5% State Set-Aside Transportation Assistance Grant (ETAG)	84.425U	4440	-	154,287	304,669	150,382	-
Total COVID-19 Education Stabilizaton Fund Programs			1,068,139	2,164,686	1,385,456	288,909	-
Passed through the Colorado Community College System:							
Career and Technical Education (Perkins Grant)	84.048	4048	3,775	3,775	86,022	86,022	-
Total U.S. Department of Education			**1,580,545**	**6,408,428**	**5,450,890**	**623,007**	**-**
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Passed through the State of Colorado Department of Human Services:							
COVID-19 Child Care Development Block Grant	93.575	7575	-	164,288	148,180	(16,108)	-
Total Child Care Development Cluster			-	164,288	148,180	(16,108)	-
Passed through Colorado Department of Education:							
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	7243	20,475	323,648	352,666	49,493	-
Total U.S. Department of Health and Human Services			**20,475**	**487,936**	**500,846**	**33,385**	**-**
U.S. DEPARTMENT OF TREASURY							
Passed through Colorado Department of Education:							
COVID-19 Coronavirus State Fiscal Recovery Fund (GSRP)	21.027	7127	-	16,200	16,200	-	-
Total U.S. Department of Treasury			**-**	**16,200**	**16,200**	**-**	**-**
U.S. DEPARTMENT OF AGRICULTURE							
Passed through the State of Colorado Department of Education:							
School Breakfast Program	10.553	4553	18,346	255,107	263,051	26,290	-
National School Lunch Program	10.555	4555	147,749	1,507,836	1,534,127	174,040	-
Supply Chain Assistance (SCA)	10.555	6555	-	265,375	265,375	-	-
Summer Food Service Program for Children	10.559	4559	2,821	2,988	10,693	10,526	-
School Fresh Fruit & Vegetable	10.582	4582	4,580	23,560	18,980	-	-
Passed through the State of Colorado Department of Human Services:							
Food Distribution, Commodities	10.555	4555	-	322,765	322,765	-	-
Total Child Nutrition Cluster			173,496	2,377,631	2,414,991	210,856	-
Passed through the State of Colorado Department of Education:							
Local Food for Schools (LFS) Cooperative	10.185	4185	-	8,747	8,747	-	-
SNAP: P-EBT mini Grants	10.649	4649	-	3,256	3,256	-	-
Total U.S. Department of Agriculture			**173,496**	**2,389,634**	**2,426,994**	**210,856**	**-**
Totals			**$ 1,774,516**	**$ 9,302,198**	**$ 8,394,930**	**$ 867,248**	**$ -**

See Notes to the Schedule of Expenditures of Federal Awards.

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Arapahoe County School District Number Six (the "School District") and is presented on the modified accrual basis of accounting. The information in the Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Arapahoe County School District Number Six granted $141,939 in FY 2023-2024 to component units, and actual component unit expenditures of $141,939 are reported in the schedule of expenditures of federal awards for the year ended June 30, 2024, as those were expenditures incurred by the component units during the year. Some amounts presented in the Schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements. Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position or changes in net position of the School District.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the same basis of accounting as the basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

The School District has elected not to use the 10 percent *de minimis* indirect cost rate, as allowed under the Uniform Guidance.

Note 3 - Noncash Federal Awards

Commodities donated to the School District by the U.S. Department of Agriculture (USDA) of $322,765 are valued based on the USDA's Donated Commodity Price List. These are shown as part of the National School Lunch Program (10.555).

Schedule of Findings and Questioned Costs

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified		
Internal control over financial reporting:			
• Material weakness(es) identified?	____ Yes	X No	
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	____ Yes	X None reported	
Noncompliance material to financial statements noted?	____ Yes	X None reported	

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified?	____ Yes	X No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	____ Yes	X None reported
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?	____ Yes	X No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
84.027, 84.173	Special Education Cluster (IDEA)	Unmodified

Dollar threshold used to distinguish between type A and type B programs:	$750,000	
Auditee qualified as low-risk auditee?	X Yes	____ No

Section II - Financial Statement Audit Findings

Reference Number	Finding
Current Year	None

Section III - Federal Program Audit Findings

Reference Number	Finding	Questioned Costs
Current Year	None	

Colorado Department of Education

Auditors Integrity Report

District: 0140 – Littleton 6
Fiscal Year 2023–24
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number		Beg Fund Balance & Prior Per Adj (6880*) +	1000 – 5999 Total Revenues & Other Sources	0001–0999 Total Expenditures & Other Uses -	6700–6799 & Prior Per Adj (6880*) Ending Fund Balance =
Governmental					
10	General Fund	43,049,327	169,818,575	167,610,230	45,257,672
18	Risk Mgmt Sub-Fund of General Fund	2,673,723	6,595,093	3,808,647	5,460,168
19	Colorado Preschool Program Fund	0	0	0	0
	Sub-Total	**45,723,050**	**176,413,668**	**171,418,877**	**50,717,841**
11	Charter School Fund	6,119,835	12,417,761	11,846,656	6,690,939
20,26–29	Special Revenue Fund	3,158,714	3,583,407	4,160,203	2,581,918
06	Supplemental Cap Const, Tech, Main. Fund	4,549,287	21,950,063	26,439,624	59,726
07	Total Program Reserve Fund	0	0	0	0
21	Food Service Spec Revenue Fund	3,844,659	6,226,883	5,959,887	4,111,655
22	Govt Designated–Purpose Grants Fund	0	7,276,389	7,276,389	0
23	Pupil Activity Special Revenue Fund	1,222,316	4,240,156	4,770,952	691,520
25	Transportation Fund	0	0	0	0
31	Bond Redemption Fund	31,258,089	37,529,418	37,520,703	31,266,804
39	Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41	Building Fund	59,880,919	2,756,873	28,808,567	33,829,225
42	Special Building Fund	0	0	0	0
43	Capital Reserve Capital Projects Fund	278,911	10,988,686	7,323,178	3,944,419
46	Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals		**156,035,780**	**283,383,303**	**305,525,036**	**133,894,047**
Proprietary					
50	Other Enterprise Funds	0	0	0	0
64 (63)	Risk–Related Activity Fund	0	0	0	0
60,65–69	Other Internal Service Funds	962,520	1,645,914	1,112,603	1,495,830
Totals		**962,520**	**1,645,914**	**1,112,603**	**1,495,830**
Fiduciary					
70	Other Trust and Agency Funds	0	0	0	0
72	Private Purpose Trust Fund	0	0	0	0
73	Agency Fund	0	0	0	0
74	Pupil Activity Agency Fund	0	0	0	0
79	GASB 34:Permanent Fund	0	0	0	0
85	Foundations	0	0	0	0
Totals		**0**	**0**	**0**	**0**

FINAL

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*If you have a prior period adjustment in any fund (Balance Sheet 6880), the amount of your priorperiod adjustment is added into both your ending and beginning fund balances on this report.