

EL PASO COUNTY COLORADO SCHOOL



ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023

Prepared by: El Paso County Colorado School District 49 – Finance Department

Ron Sprinz – Director of Finance

Heather Diaz – Accounting Manager

10850 East Woodmen Road

Peyton, Colorado 80831

www.d49.org

El Paso County Colorado School District 49 Annual Comprehensive Financial Report



For the fiscal year ended June 30, 2023

Introductory Section

The Best Choice to Learn, Work, and Lead



Our Operated Schools

| Falcon Zone | Sand Creek Zone | POWER Zone | iConnect Zone |
|--|---|---|---|
|  <p>Falcon Elementary</p> |  <p>Evans International Elementary</p> |  <p>Ridgeview Elementary</p> |  <p>Patriot High School</p> |
|  <p>Meridian Ranch Elementary</p> |  <p>Remington Elementary</p> |  <p>Odyssey Elementary</p> |  <p>Springs Studio for Academic Excellence</p> |
|  <p>Woodmen Hills Elementary</p> |  <p>Springs Ranch Elementary</p> |  <p>ALLIES Elementary</p> |  <p>Falcon Home School</p> |
|  <p>Bennett Ranch Elem</p> |  <p>Stetson Elementary</p> |  <p>Inspiration View Elem</p> |  <p>Pikes Peak Early College</p> |
|  <p>Falcon Middle</p> |  <p>Horizon Middle</p> |  <p>Skyview Middle</p> | |
|  <p>Falcon High School</p> |  <p>Sand Creek High School</p> |  <p>Vista Ridge High School</p> | |

Our Charter Schools



Banning Lewis Academy



Pikes Peak School of Expeditionary Learning



GOAL Academy High School



Rocky Mountain Classical Academy



Grand Peak Academy



Power Technical Early College



Liberty Tree Academy



Mountain View Academy



Pioneer Technology & Arts Academy

Our Cultural Compass



The heart of the compass rose guides our actions in how we relate to and treat each other.

Respect – We respect others for their abilities, qualities and achievements

Trust – We promote trust in our relationships through honest and open communication

Care– We provide a safe and caring environment for students and staff

Responsibility – We hold ourselves accountable for our actions

The outer face of the compass rose guides us in how we treat our work.

Learning – We model continuous learning to encourage life-long learners

Purpose – We ensure all decisions align with the 'Five Big Rocks'

Innovation – We encourage risk taking by supporting creative exploration of new ideas and strategies

Teamwork – We embrace working together to achieve effective results for our students and community

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February 13, 2024



To the Citizens and Board of Education of School District 49:

Colorado State Law requires that school districts publish, within six months of the close of each fiscal year or eight months with an approved extension, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. In accordance with this requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of School District 49 for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework designed to protect the government's assets from loss, theft or misuse, and to compile sufficient reliable information to prepare financial statements. However, the cost of internal controls should not outweigh their benefits. Accordingly, the District's designed our comprehensive framework of internal controls to provide, reasonable, rather than absolute assurance that the financial statements will be free from material misstatement.

The District's financial statements have been audited by Hoelting & Company, Inc., a firm of licensed certified public accountants based in Colorado Springs. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District, for the fiscal year ended June 30, 2023, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluation of the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2023 are fairly presented in conformity with generally accepted accounting principles. We present the independent auditor's report as the first component of the financial section of this report.

In addition to the annual independent audit of the financial statements, the District must undergo a "Single Audit" due to the amount of federal funds received. This audit meets the needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis involving the administration of federal awards. The results of the District's single audit for the period ending June 30, 2023 provided no instances of material weakness in internal controls over compliance or material violations of applicable laws, regulations, contracts and grants. This report is found in the compliance section of this document.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements, in the form of a Management's Discussion and Analysis (MD&A) report. This transmittal letter will complement the Management's Discussion and Analysis, and should be read in conjunction with it. The District's MD&A immediately follows the Independent Auditor's Report.

PROFILE OF THE DISTRICT

El Paso County Colorado School District 49 was organized in 1888 and spans 133 square miles of urban and rural areas in eastern El Paso County, Colorado. Approximately 19% of the District is within the boundary of Colorado Springs and the remaining 81% is located in an unincorporated area of El Paso County historically known as Falcon, Colorado. The District is the 2nd largest district in El Paso County and the 11th largest in Colorado. The District has a resident population of 105,077 based on the latest population growth data collected.

The District operates twelve elementary schools, three middle schools, and three high schools, in its operated school portfolio; nine chartered schools (seven K-8's and two high schools), two online programs, one alternative school program, one home school program, and three student support facilities. These schools service more than 23,000 students. They provide a full range of programs and services authorized by Colorado statute. This includes: pre-kindergarten, elementary and secondary curriculum at the general, college preparatory and vocational levels. The District also provides the chance for high school students to participate in dual enrollment where students take college classes and receive college credit during the high school years.



The District charter schools' financial positions are included in these financials as component units. The charter schools are: Banning Lewis Ranch Academy, GOAL Academy, Grand Peak Academy, Pikes Peak School of Expeditionary Learning, Rocky Mountain Classical Academy, Power Technical School, Liberty Tree Academy, Mountain View Academy and Pioneer Technology & Arts Academy. The District 49 Board of Education authorizes each charter school, according to the laws of the State of Colorado, to provide education alternatives for students and parents. These schools have separate governing boards but derive their funding through District 49 and the State of Colorado with local property tax funds and state equalization revenue. The District provides some support services to the charter schools. Parent Teacher Organizations, as well as Extracurricular and Co-Curricular Booster Groups do not meet the criteria for component units and therefore are excluded from this report.

The District is governed by a five-member Board of Education (the Board). Board members are elected to staggered, four year, terms by registered voters of the District - unless filling a seat vacated mid-term, which may occasionally result in a two-year term. As of 2015, the District is divided into five representative areas and board members must live in the area they represent. All Board members are limited to two terms according to Colorado Law. Biennial school district elections are held in November of odd-numbered years. The Board elects its officers following each election and whenever mid-term vacancies necessitate a new election of one or more officer positions. The Board is a policy making body whose primary functions are to establish policies for the District, provide for the general operation and personnel of the District and oversee the property, facilities and financial affairs of the District. Members of the Board serve without receiving compensation.

For the 2022/2023 school year the Board employed a Superintendent to manage day-to-day operations of the District. This traditional Superintendent model where a single executive is responsible for overseeing the District's academic, financial and operation activities replaces a prior organizational structure where academics, finance and operations had separate officers where each chief officer reported to the Board of Education. This traditional Superintendent model positions the District to be "The Best Choice to Learn, Work and Lead".

The District Budget Process

The District uses a decentralized SBFM (Student-based financial management) process for both reporting actual results and preparing budgets. The District distributes approximately 80% of the total expense budget directly to our schools where Zone Leaders and Building Principals have direct control over how money is best spent for their individual location. Working with the Business Office, these schools develop staffing models (Personnel Spend) and programmatic models (Implementation Spend) based on anticipated revenue driven by projected student count numbers. After the actual count of students is completed each October, the budgets are amended and approved, and the process starts again to develop proposed budgets for the upcoming school year.

Budgets are prepared annually for all funds of the District. The Board of Education is required to adopt a budget for the fiscal year prior to the July 1 start of the fiscal year and is allowed to amend that budget any time prior to January 31 of the same fiscal year. Supplemental Budgets may be adopted after January 31 for any fund, if the supplemental change is related to new spends driven by the presence of new, non-tax, revenue in that fund.

The table on the next page outlines the schools, age and enrollment in full-time equivalents (FTE) as of the official count date in October 2023 and the estimated FTE for the 2023-24 school year.



| Operated Schools | Year built | October 2022 Student Count | Projected 2023-24 Student Count |
|--|------------|-------------------------------|------------------------------------|
| ALLIES | 2017 | 120 | 124 |
| Bennett Ranch Elementary | 2018 | 350 | 374 |
| Evans International Elementary | 1976 | 499 | 503 |
| Falcon Elementary | 1982 | 264 | 284 |
| Falcon Middle | 1976 | 922 | 939 |
| Falcon High School | 2007 | 1245.5 | 1260.5 |
| Horizon Middle | 1985 | 706 | 727 |
| Inspiration View Elementary | 2019 | 518.5 | 590.5 |
| Meridian Ranch Elementary | 2003 | 643.5 | 656.5 |
| Odyssey Elementary | 2006 | 381.5 | 366.5 |
| Patriot High School | 1952 | 165 | 165 |
| Pikes Peak Early College | 2015 | 134 | 175 |
| Remington Elementary | 1997 | 598 | 607 |
| Ridgeview Elementary | 2002 | 528.5 | 538.5 |
| Sand Creek High School | 1997 | 1119 | 1132 |
| Skyview Middle | 2000 | 1003 | 998 |
| Springs Ranch Elementary | 2002 | 568.5 | 583.5 |
| Springs Studio for Academic Excellence | 2012 | 424.6 | 438.75 |
| Stetson Elementary | 1987 | 414 | 467 |
| Vista Ridge High School | 2008 | 1624 | 1630 |
| Wooden Hills Elementary | 2000 | 570.5 | 604.5 |
| Home School Program | N/A | 267 | 358.35 |
| Operated Subtotal | | 13,066.10 | 13,522.60 |
| Chartered Schools | | | |
| Banning Lewis Ranch Academy | 2008 | 1673 | 1706 |
| GOAL Academy | N/A | 5317.5 | 5424 |
| Grand Peak Academy | 2019 | 618 | 630 |
| Liberty Tree Academy | 2018 | 646 | 659 |
| Pikes Peak School of Expeditionary Learning | 2008 | 391 | 399 |
| Power Technical Early College | 2016 | 340 | 347 |
| Rocky Mountain Classical Academy | 2015 | 1304 | 1330 |
| Mountain View Academy | 2020 | 353 | 360 |
| Pioneer Tech & Arts Academy | 2010 | 219 | 223 |
| Chartered School Subtotal | | 10,861.5 | 11,078 |
| District 49 Total | | 23,927.6 | 24,600.6 |



ECONOMIC CONDITION

Local Economy

The District is located on the northeast side of Colorado Springs and continues to the east into the unincorporated area known as Falcon, Colorado. The city of Colorado Springs is the second most populous city in the state, behind Denver. The main employment sectors in El Paso County are: Retail trade, accommodation and food services and Health Care and Social Assistance. The military is also an important part of the community with four major bases in the Colorado Springs area. About 15% of D49 students are connected to the military; either through military families or civilian parents employed on federal property.

The local economy continues to show signs of strong growth. Building of new homes continues to increase. There has been a significant increase, since 2010, in the number of single-family building permits. Property valuations are projected to increase over 34% within the District; which results in higher sales and use tax receipts and vehicle registrations. These increased valuations and large-item purchases should result in continued higher sales and use tax receipts and new vehicle registration increases.

Long-term Financial Planning

As Colorado Springs and El Paso County continue to expand to the East, it will significantly impact District 49, where much of the available land is located. It is estimated, over the next 20 years, that development will generate 13,000 more students, requiring an additional 13 elementary schools, four middle schools and 3 high schools. The District continues to assess the proper configuration of learning buildings, including an emphasis on K-8s over stand-alone elementary and middle schools.

The District maintains no general obligation debt. The District paid off all outstanding bonds in December 2017 to convert all long term obligations to Certificates of Participation, funded by Mill Levy Override Collections. This leaves the District with borrowing capacity to build schools as the need arises, and as the constituency allows. The District's future challenge will be to manage its funding instruments where in a trending higher interest rate environment a continued reliance of Certificates of Participation (COPs) may be the more expensive form of funding versus traditional General Obligation and Mill Levy Override obligations.

Financial Policies

Detailed descriptions of the District's accounting policies are contained in the Notes to the Financial Statements included in this report. These policies describe the basis of accounting, funds and accounts used, valuation policies for investments and capital assets, and other significant accounting information.

The District maintains a number of budgetary controls. The objective of budgetary controls are to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Budgetary control exists at the fund level. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered amounts lapse at end of the fiscal year but are normally allowed to be re-budgeted by the original unit in the subsequent fiscal year.

Major Initiatives

At the end of the 22/23 school year, a single Superintendent of Schools replaced the three-person organizational model of the Academic Officer, Chief Business Officer and Chief Operations Officer. The Superintendent successfully identified and recruited both a Chief of Operations and a Chief Financial Officer (CFO) to support district-wide decision-making and management of their relative areas of expertise.



The District continues to pursue the process of 'Performance Excellence' using the Malcolm Baldrige criteria for Performance Excellence. In 2016, the District earned the Foothills Performance Award from the regional excellence organization (Rocky Mountain Performance Excellence, aka RMPEX). In 2017, District 49 earned the Peak Award, which is the highest regional level attainable. The District is now pursuing the related national award for organizational excellence in order to facilitate ever-improving operations and processes within the District.

Once again in 2021-2022, the District was awarded the Certificate of Excellence from the Association of School Business Officials for our Annual Comprehensive Financial Report (ACFR) and will continue to submit for this annual award.

With the passing of ballot item 3B in November 2016 (subsequently modified with 2018-4C), the District was able to build and open our two newest facilities: Bennett Ranch Elementary School (BRES) in August 2018, and Inspiration View Elementary (IVES) in June of 2019. The District is currently completing a five-year Master Facilities Plan which will help guide and drive future capital projects within D49.

ACKNOWLEDGEMENTS

We would like to thank the Board of Education for their leadership and support to the students, staff and community. We appreciate their support in planning and conducting the financial operations of the District to their highest potential. We would also like to thank our independent auditors from Hoelting & Company Inc., for their professional and helpful approach in creating this Annual Comprehensive Financial Report. Their assistance was invaluable in creating this report. Finally, we would like to thank the Finance and Payroll staff who play an integral role in the financial success of District 49 on a daily basis.

Respectfully submitted,

Ron Sprinz
Director of Finance

Dr. David Trautenberg
Chief Financial Officer

El Paso County CO School District 49

Elected Officials - Board of Education



Treasurer

Jamielynn

D'Avola

Secretary

Lori Thompson

Director

Ivy Liu

Vice President

Rick Van Wieren

President

John Graham

Administrative Officials

Peter Hilts

Brian Smith

Sean Dorsey

Theresa Ritz

Andrew Franko

Lisa Fillo

Nancy Lemmond, PhD

Paul Andersen

Dr. Louis Fletcher

Ron Sprinz

Jack Pietraallo

David Watson

Monica Deines-Henderson

David Nancarrow

Lanette DePaul

Superintendent

Falcon Zone Superintendent

Sand Creek Zone Superintendent

Power Zone Superintendent

iConnect Zone Superintendent

Executive Director of Learning Services

Executive Dir of Individualized Education

Executive Dir of People & Culture

Executive Dir of Facilities & Operations

Director of Finance

Director of Transportation

Director of Safety and Security

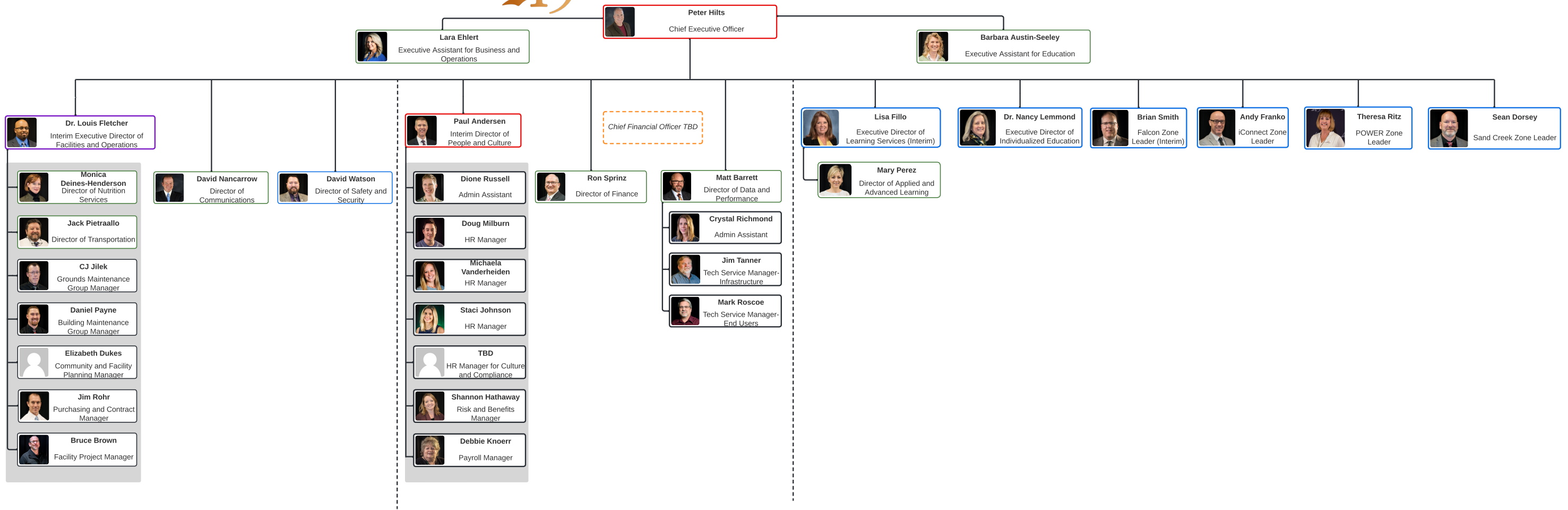
Director of Nutrition Services

Director of Communications

Exec Assistant to the BOE



2022-23 Transitional Organization Chart





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

El Paso County School District 49

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style with a large, flowing 'J' and 'H'.

**John W. Hutchison
President**

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style with a large, flowing 'S' and 'M'.

**Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director**

BASIC FINANCIAL STATEMENTS



INDEPENDENT AUDITORS' REPORT

To the Board of Education
El Paso County Colorado School District 49

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the El Paso County Colorado School District 49, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the El Paso County Colorado School District 49's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the El Paso County Colorado School District 49, as of June 30, 2023 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Pikes Peak School of Expeditionary Learning, Mountain View Academy, and Pioneer Technology and Arts Academy, which represent 6 percent, 8 percent, and 11 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2023, and the respective changes in financial position, for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Pikes Peak School of Expeditionary Learning, Mountain View Academy, and Pioneer Technology and Arts Academy, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit 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. 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 El Paso County Colorado School District 49 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 El Paso County Colorado School District 49's

ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards 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 El Paso County Colorado School District 49'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 El Paso County Colorado School District 49'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 required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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 the El Paso County Colorado School District 49's basic financial statements. The accompanying combining and individual fund financial statements and schedules 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules 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 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.

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 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 February 14, 2024 on our consideration of the El Paso County Colorado School District 49's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 the El Paso County Colorado School District 49'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 El Paso County Colorado School District 49's internal control over financial reporting and compliance.

Hoelting & Company Inc.

Colorado Springs, Colorado
February 14, 2024

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2023

The Business Office of School District 49 offers readers of our financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023.

Financial Highlights

- The Governmental Activities of School District 49 shows a Net Position deficit of \$84,037,567 at June 30, 2023 and \$91,750,088 June 30, 2022 respectively, or \$7,712,521 less than prior year.
 - Effective July 1, 2014, School Districts are required to implement GASB Statement No. 68, Accounting and Financial Reporting for Pensions. This resulted in a new liability amount on the District's financial reports totaling \$229,145,895.
 - While the intentions of GASB 68 were appropriate for private sector pension programs. Its utility for a public sector entity, like D49, is limited and, in fact, may be more confusing for readers of the financial statements than without. To see more relevant comparability, users may want to adjust the totals presented for this amount.
- General Revenues for the Governmental Activities of the District totaled \$157,987,204 or 70.29% of all revenues. Program specific revenues in the form of charges for services and grants and contributions received accounted for \$66,787,037 or 29.71% of total revenues of \$224,774,241.
- The ending fund balance of total General Funds was \$32,904,793 at June 30, 2023 and \$32,502,196 at June 30, 2022. The General Fund portion maintained a fund balance to District Adjusted Gross Revenue (DAGR) ratio at 11.83%.
- General Fund Revenue, including the Component Unit share (Charter Schools – net of services), totaled \$267,799,382 at June 30, 2023 and \$242,014,744 at June 30, 2022.
- Total student count in the District decreased by (853.5) students or -2.94% from the prior year driven by the affiliated portfolio; while the corresponding funded student FTE increased by 3.16% in the operated and chartered portfolio. The State Budget Negative Factor for District 49 remains with a balance of (\$10,146,609)
- The Food Service Fund reported an ending fund balance of \$3,257,305 and \$3,231,830 at June 30, 2023 and 2022 respectively, an increase of \$25,475 from the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. School District 49's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2023

The *Statement of Net Position* presents information about all the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the District include instruction, instructional support, general and school administration, business and central services, maintenance and operations, and transportation. The business-type activity of the District includes food service.

The government-wide financial statements include not only the District itself (known as the primary government), but also legally separate charter schools. Financial information for the charter schools are presented separately because the charter schools are financially accountable to the District and provide services to the District's students.

Fund Financial Statements. A *fund* is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. School District 49, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: government funds, proprietary funds, and fiduciary funds.

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

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

School District 49 maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, and the bond redemption fund because all are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2023

School District 49 adopts an annual appropriated budget for each of the governmental funds. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds. School District 49 maintains one proprietary fund. Internal service funds are used to accumulate and allocate costs internally among the district's various functions. The district uses internal service funds to account for employee benefit programs for health insurance. Because these services predominately benefit governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support School District 49's own programs. The two fiduciary funds utilized by the District are the D49 Scholarship Fund and the Pupil Activity Fund. The accounting for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District.

The combining statements referred to earlier in connection with non-major governmental funds are presented after the notes to the required supplementary information.

Discretely Presented Component Units. These are operations for which the District has financial accountability, but they have certain independent qualities as well. All are considered major component units. The District's nine component units are:

- Banning Lewis Ranch Academy (BLRA)
- GOAL Academy (GOAL)
- Grand Peak Academy (GPA)
- Liberty Tree Academy (LTA)
- Pikes Peak School of Expeditionary Learning (PPSEL)
- Power Technical Early College (PTEC)
- Rocky Mountain Classical Academy (RMCA)
- Mountain View Academy (MVA)
- Pioneer Technical & Arts Academy (PTAA)

Current guidance from CDE leads toward an overly-simplistic reporting of program revenue that can lead to an incorrect conclusion that local charter schools (non-multi-district schools) do not receive local property tax revenue as a component of total program revenue. Accordingly, the following table is provided to bring clarity to the sources and distribution of total program revenue (PPR):

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2023

| | FTE | Real Property Taxes | % of Total | Specific Ownership Taxes | % of Total | Equalization State Share | % of Total | Total Program Revenue |
|--------------------------------|------------------|------------------------|---------------|--------------------------------|--------------|-----------------------------|---------------|--------------------------|
| Total District | 28,956.50 | \$ 34,777,127 | 13.10% | \$ 3,272,335 | 1.23% | \$ 227,456,318 | 85.67% | \$ 265,505,780 |
| D49 Operated Portfolio | 13,153.50 | \$ 24,060,642 | 19.79% | \$ 2,263,970 | 1.86% | \$ 95,283,399 | 78.35% | \$ 121,608,010 |
| Component Units: | | | | | | | | |
| D49 Chartered Portfolio | 11,537.50 | \$ 10,716,485 | 10.06% | \$ 1,008,365 | 0.95% | \$ 94,828,540 | 89.00% | \$ 106,553,390 |
| PPSEL | 396.00 | \$ 724,371 | 19.81% | \$ 68,160 | 1.86% | \$ 2,864,686 | 78.33% | \$ 3,657,217 |
| BLRA | 1,590.50 | \$ 2,909,374 | 19.81% | \$ 273,757 | 1.86% | \$ 11,505,767 | 78.33% | \$ 14,688,899 |
| RMCA | 1,381.50 | \$ 2,527,067 | 19.81% | \$ 237,784 | 1.86% | \$ 9,993,849 | 78.33% | \$ 12,758,701 |
| GPA | 596.00 | \$ 1,090,215 | 19.81% | \$ 102,584 | 1.86% | \$ 4,311,498 | 78.33% | \$ 5,504,296 |
| PTEC | 367.50 | \$ 672,238 | 19.81% | \$ 63,254 | 1.86% | \$ 2,658,516 | 78.33% | \$ 3,394,008 |
| LTA | 689.00 | \$ 1,260,333 | 19.81% | \$ 118,591 | 1.86% | \$ 4,984,265 | 78.33% | \$ 6,363,188 |
| MVA | 393.00 | \$ 718,883 | 19.81% | \$ 67,643 | 1.86% | \$ 2,842,984 | 78.33% | \$ 3,629,511 |
| PTAA | 445.00 | \$ 814,003 | 19.81% | \$ 76,593 | 1.86% | \$ 3,219,155 | 78.33% | \$ 4,109,752 |
| GOAL | 5,679.00 | | 0.00% | | 0.00% | \$ 52,447,818 | 100.00% | \$ 52,447,818 |

Complete financial statements of the individual component units can be obtained from their respective administrative offices as well as their individual websites. Addresses and other information about the District's component units are presented in the notes to the financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of changes in a government's financial position over time. In the case of School District 49, Primary Government Liabilities exceeds Assets by \$84,037,567 and \$91,750,088 at June 30, 2023 and 2022 respectively. This is due to \$229,145,895 of the Net Pension and OPEB liability being assigned to the school district. With this liability excluded, School District 49's Primary Government Assets would have exceeded Liabilities by \$145,108,328.

Included in Total Net Position, \$85,858,609 is invested in capital assets net of accumulated depreciation and related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to students. Consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources. Capital assets themselves cannot be used to liquidate liabilities.

As of June 30, 2023, \$32,992,179 of the District's net position represents resources that are subject to external restriction on how they may be used. This includes Colorado's required TABOR of \$5,800,000. The overall restricted amount increased by \$700,000 from prior year.

Governmental activities decreased the net position of the District by \$7,712,521 to \$84,037,567 as of June 30, 2023. Program revenues included \$25,888,921 in charges for services, and \$40,857,139 in operating grants and contributions and \$40,977 in Capital Grants and Contributions. \$157,987,204 was received in general revenues consisting of local property taxes, specific ownership taxes, and school finance act revenue. Total revenues received totaled \$224,774,241.

Instruction expenses totaled \$110,921,536, making up a major portion of total expenses of \$217,061,720 at June 30, 2023.

Program revenue for Food Services included \$2,179,731 in charges for services and \$3,590,264 in operating grants and contributions. Expenditures for food services were \$5,744,520.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2023

SCHOOL DISTRICT 49
Statement Of Net Position
Governmental Activities

| | 2023 | 2022 | Increase (Decrease) over Prior Year | |
|---------------------------------------|------------------------|------------------------|--|--------------|
| ASSETS | | | | |
| Current Assets | \$ 168,095,060 | \$ 179,249,888 | \$ (11,154,828) | |
| Capital assets, net of depreciation | 212,642,226 | 197,373,301 | 15,268,925 | |
| Total assets | 380,737,286 | 376,623,189 | 4,114,097 | 1.09% |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Total deferred outflows of resources | 55,838,330 | 44,757,928 | 11,080,402 | 24.76% |
| LIABILITIES | | | | |
| Current liabilities | 30,083,839 | 27,431,125 | 2,652,714 | |
| Long-term liabilities | 466,878,771 | 407,544,561 | 59,334,210 | |
| Total liabilities | 496,962,610 | 434,975,686 | 61,986,924 | 14.25% |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Total deferred inflows of resources | 23,650,573 | 78,155,519 | (54,504,946) | -69.74% |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 85,858,609 | 65,791,335 | 20,067,274 | |
| Restricted for: | | | | |
| TABOR | 5,800,000 | 5,100,000 | 700,000 | |
| Debt Service & MLO Projects | 18,591,055 | 16,240,365 | 2,350,690 | |
| Preschool | 244,035 | 246,712 | (2,677) | |
| MLO Projects | 8,357,089 | 7,580,508 | 776,581 | |
| Unrestricted | (202,888,355) | (186,703,094) | (16,185,261) | |
| TOTAL NET POSITION | \$ (84,037,567) | \$ (91,750,088) | \$ 7,712,521 | 8.41% |

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2023

SCHOOL DISTRICT 49
Statement Of Activities
Governmental

| | 2023 | 2022 | Increase (Decrease) over Prior Year | |
|---|------------------------|------------------------|--|----------------|
| PROGRAM REVENUES | | | | |
| Charges for services | \$ 25,888,921 | \$ 21,898,135 | \$ 3,990,786 | |
| Operating Grants & contributions | 40,857,139 | 43,568,305 | (2,711,166) | |
| Capital Grants & contributions | 40,977 | 17,384 | 23,593 | |
| GENERAL REVENUES | | | | |
| Property Taxes | 59,479,584 | 56,988,074 | 2,491,510 | |
| Specific ownership taxes | 6,053,233 | 5,636,092 | 417,141 | |
| State equalization | 83,539,623 | 77,291,379 | 6,248,244 | |
| Grants & Contrib not restricted to specific prg | 741,792 | 1,020,620 | (278,828) | |
| Investment earnings | 5,505,678 | 513,568 | 4,992,110 | |
| Miscellaneous | 2,667,294 | 2,762,151 | (94,857) | |
| TOTAL REVENUES | \$ 224,774,241 | \$ 209,695,708 | \$ 15,078,533 | 6.71% |
| EXPENSES | | | | |
| Instruction | 110,921,536 | 67,349,723 | 43,571,813 | |
| Supporting services | 84,381,157 | 59,749,338 | 24,631,819 | |
| Community services | 655,923 | 418,580 | 237,343 | |
| Facilities acquisition and construction | 7,443,174 | 603,007 | 6,840,167 | |
| Food Service | 5,312,622 | 5,337,166 | (24,544) | |
| Interest and fiscal charges | 8,347,308 | 9,048,542 | (701,234) | |
| TOTAL EXPENSES | \$ 217,061,720 | \$ 142,506,356 | \$ 74,555,364 | -52.32% |
| Change in Net Position | 7,712,521 | 67,189,352 | (59,476,831) | |
| Beginning Net Position | (91,750,088) | (158,939,440) | 67,189,352 | |
| Prior Period Adjustment | | | - | |
| TOTAL NET POSITION | \$ (84,037,567) | \$ (91,750,088) | \$ 7,712,521 | 8.41% |

Financial Analysis of the Governmental Funds

As stated earlier, School District 49 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Balance Sheet as of June 30, 2023, shows the District's governmental funds combined ending fund balance totals \$135,258,246 compared to \$150,036,131 at June 30, 2022.

The general fund is the main operating fund of the District. At June 30, 2023, committed and assigned fund balance of the general fund was \$18,393,542 compared to \$18,580,599 at June 30, 2022. Total unassigned fund balance is \$0 and \$873,061 at June 30, 2023 and 2022 respectively.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2023

The Bond Redemption Fund remains in strong financial condition, with no debt as of June 30, 2023. The balance at June 2017 consisted of \$5,084,704 for principal and interest payments on the District's voter approved debt. As of December 31, 2017 all bond debt has been paid off.

In 2022-23, School District 49 expended \$20,401,689 of local, state and federal grant funds, excluding charter school grant expenditures. Of these expenditures, \$1,896,106 represent funds yet to be received from the individual granting authorities prior to the close of the fiscal year and are scheduled for receipt early in the 2023-24 fiscal year.

General Fund Budgetary Highlights

The District approves the original budget in June based on enrollment projections for the following school year. In October, after a better estimate of enrollment can be made, adjustments are made to the budget. The rapid growth the District experienced for most of 2000's has moderated in the last few years, but is starting to tick up again. The 2021-22 to 2022-23 expected growth was budgeted at 1.5%.

Some significant budget highlights include:

- The final (Amended) budget for the General Fund showed a decrease in revenue \$777,189 and an increase in expenditures by 8,325,530 from the original (Adopted) budget.
- Actual General Funds results for the 2022-23 fiscal year showed revenue in excess of expenses by \$20,451,709. This allowed the fund balance to grow \$402,597.

Capital Assets and Debt Administration

Capital assets. School District 49's investment in capital assets for governmental activities as of June 30, 2023 amounts to \$212,642,226 net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, machinery, equipment, and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was due to the depreciation of existing assets and/or disposal of assets.

SCHOOL DISTRICT 49
Investment in Capital Assets

| | Balance at 6/30/2023 | Balance at 6/30/2022 | Increase (Decrease) over Prior Year |
|---|-------------------------|-------------------------|--|
| Governmental Activities: | | | |
| Land | \$ 18,343,078 | \$ 18,343,078 | \$ - |
| Buildings & Improvements | 152,832,423 | 160,592,931 | (7,760,508) |
| Equipment | 8,640,134 | 8,970,422 | (330,288) |
| Software | 339,443 | - | 339,443 |
| Construction in Progress | 32,487,148 | 9,466,870 | 23,020,278 |
| Governmental activities capital assets, net accumulated depreciation | \$ 212,642,226 | \$ 197,373,301 | 7.18% |

Additional information on the District's capital assets can be found in the notes to the financial statements.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2023

Long-Term Debt. As of June 30, 2023, School District 49's total outstanding long-term debt was \$467,087,919. Of this amount, \$6,432,143 for capital leases and \$199,175,000 in certificates of participation obligations. Compensated absences for School District 49 total \$4,497,124 at June 30, 2023.

In November 2005, the constituents approved a mill levy override to pay for the construction of new facilities and additions to then-current facilities. School District 49 sold the aforementioned Certificates of Participation in July 2006 and July 2007 to finance this construction and will pay the certificates back with the approved mill levy override tax revenue.

In November 2016, the constituents approved a mill levy override to pay for the construction of new facilities and additions to then-current facilities. School District 49 sold the aforementioned Certificates of Participation in February 2017 to finance this construction and will pay the certificates back with the approved mill levy override tax revenue.

State Statutes limit the amount of the District's general obligation bonded debt to 20% of the assessed value of the District, or 6% of the retail value of the District. At the end of the current fiscal year, the District had total general obligation bonded debt of \$0 or 0.00% of assessed value.

Additional information on the District's long-term debt can be found in the notes to the financial statements.

Economic Factors and 2022-2023 Budget

- The local, state, and federal economies are performing well. This was seen with a change in the District's assessed property value, which increased over 2.01% in 2023 from \$1,288,562,280 the prior year to a total of \$1,314,377,980. Due to requirements of the Colorado State Constitution's Gallagher Amendment, passed in 1982 – previously mandated a consistent ratio between residential and non-residential property. In November of 2020 the State of Colorado passed Amendment B, which repealed the Gallagher Amendment, thereby freezing the residential property tax rate to 7.15% and non-residential to 29%,
- The District will continue to work proactively with developers, the City of Colorado Springs, and El Paso County to address enrollment growth. School District 49 has been one of the fastest growing school districts in the state, based on enrollment - on a percentage basis, for the last several years; and current expectations are for that to continue for the next 15-20 years. This would result in School District 49 eventually becoming the largest school district in the Colorado Springs / El Paso County Colorado area, potentially doubling the number of students served over that time.
- School District 49 continues to work with charter schools and had nine charter schools in operation during the current fiscal year and plans to add an additional school, Mountain View Academy joined the portfolio for the 2020-2021 school year and PTAA (Pioneer Technology & Arts Academy) has joined the portfolio in the 2021-2022 school year.
- The District ended the 2022-23 school year with 11.83% revenue to fund balance – revenue ratio (excluding PERA liability), as BOE Policy DAA states. The 10-11% target equates to approximately one month of expenditures and is necessary to handle the District's annual cash flow cycle that is present due to the seasonal nature of property tax receipts.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2023

Requests for Information

The financial report is designed to provide a general overview of School District 49's finances for those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional information should be submitted to the following:

El Paso County Colorado School District 49
Attention: Business Office
10850 E. Woodmen Road
Peyton, CO 80831

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
STATEMENT OF NET POSITION
JUNE 30, 2023

| | Primary Governmental Activities | Component Units |
|--|--|----------------------------|
| ASSETS | | |
| Cash and investments | \$ 30,925,967 | \$ 56,128,871 |
| Restricted cash and investments | 126,117,360 | 7,673,348 |
| Cash with County Treasurer | 1,173,934 | - |
| Taxes receivable | 519,086 | - |
| Grants receivable | - | 1,421,372 |
| Intergovernmental receivables | 7,749,382 | 245,373 |
| Lease receivable | - | 233,715 |
| Other receivables | 1,396,870 | 469,582 |
| Deposits | - | 405,654 |
| Prepaid items | 111,993 | 619,157 |
| Inventories | 100,468 | - |
| Capital assets, not being depreciated | 50,830,226 | 14,600,289 |
| Capital assets, net of depreciation/amortization | 161,812,000 | 80,829,918 |
| Total assets | <u>380,737,286</u> | <u>162,627,279</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Deferred charge on refunding | 3,626,171 | 7,626,913 |
| Deferred pension outflows | 50,203,223 | 23,682,083 |
| Deferred OPEB outflows | 2,008,936 | 1,186,798 |
| Total deferred outflows of resources | <u>55,838,330</u> | <u>32,495,794</u> |
| LIABILITIES | | |
| Accounts payable and other current liabilities | 8,616,129 | 8,208,328 |
| Accrued salaries and benefits | 18,124,053 | 1,652,724 |
| Compensated absences | 209,148 | - |
| Accrued interest | 370,111 | 1,104,773 |
| Unearned revenues | 2,764,398 | 106,440 |
| Long-term liabilities: | | |
| Due within one year | 9,529,419 | 3,234,830 |
| Due in more than one year | 228,203,457 | 117,511,769 |
| Net pension liabilities | 221,594,033 | 85,478,884 |
| Net OPEB liabilities | 7,551,862 | 2,921,119 |
| Total liabilities | <u>496,962,610</u> | <u>220,218,867</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Deferred lease inflows | 1,281,792 | 233,715 |
| Deferred pension inflows | 19,567,873 | 11,068,758 |
| Deferred OPEB inflows | 2,800,908 | 1,097,075 |
| Total deferred inflows of resources | <u>23,650,573</u> | <u>12,399,548</u> |
| NET POSITION | | |
| Net investment in capital assets | 85,858,609 | (16,724,634) |
| Restricted for: | | |
| Emergency reserve (TABOR) | 5,800,000 | 3,141,636 |
| Debt service | 18,591,055 | 6,897,862 |
| Preschool | 244,035 | - |
| MLO projects | 8,357,089 | 245,029 |
| Unrestricted | <u>(202,888,355)</u> | <u>(31,055,235)</u> |
| Total net position | <u>\$ (84,037,567)</u> | <u>\$ (37,495,342)</u> |

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

| Functions/Programs | Expenses | Program Revenue | | | Net (Expense) Revenue and Changes in Net Position | |
|--|-----------------------|-----------------------------|---|---|--|------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | Component Units |
| | | | | | Governmental Activities | Charter Schools |
| Primary government | | | | | | |
| Governmental activities | | | | | | |
| Instruction | \$ 110,921,536 | \$ 10,468,325 | \$ 35,789,152 | \$ 40,977 | \$ (64,623,082) | \$ - |
| Supporting services | 84,381,157 | 13,289,972 | 1,477,723 | - | (69,613,462) | |
| Community services | 655,923 | - | - | - | (655,923) | |
| Food service operations | 5,312,622 | 2,130,624 | 3,590,264 | - | 408,266 | |
| Facilities acquisition and construction | 7,443,174 | - | - | - | (7,443,174) | |
| Interest and fiscal charges | 8,347,308 | - | - | - | (8,347,308) | |
| Total governmental activities | <u>\$ 217,061,720</u> | <u>\$ 25,888,921</u> | <u>\$ 40,857,139</u> | <u>\$ 40,977</u> | <u>(150,274,683)</u> | |
| Component units | | | | | | |
| Charter schools | <u>\$ 128,366,260</u> | <u>\$ 8,800,024</u> | <u>\$ 10,598,947</u> | <u>\$ 1,654,220</u> | | <u>(107,313,069)</u> |
| General revenues: | | | | | | |
| Property taxes | | | | | 59,479,584 | - |
| Specific ownership taxes | | | | | 6,053,233 | - |
| State equalization | | | | | 83,539,623 | - |
| Per pupil revenue | | | | | - | 102,662,624 |
| District mill levy override | | | | | - | 1,792,432 |
| Grants and contributions not restricted to specific programs | | | | | 741,792 | 3,798,711 |
| Investment earnings | | | | | 5,505,678 | 1,288,778 |
| Miscellaneous | | | | | 2,667,294 | 269,633 |
| Total general revenues | | | | | <u>157,987,204</u> | <u>109,812,178</u> |
| Change in net position | | | | | <u>7,712,521</u> | <u>2,499,109</u> |
| Net position - beginning | | | | | (91,750,088) | (40,255,765) |
| Prior period adjustment | | | | | - | 261,314 |
| Net position - beginning, as restated (deficit) | | | | | <u>(91,750,088)</u> | <u>(39,994,451)</u> |
| Net position - ending (deficit) | | | | | <u>\$ (84,037,567)</u> | <u>\$ (37,495,342)</u> |

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

| | General Fund | Governmental Designated Purpose Grants Fund | Total Nonmajor Funds | Total Governmental Funds |
|---|----------------------|--|-------------------------------------|---|
| ASSETS | | | | |
| Cash and investments | \$ 28,374,190 | \$ - | \$ 834,360 | \$ 29,208,550 |
| Restricted cash and investments | 22,742,805 | - | 103,374,555 | 126,117,360 |
| Cash with country treasurer | 1,173,934 | - | - | 1,173,934 |
| Taxes receivable | 519,086 | - | - | 519,086 |
| Intergovernmental receivables | 12,809 | 7,198,020 | 499,179 | 7,710,008 |
| Other receivables | 16,573 | - | 1,419,672 | 1,436,245 |
| Due from other funds | 24,965,158 | - | 22,930,547 | 47,895,705 |
| Prepaid items | 110,127 | 1,866 | - | 111,993 |
| Inventories | - | - | 100,468 | 100,468 |
| | | | | |
| Total assets | <u>\$ 77,914,682</u> | <u>\$ 7,199,886</u> | <u>\$ 129,158,781</u> | <u>\$ 214,273,349</u> |
| LIABILITIES | | | | |
| Accounts payable and other accrued liabilities | \$ 4,631,818 | \$ 1,740,167 | \$ 1,571,448 | \$ 7,943,433 |
| Accrued salaries and benefits | 16,586,833 | 1,178,591 | 358,629 | 18,124,053 |
| Compensated absences | 209,148 | - | - | 209,148 |
| Due to other funds | 22,531,019 | 2,385,022 | 23,253,237 | 48,169,278 |
| Unearned revenue | 528,069 | 1,896,106 | 340,222 | 2,764,397 |
| | | | | |
| Total liabilities | <u>44,486,887</u> | <u>7,199,886</u> | <u>25,523,536</u> | <u>77,210,309</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue-property taxes | 523,002 | - | - | 523,002 |
| Unavailable revenue-leases | - | - | 1,281,792 | 1,281,792 |
| | | | | |
| Total deferred inflows of resources | <u>523,002</u> | <u>-</u> | <u>1,281,792</u> | <u>1,804,794</u> |
| FUND BALANCES | | | | |
| Nonspendable | 110,127 | - | 100,468 | 210,595 |
| Restricted for: | | | | |
| Emergency reserve (TABOR) | 5,800,000 | - | - | 5,800,000 |
| Debt service | - | - | 18,591,055 | 18,591,055 |
| MLO projects | 8,357,089 | - | - | 8,357,089 |
| Preschool | 244,035 | - | - | 244,035 |
| Committed for: | | | | |
| Pupil activities | - | - | 2,061,906 | 2,061,906 |
| Food Services | - | - | 3,156,837 | 3,156,837 |
| Contingencies | 11,211,051 | - | - | 11,211,051 |
| Assigned for: | | | | |
| Risk management | 851,841 | - | - | 851,841 |
| Capital projects | 6,330,650 | - | 78,443,187 | 84,773,837 |
| Unassigned | - | - | - | - |
| | | | | |
| Total fund balances | <u>32,904,793</u> | <u>-</u> | <u>102,353,453</u> | <u>135,258,246</u> |
| | | | | |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 77,914,682</u> | <u>\$ 7,199,886</u> | <u>\$ 129,158,781</u> | <u>\$ 214,273,349</u> |

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2023

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

| | | |
|---|---------------------|-------------------------------|
| Total fund balance - governmental funds | | \$ 135,258,246 |
| Capital assets used in governmental activities are not financial resources and, therefore, are | | |
| Capital assets, not being depreciated | \$ 50,830,226 | |
| Capital assets, net of depreciation | <u>161,812,000</u> | 212,642,226 |
| Property tax receivable is not available to pay current period expenditures and, therefore, is not reported in the funds. | | 523,000 |
| Internal service funds are used by the District's management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included with governmental activities in the statement of net position. | | 1,318,294 |
| Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in government funds: | | |
| Deferred charges on refunding | \$ 3,626,171 | |
| Net pension liabilities | (221,594,033) | |
| Pension outflows | 50,203,223 | |
| Pension inflows | (19,567,873) | |
| Net OPEB liabilities | (7,551,862) | |
| OPEB outflows | 2,008,936 | |
| OPEB inflows | (2,800,908) | |
| Accrued interest | (370,111) | |
| Compensated absences | (4,287,976) | |
| Leases payable | (6,432,143) | |
| SBITA liability | (352,681) | |
| Certificates of participation payable | (199,175,000) | |
| Unamortized premiums | <u>(27,485,076)</u> | <u>(433,779,333)</u> |
| Net position of governmental activities | | <u><u>\$ (84,037,567)</u></u> |

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

| | General Fund | Governmental Designated Purpose Grants Fund | Total Nonmajor Funds | Total Governmental Funds |
|---|---------------------|--|-------------------------------------|---|
| REVENUES | | | | |
| Local sources | \$ 76,614,562 | \$ - | \$ 12,568,485 | \$ 89,183,047 |
| State sources | 101,625,704 | 179,442 | 2,500,000 | 104,305,146 |
| Federal sources | 807,900 | 20,222,247 | 3,490,730 | 24,520,877 |
| | | | | |
| Total revenues | 179,048,166 | 20,401,689 | 18,559,215 | 218,009,070 |
| | | | | |
| EXPENDITURES | | | | |
| Instruction | 88,233,672 | 11,767,056 | 4,105,310 | 104,106,038 |
| Supporting services | 67,364,022 | 8,168,133 | 5,035,797 | 80,567,952 |
| Community services | 3,656 | 466,500 | 185,767 | 655,923 |
| Food service operations | - | - | 5,744,520 | 5,744,520 |
| Facilities acquisition and construction | 1,013,437 | - | 22,904,626 | 23,918,063 |
| Debt service | 1,981,670 | - | 16,607,988 | 18,589,658 |
| | | | | |
| Total expenditures | 158,596,457 | 20,401,689 | 54,584,008 | 233,582,154 |
| | | | | |
| Excess (deficiency) of revenues over expenditures | 20,451,709 | - | (36,024,793) | (15,573,084) |
| | | | | |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in (out) | (20,844,311) | - | 20,844,311 | - |
| Lease proceeds | 795,199 | - | - | 795,199 |
| | | | | |
| Total other financing sources (uses) | (20,049,112) | - | 20,844,311 | 795,199 |
| | | | | |
| Net change in fund balances | 402,597 | - | (15,180,482) | (14,777,885) |
| | | | | |
| Fund balances - beginning | 32,502,196 | - | 117,533,935 | 150,036,131 |
| | | | | |
| Fund balances - ending | \$ 32,904,793 | \$ - | \$ 102,353,453 | \$ 135,258,246 |

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

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

| | | |
|---|----|--------------|
| Net change in fund balances - total governmental funds: | \$ | (14,777,885) |
|---|----|--------------|

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

| | | | |
|---------------------------|----|--------------|------------|
| Capital outlays | \$ | 26,426,813 | |
| Depreciation/amortization | | (11,157,888) | 15,268,925 |

| | | |
|--|--|----------|
| Governmental funds do not present property tax revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned. | | (99,140) |
|--|--|----------|

| | | |
|--|--|-----------|
| Internal service funds are used by the District to charge the cost of certain activities to individual funds. The net revenue of the internal service funds are reported with governmental activities. | | 1,079,317 |
|--|--|-----------|

| | | |
|--|--|--------|
| Interest expense is reported when incurred in the statement of activities but is not reported in the funds until paid. | | 13,194 |
|--|--|--------|

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

| | | | |
|---------------------------------------|----|-----------|-----------|
| Repayment of principal | \$ | 9,128,342 | |
| Lease proceeds | | (370,894) | |
| SBITA proceeds | | (424,304) | |
| Amortization of deferred on refunding | | (219,768) | |
| Accretion of COP premium | | 1,320,582 | 9,433,958 |

| | | |
|--|--|-----------|
| Governmental funds measure compensated absences by the amount of financial resources used, whereas these expenses are reported in the statement of activities based on the amounts incurred during the year. | | (276,936) |
|--|--|-----------|

Certain pension and OPEB expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

| | | | |
|----------------------------------|----|-------------|-------------|
| Changes in pension related items | \$ | (3,655,004) | |
| Changes in OPEB related items | | 726,092 | (2,928,912) |

| | | |
|---|----|-----------|
| Change in net position of governmental activities | \$ | 7,712,521 |
|---|----|-----------|

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023

| | Governmental Activities Internal Service Fund |
|---------------------------|--|
| ASSETS | |
| Current assets | |
| Cash and cash equivalents | \$ 1,717,417 |
| Due from other funds | <u>273,573</u> |
| Total assets | <u>1,990,990</u> |
| LIABILITIES | |
| Current liabilities | |
| Accounts payable | <u>672,696</u> |
| Total liabilities | <u>672,696</u> |
| NET POSITION | |
| Unrestricted | <u>1,318,294</u> |
| Total net position | <u><u>\$ 1,318,294</u></u> |

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023

| | Governmental Activities |
|--|------------------------------------|
| | Internal Service Fund |
| OPERATING REVENUES | |
| Charges for services | \$ 12,367,045 |
| OPERATING EXPENSES | |
| Purchased services | 11,368,030 |
| Total operating expenses | 11,368,030 |
| Operating income (loss) | 999,015 |
| NON-OPERATING REVENUES (EXPENSES) | |
| Interest and investment revenue | 80,302 |
| Change in net position | 1,079,317 |
| Net position - beginning | 238,977 |
| Net position - ending | \$ 1,318,294 |

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023

| | Governmental Activities Internal Service Fund |
|---|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Cash received from customers and users | \$ 11,318,210 |
| Cash payments to suppliers | <u>(11,323,125)</u> |
| Net cash provided (used) by operating activities | <u>(4,915)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest received | <u>80,302</u> |
| Net increase (decrease) in cash and cash equivalents | 75,387 |
| Cash and cash equivalents - beginning | <u>1,642,030</u> |
| Cash and cash equivalents - ending | <u><u>\$ 1,717,417</u></u> |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | |
| Operating income (loss) | <u>\$ 999,015</u> |
| Adjustments to reconcile operating income to net cash provided by operating activities: | |
| Change in assets and liabilities: | |
| (Increase) decrease in: | |
| Due from other funds | (273,573) |
| Increase (decrease) in: | |
| Accounts payable | 44,904 |
| Due to other funds | <u>(775,261)</u> |
| Total adjustments | <u>(1,003,930)</u> |
| Net cash provided (used) by operating activities | <u><u>\$ (4,915)</u></u> |

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

COMPONENT UNITS

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2023

| | Pikes Peak School of Expeditionary Learning | Banning Lewis Ranch Academy | Rocky Mountain Classical Academy | GOAL Academy | Liberty Tree Academy | Grand Peak Academy | Mountain View Academy | Pioneer Technology And Arts Academy | Total |
|--|--|-----------------------------------|---|-----------------|----------------------------|-----------------------|-----------------------------|--|-----------------|
| ASSETS | | | | | | | | | |
| Cash and investments | \$ 3,647,677 | \$ 9,545,757 | \$ 6,537,174 | \$ 27,942,615 | \$ 3,880,250 | \$ 3,616,844 | \$ 608,355 | \$ 350,199 | \$ 56,128,871 |
| Restricted cash and investments | 25,636 | 2,389,448 | 3,391,237 | - | 465,773 | 1,401,254 | - | - | 7,673,348 |
| Grants receivable | - | - | 285,637 | 1,023,078 | 25,455 | 30,224 | - | 56,978 | 1,421,372 |
| Intergovernmental receivable | - | 31,390 | - | - | - | - | 213,983 | - | 245,373 |
| Lease receivable | - | - | - | - | - | 233,715 | - | - | 233,715 |
| Other receivable | 40,653 | - | 90,450 | 291,396 | - | 47,083 | - | - | 469,582 |
| Deposits | - | - | 18,710 | 225,654 | 11,290 | 150,000 | - | - | 405,654 |
| Prepaid items | 18,735 | 282,873 | 190,863 | 58,633 | 14,912 | 53,141 | - | - | 619,157 |
| Capital assets, not being depreciated | 1,280,459 | - | 8,885,873 | 1,666,312 | 1,017,645 | 1,750,000 | - | - | 14,600,289 |
| Capital assets, net of depreciation | 3,721,026 | 22,126,966 | 22,910,831 | 3,679,628 | 12,404,558 | 15,495,625 | - | 491,284 | 80,829,918 |
| Total assets | 8,734,186 | 34,376,434 | 42,310,775 | 34,887,316 | 17,819,883 | 22,777,886 | 822,338 | 898,461 | 162,627,279 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | | | | |
| Deferred charge on refunding | - | 1,596,666 | 4,832,072 | - | 1,198,175 | - | - | - | 7,626,913 |
| Deferred pension outflows | 998,058 | - | 2,578,865 | 16,938,622 | 1,518,181 | 1,129,485 | - | 518,872 | 23,682,083 |
| Deferred OPEB outflows | 33,489 | - | 93,643 | 883,660 | 129,061 | 29,268 | - | 17,677 | 1,186,798 |
| Total deferred outflows of resources | 1,031,547 | 1,596,666 | 7,504,580 | 17,822,282 | 2,845,417 | 1,158,753 | - | 536,549 | 32,495,794 |
| LIABILITIES | | | | | | | | | |
| Accounts payable and other current liabilities | 369,798 | 467,766 | 5,714,068 | 777,958 | 91,646 | 115,252 | 446,776 | 225,064 | 8,208,328 |
| Accrued salaries and benefits | 108,897 | 987,077 | 424,414 | - | 132,336 | - | - | - | 1,652,724 |
| Accrued interest | 11,469 | 38,835 | 498,499 | - | 88,670 | 467,300 | - | - | 1,104,773 |
| Unearned revenues | 7,025 | 17,818 | 17,337 | - | - | - | 64,260 | - | 106,440 |
| Long-term liabilities | | | | | | | | | |
| Due within one year | 166,990 | 804,203 | 399,469 | 1,059,696 | 219,472 | 285,000 | - | 300,000 | 3,234,830 |
| Due in more than one year | 5,026,356 | 28,591,121 | 42,978,539 | 1,019,305 | 18,320,135 | 20,900,000 | - | 676,313 | 117,511,769 |
| Net Pension Liability | 4,054,552 | - | 10,992,878 | 58,987,445 | 5,255,451 | 4,429,486 | - | 1,759,072 | 85,478,884 |
| Net OPEB Liability | 138,184 | - | 374,461 | 2,010,948 | 178,992 | 150,947 | - | 67,587 | 2,921,119 |
| Total liabilities | 9,883,271 | 30,906,820 | 61,399,665 | 63,855,352 | 24,286,702 | 26,347,985 | 511,036 | 3,028,036 | 220,218,867 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | |
| Deferred lease inflows | - | - | - | - | - | 233,715 | - | - | 233,715 |
| Deferred pension inflows | 596,696 | - | 1,434,841 | 7,507,684 | 234,758 | 961,857 | - | 332,922 | 11,068,758 |
| Deferred OPEB inflows | 51,224 | - | 136,133 | 743,253 | 63,041 | 79,591 | - | 23,833 | 1,097,075 |
| Total deferred inflows of resources | 647,920 | - | 1,570,974 | 8,250,937 | 297,799 | 1,275,163 | - | 356,755 | 12,399,548 |
| NET POSITION | | | | | | | | | |
| Net investment in capital assets | (203,330) | (5,671,691) | (6,749,232) | 3,266,939 | (3,919,229) | (3,939,375) | - | 491,284 | (16,724,634) |
| Restricted for: | | | | | | | | | |
| Emergency reserve - TABOR | 25,636 | 505,000 | 457,000 | 1,700,000 | 212,000 | 242,000 | - | - | 3,141,636 |
| Debt service | 136,000 | 2,404,068 | 2,892,737 | - | 381,103 | 1,083,954 | - | - | 6,897,862 |
| Other | - | - | - | 31,064 | - | - | 213,965 | - | 245,029 |
| Unrestricted | (723,764) | 7,828,903 | (9,755,789) | (24,394,694) | (593,075) | (1,073,088) | 97,337 | (2,441,065) | (31,055,235) |
| Total net position | \$ (765,458) | \$ 5,066,280 | \$ (13,155,284) | \$ (19,396,691) | \$ (3,919,201) | \$ (3,686,509) | \$ 311,302 | \$ (1,949,781) | \$ (37,495,342) |

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

| | Pikes Peak School of Expeditionary Learning | Banning Lewis Ranch Academy | Rocky Mountain Classical Academy | GOAL Academy | Liberty Tree Academy | Grand Peak Academy | Mountain View Academy | Pioneer Technology And Arts Academy | Total |
|---|--|-----------------------------------|---|-----------------|----------------------------|-----------------------|-----------------------------|--|-----------------|
| EXPENSES | | | | | | | | | |
| Instruction | \$ 2,974,946 | \$ 9,435,089 | \$ 6,793,018 | \$ 28,820,005 | \$ 3,693,997 | \$ 3,247,898 | \$ 2,660,742 | \$ 2,932,873 | \$ 60,558,568 |
| Supporting services | 1,120,359 | 7,503,300 | 7,920,264 | 31,219,708 | 3,848,969 | 3,439,121 | 4,471,412 | 818,781 | 60,341,914 |
| Depreciation and amortization | - | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | 139,609 | 2,071,334 | 3,015,273 | 183,090 | 1,121,872 | 934,600 | - | - | 7,465,778 |
| Total expenses | 4,234,914 | 19,009,723 | 17,728,555 | 60,222,803 | 8,664,838 | 7,621,619 | 7,132,154 | 3,751,654 | 128,366,260 |
| PROGRAM REVENUES | | | | | | | | | |
| Charges for services | 167,586 | 2,151,136 | 3,520,926 | - | 1,189,599 | 1,770,777 | - | - | 8,800,024 |
| Operating grants and contributions | 293,975 | 803,983 | 1,267,391 | 7,068,073 | 281,532 | 351,959 | 188,774 | 343,260 | 10,598,947 |
| Capital grants and contributions | - | 600,728 | 393,073 | - | 260,273 | 221,642 | - | 178,504 | 1,654,220 |
| Total program revenues | 461,561 | 3,555,847 | 5,181,390 | 7,068,073 | 1,731,404 | 2,344,378 | 188,774 | 521,764 | 21,053,191 |
| Net expense (revenue) | (3,773,353) | (15,453,876) | (12,547,165) | (53,154,730) | (6,933,434) | (5,277,241) | (6,943,380) | (3,229,890) | (107,313,069) |
| GENERAL REVENUES | | | | | | | | | |
| Per pupil revenue | 3,657,199 | 14,688,824 | 12,758,636 | 52,447,553 | 6,363,156 | 5,504,269 | 3,639,924 | 3,603,063 | 102,662,624 |
| District mill levy | 196,695 | 557,133 | 399,828 | 290,747 | - | 301,223 | 46,806 | - | 1,792,432 |
| Grants and contributions not restricted to specific programs | 140,230 | 217,632 | 58,135 | 31,961 | 6,719 | 18,232 | 3,325,802 | - | 3,798,711 |
| Investment earnings | 28,224 | 161,529 | 128,391 | 796,386 | 117,404 | 56,844 | - | - | 1,288,778 |
| Miscellaneous | - | 58,758 | 1,858 | 123,436 | 28,411 | 43,342 | - | 13,828 | 269,633 |
| Total general revenues | 4,022,348 | 15,683,876 | 13,346,848 | 53,690,083 | 6,515,690 | 5,923,910 | 7,012,532 | 3,616,891 | 109,812,178 |
| Change in net position | 248,995 | 230,000 | 799,683 | 535,353 | (417,744) | 646,669 | 69,152 | 387,001 | 2,499,109 |
| Net position - beginning | (1,014,453) | 4,836,280 | (13,954,967) | (19,932,044) | (3,501,457) | (4,594,492) | 242,150 | (2,336,782) | (40,255,765) |
| Prior period adjustment | - | - | - | - | - | 261,314 | - | - | 261,314 |
| Net position - beginning, as restated (deficit) | (1,014,453) | 4,836,280 | (13,954,967) | (19,932,044) | (3,501,457) | (4,333,178) | 242,150 | (2,336,782) | (39,994,451) |
| Net position - ending (deficit) | \$ (765,458) | \$ 5,066,280 | \$ (13,155,284) | \$ (19,396,691) | \$ (3,919,201) | \$ (3,686,509) | \$ 311,302 | \$ (1,949,781) | \$ (37,495,342) |

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

NOTES TO FINANCIAL STATEMENTS

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of El Paso County Colorado School District 49 (the District) have been prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY

The District was established in 1889 and is organized under the Constitution of the State of Colorado. The legislative power of the School District is vested in the Board of Education, consisting of five members elected at large for staggered four-year terms. The Board of Education maintains oversight for the District's instructional facilities and support departments to provide services to meet the needs of approximately 25,000 students and other community members.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government.

Discretely Presented Component Units. The District's Board of Education has authorized nine charter schools for operation. Eight of schools are considered discretely presented component units: Pikes Peak School of Expeditionary Learning, Banning Lewis Ranch Academy, Rocky Mountain Classical Academy, Guided Online Academic Learning (GOAL) Academy, Liberty Tree Academy, Grand Peak Academy, Mountain View Academy, and Pioneer Technology & Arts Academy. The charter schools are fiscally dependent on the District since the District provides the majority of support to each school in the form of per pupil revenue. Also, the potential exists that their exclusion from the District's reporting entity would cause the District's statements to be misleading or incomplete.

Separately issued financial statements for the charter schools may be obtained by writing to the following:

Pikes Peak School of Expeditionary Learning
11925 Antlers Ridge Drive
Falcon, CO 80831

GOAL Academy
107 W 11th Street
Pueblo, CO 80204

Banning Lewis Ranch Academy
7094 Cottonwood Tree Drive
Colorado Springs, CO 80927

Liberty Tree Academy
8579 Eastonville Road
Falcon, CO 80831

Rocky Mountain Classical Academy
4620 Antelope Ridge Drive
Colorado Springs, CO 80922

Grand Peak Academy
7036 Cowpoke Road
Colorado Springs, CO 80908

Mountain View Academy
2103 Meadowbrook Parkway
Colorado Springs, CO 80951

Pioneer Technology & Arts Academy
6464 Peterson Rd
Colorado Springs, CO 80923

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. REPORTING ENTITY (CONTINUED)

Power Technical Early College (PTEC) is one of the District's charter schools; however, it is not considered a component unit. Financial information for PTEC can be found in the James Irwin Charter Schools financial statements which can be obtained by writing to the following:

James Irwin Charter Schools
5525 Astrozon Blvd.
Colorado Springs, CO 80916

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Any fiduciary activities are reported only in the fund financial statements. *Governmental activities* are supported by taxes and intergovernmental revenues. The *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which direct expenses of given functions or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to students or other service users who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as *general revenues* rather than as program revenues.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds, and proprietary funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges for interfund services provided and used, the elimination of which would distort the direct costs and program revenues reported for the various functions.

The emphasis of fund financial statements is on major funds. Major individual funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Designated Purpose Grants Fund* is used to record financial transactions for grants received for designated programs funded by federal, state or local governments.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Additionally, the District reports the following fund types:

Special Revenue Funds account for revenue sources that are legally restricted to expenditure for specific purposes.

The *Food Service Fund* accounts for the District's food service program. This fund is required to account for USDA school breakfast and lunch money received by the District.

The *Other Special Revenue Fund* is used to account for other local revenues comprised of donations and local grants.

The *Pupil Activity Fund* is used to account for the revenues and expenditures related to school sponsored student intrascholastic and interscholastic athletic and other related activities.

The *Transportation Fund* is used to account for revenues from a tax levied or a fee imposed for the purpose of paying excess transportation costs.

The *Kids Corner Fund* is used to account for revenues and expenditures related to the before and after school care program for students that attend the Sand Creek Zone.

The *Other Activities Fund* is used to account for the revenues and expenditures related to school sponsored student intra-scholastic athlete and other related activities.

Debt Service Funds accounts for the accumulation of resources for and the payment of principal, interest and related expenses on long-term district debt,

The *Certificate of Participation (COP) Debt Service Fund* is used to account for the accumulation of resources and payment of principal, interest and related expenditures on COP debt.

Capital Project Funds account for the proceeds, construction and acquisition of capital assets.

The *Capital Reserve Fund* accounts for the purposes and limitations specified by Section 22-45-103(1)(c), C.R.S., including the acquisition of sites, buildings, equipment, and vehicles.

The *Capital Projects Mill Levy Fund* accounts for all resources provided through mill levy overrides for acquiring and improving capital sites, buildings, and equipment.

Internal Service Funds account for operations that provide services to other departments or agencies of the government on a cost-reimbursement basis.

The *Health Insurance Fund* accounts for premium payments and claims related to the self-funded health and dental insurance programs and risk related activities.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the government's internal service fund are charges to customers for sales and services. Operating expenses for the Internal Service Fund include the cost of sales, services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

During the course of operations, the government 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.

Further, 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.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the District the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property taxes, interest, and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Specific ownership taxes collected and held by the county at year-end on behalf of the District are also recognized as revenue. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 120 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the District.

*D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/
FUND BALANCE*

Cash and cash equivalents

The District pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the cash account is available to meet current operating requirements. Cash and cash equivalents include cash on hand and in the bank and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Local government investment pools in Colorado must be organized under Colorado Revised Statutes, which allows certain types of governments within the state to pool their funds for investment purposes. Investments in such pools are reported at net asset value.

Receivables

All receivables are reported at their gross values and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Inventories and prepaid items

Inventories are recorded as expenditures/expenses when consumed rather than when purchased. General warehouse inventory is valued at cost using the first-in/first-out (FIFO) method. Food Service inventory is stated at cost using the weighted average method except for commodities. USDA donated food commodities are valued at estimated acquisition value at the date of receipt.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets

Capital assets include tangible and intangible assets that are reported in the governmental activities column in the government-wide financial statements. Capital assets, except for lease assets, are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. For lease assets, only those intangible lease assets that cost more than \$100,000 are reported as capital assets.

As the District constructs or acquires capital assets each period they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in Note 1 D. *Leases* below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. The other tangible and intangible assets of the District are depreciated/amortized using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|------------------------|--------------|
| Buildings | 40 |
| Building improvements | 20 |
| Equipment – office | 10 |
| Equipment – technology | 5 |
| Equipment – vehicles | 10 |

Accrued Salaries and Benefits

Salaries and benefits of teachers and other contracted personnel are paid over a twelve-month period, but are earned during a school year of approximately nine months. The salaries and benefits earned, but unpaid, are reported as a liability in the respective funds and have been fully funded as of the fiscal year end.

Unearned Revenue

Unearned revenue includes resources received by the District before the related revenue can be recognized because the earnings process is not complete.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred outflows/inflows of resources

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

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

Leases

Lessee: The District is a lessee for noncancellable leases of facilities and equipment. The District recognizes a lease liability and an intangible right-to-use lease assets in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$100,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lessor: The District is a lessor for a noncancellable lease of cell towers. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the 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.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The 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.

Long-term liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

El Paso County Colorado School District 49 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.

OPEB

El Paso County Colorado School District 49 participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

Net position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) 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, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund balance classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications available to be used in the governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal resolution of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action that was used when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for any governmental funds except for the General Fund.

Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

E. REVENUES AND EXPENDITURES/EXPENSES

Property Taxes

Property taxes for the current year are certified in arrears to the County by December 15, and attach as an enforceable lien on property the following January 1. Property taxes are payable in full by April 30, or are payable in two equal installments due February 28 and June 15. The County Treasurer bills and collects the District's property tax. District property tax revenues are recognized when levied to the extent they result in current receivables.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District is permitted to levy taxes on the assessed valuation for general governmental services and for the payment of principal and interest on long-term debt. The tax rate for the year ended December 31, 2023 is 45.159 mills for general operating expenses. The District's assessed valuation for the collection year 2023 is \$1,314,377,980.

Specific Ownership Taxes

Specific ownership taxes are collected by the county for motor vehicle and other personal property registered in the District's assessment area. The tax receipts collected by the county are remitted to the District in the subsequent month and are considered unrestricted intergovernmental revenues. Specific ownership taxes are recorded as revenue when collected by the county.

Compensated Absences

Sick Leave Payable: Employees accrue 10-12 days of sick leave each year dependent upon their contract basis. Sick leave may be accumulated up to a maximum of 120 days. An employee will be reimbursed one-half of the current substitute rate or one-half of his/her base daily pay per classification of any unused sick leave days beyond the 120 days annually.

Upon retirement (15 years of more in the District or eligible for PERA retirement with at least 5 years of services in the District) an employee will be reimbursed at the current substitute rate of pay for their classification, up to a maximum of 120 days.

Vacation Payable: Under the District's policies certain employees earn vacation pay of 10-20 days, based on longevity of service. All unused/accrued vacation is vested at June 30 each year.

Personal Leave: A teacher or an employee who works 30 hours or more per week may be absent for two days per year for the purpose of personal leave. Personal days which are not used during the school year may be added to the employee's sick leave days or be reimbursed at the current substitute rate of pay.

The compensated absences balance is reported in the government-wide financial statements. For the governmental fund financial statements, the recognition of this liability is limited to the amount expected to be paid using expendable available resources.

Proprietary funds operating and nonoperating revenues and expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

F. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Budgets are required by State law for all funds, except fiduciary funds. The Superintendent submits a proposed budget to the Board of Education for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. It also includes a statement describing the major objectives of the educational program to be undertaken by the District and the manner in which the budget proposes to fulfill such objectives. Public hearings are conducted by the Board of Education to obtain public comments.

On or before June 30, the budget is adopted by formal resolution. After the adoption of the budget, the board may review and change the budget at any time prior to January 31 of the fiscal year for which the budget was adopted. After January 31, the board may not review or change the budget except where money for a specific purpose from other than ad valorem taxes becomes available which could not have been reasonably foreseen at the time of the adoption of the budget. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between line items within any fund rests with the Superintendent. Revisions that alter the total expenditures in 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 as established by the Board of Education.

Budgets for all fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). GAAP-basis accounting requires that expenditures of salaries and related benefits be recorded in the fiscal year earned. Thus, the District budgets for all accrued salaries and related benefits earned but unpaid at June 30. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Superintendent and/or Board of Education throughout the year. All appropriations lapse at the end of each fiscal year.

NOTE 3 – DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of June 30, 2023 is as follows:

| | |
|-------------|----------------------|
| Deposits | \$ 8,262,292 |
| Investments | <u>148,781,035</u> |
| Total | <u>\$157,043,327</u> |

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

| | |
|---------------------------------|-----------------------|
| Cash and investments | \$ 30,925,967 |
| Restricted cash and investments | <u>126,117,360</u> |
| Total | <u>\$ 157,043,327</u> |

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Cash deposits with financial institutions

Custodial Credit Risk—deposits: Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. 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. PDPA allows the financial 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 market value of the collateral must be at least equal to 102% of the uninsured deposits.

The carrying amount of the District's deposits at June 30, 2023 was \$8,262,292 and the bank balances were \$9,656,812. Of the bank balances, \$750,000 were covered by federal deposit insurance, and the remaining balance was uninsured but collateralized in accordance with the provisions of the PDPA.

Investments

The District is authorized by Colorado statutes to invest in the following:

- Obligations of the United States and certain U.S. government agencies' securities;
- Certain international agencies' securities;
- General obligation and revenue bonds of U.S. local government entities;
- Bankers' acceptances of certain banks;
- Certain commercial paper;
- Local government investment pools;
- Written repurchase agreements collateralized by certain authorized securities;
- Certain money market fund;
- Guaranteed investment contracts.

At June 30, 2023 the District's investment balances were as follows:

| <u>Investment Type</u> | <u>Year-end Balance</u> | <u>Measurement</u> | <u>Maturity</u> | <u>Standard & Poor's Rating</u> |
|-------------------------|-----------------------------|--------------------|-------------------|---|
| ColoTrust | \$ 142,766,399 | Net asset value | Less than 90 days | AAAm |
| Money Market | 5,736,525 | Amortized cost | Less than 90 days | AAA |
| Certificates of Deposit | <u>278,111</u> | Amortized cost | Up to one year | AAA |
| | <u>\$ 148,781,035</u> | | | |

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Local Government Investment Pools. The Colorado Local Government Liquid Asset Trust (ColoTrust) is an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating the pools, which operate in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended, which includes the maintenance of each share equal in value to \$1.00. Investments are limited to those allowed by state statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodians' internal records identify the investments owned by the participating governments. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. As a means of managing its exposure to interest rate risk, the District has a board approved investment policy that limits investment maturities to five years or less. Colorado revised statute 24-75-601 also limits investment maturities to five years or less.

Credit Risk – Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law and District policy limit investments to those described above.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss that may be caused by the District's investment in a single issuer. The District places no limit on the amount it may invest in any one issuer. More than 20 percent of the District's investments are in ColoTrust. These investments are 96.5% of the District's total investments.

Fair value of investments. The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1 inputs reflect prices quoted in active markets.
- Level 2 inputs reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 inputs reflect prices based upon unobservable sources.

District investments measured at net asset value or amortized cost fall under the existing exemptions to fair value measurement.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Receivables and Payables

Interfund receivables and payables are created in conjunction with the District's pooled cash and investment portfolios. Balances are routinely cleared as a matter of practice.

The composition of interfund balances as of June 30, 2023, is as follows:

| | <u>Due From Other Funds</u> | <u>Due To Other Funds</u> |
|---|---------------------------------|-------------------------------|
| General Fund | \$ 24,965,158 | \$ 22,531,019 |
| Governmental Designated Purpose Grants Fund | - | 2,385,022 |
| Nonmajor Funds | 22,930,547 | 23,253,237 |
| Risk Management – Health Insurance Fund | <u>273,573</u> | <u>-</u> |
| Total | <u>\$ 48,169,278</u> | <u>\$ 48,169,278</u> |

Interfund transfers

The composition of interfund transfers for the year ended June 30, 2023, is as follows:

| | <u>Transfers From Other Funds</u> | <u>Transfers To Other Funds</u> |
|-----------------------|---------------------------------------|-------------------------------------|
| General Fund | \$ - | \$ 20,844,311 |
| COP Debt Service Fund | <u>20,844,311</u> | <u>-</u> |
| Total | <u>\$ 20,844,311</u> | <u>\$ 20,844,311</u> |

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (3) move capital assets from one fund to another fund when the fund using the capital assets changes.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|----------------------|---------------------|---------------------------|
| <i>Governmental activities</i> | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 18,343,078 | \$ - | \$ - | \$ 18,343,078 |
| Construction in progress | <u>9,466,870</u> | <u>23,754,805</u> | <u>(734,527)</u> | <u>32,487,148</u> |
| Total capital assets not being depreciated | <u>27,809,948</u> | <u>23,754,805</u> | <u>(734,527)</u> | <u>50,830,226</u> |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 261,069,409 | 792,560 | - | 261,861,969 |
| Equipment | <u>22,440,603</u> | <u>1,818,777</u> | <u>-</u> | <u>24,259,380</u> |
| Total capital assets being depreciated | <u>283,510,012</u> | <u>2,611,337</u> | <u>-</u> | <u>286,121,349</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | (108,408,599) | (8,257,031) | - | (116,665,630) |
| Equipment | <u>(14,131,926)</u> | <u>(2,205,736)</u> | <u>-</u> | <u>(16,337,662)</u> |
| Total accumulated depreciation | <u>(122,540,525)</u> | <u>(10,462,767)</u> | <u>-</u> | <u>(133,033,292)</u> |
| Total capital assets being depreciated, net | <u>160,969,487</u> | <u>(7,851,430)</u> | <u>-</u> | <u>153,118,057</u> |
| Lease assets being amortized: | | | | |
| Buildings and improvements | 9,569,833 | - | - | 9,569,833 |
| Equipment | <u>1,350,106</u> | <u>370,894</u> | <u>-</u> | <u>1,721,000</u> |
| Total lease assets being amortized | <u>10,919,939</u> | <u>-</u> | <u>-</u> | <u>11,290,833</u> |
| Less accumulated amortization for: | | | | |
| Buildings and improvements | (1,637,712) | (296,037) | - | (1,933,749) |
| Equipment | <u>(688,361)</u> | <u>(314,223)</u> | <u>-</u> | <u>(1,002,584)</u> |
| Total accumulated amortization | <u>(2,326,073)</u> | <u>(610,260)</u> | <u>-</u> | <u>(2,936,333)</u> |
| Total lease assets being amortized, net | <u>8,593,866</u> | <u>(239,366)</u> | <u>-</u> | <u>8,354,500</u> |
| SBITAs assets being amortized: | | | | |
| Software | - | 424,304 | - | 424,304 |
| Less accumulated amortization for: | | | | |
| Software | <u>-</u> | <u>(84,861)</u> | <u>-</u> | <u>(84,861)</u> |
| Total SBITAs assets being amortized, net | <u>-</u> | <u>339,443</u> | <u>-</u> | <u>339,443</u> |
| Capital assets, net of accumulated depreciation/amortization | <u>169,563,353</u> | <u>(16,003,452)</u> | <u>-</u> | <u>161,812,000</u> |
| Total governmental activities capital assets | <u>\$ 197,373,301</u> | <u>\$ 16,003,452</u> | <u>\$ (734,527)</u> | <u>\$ 212,642,226</u> |

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 - CAPITAL ASSETS (CONTINUED)

Depreciation/amortization expense was charged to the functions/programs of the governmental activities of the primary government as follows:

Governmental Activities

| | |
|---|----------------------|
| Instruction | \$ 9,184,418 |
| Supporting services | <u>1,973,470</u> |
| Total depreciation/amortization expense | <u>\$ 11,157,888</u> |

NOTE 6 – LEASES

District as lessee

The District, as a lessee, has entered into lease agreements involving educational facilities and equipment, and vehicles with lease terms ranging from 3 to 15 years. The total costs of these right-to-use lease assets are recorded as \$11,290,833, less accumulated amortization of \$2,936,333. The District has determined that as of June 30, 2023, there is no loss associated with an impairment of the right-to-use lease asset.

The future lease payments under lease agreements as of June 30, 2023 are as follows:

| <u>Fiscal Year</u> <u>Ending June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---|---------------------|-------------------|---------------------|
| 2024 | \$ 1,576,565 | \$ 316,511 | \$ 1,893,076 |
| 2025 | 1,662,274 | 230,801 | 1,893,075 |
| 2026 | 1,511,305 | 141,152 | 1,652,457 |
| 2027 | 860,614 | 63,470 | 924,084 |
| 2028 | 266,675 | 39,167 | 305,842 |
| 2029 – 2030 | <u>554,710</u> | <u>31,487</u> | <u>586,197</u> |
| Total | <u>\$ 6,432,143</u> | <u>\$ 822,588</u> | <u>\$ 7,254,731</u> |

District as lessor

The District, as a lessor, has entered into lease agreements with third parties involving cell phone towers. The leases range from 25 to 50 years and the District will receive monthly payments of \$5,750. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows, recognized during the fiscal year was \$77,332. As of June 30, 2023, the District receivable for lease payments was \$1,281,792. Also, the District has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources was \$1,281,792.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 – LONG-TERM LIABILITIES

Certificate of Participation

Certificates of participation (COPs) are lease-financing agreements used by the District to provide funds for the acquisition and construction of major capital facilities. Under such agreements, the District makes regular payments over an annually renewable contract for the acquisition and use of the property. COPs have been issued for governmental activities. COPs are not considered general obligations of the District. COPs are secured by lease revenues through a lease-financing agreement.

Certificates of participation outstanding at June 30, 2023 are as follows:

| | <u>Original Borrowing</u> | <u>Interest Rates</u> | <u>Final Maturity</u> | <u>Outstanding at Year-end</u> |
|------------------------------------|-------------------------------|---------------------------|---------------------------|------------------------------------|
| <i>Governmental Activities</i> | | | | |
| Certificates of Participation 2015 | \$ 70,575,000 | 2.00% - 5.00% | 2039 | \$ 55,035,000 |
| Certificates of Participation 2017 | 79,615,000 | 3.00% - 5.00% | 2042 | 63,115,000 |
| Certificates of Participation 2021 | 85,000,000 | 4.00% - 5.00% | 2046 | <u>81,025,000</u> |
| Total | | | | <u>\$ 199,175,000</u> |

Annual debt service requirements to maturity for certificates of participation are as follows:

| <u>Fiscal Year Ending June 30</u> | <u>Governmental Activities</u> | |
|---------------------------------------|--------------------------------|----------------------|
| | <u>Principal</u> | <u>Interest</u> |
| 2024 | \$ 7,875,000 | \$ 8,685,787 |
| 2025 | 8,270,000 | 8,282,163 |
| 2026 | 8,680,000 | 7,858,412 |
| 2027 | 9,120,000 | 7,413,413 |
| 2028 | 7,065,000 | 7,008,788 |
| 2029 – 2033 | 40,675,000 | 29,618,963 |
| 2034 – 2038 | 50,455,000 | 19,804,643 |
| 2039 – 2043 | 47,510,000 | 8,850,625 |
| 2044 – 2047 | <u>19,525,000</u> | <u>1,600,100</u> |
| Total | <u>\$ 199,175,000</u> | <u>\$ 99,122,894</u> |

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

Changes in Long-Term Liabilities

Changes in the District's long-term liabilities for the year ended June 30, 2023, are as follows:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Deductions</u> | <u>Ending Balance</u> | <u>Amount Due Within One year</u> |
|--------------------------------------|------------------------------|----------------------|------------------------|---------------------------|---|
| <i>Governmental Activities</i> | | | | | |
| Certificates of participation | \$ 206,735,000 | \$ - | \$ (7,560,000) | \$ 199,175,000 | \$ 7,875,000 |
| Premiums | <u>28,805,658</u> | <u>-</u> | <u>(1,320,582)</u> | <u>27,485,076</u> | <u>-</u> |
| Total | 235,540,658 | - | (8,880,582) | 226,660,076 | 7,875,000 |
| Leases | 7,557,968 | 370,894 | (1,496,719) | 6,432,143 | 1,576,564 |
| SBITAs liability | - | 424,304 | (71,623) | 352,681 | 77,855 |
| Compensated absences | 4,166,089 | 5,586,527 | (5,255,492) | 4,497,124 | 209,148 |
| Net pension liability | 153,031,221 | 91,527,595 | (22,964,783) | 221,594,033 | - |
| Net OPEB liability | <u>7,403,674</u> | <u>1,419,165</u> | <u>(1,270,977)</u> | <u>7,551,862</u> | <u>-</u> |
| <i>Total Governmental Activities</i> | <u>\$ 407,699,610</u> | <u>\$ 99,328,485</u> | <u>\$ (39,940,176)</u> | <u>\$ 467,087,919</u> | <u>\$ 9,738,567</u> |

Certificates of participation are liquidated in the Certificate of Participation (COP) Debt Service Fund. Leases are liquidated in the general fund. Approximately 90% of compensated absences, net pension liabilities, and net OPEB liabilities are normally liquidated in the general fund, with remaining amounts liquidated in other governmental funds.

NOTE 8 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. Eligible employees of the El Paso County Colorado School District 49 are provided with pensions through the SCHDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2022. 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.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

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

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

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

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions provisions as of June 30, 2023: Eligible employees of, El Paso County Colorado School District 49 and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2022 through June 30, 2023. Employer contribution requirements are summarized in the table below:

| | July 1, 2022 Through June 30, 2023 |
|--|--|
| 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 El Paso County Colorado School District 49 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from El Paso County Colorado School District 49 were \$19,348,119 for the year ended June 30, 2023.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute \$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. House Bill (HB) 22-1029, instructed the State treasurer to issue an additional direct distribution to PERA in the amount of \$380 million (actual dollars), upon enactment. The July 1, 2023, payment is reduced by \$190 million (actual dollars) to \$35 million (actual dollars). The July 1, 2024, payment will not be reduced due to PERA's negative investment return in 2022. Senate Bill (SB) 23-056, enacted June 2, 2023, requires an additional direct distribution of approximately \$14.5 million (actual dollars), for a total of approximately \$49.5 million (actual dollars) to be contributed July 1, 2023.

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, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TPL to December 31, 2022. The El Paso County Colorado School District 49 proportion of the net pension liability was based on El Paso County Colorado School District 49 contributions to the SCHDTF for the calendar year 2022 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

At June 30, 2023, the El Paso County Colorado School District 49 reported a liability of \$221,594,033 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 El Paso County Colorado School District 49 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 El Paso County Colorado School District 49 were as follows:

| | |
|--|----------------|
| El Paso County Colorado School District 49 proportionate share of the net pension liability | \$ 221,594,033 |
| The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the El Paso County Colorado School District 49 | 64,574,728 |
| Total | \$ 286,168,761 |

At December 31, 2022, the El Paso County Colorado School District 49 proportion was 1.2169167693%, which was a decrease of 0.0980820091% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the El Paso County Colorado School District 49 recognized pension expense of \$3,655,004 and revenue of \$7,593,594 for support from the State as a nonemployer contributing entity. At June 30, 2023, the El Paso County Colorado School District 49 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Difference between expected and actual experience | \$ 2,097,149 | \$ - |
| Changes of assumptions or other inputs | 3,925,153 | - |
| Net difference between projected and actual earnings on pension plan investments | 29,768,242 | - |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 4,728,345 | 19,567,873 |
| Contributions subsequent to the measurement date | 9,684,334 | N/A |
| Total | <u>\$ 50,203,223</u> | <u>\$ 19,567,873</u> |

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

\$9,684,334 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended June 30: | |
|---------------------|----------------|
| 2024 | \$ (3,920,261) |
| 2025 | (1,840,862) |
| 2026 | 9,397,462 |
| 2027 | 17,314,864 |
| 2028 | - |
| Thereafter | - |

Actuarial assumptions. The TPL in the December 31, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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

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

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

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

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

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

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

| 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%.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- HB 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the regularly scheduled \$225 million (actual dollars) direct distribution, a warrant to PERA in the amount of \$380 million (actual dollars). The July 1, 2023, direct distribution is reduced by \$190 million (actual dollars) to \$35 million (actual dollars). The July 1, 2024, direct distribution will not be reduced from \$225 million (actual dollars) due to PERA's negative investment return in 2022.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Sensitivity of the El Paso County Colorado School District 49 proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|--|------------------------|----------------------------------|------------------------|
| Proportionate share of the net pension liability | \$ 289,990,378 | \$ 221,594,033 | \$ 164,476,098 |

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 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

General Information about the OPEB Plan

Plan description. Eligible employees of the El Paso County Colorado School District 49 are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
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**NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

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% 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% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the El Paso County Colorado School District 49 is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from El Paso County Colorado School District 49 were \$968,306 for the year ended June 30, 2023.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
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**NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

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

At June 30, 2023, the El Paso County Colorado School District 49 reported a liability of \$7,551,862 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TOL to December 31, 2022. The El Paso County Colorado School District 49 proportion of the net OPEB liability was based on El Paso County Colorado School District 49 contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the El Paso County Colorado School District 49 proportion was 0.9249302941%, which was an increase of 0.0663391822% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the El Paso County Colorado School District 49 recognized OPEB expense of \$(726,092). At June 30, 2023, the El Paso County Colorado School District 49 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Difference between expected and actual experience | \$ 980 | \$ 1,826,293 |
| Changes of assumptions or other inputs | 121,379 | 833,492 |
| Net difference between projected and actual earnings on OPEB plan investments | 461,253 | - |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 940,669 | 141,123 |
| Contributions subsequent to the measurement date | 484,655 | N/A |
| Total | \$ 2,008,936 | \$ 2,800,908 |

\$484,655 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 ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year ended June 30: | |
|---------------------|--------------|
| 2024 | \$ (541,087) |
| 2025 | (566,659) |
| 2026 | (203,962) |
| 2027 | 116,859 |
| 2028 | (66,216) |
| Thereafter | (15,562) |

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

**NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

Actuarial assumptions. The TOL in the December 31, 2021 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 OPEB plan investment expenses, including price inflation | 7.25% |
| Discount rate | 7.25% |
| Health care cost trend rates | |
| PERA benefit structure: | |
| Service-based premium subsidy | 0.00% |
| PERACare Medicare plans | 6.50% in 2022, gradually decreasing to 4.50% in 2030 |
| Medicare Part A premiums | 3.75% in 2022, gradually increasing to 4.50% in 2029 |
| DPS benefit structure: | |
| Service-based premium subsidy | 0.00% |
| PERACare Medicare plans | N/A |
| Medicare Part A premiums | N/A |

The TOL for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health Department (TriCounty Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

Beginning January 1, 2022, the per capita health care costs are developed by plan option; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

**NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

Age-Related Morbidity Assumptions

| Participant Age | Annual Increase (Male) | Annual Increase (Female) |
|--------------------|---------------------------|-----------------------------|
| 65-69 | 3.0% | 1.5% |
| 70 | 2.9% | 1.6% |
| 71 | 1.6% | 1.4% |
| 72 | 1.4% | 1.5% |
| 73 | 1.5% | 1.6% |
| 74 | 1.5% | 1.5% |
| 75 | 1.5% | 1.4% |
| 76 | 1.5% | 1.5% |
| 77 | 1.5% | 1.5% |
| 78 | 1.5% | 1.6% |
| 79 | 1.5% | 1.5% |
| 80 | 1.4% | 1.5% |
| 81 and older | 0.0% | 0.0% |

| Sample Age | MAPD PPO #1 with Medicare Part A | | MAPD PPO #2 with Medicare Part A | | MAPD HMO (Kaiser) with Medicare Part A | |
|------------|-------------------------------------|---------|-------------------------------------|--------|---|---------|
| | Retiree/Spouse | | Retiree/Spouse | | Retiree/Spouse | |
| | Male | Female | Male | Female | Male | Female |
| 65 | \$1,704 | \$1,450 | \$583 | \$496 | \$1,923 | \$1,634 |
| 70 | \$1,976 | \$1,561 | \$676 | \$534 | \$2,229 | \$1,761 |
| 75 | \$2,128 | \$1,681 | \$728 | \$575 | \$2,401 | \$1,896 |

| Sample Age | MAPD PPO #1 without Medicare Part A | | MAPD PPO #2 without Medicare Part A | | MAPD HMO (Kaiser) without Medicare Part A | |
|------------|--|---------|--|---------|--|---------|
| | Retiree/Spouse | | Retiree/Spouse | | Retiree/Spouse | |
| | Male | Female | Male | Female | Male | Female |
| 65 | \$6,514 | \$5,542 | \$4,227 | \$3,596 | \$6,752 | \$5,739 |
| 70 | \$7,553 | \$5,966 | \$4,901 | \$3,872 | \$7,826 | \$6,185 |
| 75 | \$8,134 | \$6,425 | \$5,278 | \$4,169 | \$8,433 | \$6,657 |

The 2022 Medicare Part A premium is \$499 (actual dollars) 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.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

**NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

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, 2021, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

| Year | PERACare Medicare Plans | Medicare Part A Premiums |
|-------|----------------------------|-----------------------------|
| 2022 | 6.50% | 3.75% |
| 2023 | 6.25% | 4.00% |
| 2024 | 6.00% | 4.00% |
| 2025 | 5.75% | 4.00% |
| 2026 | 5.50% | 4.25% |
| 2027 | 5.25% | 4.25% |
| 2028 | 5.00% | 4.25% |
| 2029 | 4.75% | 4.50% |
| 2030+ | 4.50% | 4.50% |

Mortality assumptions used in the December 31, 2021, 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.

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

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

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

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

**NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

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

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

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

The following health care costs assumptions were updated and used in the roll-forward calculation for the HCTF:

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.
- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- 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. Medicare Part A premiums continued with the prior valuation trend pattern.

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.

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 13, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

**NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) 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.

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%.

Sensitivity of the El Paso County Colorado School District 49 proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

| | 1% Decrease in Trend Rates | Current Trend Rates | 1% Increase in Trend Rates |
|---|----------------------------|---------------------|----------------------------|
| Initial PERACare Medicare trend rate ¹ | 5.25% | 6.25% | 7.25% |
| Ultimate PERACare Medicare trend rate | 3.50% | 4.50% | 5.50% |
| Initial Medicare Part A trend rate | 3.00% | 4.00% | 5.00% |
| Ultimate Medicare Part A trend rate | 3.50% | 4.50% | 5.50% |
| Net OPEB Liability | \$ 7,338,110 | \$ 7,551,862 | \$ 7,784,445 |

¹For the January 1, 2023, plan year.

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2022, measurement date.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

**NOTE 9 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
(CONTINUED)**

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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% 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%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the El Paso County Colorado School District 49 proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current rate:

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|---|------------------------|----------------------------------|------------------------|
| Proportionate share of the net OPEB liability | \$ 8,754,844 | \$ 7,551,862 | \$ 6,552,923 |

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.

NOTE 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, and natural disasters. The District accounts for and finances its risk activities in the General and Health Insurance Internal Service Funds.

The District purchases commercial insurance for property, liability and worker's compensation risks of loss. Under the District's employee health plan, the District provides coverage for up to a maximum of \$200,000 per employee for each calendar year. Settlements have not exceeded premiums for each of the past three fiscal years.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 - RISK MANAGEMENT (CONTINUED)

Claims liabilities are reported in the government-wide financial statements and the internal service fund if information available prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the claims liability for the year ended June 30, 2023 are as follows:

| | |
|------------------------------------|---------------------|
| Net claims payable as of 6/30/2022 | \$ 627,792 |
| Claims presented | 11,048,937 |
| Claims paid | <u>(11,004,032)</u> |
| Net claims payable as of 6/30/2023 | <u>\$ 672,697</u> |

NOTE 11 – JOINTLY GOVERNED ORGANIZATION

The District in conjunction with other surrounding districts created the Colorado Digital Board of Cooperative Educational Services dba Education ReEnvisioned (BOCES). The BOCES is an organization that utilizes research based learning and technology applications to provide an innovative model of public school education adapted to the needs of elementary, middle and high school students throughout the State of Colorado. The District does not have an ongoing financial interest in or responsibility for the BOCES. Financial statements for the BOCES can be obtained from their office at 4035 Tutt Blvd, Colorado Springs, 80922.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Grants

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement to grantor agencies for expenditures disallowed under the terms of the grant. However, in the opinion of the District, any such adjustments will not have a material adverse effect on the financial position of the District.

Legal

The District is involved in pending or threatened lawsuits and claims. The District estimates that potential claims not covered by insurance or accrued for, resulting from such litigation, would not materially affect the financial statements of the District.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 12 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Construction commitments

The District has active construction projects as of June 30, 2023. The projects are for mill levy override projects. At year end the District's commitments with contractors are as follows:

| Project | Spent-to-Date | Remaining commitment |
|-------------------------------|---------------|-------------------------|
| Bennett Ranch project | \$ 1,307,797 | \$ 19,667,082 |
| Vista Ridge Project | \$ 16,872,450 | \$ 12,000 |
| Concurrent Enrollment Project | \$ 1,260,000 | \$ - |
| Transportation Project | \$ 16,626,497 | \$ 4,705,965 |
| Other Projects | \$ 1,570,882 | \$ 2,157,761 |

NOTE 13 - TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities and other specific requirements of state and local governments, including school districts.

The amendment requires emergency reserves be established. These reserves must be at least 3% of fiscal year spending. The District is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary and benefit increases. At June 30, 2023 there is a \$5,800,000 reservation of fund balance in the General Fund for the amendment.

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

The amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

On November 7, 2001, the registered voters approved a ballot resolution authorizing the District to collect, retain and expend all revenues from any source provided that no property tax mill levy be increased or any new tax be imposed.

On November 8, 2016, the registered voters approved a ballot resolution authorizing the District to collect up to \$3,300,000 in property tax revenue in 2017 and such additional amounts generated annually thereafter by continuing to collect 10.159 mills that is currently being levied to be used for general fund purposes including rental payments on lease-purchase financings and for other capital improvements and for operations priorities.

The amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment. However, the District has made certain interpretations of the amendment's language in order to determine its compliance.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 14 – COLORADO SCHOOL DISTRICT/BOCES, ELECTRONIC DATA INTEGRITY CHECK FIGURES

The School Finance Act requires inclusion of the Colorado School District/BOCES, Electronic Financial Data Integrity Check Figures as a supplement schedule to the audited financial statements. The Report is based on a prescribed basis of accounting that demonstrates compliance with the financial policies and procedures of the Colorado Department of Education.

REQUIRED SUPPLEMENTARY INFORMATION

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2023

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| School's proportion of the net pension liability (asset) | 1.2169167693% | 1.3149987784% | 1.4399016433% | 1.3067887449% | 1.3039476734% | 1.4359441087% | 1.3818103030% | 1.3190171248% | 1.3054972089% | 1.2885339442% |
| School's proportionate share of the net pension liability (asset) | \$ 221,594,033 | \$ 153,031,221 | \$ 217,684,086 | \$ 195,231,403 | \$ 230,890,719 | \$ 464,333,291 | \$ 411,418,362 | \$ 201,734,357 | \$ 176,938,723 | \$ 164,352,157 |
| State's proportionate share of the net pension liability (asset) associated with the School | 64,574,728 | 17,543,075 | - | 24,762,620 | 31,571,099 | - | - | - | - | - |
| Total | <u>\$ 286,168,761</u> | <u>\$ 170,574,296</u> | <u>\$ 217,684,086</u> | <u>\$ 219,994,023</u> | <u>\$ 262,461,818</u> | <u>\$ 464,333,291</u> | <u>\$ 411,418,362</u> | <u>\$ 201,734,357</u> | <u>\$ 176,938,723</u> | <u>\$ 164,352,157</u> |
| School's covered payroll | \$ 93,893,863 | \$ 82,182,942 | \$ 77,036,611 | \$ 76,787,055 | \$ 71,685,007 | \$ 66,238,405 | \$ 62,018,121 | \$ 57,482,464 | \$ 54,690,968 | \$ 51,944,906 |
| School's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 236.00% | 186.21% | 282.57% | 254.25% | 322.09% | 701.00% | 663.38% | 350.95% | 323.52% | 316.40% |
| Plan fiduciary net position as a percentage of the total pension liability | 61.8% | 74.9% | 67.0% | 64.5% | 57.0% | 44.0% | 43.1% | 59.2% | 62.8% | 64.1% |

* The amounts presented for each year were determined as of 12/31.

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS - PENSION
JUNE 30, 2023

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|--------------------|
| Contractually required contribution | \$ 19,348,119 | \$ 17,437,302 | \$ 15,163,379 | \$ 15,234,289 | \$ 14,294,842 | \$ 12,830,800 | \$ 11,827,435 | \$ 10,594,225 | \$ 9,120,293 | \$ 8,015,173 |
| Contributions in relation to the contractually required contribution | <u>(19,348,119)</u> | <u>(17,437,302)</u> | <u>(15,163,379)</u> | <u>(15,234,289)</u> | <u>(14,294,842)</u> | <u>(12,830,800)</u> | <u>(11,827,435)</u> | <u>(10,594,225)</u> | <u>(9,120,293)</u> | <u>(8,015,173)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| School's covered payroll | \$ 94,936,795 | \$ 87,712,785 | \$ 76,274,540 | \$ 78,608,303 | \$ 74,724,738 | \$ 67,959,745 | \$ 64,349,481 | \$ 59,753,100 | \$ 54,030,172 | \$ 50,157,530 |
| Contributions as a percentage of covered payroll | 20.38% | 19.88% | 19.88% | 19.38% | 19.13% | 18.88% | 18.38% | 17.73% | 16.88% | 15.98% |

* The amounts presented for each fiscal year were determined as of 6/30.

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
JUNE 30, 2023

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| School's proportion of the net OPEB liability (asset) | 0.9249302941% | 0.8585911119% | 0.8330569351% | 0.8539882255% | 0.8475729817% | 0.8159079345% | 0.7854398460% |
| School's proportionate share of the net OPEB liability (asset) | \$ 7,551,862 | \$ 7,403,674 | \$ 7,915,915 | \$ 9,598,811 | \$ 11,531,586 | \$ 10,603,540 | \$ 10,183,495 |
| School's covered payroll | \$ 93,871,078 | \$ 82,182,942 | \$ 77,036,611 | \$ 76,787,055 | \$ 71,685,007 | \$ 66,238,405 | \$ 62,018,121 |
| School's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll | 8.04% | 9.01% | 10.28% | 12.50% | 16.09% | 16.01% | 16.42% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 38.6% | 39.4% | 32.8% | 24.5% | 17.0% | 17.5% | 16.7% |

* The amounts presented for each year were determined as of 12/31.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS - OPEB
JUNE 30, 2023

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Contractually required contribution | \$ 968,306 | \$ 894,737 | \$ 778,046 | \$ 801,836 | \$ 762,204 | \$ 693,010 | \$ 656,165 |
| Contributions in relation to the contractually required contribution | <u>(968,306)</u> | <u>(894,737)</u> | <u>(778,046)</u> | <u>(801,836)</u> | <u>(762,204)</u> | <u>(693,010)</u> | <u>(656,165)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| School's covered payroll | \$ 94,936,795 | \$ 87,712,785 | \$ 76,274,540 | \$ 78,608,303 | \$ 74,724,738 | \$ 67,959,745 | \$ 64,349,481 |
| Contributions as a percentage of covered payroll | 1.02% | 1.02% | 1.02% | 1.02% | 1.02% | 1.02% | 1.02% |

* The amounts presented for each fiscal year were determined as of 6/30.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | | Variance with |
|--|-------------------------|---------------|---------------|----------------------|
| | Original | Final | Actual | Final Budget |
| REVENUES | | | | |
| Property taxes | \$ 34,512,211 | \$ 34,777,127 | \$ 59,524,123 | \$ 24,746,996 |
| Specific ownership taxes | 10,482,166 | 12,791,340 | 6,053,233 | (6,738,107) |
| State sources | 95,198,267 | 92,028,108 | 101,625,704 | 9,597,596 |
| Federal sources | 756,233 | 677,868 | 807,900 | 130,032 |
| Other local revenue | 5,424,209 | 5,321,454 | 11,037,206 | 5,715,752 |
| Total revenues | 146,373,086 | 145,595,897 | 179,048,166 | 33,452,269 |
| EXPENDITURES | | | | |
| Instruction | 86,605,759 | 95,836,050 | 88,233,672 | 7,602,378 |
| Supporting services | | | | |
| Student support | 8,184,964 | 8,491,772 | 10,361,126 | (1,869,354) |
| Instructional staff | 6,187,760 | 6,212,649 | 5,672,376 | 540,273 |
| General administration | 1,643,364 | 1,809,694 | 2,766,079 | (956,385) |
| School administration | 14,278,224 | 14,310,557 | 15,049,081 | (738,524) |
| Business services | 1,940,191 | 1,713,534 | 3,324,361 | (1,610,827) |
| Operations and maintenance | 13,392,000 | 13,415,387 | 15,343,585 | (1,928,198) |
| Student transportation | 3,701,706 | 3,498,781 | 2,988,211 | 510,570 |
| Central support service | 10,801,152 | 11,105,542 | 11,612,369 | (506,827) |
| Other support services | 2,600 | 8,546 | 246,834 | (238,288) |
| Facilities acquisition & construction | 132,602 | 88,767 | 1,013,437 | (924,670) |
| Debt service | - | 4,737 | 1,981,670 | (1,976,933) |
| Contingency reserves | 4,127,409 | 2,827,245 | - | 2,827,245 |
| Total expenditures | 150,997,731 | 159,323,261 | 158,596,457 | 726,804 |
| Excess (deficiency) of revenues over expenditures | (4,624,645) | (13,727,364) | 20,451,709 | 34,179,073 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in (out) | 6,672,296 | 5,885,564 | (20,844,311) | (26,729,875) |
| Lease proceeds | - | - | 795,199 | 795,199 |
| Total other financing sources (uses) | 6,672,296 | 5,885,564 | (20,049,112) | (25,934,676) |
| Net change in fund balance | 2,047,651 | (7,841,800) | 402,597 | 8,244,397 |
| Fund balance - beginning | 23,444,581 | 27,814,240 | 32,502,196 | 4,687,956 |
| Fund balance - ending | \$ 25,492,232 | \$ 19,972,440 | \$ 32,904,793 | \$ 12,932,353 |

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
GOVERNMENTAL DESIGNATED PURPOSE GRANTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | | Variance with |
|----------------------------|-------------------------|--------------|---------------|----------------------|
| | Original | Final | Actual | Final Budget |
| REVENUES | | | | |
| Local sources | \$ 300,000 | \$ 300,000 | \$ - | \$ (300,000) |
| State sources | 550,000 | 550,000 | 179,442 | (370,558) |
| Federal sources | 31,150,000 | 31,150,000 | 20,222,247 | (10,927,753) |
| Total revenues | 32,000,000 | 32,000,000 | 20,401,689 | (11,598,311) |
| EXPENDITURES | | | | |
| Salaries | 7,541,533 | 7,541,533 | 6,851,637 | 689,896 |
| Benefits | 1,447,737 | 1,447,737 | 2,256,744 | (809,007) |
| Purchased Services | 4,855,000 | 4,855,000 | 8,462,196 | (3,607,196) |
| Supplies | 1,000,000 | 1,000,000 | 1,651,190 | (651,190) |
| Property and Equipment | 300,000 | 300,000 | 1,164,825 | (864,825) |
| Other | 16,855,730 | 16,855,730 | 15,097 | 16,840,633 |
| Total expenditures | 32,000,000 | 32,000,000 | 20,401,689 | 11,598,311 |
| Net change in fund balance | - | - | - | - |
| Fund balance - beginning | - | - | - | - |
| Fund balance - ending | \$ - | \$ - | \$ - | \$ - |

See the accompanying independent auditors' report.

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for specified purposes. The District has the following Special Revenue Funds:

Food Service Fund

This fund accounts for all financial activities associated with the District's school lunch program.

Other Special Revenue Fund

This fund is used to account for other local revenues comprised of donations and local grants.

Pupil Activity Fund

This fund is used to record financial transactions related to school-sponsored pupil intra-scholastic and interscholastic athletic and related events. These activities are supported by revenues from pupils, gate receipts and other fund-raising activities.

Transportation Fund

This fund is used to account for revenues from a tax levied or a fee imposed for the purpose of paying excess transportation costs pursuant to the provisions of Sections 22-40-102(1.7)(a) or 22-32-113(5)(a), C.R.S., respectively.

Kids Corner Fund

This fund is a pupil activity fund. It is used to record financial transactions related to the Kids Corner program.

Other Activities Fund

This fund is used to account for the revenues and expenditures related to school sponsored student intra-scholastic athlete and other related activities.

Debt Service Fund

Certificate of Participation Debt Service Fund

This fund is used to account for the accumulation of resources and payment of principal, interest, and related expenditures on COP debt.

Capital Projects Fund

Capital Reserve Fund

This fund is used to account for the purposes and limitations specified by Section 22-45-103(1)(c), C.R.S., including the acquisition of sites, buildings, equipment, and vehicles.

Capital Projects Mill Levy Fund

This fund accounts for all resources provided through mill levy overrides for acquiring and improving capital sites, buildings, and equipment.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

| | Food Service Fund | Other Special Revenue Fund | Pupil Activity Fund | Transportation Fund | Kids Corner Fund | Other Activities Fund | Certificate of Participation Debt Service Fund | Capital Reserve Fund | Capital Projects Mill Levy Fund | Total Nonmajor Governmental Funds |
|--|------------------------------|---------------------------------------|--------------------------------|--------------------------------|-----------------------------|----------------------------------|---|---------------------------------|--|--|
| ASSETS | | | | | | | | | | |
| Cash and investments | \$ 261,242 | \$ - | \$ - | \$ 15,764 | \$ 104,898 | \$ 452,456 | \$ - | \$ - | \$ - | \$ 834,360 |
| Restricted cash and investments | - | - | - | - | - | - | 5,146,702 | - | 98,227,853 | 103,374,555 |
| Intergovernmental receivable | 308,064 | 179,450 | - | - | - | 11,665 | - | - | - | 499,179 |
| Other receivable | 6,067 | - | - | 131,813 | - | - | - | 1,281,792 | - | 1,419,672 |
| Due from other funds | 3,017,059 | 160,772 | 761,639 | - | 197,332 | 673,101 | 13,444,353 | 4,676,291 | - | 22,930,547 |
| Inventories | 100,468 | - | - | - | - | - | - | - | - | 100,468 |
| Total assets | <u>\$ 3,692,900</u> | <u>\$ 340,222</u> | <u>\$ 761,639</u> | <u>\$ 147,577</u> | <u>\$ 302,230</u> | <u>\$ 1,137,222</u> | <u>\$ 18,591,055</u> | <u>\$ 5,958,083</u> | <u>\$ 98,227,853</u> | <u>\$ 129,158,781</u> |
| LIABILITIES | | | | | | | | | | |
| Accounts payable and other accrued liabilities | \$ 300,240 | \$ - | \$ 20,365 | \$ - | \$ 1,214 | \$ 10,606 | \$ - | \$ - | \$ 1,239,023 | \$ 1,571,448 |
| Accrued salaries and benefits | 135,355 | - | - | 116,274 | 107,000 | - | - | - | - | 358,629 |
| Due to other funds | - | - | - | 31,303 | - | - | - | - | 23,221,934 | 23,253,237 |
| Unearned revenue | - | 340,222 | - | - | - | - | - | - | - | 340,222 |
| Total liabilities | <u>435,595</u> | <u>340,222</u> | <u>20,365</u> | <u>147,577</u> | <u>108,214</u> | <u>10,606</u> | <u>-</u> | <u>-</u> | <u>24,460,957</u> | <u>25,523,536</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | | |
| Unavailable revenue - Leases | - | - | - | - | - | - | - | 1,281,792 | - | 1,281,792 |
| FUND BALANCES | | | | | | | | | | |
| Nonspendable | 100,468 | - | - | - | - | - | - | - | - | 100,468 |
| Restricted for: | | | | | | | | | | |
| Debt service | - | - | - | - | - | - | 18,591,055 | - | - | 18,591,055 |
| Committed for: | | | | | | | | | | |
| Pupil activities | - | - | 741,274 | - | 194,016 | 1,126,616 | - | - | - | 2,061,906 |
| Food Services | 3,156,837 | - | - | - | - | - | - | - | - | 3,156,837 |
| Assigned: | | | | | | | | | | |
| Capital Projects | - | - | - | - | - | - | - | 4,676,291 | 73,766,896 | 78,443,187 |
| Total fund balances | <u>3,257,305</u> | <u>-</u> | <u>741,274</u> | <u>-</u> | <u>194,016</u> | <u>1,126,616</u> | <u>18,591,055</u> | <u>4,676,291</u> | <u>73,766,896</u> | <u>102,353,453</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 3,692,900</u> | <u>\$ 340,222</u> | <u>\$ 761,639</u> | <u>\$ 147,577</u> | <u>\$ 302,230</u> | <u>\$ 1,137,222</u> | <u>\$ 18,591,055</u> | <u>\$ 5,958,083</u> | <u>\$ 98,227,853</u> | <u>\$ 129,158,781</u> |

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

| | Food Service Fund | Other Special Revenue Fund | Pupil Activity Fund | Transportation Fund | Kids Corner Fund | Other Activities Fund | Certificate of Participation Debt Service Fund | Capital Reserve Fund | Capital Projects Mill Levy Fund | Total Nonmajor Governmental Funds |
|--|------------------------------|---------------------------------------|--------------------------------|--------------------------------|-----------------------------|----------------------------------|---|---------------------------------|--|--|
| REVENUES | | | | | | | | | | |
| Local sources | \$ 2,179,731 | \$ 190,094 | \$ 1,473,952 | \$ 324,742 | \$ 1,384,914 | \$ 2,105,390 | \$ 420,267 | \$ 917,033 | \$ 3,572,362 | \$ 12,568,485 |
| State sources | 99,534 | 1,914,976 | - | 485,490 | - | - | - | - | - | 2,500,000 |
| Federal sources | 3,490,730 | - | - | - | - | - | - | - | - | 3,490,730 |
| Total revenues | 5,769,995 | 2,105,070 | 1,473,952 | 810,232 | 1,384,914 | 2,105,390 | 420,267 | 917,033 | 3,572,362 | 18,559,215 |
| EXPENDITURES | | | | | | | | | | |
| Instruction | - | 168,507 | 1,343,952 | - | 973,209 | 1,619,642 | - | - | - | 4,105,310 |
| Supporting services | - | 1,930,671 | 380 | 1,973,170 | 46,069 | 161,869 | - | 677,501 | 246,137 | 5,035,797 |
| Community services | - | 5,892 | - | - | 179,875 | - | - | - | - | 185,767 |
| Food service operations | 5,744,520 | - | - | - | - | - | - | - | - | 5,744,520 |
| Facilities acquisition & construction | - | - | - | - | - | - | - | - | 22,904,626 | 22,904,626 |
| Debt service | - | - | - | - | - | - | 16,607,988 | - | - | 16,607,988 |
| Total expenditures | 5,744,520 | 2,105,070 | 1,344,332 | 1,973,170 | 1,199,153 | 1,781,511 | 16,607,988 | 677,501 | 23,150,763 | 54,584,008 |
| Excess (deficiency) of revenues over expenditures | 25,475 | - | 129,620 | (1,162,938) | 185,761 | 323,879 | (16,187,721) | 239,532 | (19,578,401) | (36,024,793) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Transfers in (out) | - | - | - | 1,162,938 | - | - | 18,538,411 | 1,142,962 | - | 20,844,311 |
| Net change in fund balances | 25,475 | - | 129,620 | - | 185,761 | 323,879 | 2,350,690 | 1,382,494 | (19,578,401) | (15,180,482) |
| Fund balances - beginning | 3,231,830 | - | 611,654 | - | 8,255 | 802,737 | 16,240,365 | 3,293,797 | 93,345,297 | 117,533,935 |
| Fund balances - ending | \$ 3,257,305 | \$ - | \$ 741,274 | \$ - | \$ 194,016 | \$ 1,126,616 | \$ 18,591,055 | \$ 4,676,291 | \$ 73,766,896 | \$ 102,353,453 |

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Final Budget | Actual | Variance with Final Budget |
|-----------------------------|--------------------------|----------------------------|-------------------------------|
| REVENUES | | | |
| Local sources | \$ 155,602 | \$ 2,179,731 | \$ 2,024,129 |
| State sources | - | 99,534 | 99,534 |
| Federal sources | 5,221,464 | 3,490,730 | (1,730,734) |
| | <u>5,377,066</u> | <u>5,769,995</u> | <u>392,929</u> |
| EXPENDITURES | | | |
| Salaries | 1,827,601 | 1,931,845 | (104,244) |
| Employee benefits | 603,881 | 600,137 | 3,744 |
| Purchased services | 230,000 | 410,094 | (180,094) |
| Supplies | 1,308,072 | 2,340,745 | (1,032,673) |
| Equipment | 310,000 | 429,856 | (119,856) |
| Other | 50,000 | 31,843 | 18,157 |
| Contingency reserve | 1,282,037 | - | 1,282,037 |
| | <u>5,611,591</u> | <u>5,744,520</u> | <u>(132,929)</u> |
| Net change in fund balances | (234,525) | 25,475 | 260,000 |
| Fund balances - beginning | <u>938,516</u> | <u>3,231,830</u> | <u>2,293,314</u> |
| Fund balances - ending | <u><u>\$ 703,991</u></u> | <u><u>\$ 3,257,305</u></u> | <u><u>\$ 2,553,314</u></u> |

See the accompanying independent auditor's report

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
OTHER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Final Budget | Actual | Variance with Final Budget |
|----------------------------|-------------------|------------------|-------------------------------|
| REVENUES | | | |
| Local sources | \$ 850,000 | \$ 190,094 | \$ (659,906) |
| State sources | 31,150,000 | 1,914,976 | (29,235,024) |
| | <u>32,000,000</u> | <u>2,105,070</u> | <u>(29,894,930)</u> |
| EXPENDITURES | | | |
| Salaries | 7,541,533 | 5,186 | 7,536,347 |
| Benefits | 1,447,737 | 1,184 | 1,446,553 |
| Purchased Services | 4,855,000 | 1,948,067 | 2,906,933 |
| Supplies | 1,000,000 | 114,539 | 885,461 |
| Property and Equipment | 300,000 | 28,721 | 271,279 |
| Other | 16,855,730 | 7,373 | 16,848,357 |
| | <u>32,000,000</u> | <u>2,105,070</u> | <u>29,894,930</u> |
| Net change in fund balance | - | - | - |
| Fund balance - beginning | - | - | - |
| Fund balance - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

See the accompanying independent auditor's report

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
PUPIL ACTIVITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Final Budget | Actual | Variance with Final Budget |
|----------------------------|-----------------|--------------|-------------------------------|
| REVENUES | | | |
| Local sources | 3,250,000 | \$ 1,473,952 | \$ (1,776,048) |
| Total revenues | 3,250,000 | 1,473,952 | (1,776,048) |
| EXPENDITURES | | | |
| Instruction | 3,920,380 | 1,343,952 | 2,576,428 |
| Supporting services | 1,108 | 380 | 728 |
| Total expenditures | 3,921,488 | 1,344,332 | 2,577,156 |
| Net change in fund balance | (671,488) | 129,620 | 801,108 |
| Fund balance - beginning | 671,488 | 611,654 | (59,834) |
| Fund balance - ending | \$ - | \$ 741,274 | \$ 741,274 |

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Final Budget | Actual | Variance with Final Budget |
|--|--------------------|--------------------|-------------------------------|
| REVENUES | | | |
| Local sources | \$ 1,662,115 | \$ 324,742 | \$ (1,337,373) |
| State sources | 447,141 | 485,490 | 38,349 |
| | <u>2,109,256</u> | <u>810,232</u> | <u>(1,299,024)</u> |
| EXPENDITURES | | | |
| Salaries | 945,211 | 980,348 | (35,137) |
| Employee benefits | 455,815 | 413,706 | 42,109 |
| Purchased services | 45,000 | 29,938 | 15,062 |
| Fuel charges | 663,230 | 549,178 | 114,052 |
| | <u>2,109,256</u> | <u>1,973,170</u> | <u>136,086</u> |
| Excess (deficiency) of revenues over expenditures | - | (1,162,938) | (1,162,938) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in (out) | <u>-</u> | <u>1,162,938</u> | <u>1,162,938</u> |
| Net change in fund balance | - | - | - |
| Fund balance - beginning | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance - ending | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
KIDS CORNER FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Final Budget | Actual | Variance with Final Budget |
|----------------------------|-----------------|--------------|-------------------------------|
| REVENUES | | | |
| Local sources | \$ 1,200,000 | \$ 1,384,914 | \$ 184,914 |
| EXPENDITURES | | | |
| Instruction | 973,925 | 973,209 | 716 |
| Supporting services | 46,103 | 46,069 | 34 |
| Community service | 180,007 | 179,875 | 132 |
| Total expenditures | 1,200,035 | 1,199,153 | 882 |
| Net change in fund balance | (35) | 185,761 | 185,796 |
| Fund balance - beginning | 25,035 | 8,255 | (16,780) |
| Fund balance - ending | \$ 25,000 | \$ 194,016 | \$ 169,016 |

See the accompanying independent auditor's report

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
OTHER ACTIVITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Final Budget | Actual | Variance with Final Budget |
|----------------------------|-----------------|--------------|-------------------------------|
| REVENUES | | | |
| Local sources | \$ 3,250,000 | \$ 2,105,390 | \$ (1,144,610) |
| Total revenues | 3,250,000 | 2,105,390 | (1,144,610) |
| EXPENDITURES | | | |
| Instruction | 3,565,180 | 1,619,642 | 1,945,538 |
| Supporting services | 356,308 | 161,869 | 194,439 |
| Total expenditures | 3,921,488 | 1,781,511 | 2,139,977 |
| Net change in fund balance | (671,488) | 323,879 | 995,367 |
| Fund balance - beginning | 671,488 | 802,737 | 131,249 |
| Fund balance - ending | \$ - | \$ 1,126,616 | \$ 1,126,616 |

See the accompanying independent auditor's report

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
CERTIFICATE OF PARTICIPATION DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Final Budget | Actual | Variance with Final Budget |
|--|-----------------|---------------|-------------------------------|
| REVENUES | | | |
| Local sources | \$ - | \$ 420,267 | \$ 420,267 |
| EXPENDITURES | | | |
| Debt Service | | | - |
| Principal | 7,560,000 | 7,560,000 | - |
| Interest | 9,040,988 | 9,040,988 | - |
| Other debt service | 10,000 | 7,000 | 3,000 |
| Total expenditures | 16,610,988 | 16,607,988 | 3,000 |
| Excess (deficiency) in revenues over expenditures | (16,610,988) | (16,187,721) | 423,267 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in (out) | 18,480,155 | 18,538,411 | 37,018,566 |
| Net change in fund balance | 1,869,167 | 2,350,690 | 37,441,833 |
| Fund balance - beginning | 17,361,279 | 16,240,365 | (1,120,914) |
| Fund balance - ending | \$ 19,230,446 | \$ 18,591,055 | \$ 36,320,919 |

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Final Budget | Actual | Variance with Final Budget |
|--|-----------------|--------------|-------------------------------|
| REVENUES | | | |
| Local sources | \$ 500,000 | \$ 917,033 | \$ 417,033 |
| Total revenues | 500,000 | 917,033 | 417,033 |
| EXPENDITURES | | | |
| Supporting services | 1,000,000 | 677,501 | 322,499 |
| Total expenditures | 1,000,000 | 677,501 | 322,499 |
| Excess (deficiency) in revenues over expenditures | (500,000) | 239,532 | 94,534 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in (out) | - | 1,142,962 | 1,142,962 |
| Net change in fund balance | (500,000) | 1,382,494 | 739,532 |
| Fund balance - beginning | 2,730,094 | 3,293,797 | 563,703 |
| Fund balance - ending | \$ 2,230,094 | \$ 4,676,291 | \$ 1,303,235 |

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
CAPITAL PROJECTS MILL LEVY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Final Budget | Actual | Variance with Final Budget |
|---------------------------------------|-----------------|---------------|-------------------------------|
| REVENUES | | | |
| Local sources | \$ 500,000 | \$ 3,572,362 | \$ 3,072,362 |
| EXPENDITURES | | | |
| Supporting services | \$ - | \$ 246,137 | \$ (246,137) |
| Facilities acquisition & construction | 80,000,000 | 22,904,626 | 57,095,374 |
| Total expenditures | 80,000,000 | 23,150,763 | 56,849,237 |
| Net change in fund balance | (79,500,000) | (19,578,401) | 59,921,599 |
| Fund balance - beginning | 97,122,326 | 93,345,297 | (3,777,029) |
| Fund balance - ending | \$ 17,622,326 | \$ 73,766,896 | \$ 56,144,570 |

See the accompanying independent auditors' report.

INTERNAL SERVICE FUND

Internal service funds account for operations that provide services to other departments or agencies of the government on a cost-reimbursement basis.

Risk Management Fund

This fund accounts for the Health Insurance Fund risk management activities of the District.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
RISK MANAGEMENT - HEALTH INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

| | Final Budget | Actual | Variance with Final Budget |
|--|-------------------|---------------------|-------------------------------|
| OPERATING REVENUES | | | |
| Premiums & employer contributions | \$ 12,145,190 | \$ 9,342,925 | \$ (2,802,265) |
| Refunds & other revenue | 50,000 | 3,024,120 | 2,974,120 |
| | <u>12,195,190</u> | <u>12,367,045</u> | <u>171,855</u> |
| OPERATING EXPENSES | | | |
| Purchased medical services & supplies | 10,788,674 | 11,061,943 | (273,269) |
| Purchased management services | 1,502,869 | 306,087 | 1,196,782 |
| Contingency reserve | 20,000 | - | 20,000 |
| | <u>12,311,543</u> | <u>11,368,030</u> | <u>943,513</u> |
| Total operating expenses | | | |
| | <u>12,311,543</u> | <u>11,368,030</u> | <u>943,513</u> |
| Operating income (loss) | (116,353) | 999,015 | 1,115,368 |
| NON-OPERATING REVENUES (EXPENSES) | | | |
| Interest and investment revenue | 3,000 | 80,302 | 77,302 |
| | <u>3,000</u> | <u>80,302</u> | <u>77,302</u> |
| Change in net position | (113,353) | 1,079,317 | 1,192,670 |
| Net position - beginning | 238,977 | 238,977 | - |
| | <u>238,977</u> | <u>238,977</u> | <u>-</u> |
| Net position - ending | <u>\$ 125,624</u> | <u>\$ 1,318,294</u> | <u>\$ 1,192,670</u> |

See the accompanying independent auditors' report.

Statistical Section



Financial Trends - The schedules on pages 79 - 81 contain financial trend information to help the reader understand how the District's financial condition has changed over time.

Revenue Capacity - Pages 83 - 86 contain information to help the reader assess the District's most significant local revenue source, property taxes.

Debt Capacity - Pages 87 - 91 present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information - Pages 92 - 93 offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information - Pages 94 - 99 contain service data to help the reader understand how the information in the Districts' financial report relates to the services the District provides and the activities it performs.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NET POSITION BY COMPONENT
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|---------------|---------------|---------------|---------------|---------------|------------------|------------------|-----------------|-----------------|---------------|
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | 85,858,609 | 65,791,335 | 56,916,278 | 58,456,261 | 50,405,025 | \$ 71,248,027 | \$ 51,925,850 | \$ 62,586,945 | \$ 51,041,127 | \$ 37,296,989 |
| Restricted | 32,992,179 | 29,167,585 | 25,616,165 | 17,696,881 | 24,421,222 | 22,889,437 | 21,459,232 | 19,023,043 | 26,707,696 | 33,118,602 |
| Unrestricted | (202,888,356) | (186,703,094) | (241,471,884) | (289,705,689) | (323,292,565) | (352,056,096) | (229,847,034) | (163,732,245) | (155,030,642) | 9,606,890 |
| Total governmental activities net position | (84,037,568) | (91,744,174) | (158,939,441) | (213,552,547) | (248,466,318) | (257,918,632) | (156,461,952) | (82,122,257) | (77,281,819) | 80,022,481 |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | - | - | - | - | - | - | - | - | - | 103,691 |
| Unrestricted | - | - | - | - | - | - | - | - | - | 1,126,991 |
| Total business-type activities in net position | - | - | - | - | - | - | - | - | - | 1,230,682 |
| Primary government | | | | | | | | | | |
| Net investment in capital assets | 85,858,609 | 65,791,335 | 56,916,278 | 58,456,261 | 50,405,025 | 71,248,027 | 51,925,850 | 62,586,945 | 51,041,127 | 37,400,680 |
| Restricted | 32,992,179 | 29,167,585 | 25,616,165 | 17,696,881 | 24,421,222 | 22,889,437 | 21,459,232 | 19,023,043 | 26,707,696 | 33,118,602 |
| Unrestricted | (202,888,356) | (186,703,094) | (241,471,884) | (289,705,689) | (323,292,565) | (352,056,096) | (229,847,034) | (163,732,245) | (155,030,642) | 10,733,881 |
| Total primary government net position | (84,037,568) | (91,744,174) | (158,939,441) | (213,552,547) | (248,466,318) | \$ (257,918,632) | \$ (156,461,952) | \$ (82,122,257) | \$ (77,281,819) | \$ 81,253,163 |

Source: District Financial Records

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49

Changes in Net Position

Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|------------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|
| Expenses | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Instruction | \$ 110,921,537 | \$ 67,349,723 | \$ 50,068,030 | \$ 68,403,466 | \$ 74,947,710 | \$ 128,146,891 | \$ 116,929,506 | \$ 73,810,829 | \$ 69,436,074 | \$ 60,020,821 |
| Supporting services | 84,381,157 | 59,749,338 | 61,226,094 | 62,492,924 | 63,403,658 | 100,174,835 | 81,426,966 | 55,862,491 | 51,860,340 | 44,941,313 |
| Community services | 655,923 | 418,580 | 360,869 | 353,450 | 130,871 | 154,679 | 76,220 | 3,110 | 2,309 | 558 |
| Facilitates acquisition & construction | 7,443,174 | 603,007 | 1,659,897 | 2,954,703 | - | - | 4,238,269 | 2,313,108 | 1,555,578 | 956,249 |
| Food services | 5,312,622 | 5,337,166 | 3,197,021 | 3,729,021 | 4,120,435 | 3,960,940 | 3,869,435 | 3,450,685 | 3,563,638 | - |
| Interest on long-term debt | 8,347,308 | 9,048,542 | 5,922,266 | 6,290,810 | 6,340,784 | 6,705,889 | 6,326,064 | 4,957,824 | 5,940,860 | 5,711,616 |
| Total governmental activities expenses | 217,061,721 | 142,506,356 | 122,434,177 | 144,224,374 | 148,943,458 | 239,143,234 | 212,866,460 | 140,398,047 | 132,358,799 | 111,630,557 |
| Business -type activities: | | | | | | | | | | |
| Food services | - | - | - | - | - | - | - | - | - | 3,544,264 |
| Total business-type expenses | - | - | - | - | - | - | - | - | - | 3,544,264 |
| Total primary government expenses | \$ 217,061,721 | \$ 142,506,356 | \$ 122,434,177 | \$ 144,224,374 | \$ 148,943,458 | \$ 239,143,234 | \$ 212,866,460 | \$ 140,398,047 | \$ 132,358,799 | \$ 115,174,821 |
| Program revenues | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Charges for services: Instruction | 10,632,791 | 9,630,752 | 5,971,937 | 6,729,072 | 5,265,629 | \$ 3,658,885 | \$ 1,811,590 | \$ 2,996,028 | \$ 2,687,910 | \$ 3,426,721 |
| Charges for services: Other | 13,154,535 | 12,147,426 | 13,372,099 | 12,624,536 | 11,749,320 | 12,367,512 | 11,722,420 | 11,029,543 | 10,787,460 | 7,605,632 |
| Operating grants and contributions | 40,828,110 | 43,574,219 | 31,819,644 | 23,075,615 | 19,820,526 | 18,024,232 | 17,241,849 | 15,591,007 | 14,378,042 | 10,912,740 |
| Capital grants and contributions | 40,977 | 17,384 | 934,393 | 940,543 | 1,097,682 | 1,048,808 | 1,775,996 | 704,005 | 2,835,468 | 175,389 |
| Total governmental activities program revenues | 64,656,413 | 65,369,781 | 52,098,073 | 43,369,766 | 37,933,157 | 35,099,437 | 32,551,855 | 30,320,583 | 30,688,880 | 22,120,482 |
| Business -type activities | | | | | | | | | | |
| Food services | | | | | | | | | | |
| Charges for services | 2,130,624 | 119,957 | 48,656 | 1,500,197 | 1,619,045 | - | - | - | - | 1,783,467 |
| Operating grants and contributions | - | - | - | - | - | - | - | - | - | 1,804,446 |
| Total business-type activities program revenues | 2,130,624 | 119,957 | 48,656 | 1,500,197 | 1,619,045 | - | - | - | - | 3,587,913 |
| Total primary government program revenues | 66,787,037 | 65,489,738 | 52,146,729 | 44,869,963 | 39,552,202 | 35,099,437 | 32,551,855 | 30,320,583 | 30,688,880 | 25,708,395 |
| Net (expense) revenue | | | | | | | | | | |
| Governmental activities | (150,274,684) | (77,016,618) | (70,287,412) | (99,354,411) | (109,391,256) | (204,043,797) | (180,314,605) | (110,077,464) | (101,669,919) | (89,510,075) |
| Business -type activities | - | - | - | - | - | - | - | - | - | 43,649 |
| Total primary government net (expense) revenue | \$ (150,274,684) | \$ (77,016,618) | \$ (70,287,412) | \$ (99,354,411) | \$ (109,391,256) | \$ (204,043,797) | \$ (180,314,605) | \$ (110,077,464) | \$ (101,669,919) | \$ (89,466,426) |
| General revenues | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Property taxes | 59,479,584 | 56,988,074 | 28,191,208 | 44,889,325 | 36,953,482 | 35,475,485 | 34,687,531 | 33,364,551 | 25,822,318 | 27,517,073 |
| Specific ownership taxes | 6,053,233 | 5,636,092 | 3,279,486 | 4,710,478 | 4,656,501 | 4,649,510 | 4,241,772 | 3,676,411 | 2,762,983 | 2,737,200 |
| State equalization | 83,539,623 | 77,291,379 | 93,287,994 | 82,180,476 | 75,552,264 | 69,913,832 | 67,533,346 | 65,914,912 | 71,655,103 | 61,879,292 |
| Investment earnings | 5,505,678 | 513,568 | 185,231 | 702,199 | 1,233,685 | 1,441,278 | 518,461 | 84,202 | 36,042 | 43,126 |
| Grant and Contrib not related to specific pgrams | 741,792 | 1,020,620 | 995,252 | 1,359,314 | - | - | - | - | - | - |
| Miscellaneous revenues | 2,667,294 | 2,762,151 | 11,565,466 | 997,364 | 2,454,903 | 936,417 | 859,811 | 474,011 | 414,377 | 475,430 |
| Total governmental activities | \$ 157,987,204 | \$ 144,211,884 | \$ 137,504,637 | \$ 134,839,156 | \$ 120,850,835 | \$ 112,416,522 | \$ 107,840,921 | \$ 103,514,087 | \$ 100,690,823 | \$ 92,652,121 |
| Business-type activities | | | | | | | | | | |
| Investment earnings | - | - | - | - | - | - | - | - | - | 4,656 |
| Miscellaneous revenues | - | - | - | - | - | - | - | - | - | - |
| Total business-type activities | - | - | - | - | - | - | - | - | - | 4,656 |
| Total primary government | 157,987,204 | 144,211,884 | 137,504,637 | 134,839,156 | 120,850,835 | 112,416,522 | 107,840,921 | 103,514,087 | 100,690,823 | 92,656,777 |
| Transfers | | | | | | | | | | |
| Governmental activities | - | - | - | - | - | - | - | - | - | 665,189 |
| Business-type activities | - | - | - | - | - | - | - | - | - | - |
| Changes in net position | | | | | | | | | | |
| Governmental activities | 7,712,520 | 67,195,266 | 67,217,225 | 35,484,745 | 11,459,579 | (91,627,275) | (72,473,684) | (3,563,377) | (979,096) | 3,807,235 |
| Prior period adjustment | - | (158,945,354) | (215,747,665) | (249,037,292) | (255,911,367) | (166,291,357) | (83,970,268) | - | - | - |
| Business-type activities | - | - | - | - | - | - | - | - | - | 48,305 |
| Total primary government | \$ (84,037,568) | \$ (91,750,088) | \$ (148,530,440) | \$ (213,552,547) | \$ (244,451,788) | \$ (257,918,632) | \$ (156,443,952) | \$ (3,563,377) | \$ (979,096) | \$ 3,855,540 |

Source: District Financial Records

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Fund Balances, Governmental Funds
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|-------------------------------------|-------------|-------------|------------|------------|------------|------------|-------------|------------|------------|------------|
| General Fund | | | | | | | | | | |
| Nonspendable | \$ 110,127 | \$ 121,316 | \$ 110,127 | \$ 217,625 | \$ 113,697 | \$ 297,964 | \$ - | \$ - | \$ - | \$ - |
| Restricted | 14,401,124 | 12,927,220 | 10,997,590 | 10,703,023 | 8,964,656 | 15,320,653 | 16,392,528 | 11,118,279 | 10,929,805 | 18,477,589 |
| Committed | 11,211,051 | 11,200,000 | 9,700,000 | 7,143,056 | - | 6,779,158 | 8,399,319 | 7,639,917 | 7,311,636 | 5,926,591 |
| Assigned | 7,182,491 | 7,380,599 | 4,911,031 | 5,629,596 | 2,750,171 | - | 123,846 | 2,006,325 | 2,658,563 | 1,442,415 |
| Unassigned | - | 878,975 | 2,639,733 | - | 5,635,397 | - | - | - | - | - |
| Total general fund | 32,904,793 | 32,508,110 | 28,358,481 | 23,693,300 | 17,463,921 | 22,397,775 | 24,915,693 | 20,764,521 | 20,900,004 | 25,846,595 |
| All other governmental funds | | | | | | | | | | |
| Nonspendable | 100,468 | 91,868 | 72,021 | 104,046 | 164,303 | 110,857 | 158,317 | 183,162 | 196,826 | - |
| Restricted | 18,591,055 | 16,240,635 | 14,618,575 | 12,911,221 | 9,666,340 | 7,568,784 | 5,087,704 | 7,904,764 | 15,777,891 | 14,641,013 |
| Committed | 5,218,743 | 4,562,608 | 2,097,801 | 2,247,190 | 1,394,016 | 34,328,722 | 78,803,416 | 1,604,279 | 1,996,455 | 792,753 |
| Assigned | 78,443,187 | 96,639,094 | 3,715,250 | 2,717,877 | 4,724,354 | 1,563,668 | 1,526,795 | 419,545 | 160,020 | 112,581 |
| Unassigned | - | - | - | - | - | - | - | - | - | - |
| Total all other governmental funds | 102,353,453 | 117,534,205 | 20,503,647 | 17,980,334 | 15,949,013 | 43,572,031 | 85,576,232 | 10,111,750 | 18,131,192 | 15,546,347 |
| Total governmental funds | 135,258,246 | 150,042,315 | 48,862,128 | 41,673,634 | 33,412,934 | 65,969,806 | 110,491,925 | 30,876,271 | 39,031,196 | 41,392,942 |

Source: District Financial Records

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Governmental Fund Balances
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|-----------------|----------------|--------------|--------------|-----------------|-----------------|---------------|----------------|----------------|---------------|
| Revenues | | | | | | | | | | |
| Local sources | 89,183,047 | 78,662,303 | 64,386,283 | 62,660,691 | 55,648,931 | \$ 52,710,499 | \$ 48,276,157 | \$ 45,351,070 | \$ 35,283,456 | \$ 35,954,331 |
| State sources | 104,305,146 | 93,252,560 | 82,292,701 | 93,229,232 | 86,204,246 | 78,467,059 | 75,829,997 | 73,529,158 | 78,220,600 | 67,010,620 |
| Federal sources | 24,520,877 | 27,883,063 | 22,891,671 | 14,433,756 | 10,898,756 | 8,665,810 | 8,510,701 | 7,341,539 | 6,920,031 | 5,010,456 |
| Tuition | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - | - | - | - |
| Total revenues | 218,009,070 | 199,797,926 | 169,570,655 | 170,323,679 | 152,751,933 | 139,843,368 | 132,616,855 | 126,221,767 | 120,424,087 | 107,975,407 |
| Expenditures | | | | | | | | | | |
| Instruction | 104,106,038 | 96,615,019 | 75,269,774 | 80,653,235 | 78,687,473 | 68,851,602 | 66,288,594 | 62,578,937 | 57,030,514 | 54,269,244 |
| Supporting services | 80,567,952 | 70,219,611 | 66,945,640 | 63,140,301 | 57,628,291 | 51,676,722 | 48,541,524 | 43,620,742 | 39,810,635 | 38,253,961 |
| Community services | 655,923 | 418,581 | 360,869 | 462,473 | 406,541 | 155,963 | 76,220 | 3,110 | 2,309 | 1,501 |
| Facilities acquisition and construction | 23,918,063 | 9,875,249 | 1,970,175 | 4,979,959 | 30,991,227 | 48,098,885 | 7,604,275 | 2,292,721 | 5,182,557 | 1,023,064 |
| Food service | 5,744,520 | 5,348,605 | 3,208,124 | 3,784,969 | 4,120,434 | 3,960,940 | 3,869,434 | 3,450,686 | 3,563,638 | - |
| Charter schools | - | - | - | - | - | - | - | - | - | - |
| Debt service | 18,589,658 | 18,401,114 | 14,515,153 | 16,629,630 | 12,982,105 | 13,739,748 | 15,190,455 | 10,927,333 | 13,830,071 | 13,722,953 |
| Interest | - | - | - | - | - | - | - | 329,419 | 7,725,000 | 5,207,569 |
| Principal | - | - | - | - | - | - | - | 4,155,000 | 4,016,466 | 7,705,000 |
| Total expenditures | 233,582,154 | 200,878,179 | 162,269,735 | 169,650,567 | 184,816,071 | 186,483,860 | 141,570,502 | 122,873,529 | 119,419,724 | 107,270,723 |
| Excess of revenues over (under) expenditures | (15,573,084) | (1,080,253) | 7,300,920 | 673,112 | (32,064,138) | (46,640,492) | (8,953,647) | 3,348,238 | 1,004,363 | 704,684 |
| Other financing sources (uses) | | | | | | | | | | |
| Transfers in | 20,844,311 | 17,977,694 | 14,484,356 | - | - | (15,862,081) | - | (420,884) | - | - |
| Transfers out | (20,844,311) | (17,977,694) | (14,484,356) | - | - | 15,862,081 | - | 420,844 | - | 902,055 |
| Capital lease proceeds | 795,199 | - | - | - | - | - | - | - | - | - |
| Capital lease issuance | - | - | - | 6,683,133 | 666,973 | 2,121,373 | - | - | - | - |
| Payment to refunded bond escrow agent | - | (821,842) | - | - | - | - | - | (19,472,793) | - | - |
| Payments to escrow agent | - | - | - | - | - | - | - | - | (85,197,394) | (3,592,625) |
| Refunding bond proceeds | - | 85,000,000 | - | - | - | - | 79,615,000 | 8,780,000 | 74,313,571 | 3,470,000 |
| Premium on bond issued | - | 18,082,011 | - | - | - | - | 8,951,301 | - | 6,353,565 | 183,890 |
| Total other financing sources (uses) | 795,199 | 102,260,169 | - | 6,683,133 | 666,973 | 2,121,373 | 88,566,301 | (10,692,833) | (4,530,258) | 963,320 |
| Net change in fund balances | \$ (14,777,885) | \$ 101,179,916 | \$ 7,300,920 | \$ 7,356,245 | \$ (31,397,165) | \$ (44,519,119) | \$ 79,612,654 | \$ (7,344,595) | \$ (3,525,895) | \$ 1,668,004 |
| Debt services as a percentage of noncapital expenditures | 8.9% | 9.6% | 9.1% | 10.1% | 8.4% | 9.9% | 11.3% | 9.1% | 12.1% | 12.9% |

Source: District Financial Records

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

| | | | | | | | | | | Assessment Rates | |
|-----------------|-----------------|----------------------|---------------------|---|--|------------------------------|-----------------------|--------------------------------|--|------------------|------------|
| Assessment Year | Collection Year | Residential Property | Commercial Property | Industrial, Agricultural, And Natural Resources | State Assessed, Vacant Land, and Other | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Taxable Assessed Value as a Percentage of Actual Value | Residential | All others |
| 2022 | 2023 | 961,491,454 | 246,587,792 | 11,304,180 | 94,994,554 | 1,314,377,980 | 45.159 | 15,072,743,985 | 8.72% | 6.95% | 29.00% |
| 2021 | 2022 | 945,353,710 | 234,687,190 | 11,260,730 | 97,150,270 | 1,288,451,900 | 44.111 | 14,404,331,585 | 8.94% | 7.15% | 29.00% |
| 2020 | 2021 | 784,854,560 | 205,041,770 | 10,905,290 | 79,587,670 | 1,080,389,290 | 43.021 | 11,994,723,269 | 9.01% | 7.15% | 29.00% |
| 2019 | 2020 | 755,037,290 | 207,452,670 | 12,052,080 | 74,603,170 | 1,049,145,210 | 43.189 | 11,572,795,889 | 9.07% | 7.15% | 29.00% |
| 2018 | 2019 | 607,683,060 | 193,864,610 | 11,842,400 | 69,562,920 | 882,952,990 | 43.045 | 9,389,791,154 | 9.40% | 7.20% | 29.00% |
| 2017 | 2018 | 573,363,440 | 185,587,750 | 12,520,430 | 69,103,130 | 840,574,750 | 43.648 | 8,727,717,738 | 9.63% | 7.20% | 29.00% |
| 2016 | 2017 | 543,363,800 | 160,323,070 | 12,986,880 | 65,498,680 | 782,172,430 | 44.417 | 7,652,257,611 | 10.22% | 7.96% | 29.00% |
| 2015 | 2016 | 518,510,430 | 157,253,610 | 11,800,340 | 64,408,090 | 751,972,470 | 44.635 | 7,318,389,792 | 10.28% | 7.96% | 29.00% |
| 2014 | 2015 | 462,675,840 | 152,800,100 | 11,201,630 | 63,046,990 | 689,724,560 | 45.796 | 6,594,766,136 | 10.46% | 7.96% | 29.00% |
| 2013 | 2014 | 442,234,860 | 147,150,700 | 11,405,580 | 63,806,180 | 664,597,320 | 45.617 | 6,321,813,966 | 10.51% | 7.96% | 29.00% |

Source: El Paso County Treasurer's office

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

| Taxing Authority | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| El Paso County School District 49 | | | | | | | | | | |
| General Fund | 26.459 | 25.459 | 24.459 | 24.459 | 24.459 | 24.459 | 24.459 | 24.459 | 24.459 | 24.459 |
| Mill Levy Override | 18.5 | 18.5 | 18.5 | 18.500 | 18.500 | 19.081 | 13.756 | 9.800 | 9.800 | 9.800 |
| Abatement ⁽¹⁾ | 0.1999 | 0.152 | 0.062 | 0.230 | 0.086 | 0.108 | 0.222 | 0.217 | 0.325 | 0.146 |
| Bond Fund | 0 | 0 | 0 | 0 | 0 | 0 | 5.98 | 10.159 | 11.212 | 11.212 |
| Total for El Paso Count School District 49 | 45.159 | 44.111 | 43.021 | 43.189 | 43.045 | 43.648 | 44.417 | 44.635 | 45.796 | 45.617 |
| City Of Colorado Springs | 3.929 | 3.929 | 4.279 | 4.279 | 4.279 | 4.279 | 4.279 | 4.279 | 4.279 | 4.279 |
| El Paso County | 4.809 | 6.696 | 7.692 | 7.035 | 8.068 | 7.965 | 7.919 | 7.791 | 7.714 | 7.663 |
| Fire Districts | | | | | | | | | | |
| Black Forest | 14.951 | 14.500 | 15.139 | 12.549 | 10.052 | 10.114 | 10.178 | 10.237 | 10.356 | 10.382 |
| Cimarron Hills | 16.621 | 16.200 | 16.200 | 16.200 | 16.200 | 16.200 | 15.286 | 15.286 | 15.290 | 14.390 |
| Falcon | 14.886 | 14.886 | 14.886 | 14.886 | 14.886 | 8.612 | 8.612 | 8.612 | 8.612 | 8.612 |
| Elbert | 9.067 | 7.484 | 7.715 | 7.528 | 8.500 | 8.500 | 8.500 | 8.500 | 4.575 | 4.575 |
| Ellicott | 15.030 | 8.113 | 8.496 | 8.589 | 9.451 | 9.515 | 9.850 | 9.760 | 10.220 | 10.290 |
| Water Districts | | | | | | | | | | |
| Up Blk Sqrl GW | 1.062 | 1.005 | 1.056 | 1.029 | 1.065 | 1.065 | 1.063 | 1.057 | 1.082 | 1.082 |
| Sanitation water districts | | | | | | | | | | |
| Westmoor SWD | | 34.943 | 37.165 | 34.998 | 38.277 | 36.953 | 36.836 | 34.943 | 41.288 | 34.956 |
| Special Districts | | | | | | | | | | |
| Barnes & Pow N BID | 50.000 | 50.000 | 50.000 | 50.000 | 50.000 | 50.000 | 50.000 | 50.000 | 47.000 | 45.000 |
| Barnes & Pow S BID | 19.000 | 15.000 | 15.000 | 15.000 | 21.000 | 21.000 | 21.000 | 21.000 | 21.000 | 21.000 |
| EPC PID #2 | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 |
| First & Main BID | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 |
| First & Main BID #2 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 |
| First & Main North BID | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 51.000 | 40.000 | 40.000 | 40.000 | 40.000 |
| Stetson Hills SIMD | 3.858 | 3.858 | 3.858 | 3.858 | 3.858 | 3.858 | 3.858 | 3.858 | 3.858 | 3.858 |
| Metropolitan Districts | | | | | | | | | | |
| 4-Way Ranch #1 | 50.315 | 50.485 | 48.638 | 48.792 | 48.694 | 48.694 | 60.000 | 45.000 | 45.000 | 45.000 |
| Banning Lewis Ranch #2 | 51.537 | 50.097 | 50.097 | 50.097 | 49.749 | 49.749 | 45.000 | 50.000 | 50.000 | 50.000 |
| Banning Lewis Ranch #3 | 41.757 | 40.594 | 40.594 | 55.664 | 55.277 | 55.277 | 50.000 | 50.000 | 50.000 | 50.000 |
| Banning Lewis Ranch #4 | 56.702 | 55.664 | 55.664 | 55.664 | 55.277 | 55.277 | - | - | - | - |
| Banning Lewis Ranch #5 | 54.982 | 55.664 | 55.664 | 55.664 | - | - | - | - | - | - |
| Banning Lewis Ranch #8 | 51.380 | 55.664 | 55.664 | - | - | - | - | - | - | - |
| Banning Lewis Ranch Reg 1 | 11.348 | 11.132 | 11.131 | 11.131 | 11.055 | 11.055 | 10.000 | 10.000 | 10.000 | 10.000 |
| Banning Lewis Ranch Reg 2 | 10.265 | - | - | - | - | - | - | - | - | - |
| Bent Grass | 38.641 | 38.641 | 38.641 | 36.162 | 36.149 | 36.149 | 35.000 | 35.000 | 30.000 | 30.000 |
| Bobcat Meadows | 12.724 | 12.724 | 12.724 | 12.724 | 12.636 | 12.636 | 11.430 | 11.430 | 11.430 | 11.430 |
| Central Marksheffel | 27.637 | 27.637 | 27.637 | 33.164 | 33.164 | 33.164 | 30.000 | 30.000 | 30.000 | 40.000 |
| Constitution Heights MD | 27.830 | 27.830 | 27.830 | 27.830 | 27.637 | 27.637 | 25.000 | 25.000 | 25.000 | 25.000 |
| Dublin North #2 | 37.077 | 44.436 | 44.436 | 40.000 | 44.120 | 44.138 | 40.000 | 40.000 | 40.000 | 40.000 |
| Falcon Highlands | 40.713 | 47.658 | 43.280 | 43.082 | 39.799 | 39.720 | 35.000 | 35.000 | 35.000 | 35.000 |
| Latigo Creek | 5.539 | 5.539 | 5.539 | 5.539 | 5.500 | 5.500 | 5.000 | 5.000 | 5.000 | 5.000 |
| Meridian Ranch | 31.498 | 27.498 | 27.498 | 27.498 | 27.498 | 27.498 | 25.000 | 25.000 | 25.000 | 25.000 |
| Paintbrush Hills | 21.437 | 19.710 | 19.960 | 18.537 | 19.902 | 19.813 | 18.063 | 22.107 | 22.107 | 22.107 |
| Paintbrush Hills Sub A | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Sterling Ranch #1 | 66.841 | 66.796 | 55.663 | 55.663 | 55.275 | 55.275 | 50.000 | 50.000 | - | - |
| Sterling Ranch #2 | 55.663 | 66.796 | 66.795 | 55.663 | 55.275 | 55.275 | 50.000 | 50.000 | 60.000 | - |
| Sterling Ranch #3 | 50.000 | 50.000 | 50.000 | 50.000 | 50.000 | 50.000 | 50.000 | 50.000 | 60.000 | - |
| Stetson Ridge #2 | 32.650 | 33.631 | 27.140 | 27.140 | 26.987 | 27.008 | 24.472 | 24.472 | 24.472 | 24.472 |
| Stetson Ridge #3 | 38.949 | 38.313 | 38.553 | 38.553 | 39.188 | 37.894 | 35.000 | 35.000 | 35.000 | 35.000 |
| Woodmen Heights #2 | 38.518 | 38.518 | 38.518 | 44.529 | 44.220 | 44.220 | 40.000 | 42.000 | 42.000 | 42.000 |
| Woodmen Heights #3 | 29.600 | 34.600 | 34.600 | 40.000 | 40.000 | 40.000 | 40.000 | 42.000 | 42.000 | 42.000 |
| Woodmen Road | 0.000 | 4.000 | 11.657 | 11.680 | 11.599 | 11.599 | 10.800 | 10.800 | 10.800 | 10.800 |

Source: El Paso County Abstract of Assessments

Notes:

⁽¹⁾ Colorado Revised Statutes Require that districts shall levy, in the next fiscal year, the mill levy that is necessary to recoup property tax abatements granted after the mill levy is certified for the fiscal year.

Overlapping rates are those of local and county governments that apply to property owners within El Paso County School District 49.

Not all overlapping rates apply to all District property owners. The rates for special districts apply only to the proportion of the government's property owners whose property is located.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Principal Property Taxpayers
Current Year

| | 2022 | | |
|---|--------------------|------|----------------------|
| | Assessed Valuation | Rank | % of Total Valuation |
| Amazon.Com Services LLC | 114,620,100 | 1 | 1.55% |
| Cellco Partnership (f/k/a Verizon Wireless) | 98,024,020 | 2 | 1.32% |
| Broadmoor Hotel Inc. | 47,161,920 | 3 | 0.64% |
| Comcast of Colorado | 36,009,230 | 4 | 0.49% |
| Qwest Corporation | 29,387,600 | 5 | 0.40% |
| Federal Express Corp (FedEx) | 27,138,500 | 6 | 0.37% |
| ENT Credit Union | 22,693,400 | 7 | 0.31% |
| Wal-Mart Real Estate | 18,675,960 | 8 | 0.25% |
| Palmer Center Owner LLC | 17,284,010 | 9 | 0.23% |
| TRP Colorado Springs LLC | 16,081,760 | 10 | 0.22% |
| Totals | \$427,076,500 | | 5.78% |
| Total Assessed Valuation | \$10,454,466,620 | | |

Source: El Paso County Assessor's Office

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Property Tax Levies and Collections
Last Ten Fiscal Years

| Assessment Year | Collection Year | Collected within the Calendar Year of the Levy | | | Collections in Subsequent Years | Total Collection to Date | |
|--------------------|--------------------|---|---------------|--------------------|------------------------------------|--------------------------|-----------------------|
| | | Current Tax Levy | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2022 | 2023 | 59,355,874 | \$ 58,181,940 | 98.0% | \$ (115,637) | \$ 58,066,303 | 97.8% |
| 2021 | 2022 | \$ 57,030,746 | \$ 56,133,367 | 98.4% | \$ (228,538) | \$ 55,904,829 | 98.0% |
| 2020 | 2021 | 46,412,444 | \$ 45,511,352 | 98.1% | (222,985) | \$ 45,288,367 | 97.6% |
| 2019 | 2020 | 45,311,532 | 43,930,087 | 97.0% | 20,197 | \$ 43,950,284 | 97.0% |
| 2018 | 2019 | 38,006,711 | 37,384,760 | 98.4% | (9,051) | \$ 37,375,709 | 98.3% |
| 2017 | 2018 | 36,689,407 | 35,971,347 | 98.0% | (20,744) | \$ 35,950,604 | 98.0% |
| 2016 | 2017 | 34,783,165 | 34,480,628 | 99.1% | 24,214 | 34,504,843 | 99.2% |
| 2015 | 2016 | 33,564,299 | 33,496,436 | 99.8% | (121,885) | 33,374,551 | 99.4% |
| 2014 | 2015 | 31,586,636 | 31,467,474 | 99.6% | (1,404) | 31,466,070 | 99.6% |
| 2013 | 2014 | 30,316,945 | 30,226,286 | 99.7% | (88,023) | 30,138,263 | 99.4% |
| 2012 | 2013 | 30,255,576 | 30,209,654 | 99.8% | (45,554) | 30,164,100 | 99.7% |

Source: El Paso Country Treasurer's Office

Collections are from January 1 to August 31. Additional taxes will be collected from September 1 to December 31

Collections in Subsequent years includes delinquent tax collections, interest, penalties and abatements

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49

**Legal Debt Margin
Last Ten Fiscal Years**

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---------------|---------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Assessed valuation | 1,314,377,980 | 1,288,451,900 | 1,080,389,290 | 1,049,145,210 | 882,952,990 | 840,574,750 | 782,172,430 | 751,972,470 | 689,724,560 | 664,597,320 |
| Debt Limit | 262,875,596 | 257,690,380 | 216,077,858 | 209,829,042 | 176,590,598 | 168,114,950 | 156,434,486 | 150,394,494 | 137,944,912 | 132,919,464 |
| Total net debt applicable to limit | - | - | - | - | - | - | 4,960,000 | 12,305,000 | 26,020,000 | 31,300,002 |
| Legal debt margin | 262,875,596 | 257,690,380 | 216,077,858 | 209,829,042 | 176,590,598 | 168,114,950 | 151,474,486 | 138,089,494 | 111,924,912 | 101,619,462 |
| Total net debt applicable to the limit as a percentage of debt limit | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 3.17% | 8.18% | 18.86% | 23.55% |

Source: El Paso County Assessor's Office, District Financial Records

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Ratio of General Bonded Debt to Estimated Actual Taxable Value and Bonded Debt Per Capita
Last Ten Fiscal Years

| Assessment Year | Collection Year | Estimated Actual Taxable Value | General Bonded Debt | Ratio of General Bonded Debt to Estimated Actual Taxable Value | Population | Net Bonded Debt per Capita |
|--------------------|--------------------|-----------------------------------|---------------------|--|------------|----------------------------------|
| 2022 | 2023 | 15,072,743,985 | - | 0.00% | 106,918 | - |
| 2021 | 2022 | 14,404,331,585 | - | 0.00% | 105,077 | - |
| 2020 | 2021 | 11,994,723,269 | - | 0.00% | 92,176 | - |
| 2019 | 2020 | 11,572,795,889 | - | 0.00% | 86,447 | - |
| 2018 | 2019 | 9,389,791,154 | - | 0.00% | 84,752 | - |
| 2017 | 2018 | 8,727,717,738 | - | 0.00% | 83,090 | - |
| 2016 | 2017 | 7,652,257,611 | 4,960,000 | 0.06% | 81,566 | 61 |
| 2015 | 2016 | 7,318,389,792 | 12,305,000 | 0.17% | 80,360 | 153 |
| 2014 | 2015 | 6,594,766,136 | 26,020,000 | 0.39% | 79,173 | 329 |
| 2013 | 2014 | 6,321,813,966 | 31,300,002 | 0.50% | 78,003 | 401 |

Sources: El Paso County Assessor's Office and Department of Local Affairs, Demography Section,
Housing and Households

Note: The population number for 2011 and 2019 are estimated based on prior years growth.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Ratio of Annual Debt Service Expenditures for General Bonded Debt to General Fund Expenditures
Last Ten Fiscal Years

| Fiscal Year | Annual Debt Service Expenditures for General Bonded Debt | Total General Fund Expenditures | Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Fund Expenditures |
|-------------|--|------------------------------------|---|
| 2023 | - | 217,366,260 | 0.0% |
| 2022 | - | 142,506,356 | 0.0% |
| 2021 | - | 122,434,177 | 0.0% |
| 2020 | - | 118,120,151 | 0.0% |
| 2019 | - | 114,079,828 | 0.0% |
| 2018 | 4,960,000 | 113,802,929 | 4.4% |
| 2017 | 5,412,698 | 115,478,060 | 4.7% |
| 2016 | 4,787,504 | 107,098,324 | 4.5% |
| 2015 | 6,593,584 | 102,261,369 | 6.4% |
| 2014 | 6,616,242 | 92,931,241 | 7.1% |

Source: District Financial Records

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Ratio of Outstanding Debt By Type
Last Ten Fiscal Years

| Fiscal Year | General Obligation Bonds | Certificates of Participation | Capital Leases | Total Primary Government | Population | Per Capita | Aggregate Income | Percentage of Aggregate Income | Funded Pupil Count | Total Debt per Pupil |
|-------------|--------------------------------|----------------------------------|----------------|-----------------------------|------------|------------|------------------|--------------------------------------|-----------------------|-------------------------|
| 2023 | - | 199,175,000 | 7,254,731 | 206,429,731 | 106,918 | 1,931 | 3,758,809,208 | 5.49% | 24,691 | 8,361 |
| 2022 | - | 206,735,000 | 8,746,854 | 215,481,854 | 105,077 | 2,051 | 2,833,925,437 | 7.60% | 23,928 | 9,006 |
| 2021 | - | 129,380,000 | 8,864,020 | 138,244,020 | 92,176 | 1,500 | 2,716,569,629 | 5.09% | 23,242 | 5,948 |
| 2020 | - | 134,625,000 | 10,124,814 | 144,749,814 | 86,447 | 1,674 | 2,604,073,647 | 5.56% | 23,366 | 6,195 |
| 2019 | - | 139,650,000 | 4,986,258 | 144,636,258 | 84,752 | 1,707 | 2,563,064,614 | 5.64% | 22,664 | 6,382 |
| 2018 | - | 144,515,000 | 5,711,235 | 150,226,235 | 83,090 | 1,808 | 2,522,701,391 | 5.95% | 22,501 | 6,676 |
| 2017 | 4,960,000 | 146,255,000 | 3,826,291 | 155,041,291 | 81,566 | 1,901 | 2,482,973,810 | 6.24% | 21,744 | 7,130 |
| 2016 | 12,305,000 | 68,345,000 | 4,049,924 | 84,699,924 | 80,360 | 1,054 | 2,443,871,861 | 3.47% | 21,839 | 3,878 |
| 2015 | 26,020,000 | 70,575,000 | 4,521,429 | 101,116,429 | 79,173 | 1,277 | 2,405,385,690 | 4.20% | 20,223 | 5,000 |
| 2014 | 31,300,002 | 79,945,000 | 1,751,960 | 112,996,962 | 78,003 | 1,449 | 2,367,505,600 | 4.77% | 18,279 | 6,182 |
| 2013 | 36,430,000 | 82,170,000 | 2,341,188 | 120,941,188 | 76,850 | 1,574 | 2,347,809,100 | 5.15% | 14,573 | 8,299 |

Source: Department of Local Affairs, 2010 Census

Note: The population and aggregate income numbers for 2011 and beyond estimated based on prior years growth

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Estimation of Direct and Overlapping Debt
As of June 30, 2022

| | 2023 Assessed Valuation | Entity's Debt Outstanding | Estimated Percentage Applicable | Estimated Share of Overlapping Debt |
|-----------------------------------|------------------------------------|--------------------------------------|--|--|
| Direct Debt: | | | | |
| El Paso County School District 49 | 1,314,377,980 | - | 100.00% | - |
| Overlapping Debt: | | | | |
| Colorado | | | 0.13% | |
| City Of Colorado Springs | 7,504,518,700 | 2,821,325 | 13.17% | 371,641 |
| El Paso County | 10,454,466,620 | 78,797,524 | 6.18% | 4,867,042 |
| Fire Districts | | | | |
| Black Forest | 249,391,320 | - | 8.08% | - |
| Cimarron Hills | 205,459,730 | - | 49.56% | - |
| Falcon | 553,703,080 | 571,394 | 81.27% | 464,384 |
| Elbert | 7,404,190 | - | 19.74% | - |
| Ellicott | 42,616,140 | 73,598 | 0.24% | 180 |
| Water Districts | | | | |
| Up Blk Sqrll GW | 454,699,000 | - | 20.08% | - |
| Sanitation water districts | | | | |
| Westmoor SWD | 59,240 | - | 100.00% | - |
| Special Districts | | | | |
| Barnes & Pow N BID | 7,383,360 | 3,078,638 | 100.00% | 3,078,638 |
| Barnes & Pow S BID | 3,773,800 | 270,000 | 100.00% | 270,000 |
| EPC PID #2 | 147,983,650 | - | 43.05% | - |
| First & Main BID | 3,184,710 | 1,285,000 | 100.00% | 1,285,000 |
| First & Main BID #2 | 13,229,900 | 27,934,415 | 100.00% | 27,934,415 |
| First & Main North BID | 3,166,420 | 1,501,358 | 100.00% | 1,501,358 |
| Stetson Hills SIMD | 98,651,320 | - | 100.00% | - |
| Metropolitan Districts | | | | |
| 4-Way Ranch #1 | 1,995,290 | 535,000 | 100.00% | 535,000 |
| Ban Lewis Ranch #2 | 23,971,730 | 10,465,000 | 100.00% | 10,465,000 |
| Ban Lewis Ranch #3 | 25,335,500 | 8,105,000 | 100.00% | 8,105,000 |
| Ban Lewis Ranch #4 | 32,775,370 | 12,515,000 | 100.00% | 12,515,000 |
| Ban Lewis Ranch #5 | 11,241,380 | 6,585,000 | 100.00% | 6,585,000 |
| Ban Lewis Ranch #8 | 3,466,190 | - | | |
| Ban Lewis Ranch Reg | 93,755,420 | 10,745,000 | 100.00% | 10,745,000 |
| Bent Grass | 9,148,280 | 6,750,000 | 100.00% | 6,750,000 |
| Bobcat Meadows | 3,908,510 | - | 100.00% | - |
| Central Marksheffel | 52,716,670 | 8,575,000 | 81.77% | 7,011,778 |
| Constitution Heights MD | 23,030,160 | 12,335,000 | 100.00% | 12,335,000 |
| Dublin North #2 | 7,213,660 | 3,280,000 | 100.00% | 3,280,000 |
| Dublin North #3 | 2,925,600 | - | 100.00% | - |
| Falcon Highlands | 22,881,930 | 5,645,000 | 100.00% | 5,645,000 |
| Latigo Creek | 1,510,130 | - | 100.00% | - |
| Meridian Ranch | 103,231,360 | 24,584,803 | 100.00% | 24,584,803 |
| Mountain Vista | 12,050,010 | - | 100.00% | - |
| Paintbrush Hills | 36,155,520 | - | 100.00% | - |
| Paintbrush Hills Sub A | 12,289,050 | - | 100.00% | - |
| Sterling Ranch #1 | 240,960 | - | 65.41% | - |
| Sterling Ranch #2 | 9,561,330 | 35,100,000 | 7.79% | 2,734,290 |
| Sterling Ranch #3 | 115,980 | - | 49.49% | - |
| Stetson Ridge #2 | 46,595,590 | 640,000 | 100.00% | 640,000 |
| Stetson Ridge #3 | 16,179,150 | 7,395,000 | 100.00% | 7,395,000 |
| Woodmen Heights #2 | 75,148,990 | - | 77.32% | - |
| Woodmen Heights #3 | 8,846,690 | - | 81.61% | - |

Sources: Assessed value data used to estimate applicable percentages is provided by the El Paso County Assessor's office. Debt outstanding data provided by each governmental unit

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Demographic and Economic Statistics
Last Ten Fiscal Years

| Fiscal Year | Population | Total Personal Income | Per Capital Personal Income | School Enrollment | Unemployment rate Colorado Springs |
|-------------|------------|--------------------------|--------------------------------|----------------------|---------------------------------------|
| 2023 | 106,918 | 3,758,809,208 | 35,156 | 24,691 | 3.0% |
| 2022 | 105,077 | 2,833,925,437 | 26,970 | 23,928 | 4.3% |
| 2021 | 92,176 | 2,716,569,629 | 29,472 | 23,242 | 8.6% |
| 2020 | 86,447 | 2,604,073,647 | 30,123 | 23,366 | 2.8% |
| 2019 | 84,752 | 2,563,064,614 | 30,242 | 22,664 | 4.5% |
| 2018 | 83,090 | 2,522,701,391 | 30,361 | 22,501 | 3.2% |
| 2017 | 81,566 | 2,482,973,810 | 30,441 | 21,744 | 3.0% |
| 2016 | 80,360 | 2,443,871,861 | 30,411 | 21,839 | 3.9% |
| 2015 | 79,173 | 2,405,385,690 | 29,591 | 20,223 | 4.1% |
| 2014 | 78,003 | 2,367,505,600 | 30,489 | 18,279 | 4.5% |

Source: Department of Local Affairs, District records

Note: The population and aggregate income numbers for 2015-2020 are estimated based on prior years growth.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Principal Employers for El Paso County
Current Year and Nine Years Ago

| Employer | Rank | <u>2022</u> | Rank | <u>2013</u> |
|---------------------------------------|------|---|------|---|
| | | Percentage of Total County Employment | | Percentage of Total County Employment |
| Fort Carson Army Post | 1 | 13.6% | 1 | 12.3% |
| Peterson Air Force Base | 2 | 10.3% | 2/4 | 4.9% |
| United States Air Force Academy | 3 | 3.1% | 3 | 3.4% |
| UC Health Memorial Health System | 4 | 2.9% | 5 | 2.7% |
| School District 11 Colorado Springs | 5 | 2.1% | 6 | 2.0% |
| School District 20 Air Academy | 6 | 1.2% | 7 | -% |
| City of Colorado Springs ¹ | 7 | 1.2% | 9 | 1.1% |
| Amazon | 8 | 1.2% | - | 1.7% |
| El Paso County | 9 | 1.2% | 10 | 1.2% |
| Penrose-St. Francis Health Services | 10 | 4.0% | 8 | 1.0% |

Source: <https://coloradosprings.gov/accounting/page/comprehensive-annual-financial-report-cafr> pg 291
2020 is the most current CAFR available from City of Colorado Springs, the City's Fiscal Year
is from January to December.

¹ City of Colorado Springs includes the total of all full-time equivalent employees (FTE's) in all funds
and enterprises except Colorado Springs Utilities and Memorial Health System.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Full-Time Equivalent Employees by Functional Program
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Classroom Instruction | 898 | 893 | 830 | 852 | 816 | 791 | 757 | 933 | 920 | 914 | 817 |
| Teaching Assistants | 324 | 278 | 262 | 278 | 252 | 192 | 225 | 300 | 251 | 209 | 119 |
| General Office Support | 90 | 90 | 80 | 82 | 89 | 78 | 79 | 102 | 100 | 113 | 96 |
| Instructional Support | 98 | 92 | 87 | 88 | 85 | 70 | 79 | 75 | 72 | 60 | 53 |
| Facility Workers | 53 | 57 | 58 | 60 | 78 | 76 | 49 | 66 | 69 | 69 | 64 |
| Other Assistants | 56 | 56 | 104 | 93 | 105 | 65 | 69 | 61 | 79 | 64 | 82 |
| Man.Dir.Sup. Coord. | 20 | 19 | 13 | 13 | 13 | 10 | 10 | 60 | 39 | 24 | 8 |
| Principals/Asst/Assoc | 46 | 47 | 47 | 49 | 49 | 44 | 43 | 53 | 50 | 64 | 48 |
| Bus Drivers | 59 | 61 | 62 | 70 | 70 | 59 | 64 | 47 | 49 | 46 | 47 |
| Other Paraprofessionals | 59 | 51 | 70 | 71 | 53 | 41 | 36 | 41 | 43 | 64 | 41 |
| Special Service Providers | 71 | 71 | 70 | 69 | 56 | 41 | 43 | 41 | 42 | 34 | 33 |
| Food Services | 39 | 36 | 41 | 63 | 62 | 18 | 58 | 35 | 39 | 46 | 42 |
| Professionals Support | 55 | 51 | 51 | 49 | 46 | 45 | 41 | 33 | 17 | 16 | 14 |
| Foreman/Lead Workers | 55 | 48 | 50 | 47 | 47 | 27 | 40 | 29 | 31 | 33 | 33 |
| Coord./Supr. | 16 | 16 | 14 | 18 | 16 | 14 | 12 | 18 | 13 | 11 | 8 |
| Office Manager/Supervisor | 15 | 6 | 15 | 11 | 14 | 14 | 10 | 18 | 36 | 31 | 12 |
| Security | 25 | 28 | 24 | 27 | 23 | 17 | 20 | 11 | 12 | 12 | 12 |
| Supt/Asst Supt/BOCES Director | 9 | 9 | 9 | 9 | 9 | 8 | 8 | 9 | 9 | 9 | 6 |
| Computer Technology | 7 | 8 | 7 | 7 | 7 | 6 | 6 | 6 | 4 | 12 | 5 |
| Vehicle Drivers/Workers | 6 | 5 | 5 | 5 | 5 | 4 | 4 | 4 | 4 | 3 | 4 |
| Total | 2,001 | 1,922 | 1,899 | 1,961 | 1,895 | 1,621 | 1,653 | 1,942 | 1,879 | 1,834 | 1,543 |

Source: District Financial Records

*2017 - 2022 Data does not contain Charter School information

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
School Building Capacity and Population
Last Ten Fiscal Years

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>Elementary Schools</u> | | | | | | | | | | | |
| <u>Falcon (1982)</u> | | | | | | | | | | | |
| Building Square feet | 38,561 | 38,561 | 38,561 | 38,561 | 38,561 | 38,561 | 38,561 | 38,561 | 38,561 | 38,561 | 38,561 |
| Modular Square feet | 5,680 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 |
| Core Capacity (building) | 362 | 425 | 425 | 425 | 425 | 425 | 425 | 425 | 425 | 425 | 425 |
| Total Capacity (w/modulars) | 506 | 575 | 575 | 575 | 575 | 575 | 575 | 575 | 575 | 575 | 575 |
| Enrollment | 290 | 264 | 271 | 299 | 283 | 328 | 321 | 319 | 317 | 324 | 319 |
| <u>Meridian Ranch (2003)</u> | | | | | | | | | | | |
| Building Square feet | 58,318 | 58,318 | 58,318 | 58,318 | 58,318 | 58,318 | 55,731 | 55,731 | 55,731 | 55,731 | 55,731 |
| Modular Square feet | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 |
| Core Capacity (building) | 707 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 |
| Total Capacity (w/modulars) | 757 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 |
| Enrollment | 670 | 644 | 641 | 665 | 677 | 788 | 740 | 727 | 748 | 698 | 638 |
| <u>Woodmen Hills (2000)</u> | | | | | | | | | | | |
| Building Square feet | 56,100 | 56,100 | 56,100 | 56,100 | 56,100 | 56,100 | 51,603 | 51,603 | 51,603 | 51,603 | 51,603 |
| Modular Square feet | 11,093 | 11,093 | 11,093 | 11,093 | 11,093 | 11,039 | 11,039 | 11,039 | 11,039 | 11,039 | 11,039 |
| Core Capacity (building) | 589 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 |
| Total Capacity (w/modulars) | 689 | 900 | 900 | 900 | 900 | 900 | 900 | 900 | 900 | 900 | 900 |
| Enrollment | 632 | 571 | 564 | 597 | 615 | 799 | 803 | 738 | 744 | 743 | 729 |
| <u>Evans (1976)</u> | | | | | | | | | | | |
| Building Square feet | 53,148 | 53,148 | 53,148 | 53,148 | 53,148 | 53,148 | 53,101 | 53,101 | 53,101 | 53,101 | 53,101 |
| Modular Square feet | 9,856 | 11,296 | 11,296 | 11,296 | 11,296 | 11,296 | 11,296 | 11,296 | 11,296 | 11,296 | 11,296 |
| Core Capacity (building) | 425 | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 |
| Total Capacity (w/modulars) | 625 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 |
| Enrollment | 507 | 499 | 602 | 653 | 621 | 670 | 721 | 684 | 678 | 666 | 722 |
| <u>Remington (1997)</u> | | | | | | | | | | | |
| Building Square feet | 51,311 | 51,311 | 51,311 | 51,311 | 51,311 | 51,311 | 49,784 | 49,784 | 49,784 | 49,784 | 49,784 |
| Modular Square feet | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 |
| Core Capacity (building) | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 |
| Total Capacity (w/modulars) | 660 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 |
| Enrollment | 554 | 598 | 603 | 638 | 654 | 611 | 561 | 580 | 565 | 571 | 560 |
| <u>Springs Ranch (2002)</u> | | | | | | | | | | | |
| Building Square feet | 55,295 | 55,295 | 55,295 | 55,295 | 55,295 | 55,295 | 56,914 | 56,914 | 56,914 | 56,914 | 56,914 |
| Modular Square feet | 1,440 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 | 2,880 |
| Core Capacity (building) | 660 | 700 | 700 | 700 | 700 | 650 | 650 | 650 | 650 | 650 | 650 |
| Total Capacity (w/modular) | 660 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 |
| Enrollment | 576 | 569 | 545 | 565 | 579 | 553 | 591 | 573 | 592 | 654 | 666 |
| <u>Ridgeview (2002)</u> | | | | | | | | | | | |
| Building Square feet | 57,362 | 57,362 | 57,362 | 57,362 | 57,362 | 57,362 | 57,362 | 57,362 | 57,362 | 57,362 | 57,362 |
| Modular Square feet | 5,760 | 5,760 | 5,760 | 5,760 | 5,760 | 5,760 | 5,760 | 5,760 | 5,760 | 5,760 | 5,760 |
| Core Capacity (building) | 644 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 |
| Total Capacity (w/modulars) | 644 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 |
| Enrollment | 600 | 529 | 605 | 654 | 684 | 949 | 802 | 760 | 916 | 720 | 692 |
| <u>Stetson Elementary (1987)</u> | | | | | | | | | | | |
| Building Square feet | 48,963 | 48,963 | 48,963 | 48,963 | 48,965 | 48,965 | 50,223 | 50,223 | 50,223 | 50,223 | 50,223 |
| Modular Square feet | 10,680 | 12,120 | 12,120 | 12,120 | 12,120 | 12,120 | 12,120 | 12,120 | 12,120 | 12,120 | 12,120 |
| Core Capacity (building) | 440 | 575 | 575 | 575 | 575 | 575 | 525 | 525 | 525 | 525 | 525 |
| Total Capacity (w/modulars) | 590 | 925 | 925 | 925 | 925 | 925 | 875 | 875 | 875 | 875 | 875 |
| Enrollment | 498 | 414 | 451 | 505 | 521 | 557 | 527 | 568 | 619 | 613 | 625 |
| <u>Odyssey Elementary/ALLIES (2006)</u> | | | | | | | | | | | |
| Building Square feet | 60,174 | 60,174 | 60,174 | 60,174 | 60,174 | 48,965 | 44,505 | 44,505 | 44,505 | 44,505 | 44,505 |
| Modular Square feet | - | - | - | - | - | 12,120 | 5,760 | 5,760 | 5,760 | 5,760 | 5,760 |
| Core Capacity (building) | 625 | 625 | 625 | 625 | 625 | 575 | 450 | 450 | 450 | 450 | 450 |
| Total Capacity (w/modulars) | 625 | 625 | 625 | 625 | 625 | 925 | 650 | 650 | 650 | 650 | 650 |
| Enrollment | 537 | 502 | 521 | 571 | 576 | 561 | 538 | 550 | 579 | 572 | 571 |
| <u>Bennett Ranch Elementary (2019)</u> | | | | | | | | | | | |
| Building Square feet | 122,418 | 63,780 | 63,780 | 63,780 | 63,780 | - | - | - | - | - | - |
| Modular Square feet | - | - | - | - | - | - | - | - | - | - | - |
| Core Capacity (building) | 1,022 | 660 | 660 | 660 | 660 | - | - | - | - | - | - |
| Total Capacity (w/modulars) | 1,022 | 660 | 660 | 660 | 660 | - | - | - | - | - | - |
| Enrollment | 380 | 350 | 326 | 339 | 357 | - | - | - | - | - | - |
| <u>Inspiration View Elementary (2020)</u> | | | | | | | | | | | |
| Building Square feet | 70,554 | 70,554 | 70,554 | 70,554 | - | - | - | - | - | - | - |
| Modular Square feet | - | - | - | - | - | - | - | - | - | - | - |
| Core Capacity (building) | 580 | 720 | 720 | 720 | - | - | - | - | - | - | - |
| Total Capacity (w/modulars) | 580 | 720 | 720 | 720 | - | - | - | - | - | - | - |
| Enrollment | 518 | 519 | 409 | 368 | - | - | - | - | - | - | - |

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
School Building Capacity and Population
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Middle Schools | | | | | | | | | | | |
| Falcon Middle (1976) | | | | | | | | | | | |
| Building Square feet | 128,760 | 128,760 | 128,760 | 128,760 | 128,760 | 128,760 | 92,421 | 92,421 | 92,421 | 92,421 | 92,421 |
| Modular Square feet | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 | 5,640 |
| Core Capacity (building) | 831 | 900 | 900 | 900 | 900 | 900 | 800 | 800 | 800 | 800 | 800 |
| Total Capacity (w/modulars) | 831 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Enrollment | 602 | 922 | 919 | 1,021 | 1,021 | 983 | 978 | 907 | 934 | 902 | 918 |
| Horizon Middle (1985) | | | | | | | | | | | |
| Building Square feet | 67,230 | 67,230 | 67,230 | 67,230 | 67,230 | 67,230 | 66,380 | 66,380 | 66,380 | 66,380 | 66,380 |
| Modular Square feet | 30,816 | 42,048 | 42,048 | 42,048 | 42,048 | 41,905 | 43,488 | 43,488 | 7,200 | 7,200 | 7,200 |
| Core Capacity (building) | 548 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 | 625 |
| Total Capacity (w/modulars) | 801 | 1,225 | 1,225 | 1,225 | 1,225 | 1,175 | 1,175 | 1,175 | 800 | 800 | 800 |
| Enrollment | 820 | 706 | 748 | 769 | 769 | 746 | 709 | 650 | 626 | 610 | 623 |
| Skyview Middle (2000) | | | | | | | | | | | |
| Building Square feet | 128,953 | 128,953 | 128,953 | 128,953 | 128,953 | 128,953 | 122,317 | 122,317 | 122,317 | 122,317 | 122,317 |
| Modular Square feet | 13,320 | 14,760 | 14,760 | 14,760 | 14,760 | 14,760 | 14,760 | 14,760 | 14,760 | 14,760 | 14,760 |
| Core Capacity (building) | 1,034 | 900 | 900 | 900 | 900 | 900 | 900 | 900 | 900 | 900 | 900 |
| Total Capacity (w/modulars) | 1,172 | 1,350 | 1,350 | 1,350 | 1,350 | 1,350 | 1,350 | 1,350 | 1,350 | 1,350 | 1,350 |
| Enrollment | 881 | 1,003 | 989 | 1,057 | 1,058 | 1,109 | 1,057 | 1,127 | 1,144 | 1,022 | 1,028 |
| High Schools | | | | | | | | | | | |
| Falcon High (2007) | | | | | | | | | | | |
| Building Square feet | 192,298 | 192,298 | 192,298 | 192,298 | 192,298 | 192,298 | 176,352 | 176,352 | 176,352 | 176,352 | 176,352 |
| Modular Square feet | - | - | - | - | - | - | - | - | - | - | - |
| Core Capacity (building) | 1,356 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| Total Capacity (w/modulars) | 1,356 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| Enrollment | 1,247 | 1,246 | 1,180 | 1,234 | 1,240 | 1,207 | 1,187 | 1,238 | 1,275 | 1,242 | 1,291 |
| Sand Creek High (1997) | | | | | | | | | | | |
| Building Square feet | 208,776 | 208,776 | 208,776 | 208,776 | 208,776 | 208,776 | 189,866 | 189,866 | 189,866 | 189,866 | 189,866 |
| Modular Square feet | 7,200 | 7,200 | 7,200 | 7,200 | 7,200 | 7,200 | 8,640 | 8,640 | 8,640 | 8,640 | 11,520 |
| Core Capacity (building) | 1,280 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 |
| Total Capacity (w/modulars) | 1,280 | 1,850 | 1,850 | 1,850 | 1,850 | 1,850 | 1,900 | 1,900 | 1,900 | 1,900 | 1,950 |
| Enrollment | 1,358 | 1,119 | 1,127 | 1,128 | 1,133 | 1,205 | 1,247 | 1,274 | 1,245 | 1,238 | 1,184 |
| Vista Ridge High (2008) | | | | | | | | | | | |
| Building Square feet | 212,717 | 179,876 | 179,876 | 179,876 | 179,876 | 166,617 | 166,617 | 166,617 | 166,617 | 166,617 | 166,617 |
| Modular Square feet | - | - | - | - | - | - | - | - | - | - | - |
| Core Capacity (building) | 1,504 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| Total Capacity (w/modulars) | 1,504 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| Enrollment | 1,471 | 1,624 | 1,624 | 1,606 | 1,615 | 1,583 | 1,482 | 1,437 | 1,338 | 1,230 | 1,195 |
| Other Buildings | | | | | | | | | | | |
| Springs Studio for Academic Excellence (2012) | | | | | | | | | | | |
| Building Square feet | 40,000 | 40,000 | 40,000 | 40,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Total Capacity | 548 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 |
| Enrollment | 439 | 425 | 472 | 402 | 402 | 485 | 489 | 521 | 515 | 966 | 421 |
| Patriot High School (1952) | | | | | | | | | | | |
| Building Square feet (plus butler & art) | 36,750 | 41,929 | 41,929 | 41,929 | 36,750 | 36,750 | 41,929 | 41,929 | 41,929 | 41,929 | 41,929 |
| Modular Square feet | 17,707 | 4,812 | 4,812 | 4,812 | 6,330 | 6,330 | 4,812 | 10,572 | 10,572 | 10,572 | 10,572 |
| Core Capacity (building) | 425 | 425 | 425 | 425 | 425 | 425 | 125 | 125 | 125 | 125 | 125 |
| Total Capacity (w/modulars) | 525 | 525 | 525 | 525 | 525 | 525 | 325 | 325 | 325 | 325 | 325 |
| Enrollment | 91 | 89 | 74 | 94 | 86 | 104 | 120 | 201 | 258 | 249 | 244 |
| Administration Buildings | | | | | | | | | | | |
| Central Office (1981) | | | | | | | | | | | |
| Building Square feet | 6,134 | 6,134 | 6,134 | 6,134 | 6,134 | 6,134 | 6,134 | 6,134 | 6,134 | 6,134 | 6,134 |
| Modular Square feet | 5,904 | 5,904 | 5,904 | 5,904 | 6,396 | 7,212 | 7,212 | 7,212 | 7,212 | 7,884 | 8,076 |
| Transportation/Nutrition Services (2002) | | | | | | | | | | | |
| Building Square feet | 25,800 | 25,800 | 25,800 | 25,800 | 25,800 | 25,800 | 25,800 | 25,800 | 25,800 | 25,800 | 25,800 |
| Modular Square feet | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 |
| Mohawk Building (2001) | | | | | | | | | | | |
| Building Square feet (plus butler & art) | 7,060 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| Core Capacity (building) | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 |
| Total Capacity | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 | 225 |
| Creekside Success Center* (2015) | | | | | | | | | | | |
| Building Square feet | 35,806 | 35,806 | 35,806 | 35,806 | 35,806 | 35,806 | 35,806 | 35,806 | | | |

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
School Building Capacity and Population
Last Ten Fiscal Years

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Chartered Schools | | | | | | | | | | | |
| Pikes Peak School of Expeditionary Learning (2008) | | | | | | | | | | | |
| Building Square feet | 28,967 | 28,967 | 28,967 | 28,967 | 28,967 | 28,967 | 28,967 | 28,967 | 28,967 | 28,967 | 28,967 |
| Core Capacity (building) | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 |
| Total Capacity | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 |
| Enrollment | 393 | 391 | 431 | 407 | 415 | 413 | 415 | 439 | 408 | 384 | 397 |
| Banning Lewis Ranch Academy (2008) | | | | | | | | | | | |
| Building Square feet | 161,000 | 161,000 | 161,000 | 161,000 | 161,000 | 57,000 | 57,000 | 57,000 | 57,000 | 57,000 | 57,000 |
| Modular Square feet | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 |
| Core Capacity (building) | 1,350 | 1,350 | 1,350 | 1,350 | 1,350 | 675 | 675 | 675 | 675 | 675 | 675 |
| Total Capacity (w/modulars) | 1,425 | 1,425 | 1,425 | 1,425 | 1,425 | 725 | 725 | 725 | 725 | 725 | 725 |
| Enrollment | 1,623 | 1,673 | 1,469 | 1,435 | 1,376 | 1,248 | 809 | 752 | 749 | 750 | 737 |
| Grand Peak Academy (2010) | | | | | | | | | | | |
| Building Square feet | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 |
| Modular Square feet | - | - | - | - | - | 1,440 | 1,440 | 1,440 | 1,440 | - | - |
| Core Capacity (building) | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 800 | 800 | 800 | 800 | 800 | 800 |
| Total Capacity (w/modulars) | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 850 | 850 | 850 | 850 | 800 | 800 |
| Enrollment | 672 | 618 | 727 | 760 | 705 | 747 | 796 | 773 | 743 | 831 | 858 |
| Rocky Mountain Classical Academy (2015) | | | | | | | | | | | |
| Building Square feet | 104,686 | 104,686 | 104,686 | 104,686 | 93,000 | 93,000 | 93,000 | 93,000 | 35,000 | 35,000 | 35,000 |
| Core Capacity (building) | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 475 | 475 | 475 |
| Total Capacity | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,075 | 1,075 | 1,075 |
| Enrollment | 1,124 | 1,304 | 1,584 | 1,617 | 1,632 | 1,613 | 1,612 | 1,467 | 1,300 | 746 | 675 |
| GOAL Academy** | | | | | | | | | | | |
| Building Square feet | 185,278 | 185,278 | 185,278 | 185,278 | 185,278 | 185,278 | 185,278 | 185,278 | - | - | - |
| Capacity (students) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | - | - | - |
| Enrollment | 6,108 | 5,318 | 5,305 | 4,965 | 4,140 | 3,811 | 3,755 | 4,070 | 3,259 | 3,149 | - |
| Power Technical Early College (2016) | | | | | | | | | | | |
| Building Square feet | 34,250 | 34,250 | 34,250 | 34,250 | 34,250 | n/a | n/a | - | - | - | - |
| Total Capacity | 400 | 400 | 400 | 400 | 400 | n/a | n/a | - | - | - | - |
| Enrollment | 377 | 340 | 325 | 317 | 267 | 240 | 160 | - | - | - | - |
| Liberty Tree Acadmey (2020) | | | | | | | | | | | |
| Building Square feet | 39,376 | 39,376 | 39,376 | 39,376 | - | - | - | - | - | - | - |
| Total Capacity | 525 | 525 | 525 | 525 | - | - | - | - | - | - | - |
| Enrollment | 589 | 646 | 577 | 501 | 317 | - | - | - | - | - | - |
| Mountain View Academy | | | | | | | | | | | |
| Building Square feet | - | - | - | - | - | - | - | - | - | - | - |
| Total Capacity | - | - | - | - | - | - | - | - | - | - | - |
| Enrollment | 358 | 353 | 140 | - | - | - | - | - | - | - | - |
| Pioneer Technology & Arts Academy | | | | | | | | | | | |
| Building Square feet | - | - | - | - | - | - | - | - | - | - | - |
| Total Capacity | - | - | - | - | - | - | - | - | - | - | - |
| Enrollment | 490 | 219 | - | - | - | - | - | - | - | - | - |
| Total Student Population | 24,405 | 23,451 | 23,229 | 23,167 | 21,743 | 21,310 | 20,420 | 20,355 | 19,552 | 18,880 | 15,093 |

*The Creekside building was built in 2015

** GOAL Academy joined the district in 2013/2014 school year. Their enrollment prior to joining the district is not included.

GOAL Academy is primarily an online school. With various small satellite sites for students to visit for additional learning. These sites change periodically based on need. Prior years were not available.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Capital Assets by Function/Program
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Governmental Activities | | | | | | | | | | |
| Instruction | 274,258,396 | 274,258,396 | 266,882,358 | 261,764,551 | 238,067,914 | 194,276,634 | 213,368,856 | 211,624,573 | 210,439,589 | 206,271,659 |
| General Administration | 8,440,501 | 8,357,466 | 8,357,466 | 8,357,466 | 8,357,466 | 8,357,466 | 14,679,803 | 12,593,392 | 12,313,675 | 8,622,325 |
| Operation and Maintenance | 8,420,434 | 6,432,175 | 5,879,468 | 893,143 | 684,818 | 684,818 | 557,283 | 464,480 | 326,569 | 276,762 |
| Student Transportation | 11,950,369 | 11,950,369 | 10,819,289 | 10,515,844 | 8,918,028 | 8,168,967 | 9,433,502 | 8,773,770 | 8,249,302 | 7,694,696 |
| Technology | 830,642 | 815,742 | 765,577 | 98,416 | 98,416 | 98,416 | 1,916,705 | 1,916,705 | 1,916,705 | 1,916,705 |
| Business | 38,942 | 38,942 | 38,942 | 38,942 | 38,942 | 38,942 | 45,229 | 45,229 | 45,229 | 45,229 |
| Business-type Activities | | | | | | | | | | |
| Food Service | 525,143 | - | - | - | - | - | - | - | - | 1,101,957 |
| Total | 304,464,427 | 301,853,090 | 292,743,100 | 281,668,363 | 256,165,584 | 211,625,243 | 240,001,378 | 235,418,150 | 233,291,069 | 225,929,333 |

Source: District Financial Records

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
Operating Statistics
Last Ten Fiscal Years

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Primary Government Expenses | \$ 233,582,154 | \$ 237,209,629 | \$ 204,245,555 | \$ 218,593,899 | \$ 184,816,071 | \$ 239,143,234 | \$ 212,866,460 | \$ 140,398,047 | \$ 132,358,799 | \$ 115,174,821 | \$ 108,441,190 |
| Enrollment, Oct 1 count | 25,800 | 23,451 | 23,229 | 23,167 | 21,743 | 21,310 | 20,420 | 20,355 | 19,552 | 18,880 | 15,093 |
| Funded Pupil Count (FPC) | 24,691.0 | 23,298.1 | 23,315.7 | 23,366.0 | 22,664.1 | 22,501.0 | 21,744.0 | 21,839.3 | 20,222.5 | 18,279.3 | 14,572.9 |
| Cost per FPC | 9,460.21 | 10,181.50 | 8,760.00 | 9,355.21 | 8,154.57 | 10,628.12 | 9,789.66 | 6,428.69 | 6,545.13 | 6,300.83 | 7,441.29 |
| Per Pupil Funding After Negative Factor | \$ 9,164.66 | \$ 8,601.97 | \$ 7,776.75 | \$ 8,115.98 | \$ 7,746.06 | \$ 7,051.42 | \$ 7,075.60 | \$ 6,977.57 | \$ 6,688.52 | \$ 6,303.45 | \$ 6,139.43 |
| Students Qualified for Federal Assistance: | | | | | | | | | | | |
| Free Lunch Program | 6,926 | 5,450 | 6,145 | 3,800 | 3,592 | 3,327 | 3,445 | 5,560 | 4,961 | 4,267 | 2,316 |
| Reduced Lunch Program | 1,708 | 1,266 | 1,488 | 998 | 963 | 950 | 951 | 1,556 | 1,345 | 1,404 | 959 |
| SAT/ACT Average Composite score* | | | | | | | | | | | |
| Springs Studio for Academic Excellence** | 940 | 978 | 1002 | 984 | 984 | n/a | 1466 | 19.6 | 19.1 | 19.9 | 21.0 |
| Falcon HS | 957 | 951 | 1017 | 970 | 970 | 959 | 993 | 20.2 | 20.1 | 19.9 | 20.0 |
| Sand Creek HS | 931 | 939 | 999 | 950 | 950 | 972 | 977 | 19.8 | 19.4 | 19.8 | 19.9 |
| Vista Ridge HS | 944 | 951 | 989 | 985 | 985 | 996 | 982 | 20.3 | 19.6 | 18.8 | 19.1 |
| Patriot High School*** | 788 | 823 | n/a | 793 | 793 | n/a | 707 | 15.4 | 14.7 | 16.3 | 16.7 |
| Goal Academy | 816 | 823 | 899 | 824 | 824 | 831 | 828 | 15.4 | 16.1 | 16.3 | - |
| Colorado Average | 990 | 986 | 1011 | 1001 | 1001 | 976 | 1014 | 20.4 | 20.1 | 20.3 | 20.1 |
| Graduation Rates | | | | | | | | | | | |
| Springs Studio for Academic Excellence** | 98.4% | 96.6% | 88.7% | 90.4% | 90.4% | 78.4% | 88.1% | 94.0% | 93.8% | 94.5% | 92.3% |
| Falcon High School | 89.1% | 92.1% | 91.8% | 90.7% | 90.0% | 85.8% | 89.3% | 98.3% | 95.3% | 98.5% | 94.4% |
| Goal Academy | 36.6% | 38.0% | 32.4% | 20.8% | 19.2% | 34.8% | 40.5% | 47.1% | 46.7% | 51.1% | - |
| Power Tech Early College | 87.5% | 91.7% | 100.0% | 90.9% | 81.8% | | | | | | |
| Patriot High School*** | 46.2% | 52.9% | 51.2% | 64.3% | 59.5% | 57.1% | 62.1% | 55.4% | 62.1% | 74.5% | 64.1% |
| Pikes Peak Early College | 28.9% | 100.0% | 35.0% | 30.0% | 30.0% | 34.5% | 25.0% | 44.4% | - | - | - |
| Rocky Mountain Classical Academy | 0.0% | 0.0% | 0.0% | 33.3% | 33.3% | 25.0% | - | - | - | - | - |
| Sand Creek High School | 90.0% | 89.1% | 88.3% | 84.6% | 83.3% | 87.2% | 81.8% | 91.0% | 93.7% | 95.5% | 88.7% |
| Vista Ridge High School | 88.7% | 95.5% | 90.9% | 89.5% | 88.6% | 89.5% | 88.5% | 92.9% | 94.3% | 95.8% | 94.6% |
| CO state | 82.3% | 85.7% | 81.9% | 81.1% | 81.1% | 80.7% | 79.0% | 79.8% | 77.3% | 77.3% | 76.9% |
| Dropout Rate | 9.0% | 8.8% | 9.6% | 7.5% | 7.5% | 6.9% | 9.4% | 8.1% | 5.9% | 4.6% | 6.0% |

Sources: Colorado Department of Education

Notes: The addition of GOAL Academy affects many district statistics. When possible statistics are broken out by school.

GOAL Academy is an Alternative Education Campus (AEC). Over 95% of the students serviced at AEC schools are considered at high risk of dropping out.

*2016 and Prior - ACT was used

**2016 and Prior Springs Studio for Academic Excellence was Falcon Virtual Academy

***2016 and Prior Patriot High School was Patriot Learning Center

COMPLIANCE SECTION

SINGLE AUDIT

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Assistance Listing Number | Additional Award Identification | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|--|--|--|---|--|---|
| U.S. Department of Agriculture | | | | | |
| <i>Child Nutrition Cluster</i> | | | | | |
| Passed Through Colorado Department of Education | | | | | |
| School Breakfast Program | 10.553 | | 5553 | \$ - | \$ 284,238 |
| National School Lunch Program | 10.555 | | 4555, 6555 | | 2,608,401 |
| Passed Through Colorado Department of Human Services | | | | | |
| National School Lunch Program | 10.555 | | 4555 | | 598,091 |
| <i>Total Child Nutrition Cluster</i> | | | | | <u>3,490,730</u> |
| Total U.S. Department of Agriculture | | | | | <u>3,490,730</u> |
| U.S. Department of Defense | | | | | |
| Direct Programs | | | | | |
| Reserve Officer Training Corps (ROTC) | 12.Unknown | | | | 203,008 |
| Promoting K-12 Student Achievement at Military- Connected Schools | 12.556 | | | | 468,272 |
| Total Department of Defense | | | | | <u>671,280</u> |
| U.S. Department of Education | | | | | |
| Direct Programs | | | | | |
| Impact Aid | 84.041 | | | | 604,892 |
| Passed Through Colorado Department of Education | | | | | |
| <i>Special Education Cluster</i> | | | | | |
| Special Education: Grants to States IDEA Part B | 84.027 | | 4027 | | 4,229,436 |
| Special Education: Preschool Grants | 84.173 | | 4173 | | 42,172 |
| <i>Total SPED Cluster</i> | | | | | <u>4,271,608</u> |
| Every Child Succeeds Act, Title I, Part A | 84.010 | | 4010, 5010 | | 2,415,492 |
| Charter Schools | 84.282 | | 5282 | | 343,300 |
| English Language Learners, Title III, Part A | 84.365 | | 4365 | | 126,689 |
| Quality Teacher, Title II, Part A | 84.367 | | 4367 | | 421,592 |
| | | | 4421,4422,4423,4424, | | |
| Every Student Succeeds Act, Title IV, Part A | 84.424A | | 4426, 4427,4428 | | 166,443 |
| Education Stabilization Fund | | | | | |
| ESSER III | | | | | |
| ESSER III | 84.425U | COVID-19 | 4414, 9414, 4438, 4450 | | 7,827,107 |
| ESSER II | 84.425D | COVID-19 | 4419, 4420, 4437 | | 1,472,759 |
| Passed through Colorado Community College System | | | | | |
| Vocational Education - Carl Perkins | 84.048 | | 4048 | | 103,658 |
| Total U.S. Department of Education | | | | - | <u>17,753,540</u> |
| Total Federal Awards | | | | <u>\$ -</u> | <u>\$ 21,915,550</u> |

See the accompanying independent auditors' report.

EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of El Paso County Colorado School District 49 under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of El Paso County Colorado School District 49, it is not intended to and does not present the financial position, changes in net position, or cash flows of El Paso County Colorado School District 49.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified-accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Pass-through entity identifying numbers are presented where available. ROTC does not have a ALN number, so the Federal ALN number on the Schedule of Expenditures of Federal Awards identifies the Department followed by "Unknown".

NOTE 3 – INDIRECT COST RATE

El Paso County Colorado School District 49 has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – NON-CASH ASSISTANCE

During the year end June 30, 2023, El Paso County Colorado School District 49 received \$598,091 in non-cash assistance in the form of food commodities. Valuation of commodities is based on fair market value at the time of receipt.



INDEPENDENT AUDITOR'S 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*

To the Board of Education
El Paso County Colorado School District 49

We have audited, in accordance with the 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 financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of El Paso County Colorado School District 49, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise El Paso County Colorado School District 49's basic financial statements, and have issued our report thereon dated February 14, 2024. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with those component units.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered El Paso County Colorado School District 49'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 El Paso County Colorado School District 49's internal control. Accordingly, we do not express an opinion on the effectiveness of El Paso County Colorado School District 49'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 entity'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 El Paso County Colorado School District 49'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*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hoelting & Company Inc.

Colorado Springs, Colorado
February 14, 2024



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

To the Board of Education
El Paso County Colorado School District 49

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited El Paso County Colorado School District 49's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of El Paso County Colorado School District 49's major federal programs for the year ended June 30, 2023. El Paso County Colorado School District 49's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, El Paso County Colorado School District 49 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

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; 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* (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 El Paso County Colorado School District 49 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 El Paso County Colorado School District 49'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 El Paso County Colorado School District 49's federal programs.

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 El Paso County Colorado School District 49'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 generally accepted auditing standards, *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 El Paso County Colorado School District 49's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 El Paso County Colorado School District 49'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 El Paso County Colorado School District 49'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 El Paso County Colorado School District 49'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.

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.

Hoelting & Company Inc.

Colorado Springs, Colorado
February 14, 2024

**EL PASO COUNTY COLORADO SCHOOL DISTRICT 49
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

Section II—Financial Statement Findings

No findings reported.

Section III—Findings and Questioned Costs for Federal Awards

No findings reported.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

The Summary Schedule of Prior Audit Findings (the Summary) summarizes the status of the audit findings reported in the El Paso County Colorado School District 49 Schedule of Findings and Questioned Costs for the year ended June 30, 2022. If the prior audit finding was fully addressed, the Summary indicates that the corrective action described in the prior audit report was taken or that corrective action is no longer needed. Otherwise, the Summary references the page number of the June 30, 2023 single audit report where a repeat recommendation, description of the planned corrective action, or reason for not implementing the recommendation is presented.

There were no prior year audit findings.

STATE COMPLIANCE



**INDEPENDENT AUDITORS' REPORT ON COLORADO SCHOOL
DISTRICT/BOCES AUDITOR'S INTEGRITY REPORT**

To the Board of Education
El Paso County Colorado School District 49

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the El Paso County Colorado School District 49, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the El Paso County Colorado School District 49's basic financial statements as listed in the table of contents. Our report thereon, dated February 14, 2024, expressed an unmodified opinion on those financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the El Paso County Colorado School District 49's basic financial statements. The accompanying *Colorado School District/BOCES, Auditor's Integrity Report* is presented for purposes of additional analysis and is 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 *Colorado School District/BOCES, Auditor's Integrity Report* is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hoelting & Company Inc.

Colorado Springs, Colorado
February 14, 2024



Colorado Department of Education
Auditors Integrity Report
District: 1110 - District 49
Fiscal Year 2022-23
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 | 31,568,847 | 156,250,758 | 156,010,689 | 31,808,916 |
| 18 Risk Mgmt Sub-Fund of General Fund | 686,636 | 2,180,086 | 2,014,881 | 851,841 |
| 19 Colorado Preschool Program Fund | 246,712 | 568,210 | 570,887 | 244,035 |
| Sub- Total | 32,502,196 | 158,999,054 | 158,596,457 | 32,904,792 |
| 11 Charter School Fund | 49,642,453 | 125,597,858 | 119,018,502 | 56,221,809 |
| 20,26-29 Special Revenue Fund | 8,125,050 | 15,471,687 | 19,426,310 | 4,170,428 |
| 06 Supplemental Cap Const, Tech, Main. Fund | 0 | 0 | 0 | 0 |
| 07 Total Program Reserve Fund | 0 | 0 | 0 | 0 |
| 21 Food Service Spec Revenue Fund | 3,231,831 | 5,769,994 | 5,744,520 | 3,257,305 |
| 22 Govt Designated-Purpose Grants Fund | 0 | 20,403,120 | 20,403,120 | 0 |
| 23 Pupil Activity Special Revenue Fund | 611,654 | 1,473,952 | 1,344,332 | 741,274 |
| 25 Transportation Fund | 0 | 1,973,170 | 1,973,170 | 0 |
| 31 Bond Redemption Fund | 0 | 0 | 0 | 0 |
| 39 Certificate of Participation (COP) Debt Service Fund | 16,240,365 | 18,958,678 | 16,607,988 | 18,591,055 |
| 41 Building Fund | 93,345,297 | 3,572,362 | 23,150,763 | 73,766,896 |
| 42 Special Building Fund | 0 | 0 | 0 | 0 |
| 43 Capital Reserve Capital Projects Fund | 3,293,797 | 2,059,994 | 677,501 | 4,676,291 |
| 46 Supplemental Cap Const, Tech, Main Fund | 0 | 0 | 0 | 0 |
| Totals | 206,992,642 | 354,279,870 | 366,942,662 | 194,329,850 |
| Proprietary | | | | |
| 50 Other Enterprise Funds | 0 | 0 | 0 | 0 |
| 64 (63) Risk-Related Activity Fund | 238,977 | 3,199,762 | 2,120,445 | 1,318,294 |
| 60,65-69 Other Internal Service Funds | 0 | 0 | 0 | 0 |
| Totals | 238,977 | 3,199,762 | 2,120,445 | 1,318,294 |
| 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

