FINANCIAL SECTION

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Independent Auditor's Report

To the Board of Education
Arapahoe County School District Number Six

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Arapahoe County School District Number Six as of June 30, 2023 and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the School District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Education
Arapahoe County School District Number Six

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Other Supplementary Information

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

To the Board of Education
Arapahoe County School District Number Six

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2023 on our consideration of Arapahoe County School District Number Six's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Arapahoe County School District Number Six's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Arapahoe County School District Number Six's internal control over financial reporting and compliance.

Plante & Moran, PLLC

October 19, 2023

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Management's Discussion and Analysis

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for presentation purposes

As management of the Arapahoe County School District Number Six, Arapahoe County, Colorado (the district), we offer readers of the district's Annual Comprehensive Financial Report this narrative and analysis of the financial activities of the district for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that can be found in the letter of transmittal on pages 1–6.

Financial Highlights

- Beginning June 30, 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, which established new financial reporting requirements for most governments that provide pension benefits through a multiple-employer, cost-sharing defined-benefit pension plan. District employees, including the two charter schools' employees, are in a program administered by the Public Employees' Retirement Association of Colorado (PERA). Statement No. 68 requires the district and its charter schools to record a proportionate share of PERA's unfunded pension liability. The district and its charter schools have no legal obligation to fund any shortfall, nor do they have any liability to affect funding, benefits, or annual required contribution decisions made by PERA.
- Beginning June 30, 2018, the district adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which is effective for financial statements beginning after June 15, 2017. Statement No. 75 revises and establishes new financial reporting requirements for most governments that provide postemployment benefits other than pensions (OPEB). Statement No. 75 requires cost-sharing employers participating in the Health Care Trust Fund (HCTF) administered by PERA to record their proportionate share of the HCTF's net OPEB liability. For the district, the effect of implementing this standard was to change how it accounts for and reports the net OPEB liability.
- Beginning June 30, 2019, the district is reporting the resulting effects of the Senate Bill (SB) 18-200 passed and signed into Colorado law June 4, 2018. SB 18-200 makes changes in several key ways to the PERA retirement plan including increasing contribution rates from employers and employees and directing the state to make a $225 million on-behalf contribution each year to PERA to reduce the unfunded liability. Other changes include modifying retirement benefits by reducing the annual increase for all current and future retirees, raising the retirement age for new employees, and establishing an automatic adjustment provision designed to keep PERA on a path to full funding in 30 years. House Bill (HB) 20-1379 suspended the $225 million direct distribution payable on July 1, 2020, for the state's 2020–2021 fiscal year due to budget restraints. The direct distribution payable on July 1, 2022, of $225 million, House Bill (HB) 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of $380 million, upon enactment, with reductions to future direct distributions scheduled on July 1, 2023, and July 1, 2024.
- Beginning June 30, 2022, the district adopted the provisions of GASB Statement No. 87, *Leases*, which is effective for financial statements starting with the fiscal year ending June 30, 2022. Statement No. 87 revises and establishes new financial reporting requirements for most governments that enter into lease agreements. Leased assets are determined by the districts right to control, right to use the asset, and the lease term as specified in the contract, in an exchange-like transaction. The district had deferred lease inflows of $0.2 million.
- The liabilities and deferred inflows of resources of the district, sometimes referred to as the primary government, exceeded assets and deferred outflows of resources at June 30, 2023, by $180.8 million, primarily due to the net OPEB and pension liabilities, explained above, of $265.2 million.
- The financial position of the primary government increased as the total net position decreased by

$2.6 million, primarily from the net pension income of $9.8 million due to the requirement of GASB Statement No. 68.

- The total cost of basic programs increased $99.6 million or 60.5 percent, to $264.3 million compared to the prior year. Primary changes include $60.7 million capital outlay for new school construction projects reflected between the support and instructional increases. Support increased $32.1 million for added support services, $67.9 million for increased instructional costs offset by $0.4 million decrease in interest expense.
- Revenues increased $16.3 million, or 6.6 percent, to $261.7 million compared to prior year primarily due to high interest earnings of $6.2 million, the increase of the district's proportionate share of the state's PERA contribution of $3.9 million from the prior year, the increase in property taxes of $2.0 million, and state equalization of $4.2 million.
- The net cost of governmental activities increased $95.1 million, or 72.2 percent, primarily due to a change of $57.5 million in net pension expense (net pension income) due to the requirement of GASB Statement No. 68.

Overview of the Financial Statements

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

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

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

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

Figure A-2 summarizes the major features of the district's financial statements, including the portion of activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Figure A-1

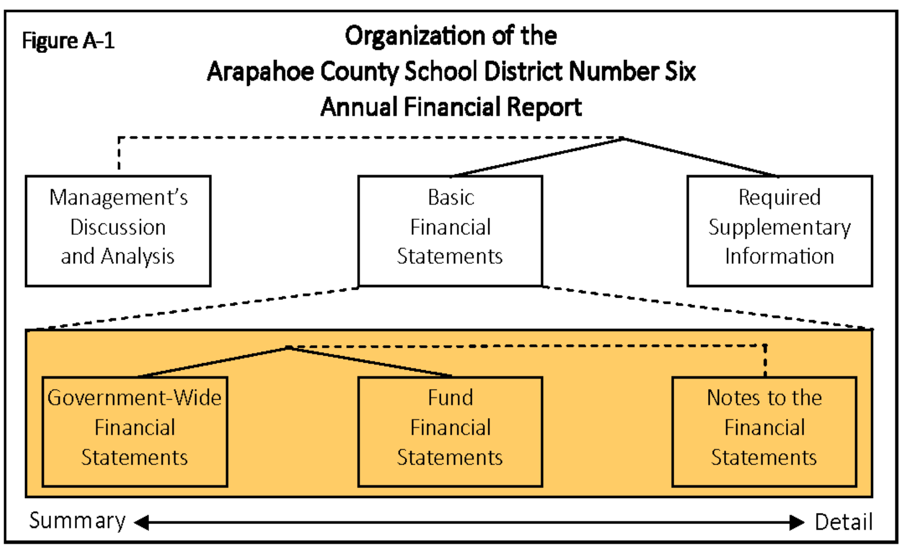


Figure A-2
Major Features of the Districtwide and Fund Financial Statements

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

Government-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

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

The district has one category of funds:

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

Financial Analysis of the District as a Whole

The district's net position of the governmental activities on June 30, 2023, decreased $2.6 million to a negative $180.8 million from what it was the previous year (see Figure A-3), primarily due to the impact of GASB Statements No. 68 and No. 75.

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

- Current and other assets decreased by $98.5 million, primarily from lower restricted cash and investments related to Capital Projects–Building Fund.
- Capital assets increased $60.7 million, which is the net result of capital asset depreciation expense offset by asset additions, and construction in progress.
- Deferred outflows of resources for deferred charges on refunding decreased $0.1 million due to amortization expense. Deferred outflows related to OPEB increased by $0.5 million compared to the prior year. Deferred outflows related to pension increased by $12.5 million due to a increase of $1.5 million to the district's pension contribution subsequent to the measurement date; a decrease of $7.7 million to the district's pension contribution of proportionate share; a decrease of deferred assumptions of $10.5 million; and the net difference between projected and actual actuarial experience of $29.2 million.
- Current and other liabilities decreased $0.7 million, mainly due to lower contracts payable in the Capital Projects–Building Fund.
- The net OPEB liability decreased $1.0 million due to the GASB Statement No. 75 requirement to record a proportionate share of PERA's Health Care Trust Fund (HCTF) net OPEB liability. The net pension liability increased $57.8 million due to the GASB Statement No. 68 requirement to record a proportionate share of PERA's unfunded pension liability.
- Noncurrent liabilities decreased $23.2 million, the net result of bond principal payments, refunding proceeds and issuance costs associated with the 2010 refunding bonds, amortization of bond premium, and accreted interest on bonds.
- Deferred inflows of resources for OPEB decreased $0.1 million which includes interest earnings and the change in proportionate share of contributions. Deferred inflows of resources for pension decreased $55.1 million for pension-related activities, of which $74.7 million decrease in investment earnings and an increase of deferred proportiane share of $19.6 million.
- Net position decreased $2.6 million. This change included a $11.1 million decrease to net investment in capital assets (capital assets less related debt), a $1.2 million decrease in restricted net position, and a $9.7 million increase in unrestricted net position due to the adoption of GASB Statements No. 68 and No. 75.

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

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

	Primary Government Governmental Activities 2022	2023	Total Dollars Change 2022–2023
Assets			
Current and other assets	$ 283.0	$ 184.5	$ (98.5)
Capital assets	278.8	339.5	60.7
Total assets	561.8	524.0	(37.8)
Deferred outflows of resources			
Deferred charges on refunding	0.4	0.3	(0.1)
Deferred OPEB outflows	0.9	1.4	0.5
Deferred pension outflows	45.5	58.0	12.5
Total deferred outflows	46.8	59.7	12.9
Liabilities			
Current and other liabilities	33.8	33.1	(0.7)
Net OPEB liability	9.7	8.7	(1.0)
Net pension liability	198.7	256.5	57.8
Noncurrent liabilities	439.4	416.2	(23.2)
Total liabilities	681.6	714.5	32.9
Deferred inflows of resources			
Deferred OPEB inflows	4.1	4.0	(0.1)
Deferred pension inflows	100.9	45.8	(55.1)
Deferred lease inflows	0.2	0.2	0.0
Total deferred inflows	105.2	50.0	(55.2)
Net position			
Net investment in capital assets	(1.1)	(12.2)	(11.1)
Restricted	43.5	42.3	(1.2)
Unrestricted	(220.6)	(210.9)	9.7
Total net position	$ (178.2)	$ (180.8)	$ (2.6)

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

- Revenues of $261.7 million were lower than expenses of $264.3 million, resulting in an $2.6 million decrease in net position. Total revenues increased $16.3 million over revenues in the prior year and total expenses increased $99.6 million, primarily due to the increase of $57.8 million of net pension expense due to GASB Statement No. 68.
- The State of Colorado's General Assembly included a 3.5 percent increase per-pupil for inflation through the School Finance Act (SFA) for fiscal year 2022–2023. The district's per-pupil revenue was $9,153 compared to $9,502 without the budget stabilization factor. The SFA was supported by state equalization funds, local taxes, and property taxes in the fiscal year.
- The average funded student count, which is the per-pupil basis for fiscal year 2022–2023 SFA program funding, increased 4.0 percent 13,931.5 from 13,342.5 the previous year.
- Property tax collections were strong compared to the prior year increasing by $2.0 million, primarily due to timing of collections and higher property assessment values. The collection of specific ownership taxes was slightly higher this year compared to the prior year. The increase of these taxes were $2.3 million. Interest rates were high for most of the fiscal year.

- Total expenses of $264.3 million represent a $99.6 million or 60.5 percent increase compared to the prior year. Instructional expenses increased $67.9 million primarily due to net OPEB and pension expense change of $75.1 million, Board approved classified salary increases and one-time stipends for licensed staff, in addition to math and foreign language curriculum improvements compared to fiscal year 2021–2022. Support services expenses increased $32.1 million, of which $24.6 million represents the net OPEB and pension expense change compared to the prior fiscal year. Interest expenses decreased $0.4 million compared to the prior year due to timing of interest rate increases at the end of last fiscal year.
- The Board approved $10.8 million of assigned fund balance for the Explorative Pathways for Innovative Careers (EPIC) Campus, Gaskill Elementary School and Little Raven Elementary School for new school start-up expenditures.

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

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

	Primary Government Governmental Activities		Total Percent Change
	2022	2023	2022–2023
Revenues			
Program revenues			
Charges for services	$ 8.7	$ 11.1	27.6%
Operating grants/contributions	24.3	26.4	8.6
Capital grants/contributions	-	-	-
General revenues			
Property and S.O. taxes	143.6	146.0	1.7
State equalization aid	64.0	68.1	6.4
Interest and other revenues	4.8	10.1	110.4
Total revenues	245.4	261.7	6.6
Expenses			
Instruction	60.4	128.3	112.4
Support services	89.4	121.5	35.9
Interest	14.9	14.5	(2.7)
Total expenses	164.7	264.3	60.5
Change in net position	80.7	(2.6)	(103.2)
Net position—beginning of year	(258.9)	(178.2)	
Net position—end of year	$(178.2)	$(180.8)	

Figure A-5
Sources of Revenue for Fiscal Year 2023

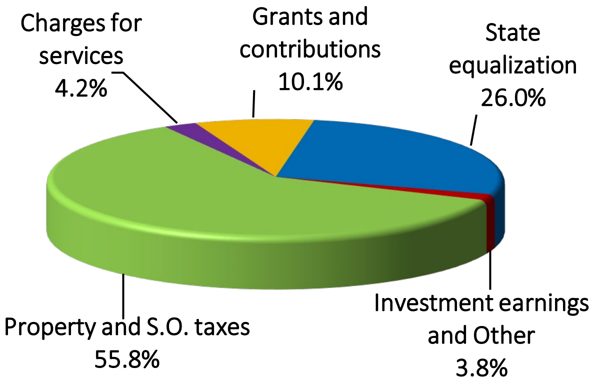
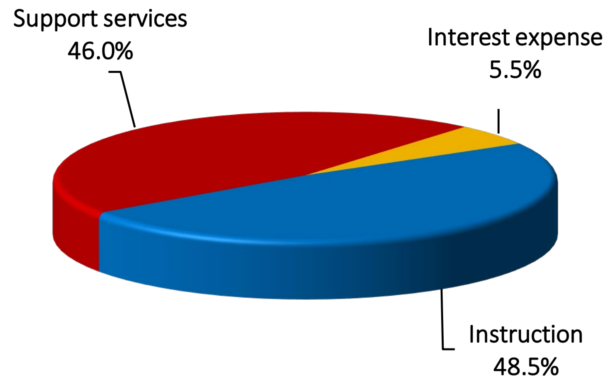


Figure A-6
Expenses for Fiscal Year 2023



Governmental Activities

Revenues increased $16.3 million, or 6.6 percent, to $261.7 million. Total expenses increased $99.6 million to $264.3 million primarily due to net OPEB and pension expense change of $75.1 million due to GASB Statements No. 68 and No. 75, Board approved salary increases and one-time stipends for licensed staff, inflationary pressures, and curriculum improvements. Expenses exceeded revenues resulting in an $2.6 million decrease in net position.

Figure A-7 summarizes the net cost of governmental activities, as presented in the statement of activities in the government-wide financial statements. The table also shows each activity's *net cost* (total cost less fees generated by the activities and other aid provided for specific programs). The net cost shows the financial burden placed on local and state taxpayers for each of the functions. Program revenues of $37.5 million are a much smaller funding source for public school district governmental activities, representing only 14.3 percent of total revenues of $261.7 million.

Figure A-7

Net Cost of Governmental Activities (in millions of dollars)

Function/Program	Total Cost of Services 2022	Total Cost of Services 2023	Percent Change 2022–2023	Net Cost of Services 2022	Net Cost of Services 2023	Percent Change 2022–2023
Instruction	$ 60.4	$ 128.3	112.4%	$ 42.4	$ 105.8	149.5%
Support services	89.4	121.5	35.9	74.5	106.6	43.1
Interest expense	14.9	14.5	(2.7)	14.9	14.5	(2.7)
Total	$ 164.7	$ 264.3	60.5	$ 131.8	$ 226.9	72.2

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

- The cost of all governmental activities for the year was $264.3 million.
- Some of the cost was financed by the users of the programs, $11.1 million.
- The federal and state governments, along with private donors, subsidized certain programs with operating grants of $26.4 million.
- Most of the net cost of $226.9 million was financed by general revenues from state and local taxpayers.
- Net cost of governmental services increased $95.1 million, or 72.2 percent, from $131.8 million in the previous year to $226.9 million.

- General revenues totaled $261.7 million, consisting of $146.0 million in property and specific ownership taxes, $68.1 million in state equalization aid, $5.9 million of interest earnings and $4.2 million of other revenue, $11.1 charges for services, and $26.4 million in operating grants.
- The resulting decrease in governmental activities' net position was $2.6 million.

Financial Analysis of the District's Governmental Funds

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

Fund Analysis

The General Fund, including the Risk Management sub-fund, is a major fund and is the most significant fund of the district. The Capital Projects Fund and the Student Athletic, Activities, and Clubs Fund are supported by the General Fund and recorded transfers out totaling $7.1 million for the year. The Capital Projects—Building Fund is a capital improvement fund used to account for the major capital outlays for district facilities supported by the voter-approved 2018 bond election. These one-time bond proceeds are used for major capital expenditures to replace facilities for the district and were incurred for this fiscal year. The Designated Purpose Grant Fund is supported by grant revenues and the Debt Service Fund by voter-approved property tax mill levies to meet general obligation debt service requirements. The Extended Day Care Program Fund is supported by tuition, while the Nutrition Services Fund receives funding from federal grants along with sales of breakfasts and lunches. The operations and technology fund was created on January 1, 2021, and is funded by the Debt-Free Schools Mill Levy that was passed by the voters in November 2020. Expenditures eligible for this fund include ongoing building maintenance, capital improvements, and technology expenditures.

Total General Fund school finance program funding, which includes property taxes, specific ownership taxes, and state equalization for fiscal year 2022–2023, was impacted by the state's cost-of-living increase, a negative per-pupil budget stabilization factor of 3.7 percent, and slightly lower enrollment.

- Overall, the General Fund reported revenue of $183.0 million for fiscal year 2022–2023, which was $7.7 million higher when compared to the previous year. This increase is primarily due to increased property and specific ownership taxes and state equalization aid.
- Expenditures reported in the General Fund increased $19.0 million to $177.0 million for fiscal year 2022–2023. Net transfers to other funds increased $3.4 million to $6.9 million when compared to the prior year due to the transfer from the Risk Management fund to the Capital Projects fund for hail damage loss proceeds. Expenditures included salaries and benefits, new school start-ups, inflationary pressures, and one-time student and staffing spending. The fund balance in the General Fund decreased $0.5 million for fiscal year 2022–2023.

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

The Capital Projects—Building Fund expenditures totaled $98.6 million related to major capital construction projects and district facility upgrades. This resulted in a decrease in fund balance of $95.0 million.

General Fund Budget

Current General Fund expenditures, including the Risk Management sub-fund, totaled $176.9 million or 84.3 percent of the budget compared to 84.0 percent of budget the prior year. Budget carryovers are allowed by policy in various operating areas. The unspent expenditure amounts at the end of 2022–2023 is mostly due to the under-spending of the final budget that will be rolled into the subsequent year. The district's contingency budget represents the majority of unspent appropriation and anticipated ending fund balance. The final budget reported a contingency reserve of $30.6 million, which represents 14.6 percent of budgeted expenditures. Revenues of the General Fund amounted to 108.1 percent of budgeted revenues.

Capital Assets and Long-Term Debt

Capital Assets

As shown in Figure A-8, total primary government capital assets, net of depreciation, increased a net $60.7 million to $339.5 million compared to the previous year. This was the result of $14.8 million of depreciation expense, $3.1 million of net asset disposals, $41.2 million of asset capitalization, and $37.4 million of net change in construction in progress. Asset additions consisted of building improvements, buildings, equipment, implementation of GASB 87 for leases, and vehicles.

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

	Total Primary Government Governmental Activities		Dollars Change
	2022	2023	2022–2023
Land	$ 10.6	$ 10.6	$ 0.0
Land improvements	10.8	9.1	(1.7)
Buildings	197.5	221.9	24.4
Equipment	3.6	4.6	1.0
Vehicles	2.6	2.3	(0.3)
Leases	0.5	0.4	(0.1)
Construction in progress	53.2	90.6	37.4
Total	$ 278.8	$ 339.5	$ 60.7

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

Long-Term Debt

As of year-end, the district had $416.2 million in general obligation bonds and other long-term debt outstanding, a decrease of $23.2 million, as shown in Figure A-9. The outstanding general obligation bonds at June 30, 2023, consisted of the 2013 general obligation bonds of $50.0 million, 2014 general obligation bonds of $17.0 million, 2015 general obligation bonds of $15.6 million, and the 2019 general obligation bonds of $266.4 million and the 2020 general obligation refunding bonds of $15.2 million.

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

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

	Governmental Activities 2022	Governmental Activities 2023	Dollars Change 2022–2023	Credit Rating Moody's Underlying Rate
General obligation (G.O.) bonds	$ 382.6	$ 364.2	$ (18.4)	Aa2
Premium on G.O. bonds	52.2	47.2	(5.0)	
Accreted interest	1.7	1.9	0.2	
Leases	0.5	0.4	(0.1)	
Compensated absences	2.4	2.5	0.1	
Total	$ 439.4	$ 416.2	$ (23.2)	

Factors Bearing on the District's Future

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

- Globally and locally, the district remains in unprecedented times, with shifting and still-elevated economic risks related to inflation pressures. There is still a great deal of uncertainty about how much of the shifts in consumer, business, and worker behavior will continue and whether short-term disruptions will have long-lasting ripple effects.
- The state's General Assembly incorporated a statewide base per-pupil revenue (PPR) increase of 3.5 percent for inflation; however, the state set a budget stabilization factor of 3.7 percent for 2022–2023. This kept the statewide average total PPR at $9,624, thus reducing the state share by $297.0 million for a total reduction of approximately $10.1 billion over the last 15 years. The average statewide PPR funding without the budget stabilization factor funding cut would have been $9,963 or $339 more per student.
- Due to state funding changes, it is projected that the district's per-pupil funding will increase 9.4 percent to $133.4 million when compared to 2022–2023 to $127.2 million. Full per-pupil funding would have equated to $135.5 million, a loss of revenue to the district of $2.1 million.
- The district received Elementary and Secondary School Emergency Relief (ESSER) funds, which provided one-time grant funding to education to support expenses incurred due to COVID-19. The district received $5.1 million allocated from the ESSER grant at inception. Allowable uses for these funds include complying with state and local public health orders, planning and implementing remote learning, recovering plans from lost learning time, meeting mental health needs, purchasing sanitation supplies, and providing other services necessary to limit the transmission of the COVID-19 virus. The district accounted for revenue and expenditures of this grant in its Designated Purpose Grants Fund. Fiscal year 2023–2024 will be the final year for this spending.
- The 2023–2024 budget has an average 9.8 percent salary increase for licensed staff, 4.5 percent for classified staff, and 4.5 percent for administrative staff. Health benefits increased 3.5 percent.
- Major projects for fiscal year 2022–2023 include construction of the new Gaskill Elementary School. Projects for 2023–2024 include completion of the new Little Raven Elementary School, the EPIC campus, the LPS Centennial Stadium, and various projects throughout the district. A citizen's oversight committee will continue to review the use of these dollars to ensure that the funding is used for the purposes that were represented to the voters.
- In 2022–2023, a new subset of the original LRPC was charged to continue its review of elementary school boundaries east of Broadway and middle schools east of Santa Fe. The request was to bring two or three recommendations to the Board of Education in the Fall of 2023–2024 to better balance enrollment at Newton, Powell, and Euclid middle schools and all elementary schools east of

Broadway. These recommendations will be reviewed and data-based decisions made using the Board's and Committee's long-established standards and values before implementing a change.

- In August 2020, the Board approved language for a Debt-Free Schools Mill Levy to be placed on the November 2020 ballot. The question asked voters to approve a tax increase of $12 million, or no more than six mills, for collection starting in 2021. One additional mill can be approved by the Board each year, not to exceed 11 mills in total. The passage of this mill levy override will allow the district to cover ongoing building maintenance, capital improvements, and technology expenditures, thereby freeing up General Fund dollars for purposes such as continuing to attract and retain quality teachers; maintaining counselors and mental health support; and providing career, technical, and skilled trade programming. The 2023–2024 Adopted Budget included revenue from one additional mill along with the corresponding expenditures to be approved by the Board in December 2023.

Contacting the District's Financial Management

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

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Basic
Financial
Statements

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ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Statement of Net Position
June 30, 2023

	Primary Government	Component Units
	Governmental Activities	Charter Schools
ASSETS		
Equity in pooled cash and investments	$ 69,920,424	$ 6,070,894
Restricted cash and investments	105,903,187	1,908,407
Taxes receivable—net	2,630,967	-
Lease receivable	154,523	-
Due from other governments	3,570,653	165,630
Other accounts receivable	336,463	-
Inventories	974,167	-
Deposits	74,667	-
Prepaid items	956,517	-
Capital assets, not depreciated	101,222,092	13,240,916
Capital assets, depreciated, net of accumulated depreciation	238,249,469	9,674,553
Total assets	523,993,129	31,060,400
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on refunding	288,550	243,503
Deferred OPEB outflows	1,396,582	74,918
Deferred pension outflows	57,969,200	3,109,839
Total deferred outflows of resources	59,654,332	3,428,260
LIABILITIES		
Accounts and contracts payable	21,104,383	455,572
Accrued compensation	9,069,073	571,519
Accrued interest payable	1,478,087	100,125
Unearned revenue	1,422,784	35,485
Noncurrent liabilities:		
Due within one year	21,325,000	377,393
Due in more than one year	394,898,280	16,259,867
Net OPEB liability due in more than one year	8,740,663	468,884
Net pension liability due in more than one year	256,506,249	13,760,637
Total liabilities	714,544,519	32,029,482
DEFERRED INFLOWS OF RESOURCES		
Deferred OPEB inflows	4,011,578	215,197
Deferred pension inflows	45,786,364	2,456,273
Deferred lease inflows	154,523	-
Total deferred inflows of resources	49,952,465	2,671,470
NET POSITION (DEFICIT)		
Net investment in capital assets	(12,249,271)	8,057,756
Restricted for:		
Debt service	28,500,693	126,191
Nutrition services	3,844,659	-
Emergency reserve under TABOR	5,440,000	336,000
Operations and technology	4,549,286	-
Capital projects	-	962,520
Repair and replacement	-	160,000
Unrestricted	(210,934,890)	(9,854,759)
Total net position (deficit)	$ (180,849,523)	$ (212,292)

See accompanying Notes to Basic Financial Statements.

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Statement of Activities
For the Fiscal Year Ended June 30, 2023

		Program Revenues			Net (Expenses) Revenue and Change in Net Position	
			Operating	Capital	Primary Government	Component Units
		Charges for	Grants and	Grants and	Governmental	Charter
Functions/Programs	Expenses	Services	Contributions	Contributions	Activities	Schools
Primary Government						
Governmental activities:						
Instruction	$ 128,360,627	$ 1,157,911	$ 21,440,591	$ -	$ (105,762,125)	$ -
Support services	121,518,950	9,917,674	4,956,669	-	(106,644,607)	-
Interest expense	14,504,158	-	-	-	(14,504,158)	-
Total primary government	$ 264,383,735	$ 11,075,585	$ 26,397,260	$ -	(226,910,890)	-
Component Units—Charter Schools	$ 10,925,164	$ 189,697	$ 4,278,505	$ 349,498		(6,107,464)
		Property taxes:				
		Property taxes—levied for general purposes			84,362,872	-
		Property taxes—levied for debt service			52,648,214	-
		Specific ownership taxes			9,016,385	-
		Intergovernmental revenue, unrestricted:				
		State equalization aid			68,133,926	8,667,787
		District supplemental funding			-	2,309,852
		Investment earnings			5,878,253	341,126
		Other			4,193,793	-
		Total general revenues			224,233,443	11,318,765
		Change in net position			(2,677,447)	5,211,301
		Net position (deficit)—beginning			(178,172,076)	(5,423,593)
		Net position (deficit)—ending			$ (180,849,523)	$ (212,292)

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Balance Sheet
Governmental Funds
June 30, 2023

	General Fund	Debt Service Fund	Capital Projects—Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Equity in pooled cash and investments	$ 53,799,080	$ -	$ -	$ 16,121,344	$ 69,920,424
Restricted investments	-	30,973,938	74,929,249	-	105,903,187
Taxes receivable from the county treasurer	1,400,483	284,151	-	127,970	1,812,604
Taxes receivable—net	1,620,022	697,064	-	313,881	2,630,967
Lease receivable	154,523	-	-	-	154,523
Due from other governments	78,723	-	-	1,679,326	1,758,049
Other accounts receivable	187,511	-	148,952	-	336,463
Inventories	259,281	-	-	714,886	974,167
Prepaids	732,623	-	-	-	732,623
Deposits	74,667	-	-	-	74,667
Total assets	$ 58,306,913	$ 31,955,153	$ 75,078,201	$ 18,957,407	$ 184,297,674
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts and contracts payable	$ 2,654,723	$ -	$ 15,197,282	$ 3,252,378	$ 21,104,383
Accrued compensation	7,992,529	-	-	1,076,544	9,069,073
Other unearned revenue	162,066	-	-	1,260,718	1,422,784
Total liabilities	10,809,318	-	15,197,282	5,589,640	31,596,240
DEFERRED INFLOWS OF RESOURCES					
Deferred lease inflows	154,523	-	-	-	154,523
Deferred property tax revenue	1,620,022	697,064	-	313,881	2,630,967
Total deferred inflows	1,774,545	697,064	-	313,881	2,785,490
FUND BALANCES					
Nonspendable for:					
Inventories	259,281	-	-	714,886	974,167
Deposits	74,667	-	-	-	74,667
Restricted for:					
Emergency (TABOR)	5,440,000	-	-	-	5,440,000
Debt service	-	31,258,089	-	-	31,258,089
Nutrition services	-	-	-	3,129,773	3,129,773
Capital projects	-	-	59,880,919	-	59,880,919
Operations and technology	-	-	-	4,549,286	4,549,286
Committed for:					
Risk management	2,599,056	-	-	-	2,599,056
Capital projects	-	-	-	278,911	278,911
Student care services	-	-	-	3,158,714	3,158,714
Pupil activities	-	-	-	1,218,686	1,218,686
Assigned for:					
Beverage sponsorship for student needs	-	-	-	3,630	3,630
Budget carryovers	6,792,727	-	-	-	6,792,727
One-time spending related to capital improvements	1,250,000	-	-	-	1,250,000
Subsequent year expenditures	2,839,578	-	-	-	2,839,578
One-time spending related to student and staffing needs	2,040,000	-	-	-	2,040,000
Career Exploration Center and new schools startup	10,789,788	-	-	-	10,789,788
Unassigned	13,637,953	-	-	-	13,637,953
Total fund balances	45,723,050	31,258,089	59,880,919	13,053,886	149,915,944
Total liabilities, deferred inflows and fund balances	$ 58,306,913	$ 31,955,153	$ 75,078,201	$ 18,957,407	184,297,674

Reconciliation of the Balance Sheet to the Statement of Net Position for Governmental Activities:

Total Fund Balance Reported in Governmental Funds	$ 149,915,944
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. This amount of capital assets is net of accumulated depreciation.	339,471,561
Prepaid insurance premiums are not recorded in the fund financials statements because it is not an expense in the current year.	223,894
Other long-term assets are not available to pay for current year expenditures and, therefore, are deferred inflow of resources.	2,630,967
Other postemployment benefits (OPEB) liability activities including deferred OPEB outflows of $1,396,585, net OPEB liability of ($8,740,663), and deferred OPEB inflow of ($4,011,584), are not due and payable in the current year and therefore not reported in the funds.	(11,355,659)
Pension liability activities including deferred pension outflows of $58,010,685, net pension liability of ($256,506,249), and deferred pension inflow of ($45,725,610), are not due and payable in the current year and therefore not reported in the funds.	(244,323,413)
Long-term liabilities, including bonds payable, accreted interest and compensated absences of ($416,223,280) and deferred charges on refunding of $288,550, are not due and payable in the current period and therefore are not reported in the funds.	(415,934,730)
Interest payable on general obligation debt is not recorded on the fund financial statements because it is not a current use of cash. Interest is accrued on the government-wide statements since the liability is to be paid in the near term.	(1,478,087)
Governmental activities net position	$ (180,849,523)

See accompanying Notes to Basic Financial Statements.

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2023

	General Fund	Debt Service Fund	Capital Projects—Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	$ 84,129,339	$ 36,182,893	$ -	$ 16,269,544	$ 136,581,776
Specific ownership taxes	9,016,385	-	-	-	9,016,385
Federal grants	361,271	-	-	9,861,638	10,222,909
State equalization aid	68,133,926	-	-	-	68,133,926
State education of students with disabilities	5,014,440	-	-	-	5,014,440
Other state entitlements and state grants	1,968,726	-	-	1,216,595	3,185,321
Food sales	-	-	-	2,773,808	2,773,808
Donated federal commodities	-	-	-	309,028	309,028
Student care	-	-	-	3,888,362	3,888,362
Pupil activities	-	-	-	2,447,358	2,447,358
Investment earnings	1,093,981	771,223	3,615,866	397,183	5,878,253
State contributions—pension	6,365,659	-	-	-	6,365,659
Other	6,890,111	-	-	569,642	7,459,753
Total revenues	182,973,838	36,954,116	3,615,866	37,733,158	261,276,978
EXPENDITURES					
Current:					
Instruction	116,990,524	-	-	6,042,467	123,032,991
Support services	59,723,326	-	-	33,795,464	93,518,790
Debt service:					
Principal retirement on bonds and leases	156,566	18,405,000	-	-	18,561,566
Interest and fiscal charges	11,121	19,138,556	-	-	19,149,677
Capital outlay	29,952	-	98,616,880	6,541,564	105,188,396
Total expenditures	176,911,489	37,543,556	98,616,880	46,379,495	359,451,420
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,062,349	(589,440)	(95,001,014)	(8,646,337)	(98,174,442)
OTHER FINANCING SOURCES (USES)					
Transfers in	271,990	-	-	6,862,194	7,134,184
Transfers out	(6,862,194)	-	-	(271,990)	(7,134,184)
Total other financing sources (uses)	(6,590,204)	-	-	6,590,204	-
NET CHANGE IN FUND BALANCES	(527,855)	(589,440)	(95,001,014)	(2,056,133)	(98,174,442)
FUND BALANCE—BEGINNING	46,250,905	31,847,529	154,881,933	15,110,019	248,090,386
FUND BALANCES—ENDING	$ 45,723,050	$ 31,258,089	$ 59,880,919	$ 13,053,886	$ 149,915,944

See accompanying Notes to Basic Financial Statements.

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal 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	$ (98,174,442)
Governmental funds report capital outlay 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. This is the amount by which depreciation/amortization expense ($14,965,591) and net book value of disposed assets ($3,026,103) exceeds net capital asset additions of $79,215,055.	60,650,223
Property tax revenues that do not provide current financial resources are deferred in the governmental fund financial statements but are recognized in the government-wide financial statements.	2,630,967
Unavailable property tax revenue of the prior year received in the current year is recognized in the prior year statement of activities and in the current year fund statements.	(2,201,657)
Repayments of lease and bond principal of $18,561,566 reduce long-term liabilities in the statement of net position and do not affect the statement of activities.	18,561,566
The premium received on the issuance of bonds and the book loss on refunding of bonds are amortized over the life of the bonds. Current year amortization of the premium on bonds is net of amortization on the loss on refunding and is reported as a reduction to interest expense on the statement of activities.	4,830,370
In the statement of activities, certain operating expenses, such as compensated absences, are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts actually paid). This is the amount by which benefits of $1,537,501 exceeds usage of ($1,438,197).	(99,304)
Decreases to prepaid insurance premiums are expensed in the fund financial statements.	31,745
Net OPEB liability activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. These activities consist of OPEB income of $1,476,889 including change in contribution susequent to measurement date ($50,276).	1,476,892
Net pension liability activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. These activities consist of pension income $9,801,044, including change in contribution subsequent to measurement date ($1,541,730).	9,801,044
Interest payable on general obligation debt is not recorded on the fund financial statements because it is not a current use of cash. Interest of $1,478,087 is accrued on the government-wide statements since the liability is to be paid in the near term. Accreted interest of $1,976,373 is on the government-wide statements classified as due in more than one year. The liability in the prior year was interest of $1,551,003 and accrreted interest of $1,718,606, resulting in additional interest expense reported for the current year.	(184,851)
Change in net position of governmental activities	$ (2,677,447)

See accompanying Notes to Basic Financial Statements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Arapahoe County School District Number Six (the district) is a political subdivision of the state of Colorado, and it is governed by an elected five-member Board of Education (the Board). The accompanying financial statements present the district, the primary government, and its component units, entities for which the district is considered financially accountable. The *discretely* presented component units are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that they are legally separate from the district.

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

B. Government-Wide and Fund Financial Statements

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. Governmental activities are primarily 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 the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include: 1) charges for services that relate to a given function or program; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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 collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the district considers revenues to be available if they are collected within 30 days of the end of the current fiscal period or within 90 days for federal grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, and expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as restrictions, commitments, or assignments of fund balances and do not constitute expenditures or liabilities because the goods or services have not been received as of year end: the commitments will be re-appropriated and honored during the subsequent year. The amount of encumbrances outstanding at year end is $1,112,525.

Property taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period, provided the availability criteria has been met. All other revenue items are considered to be measurable and available only when cash is received by the district.

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 Debt Service Fund accounts for dedicated revenue for the payments of principal and interest on long-term general obligation debt.
- The Capital Projects—Building Fund is a capital improvement fund which accounts for the major capital outlays for district facilities funded by the voter-approved 2019 general obligation bonds.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. An exception to this general rule is that inter-fund services provided and used are not eliminated in order to avoid distortion of direct costs and program revenues.

Amounts reported as program revenues include charges for services and operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all state formula aid and local property taxes.

When both restricted and unrestricted resources are available for use, it is the district’s policy to use restricted resources first, followed by unrestricted resources as needed.

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

In order to facilitate the recording of cash transactions and maximize earnings on investments, the district has combined the cash resources of its funds and maintains accountability for each fund’s equity in the pooled cash and investments reported at net asset value, amortized cost, or categorized by level within GASB Statements No. 72 and 79.

2. **Receivables**

Property taxes levied in 2022 but not yet collected in 2023 are identified as property taxes receivable in the governmental funds balance sheet at June 30, 2023, and are presented net of an allowance for uncollectible taxes. Intergovernmental receivables include amounts due from grantors for specific program grants.

Lessor: The district determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represent the district's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

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

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

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

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

3. **Inventories, Deposits, and Prepaid Items**

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

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

4. **Restricted Assets**

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

5. Capital Assets

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

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

Property, plant, and equipment of the primary government, and the component units are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	20
Buildings and improvements	20–50
Equipment	5–20
Vehicles	8–15

6. Compensated Absences

District policy allows unlimited accumulation of vacation leave and unused sick days. Accrued vacation is paid to eligible employees upon termination of employment, limited to two years' accrual. Payment for unused sick days is made upon an employee's retirement as defined by the district, not to exceed annual contract days times fifty dollars ($50) a day. Each fund liquidates the accrued vacation and sick leave for its respective liabilities.

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources "represent a consumption of net assets that applies to future periods" and that deferred inflows of resources "represent an acquisition of net assets that applies to future periods," rather than "represent a consumption of net position that applies to future periods" and "represent an acquisition of net position that applies to future periods," respectively. One item that qualifies for reporting as a deferred outflow is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. See Note 22 for deferred pension outflows of resources and Note 23 for deferred OPEB outflows of resources.

In addition to liabilities, the district's financial statements will sometimes report a separate section for deferred inflows of resources. Examples that qualify for reporting as a deferred inflow is property tax revenue, which is considered a deferred inflow of resources in the year the taxes are levied and measurable and is recognized as an inflow of resources in the period the taxes are collected as well as deferred inflows of leases. See Note 22 for deferred pension inflows of resources and Note 23 for deferred OPEB inflows of resources.

8. Pension

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

9. Other Postemployment Benefit Costs

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

10. On-Behalf Payments

GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The state of Colorado makes direct on-behalf payments for retirement benefits to Colorado PERA. Beginning on July 1, 2018, the state of Colorado is required to make a payment to PERA each year equal to $225 million. PERA allocates the contribution to the trust funds of the State, School, Denver Public Schools, and Judicial Division Trust Funds of PERA, as proportionate to the annual payroll of each division. This annual payment is required on July 1st of each year thereafter until there are no unfunded actuarial accrued liabilities of any division of PERA that receives the direct distribution. House Bill (HB) 20-1379 suspended the $225 million direct distribution payable on July 1, 2020, for the state's 2020–2021 fiscal year. The direct distribution due July 1, 2022, of $225 million (actual dollars), House Bill (HB) 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of $380 million (actual dollars), upon enactment. 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.

11. Long-Term Obligations

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

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

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

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

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

The district has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.
The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the district has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

12. Property Taxes

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

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

13. State Equalization Aid

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

14. Net Position/Fund Balance

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

Net Position

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

Net Position Flow Assumption

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

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

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

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

Assigned Fund Balance—amounts that are constrained by the district's intent to be used for specific purposes including encumbrances but are neither restricted nor committed. Per Board policy, authority is delegated to the superintendent, or the superintendent's designee, to assign fund balance.

Unassigned Fund Balance—the remaining fund balance, after amounts are set aside for other classifications. The Board assigns the superintendent or designee the responsibility of accumulating and maintaining a minimum General Fund unassigned fund balance of five percent of the district's adopted General Fund revenue budget of the current fiscal year.

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

15. Adoption of New Accounting Standards

In May 2020, the Governmental Accounting Standards Board (GASB) adopted Statement No. 96, Subscription-Based Information Technology Arrangement (SBITAs). This standard required the recognition of certain subscription-based information technology arrangements for government end users that were previously classified as information technology (IT) software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. The District has reviewed the SBTIAs and determine that they are insignificant for the year ended June 30, 2023.

16. Leases Receivable and Deferred Inflow of Resources

The district, acting as lessor, leases the district property and facilities under long-term non-cancelable lease agreements. The district recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities 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. The leases expire at various dates through 2032 and provide for renewal options ranging from one year to five years.

Total future minimum lease payments to be received under lease agreements are as follows:

Fiscal Year Ending June 30	Lease Receivable		
	Principal	Interest	Total
2024	$53,343	$3,574	$56,917
2025	37,063	2,477	39,540
2026	33,955	1,360	35,315
2027	12,467	720	13,187
2028	12,467	341	12,808
2029–2032	5,228	28	18,064
Totals	$154,523	$8,500	$163,023

The district monitors changes in circumstances that would require a re-measurement of its leases and will re-measure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

17. Use of Estimates

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

18. Upcoming Accounting Pronouncements

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

II. DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

Cash and investments as of June 30, 2023, consist of the following:

Cash on hand	$ 24,180
Deposits with financial institutions	3,837,203
Investments	178,033,122
Total cash and investments	$ 181,894,505

Cash and investments as of June 30, 2023, are classified in the accompanying financial statements as follows:

Statement of net position:	
Equity in pooled cash and investments, primary government	$ 69,920,424
Restricted investments, primary government	105,903,187
Equity in pooled cash and investments, component units	6,070,894
Total cash and investments	$ 181,894,505

Deposits with Financial Institutions

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

Investments

Investment policies of the district and the component units, which comply with state statutes, permit investments in:

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

Investments as of June 30, 2023, consist of the following:

Investments	12 months or less	1 to 5 years	Total Investment
Local government investment pools	$ 133,912,965	$ -	$ 133,912,965
Mutual fund	36,784,370	-	36,784,370
U.S. Treasury notes	5,932,505	-	5,932,505
Supra-National Agency Bond/Note	849,031	-	849,031
Bank Note	554,251	-	554,251
Total	$ 178,033,122	$ -	$ 178,033,122

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. The district's investment policy limits investment maturities to less than five years as a means of managing its exposure to interest rate risk. The district investments have a maturity of less than five years.

Investments as of June 30, 2023, consist of the following by Standard & Poor's or Fitch Rating:

Investments	A+	AA+	AAA	AAAf	AAAm	AAAf/S1	Total
Local government investment pools	$ -	$ -	$ -	$ -	$100,015,952	$33,897,013	$133,912,965
Mutual Fund	-	-	-	28,000,000	8,784,370	-	36,784,370
U.S. Treasury	-	5,932,505	-	-	-	-	5,932,505
Supra-National Agency Bond/Notes	-	-	849,031	-	-	-	849,031
Bank Notes	554,251	-	-	-	-	-	554,251
Total	$554,251	$5,932,505	$849,031	$28,000,000	$108,800,322	$33,897,013	$178,033,122

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments for school districts to U.S. Treasury issues, other federally backed notes and credits, and other agency offerings without limitation. Other investment instruments, including bank obligations, general obligation bonds, and commercial paper, are limited to at least one of the highest rating categories of at least one nationally recognized rating agency. State law further limits investments in money market funds organized according to Federal Investment Company Act of 1940, as specified in rule 2a-7, as amended, as long as such rule does not increase remaining maturities beyond a maximum of three years. Investments in these funds require that the institutions have assets in excess of $1 billion or the highest credit rating from at least one nationally recognized rating agency.

Concentration of credit risk—State statutes generally do not limit the amount the district may invest in one issuer. The investments individually do not garner greater than five percent of total investments.

Fair value measurement—The district categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The fair value of U.S. treasury securities at June 30, 2023, was determined primarily based on Level 2 inputs. The district estimates the fair value of these investments using other inputs, such as interest rates and yield curves that are observable at commonly quoted intervals.

The district has the following level 1 and level 2 recurring fair value measurements as of June 30, 2023:

- U.S. Treasury securities of $5.9 million are valued using quoted market prices-Level 2
- Mutual funds of $36.8 million are valued using quoted market prices-Level 1
- Supra-National Agency Bond/Notes of $.8 million are valued using quoted market prices-Level 1
- Bank Notes of $0.6 million are valued using quoted market prices-Level 1

The district does not hold any investments that meet the definition of Level 3 inputs.

As of June 30, 2023, the district invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing COLOTRUST. COLOTRUST operates similarly to a money market fund, and each share is equal in value to $1.00. COLOTRUST offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest-rated commercial paper, and any security allowed under C.R.S. 24-75-601. A designated custodial bank serves as custodian for COLOTRUST's portfolios pursuant to a custodian agreement. The custodian acts as the safekeeping agent for the COLOTRUST's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by COLOTRUST. COLOTRUST is rated AAAm by Standard & Poor's. COLOTRUST records investments at fair value, and the district records investments in COLOTRUST at net asset value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

As of June 30, 2023, the district invested in the Colorado Surplus Asset Fund Trust (CSAFE) Colorado CORE, an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing CSAFE. CSAFE operates similarly to a money market fund, and each share is equal in value to $2.00. CSAFE is rated AAAf/S1 by Fitch and is valued at fair value basis. CSAFE records investments at fair value, and the district records investments in CSAFE at net asset value. There are no unfunded commitments, the redemption frequency is daily, and there is a one-day redemption notice period.

As of June 30, 2023, the district invested in the Colorado Statewide Investment Program (CSIP), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing CSIP. CSIP operates similarly to a money market fund, and each share is equal in value to $1.00. CSIP Liquid Portfolio is rated AAAm by Standard & Poor's and is valued at amortized cost. CSIP Term is rated AAAf by Fitch. It records investments at fair value, and the district records investments in CSIP Term at net asset value. There are no unfunded commitments, the redemption frequency is daily, and there is a one-day redemption notice period. Based on the valuation method, additional disclosures are not required under GASB Statement No. 72.

Component Units

The district's two charter schools' restricted investments at June 30, 2023, consist of the following:

Investments	Total Investments	Standard & Poor's Rating
Littleton Academy Charter School:		
COLOTRUST Plus+ Fund (government investment pool)	$ 1,120,028	AAAm
Littleton Preparatory Charter School:		
Government Liquidity Fund #8352	788,379	AAAm
Total	$1,908,407	

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

Credit risk for the charter schools is the same as the districts. The charter schools' investments as of June 30, 2023, were rated AAAm, and AAAm, respectively by Standard & Poor's.

Concentration of credit risk—State statutes generally do not limit the amount the charter schools may invest in one issuer.

B. Inter-Fund Receivables, Payables, and Transfers

Inter-fund transfers in/out for the fiscal year ended June 30, 2023, are shown below.

	Transfer Out		
Transfer In	General Fund	Extended Day Care Fund	Total
Student Athletic, Activities, and Clubs Fund	$ 2,112,194	$ -	$ 2,112,194
Capital Projects Fund	4,750,000	-	4,750,000
General Fund	-	271,990	271,990
Total	$ 6,862,194	$ 271,990	$ 7,134,184

Annually, the district subsidizes the Student Athletic, Activities, and Clubs Fund and the Capital Projects Fund by a transfer from the General Fund.

C. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023, is shown below.

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Governmental activities:				
Capital assets, not depreciated:				
Land	$ 10,592,063	$ -	$ -	$ 10,592,063
Construction in progress	53,237,139	79,215,055	(41,822,165)	90,630,029
Total capital assets, not depreciated	63,829,202	79,215,055	(41,822,165)	101,222,092
Capital assets, being depreciated:				
Land improvements	23,993,780	-	(417,249)	23,576,531
Building and improvements	369,836,205	39,254,158	(7,764,947)	401,325,416
Equipment	8,774,587	1,748,046	(320,942)	10,201,691
Vehicles	9,592,007	246,823	(166,240)	9,672,590
Total capital assets, being depreciated	412,196,579	41,249,027	(8,669,378)	444,776,228
Lease assets, being amortized:				
Land improvements	188,331	-	-	188,331
Building improvements	61,114	-	-	61,114
Equipment	318,902	-	-	318,902
Vehicles	103,299	-	-	103,299
Total lease assets, being amortized	671,646	-	-	671,646
Less capital asset accumulated depreciation:				
Land improvements	(13,224,335)	(1,645,676)	379,323	(14,490,688)
Building improvements	(172,306,802)	(11,932,437)	4,825,445	(179,413,794)
Equipment	(5,179,546)	(648,695)	272,266	(5,555,975)
Vehicles	(7,004,156)	(582,217)	166,241	(7,420,132)
Total capital asset accumulated depreciation	(197,714,839)	(14,809,025)	5,643,275	(206,880,589)
Less lease asset accumulated amortization:				
Land improvements	(19,824)	(19,248)	-	(39,072)
Building improvements	(25,318)	(24,583)	-	(49,901)
Equipment	(71,570)	(69,491)	-	(141,061)
Vehicles	(44,538)	(43,244)	-	(87,782)
Total lease asset accumulated amortization	(161,250)	(156,566)	-	(317,816)
Total capital assets, being depreciated—net	214,481,740	26,440,002	(3,026,103)	237,895,639
Total lease assets, being amortized—net	510,396	(156,566)	-	353,830
Governmental activities capital assets—net	$278,821,338	$105,498,491	$(44,848,268)	$339,471,561

Depreciation/Amortization expense was charged to functions/programs of the primary government as follows:

	Governmental Activities
Instruction	$ 13,529,843
Support services	1,435,748
Total depreciation and amortization expense—governmental activities	$ 14,965,591

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Component units:				
Capital assets, not depreciated:				
Land improvements	$ 1,889,806	$ -	$ -	$ 1,889,806
Construction in progress	3,954,659	7,396,451	-	11,351,110
Total capital assets, not depreciated	5,844,465	7,396,451	-	13,240,916
Capital assets, being depreciated:				
Land improvements	496,696	-	(178,420)	318,276
Building and improvements	12,776,492	30,104	-	12,806,596
Equipment	214,943	538,386	(22,553)	730,776
Total capital assets, being depreciated	13,488,131	568,490	(200,973)	13,855,648
Lease assets, being amortized:				
Equipment	14,972	-	-	14,972
Total lease assets, being amortized	14,972	-	-	14,972
Less capital asset accumulated depreciation:				
Land improvements	(265,683)	(15,491)	132,328	(148,846)
Building and improvements	(3,612,532)	(334,108)	-	(3,946,640)
Equipment	(69,826)	(32,800)	9,127	(93,499)
Total capital asset accumulated depreciation	(3,948,041)	(382,399)	141,455	(4,188,985)
Less lease asset accumulated amortization:				
Equipment	(3,541)	(3,541)	-	(7,082)
Total lease asset accumulated amortization	(3,541)	(3,541)	-	(7,082)
Total capital assets, being depreciated—net	9,540,090	186,091	(59,518)	9,666,663
Total lease assets, being amortized—net	11,431	(3,541)	-	7,890
Component units capital assets—net	$ 15,395,986	$ 7,579,001	$ (59,518)	$ 22,915,469

D. Accrued Compensation

Accrued compensation relates to salaries and benefits of certain contractually employed personnel, which are paid over a 12-month period from August to July, but are earned during a school year of approximately nine months. The salaries and benefits earned, but unpaid at June 30, 2023, are estimated to be $9,069,073.

E. Short-Term Debt

During the year ended June 30, 2023, the district did not need to borrow from the State Treasurer's interest-free loan program.

F. Long-Term Debt

General Obligation Bonds: The district has issued general obligation (G.O.) bonds to provide funds for major improvement projects to existing facilities. These bond issues were primarily for governmental activities. The issued amounts of the 2013 G.O. bonds, the 2014 G.O. bonds, and the 2015 G.O. bonds are $50,000,000; $17,000,000; and $12,998,580 (with additional 'B' interest certificates of $2,627,615), respectively, as part of the November 2013 voter-approved $80,000,000 capital improvement projects. The district issued the 2019 G.O. bonds for $298,870,000 as part of the November 2018 voter-approved capital improvement projects. The issued amount of the 2020 G.O. bonds was $26,370,000 for G.O. refunding bonds issued October 2020 to refund a majority of the outstanding G.O. bonds, Series 2010 of $28,855,000, on an advance refunding basis; which saved the Littleton Public Schools taxpayers $3,242,926 on a present value basis. This advanced refunding reduced the district's total debt service payments over the next four years by $3.25 million to obtain an economic gain (difference between the present value of the old and the new debt service payments) of $3.24 million.

Premiums on bonds were received with the 2013 G.O. bonds issue as additional proceeds of $2,336,062; the 2014 general obligation bonds issue as additional proceeds of $1,115,552; the 2015 G.O. bonds issue as additional proceeds of $2,262,339; the 2019 G.O. bonds issue as additional proceeds of $60,756,343; and the 2020 G.O. refunding bonds issue as additional proceeds of $3,443,234. For full accrual accounting purposes, the premium is combined with the debt and amortized over the life of the bonds.

G.O. bonds are direct obligations and pledge the full faith and credit of the district. General property taxes provide the revenue for payments of principal and interest on the bonds. Voters in the district approve the increase in property taxes for the debt service costs in general elections. The bonds are generally issued as 20-year serial bonds with semi-annual payments of either principal, interest, or both. G.O. bonds outstanding at June 30, 2023, are shown below.

Bond Issue	Purpose	Interest Rates	Final Maturity	Amount Outstanding
2013 G.O. bonds	General government	4.5%–5.0%	Dec. 1, 2037	$ 50,000,000
2014 G.O. bonds	General government	3.0%–4.0%	Dec. 1, 2038	17,000,000
2015 G.O. bonds	General government	2.9%–5.0%	Dec. 1, 2038	15,626,195
2019 G.O. bonds	General government	5.0%–5.5%	Dec. 1, 2043	266,380,000
2020 G.O. refunding bonds	General government	2.0%–5.0%	Dec. 1, 2024	15,160,000
Total G.O. Bonds				$ 364,166,195

Annual debt service requirements to maturity for G.O. bonds are as follows:

Fiscal Year Ending June 30	General Obligation Bonds Principal	Interest	Total
2024	$ 19,325,000	$ 18,171,350	$ 37,496,350
2025	20,290,000	17,190,050	37,480,050
2026	21,952,615	17,179,234	39,131,849
2027	20,595,000	15,297,650	35,892,650
2028	23,170,000	14,203,600	37,373,600
2029–2033	71,675,000	57,542,550	129,217,550
2034–2038	74,385,000	40,061,100	114,446,100
2039–2043	90,713,580	23,242,983	113,956,563
2044	22,060,000	606,650	22,666,650
Totals	$364,166,195	$203,495,167	$567,661,362

Construction Commitments: The district has active construction projects at year end. The projects include the bond issue and the escrow balance on projects. At year end, the districts commitments with contractors are as follows:

Fiscal Year Ending June 30, 2023	Spent to Date	Remaining Commitment
District	$134,956,169	$21,087,538
Littleton Academy	3,734,646	557,466
Totals	$138,690,815	$21,645,004

Lease Obligations: The district leases equipment and facilities for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2032 and provide for renewal options ranging from one to five years.

Total future minimum lease payments under lease agreements for the district are as follows:

Fiscal Year Ending June 30	Lease Obligations Principal	Interest	Total
2024	$119,092	$7,520	$126,612
2025	87,568	5,082	92,650
2026	49,764	3,298	53,062
2027	22,319	2,583	24,902
2028	18,772	862	19,634
2029–2032	56,315	2,586	58,901
Totals	$353,830	$21,931	$375,761

The district, Littleton Academy, and Littleton Preparatory, respectively, monitors changes in circumstances that would require a re-measurement of its lease and will re-measure 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.

The charters, Littleton Academy and Littleton Preparatory, leases equipment for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2026 and provide for renewal options ranging from one to five years.

Total future minimum lease payments under lease agreements for the Littleton Academy are as follows:

Fiscal Year Ending June 30	Lease Obligations Principal	Interest	Total
2024	$1,581	$113	$1,694
2025	1,624	70	1,694
2026	1,604	26	1,630
Totals	$4,809	$209	$5,018

Changes in Long-Term Debt: The changes in long-term liabilities for the primary government for the fiscal year ended June 30, 2023, are as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Governmental activities:					
G.O. bonds payable – other debt	$382,571,195	$ -	$(18,405,000)	$364,166,195	$19,325,000
Premium on bonds – other debt	52,182,238	-	(4,974,646)	47,207,592	-
Accreted interest on bonds	1,718,606	257,767	-	1,976,373	-
Lease payable	510,396	-	(156,566)	353,830	160,000
Compensated absences	2,419,985	1,537,502	(1,438,198)	2,519,289	1,750,000
Totals	$439,402,420	$1,795,269	$(24,974,410)	$416,223,279	$21,235,000

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

Component Unit Direct Borrowing: On January 20, 2022, the Colorado Educational and Cultural Facilities Authority (CECFA) issued $9,030,000 of Charter School Revenue Refunding Bonds (not including bond premium), Series 2022 A& B, to advance refund CECFA's outstanding Series 2006 bonds on behalf of Littleton Academy Building Foundation (the Foundation). The Foundation used these direct borrowing proceeds of the Series 2022 bonds to acquire and remodel the school building for Littleton Academy Charter School.

Littleton Academy Charter School is obligated under a lease agreement to make monthly lease payments to the Foundation for use of the building. The Foundation is required to make semi-annual loan payments to the trustee for payment of the bonds. Bond interest payments are due semi-annually on January 1 and July 1, with interest accruing at rates at 4.0 percent. Principal payments are due annually on January 15 through 2056. There are no assets pledged as collateral in relation to this loan, and contain a provision that in an event of default, the principal outstanding may be declared or may become due and payable upon the conditions of the agreement.

Annual debt service requirements to maturity for the mortgage loan are as follows:

	Mortgage Loan		
Fiscal Year Ending June 30	Principal	Interest	Total
2024	$ 135,000	$ 356,688	$ 491,688
2025	140,000	352,938	492,938
2025	140,000	347,400	487,400
2027	145,000	341,700	486,700
2028	155,000	335,700	490,700
2029–2033	850,000	1,580,800	2,430,800
2034–2038	1,035,000	1,392,900	2,427,900
2039–2043	1,255,000	1,164,100	2,419,100
2044–2048	1,535,000	886,100	2,421,100
2049–2053	1,860,000	547,400	2,407,400
2054–2057	1,780,000	145,800	1,925,800
Totals	$9,030,000	$7,451,526	$16,481,526

On January 31, 2013, Littleton Preparatory Charter School Building Corporation (the Corporation) borrowed $7.34 million to acquire and remodel a building for the Littleton Preparatory Charter

School building. This direct borrowing was obtained through a mortgage loan agreement with CECFA, which sold $7.34 million of Charter School Revenue Bonds, Series 2013, on behalf of the Corporation.

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

Annual debt service requirements to maturity for the mortgage loan are as follows:

Fiscal Year Ending June 30	Mortgage Loan Principal	Interest	Total
2024	$ 170,000	$ 303,000	$ 473,000
2025	180,000	294,250	474,250
2026	190,000	285,000	475,000
2027	200,000	275,250	475,250
2028	210,000	265,000	475,000
2029–2033	1,210,000	1,153,250	2,363,250
2034–2038	1,535,000	811,875	2,346,875
2039–2043	2,450,000	364,500	2,814,500
Totals	$6,145,000	$3,752,125	$9,897,125

Component Unit Intra-Entity Lease. Littleton Academy Charter School and Littleton Preparatory Charter School lease their buildings from their respective Building Corporations. The lease requires monthly payments. Rent expenditure for Littleton Academy and Littleton Preparatory were $492,700 and $476,583, respectively, for the year ended June 30, 2023, and is included in supporting services expenditures in their General Fund. The future minimum lease payment schedule is as follows:

Littleton Academy Charter School

Fiscal Year Ending June 30	Principal	Interest	Total
2024	$ 135,000	$ 356,688	$ 491,688
2025	140,000	352,938	492,938
2025	140,000	347,400	487,400
2027	145,000	341,700	486,700
2028	155,000	335,700	490,700
2029–2033	850,000	1,580,800	2,430,800
2034–2038	1,035,000	1,392,900	2,427,900
2039–2043	1,255,000	1,164,100	2,419,100
2044–2048	1,535,000	886,100	2,421,100
2049–2053	1,860,000	547,400	2,407,400
2054–2057	1,780,000	145,800	1,925,800
Totals	$9,030,000	$7,451,526	$16,481,526

Littleton Preparatory Charter School

Fiscal Year Ending June 30	Principal	Interest	Total
2024	$ 170,000	$ 303,000	$ 473,000
2025	180,000	294,250	474,250
2026	190,000	285,000	475,000
2027	200,000	275,250	475,250
2028	210,000	265,000	475,000
2029–2033	1,210,000	1,153,250	2,363,250
2034–2038	1,535,000	811,875	2,346,875
2039–2043	2,450,000	364,500	2,814,500
Totals	$6,145,000	$3,752,125	$9,897,125

Component Unit Changes in Long-Term Debt. The changes in long-term debt for Littleton Academy Charter School for the fiscal year ended June 30, 2023, were as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Mortgage loan payable	$ 9,030,000	$ -	$ -	$ 9,030,000	$ 135,000
Refunding bond premium	1,423,496	-	62,446	1,361,050	65,738
Lease Payable	6,412	-	1,603	4,809	1,581
Totals	$10,459,908	$ -	$ 64,049	$ 10,395,859	$ 202,319

The changes in long-term debt for Littleton Preparatory Charter School for the fiscal year ended June 30, 2023, were as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Mortgage loan payable	$ 6,305,000	$ -	$ 160,000	$ 6,145,000	$ 170,000
Premium on loan	101,475	-	5,074	96,401	5,074
Leases Payable	3,515	-	3,515	-	-
Totals	$ 6,409,990	$ -	$ 168,589	$ 6,241,401	$ 175,074

III. OTHER INFORMATION

19. Risk Management

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Liability and property: The district has a self-insured retention on its general liability, errors and omissions, and auto claims up to $200,000 per occurrence. For claims in excess of $200,000 up to $5,000,000, the district is a member of the Excess-of-Loss Self-Insurance Pool (ELSIP), a public entity risk pool. ELSIP operates risk management and insurance programs for three participating member school districts. The district pays an annual premium for its coverage. ELSIP may require additional contributions if it determines the financial condition, including cash flow availability, so necessitates additional contributions. Additionally, the district purchases cyber liability coverage through American International Group (AIG). The district self-insures the first $100,000 for each property claim and insures through Travelers additional losses up to approximately $541.1 million. The district purchases other insurance policies for crime and fiduciary with varying deductibles and limits. Both charter schools participate with the district for all coverages.

Employee health care: All employee health care benefit plans of the district and the component units are commercially insured.

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

20. Contingent Liabilities

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

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

21. Constitutional TABOR Amendment

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

In the November 1998 general election, the district's electorate authorized the district to collect, retain, and expend all revenues and other funds collected during fiscal year 1999 and each subsequent year from any source, notwithstanding the TABOR limitations. The district remains subject to TABOR with respect to general mill levy increase restrictions and to the issuance of any new debt without taxpayers' approval. The TABOR amendment is subject to many interpretations, but the district believes it is in compliance. TABOR requires that an emergency reserve be established. Net position and fund balances of $5,440,000 have been restricted for this emergency reserve at June 30, 2023.

22. Public Employees' Retirement Association of Colorado (PERA)

Summary of Significant Accounting Policies

The district and its two charter schools, Littleton Academy and Littleton Preparatory, participate in the School Division Trust Fund (SCHDTF), a cost-sharing, multiple-employer defined benefit pension fund 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, and additions to/deductions from the fiduciary net position 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.

General Information about the Pension Plan

Plan description: Eligible employees of the district, Littleton Academy, and Littleton Preparatory are provided with pensions through the School Division Trust Fund (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 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.

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

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

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

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

In all cases, the service retirement benefit is limited to 100 percent 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 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether five 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 (AI) 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 or annual increase (AI) or AI cap of 1.00 percent unless adjusted by the automatic adjustment provision (AAP). Eligible benefit recipients under the PERA benefit structure who began eligible employment on or after January 1, 2007, will receive the lesser of an annual increase of 1.00 percent annual increase cap or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned AI for a given year by up to one-quarter of one percent 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 shown above considering a minimum 20 years of service credit; if deemed disabled.

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

Contributions: Provisions as of June 30, 2023, eligible employees of the district, Littleton Academy, and Littleton Preparatory are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. 24-51-401, et seq. and 24-51-413. Eligible employees are required to contribute 11.00 percent of their PERA-includable salary during the period of July 1, 2022, through June 30, 2023.
The 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 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. The district, Littleton Academy, and Littleton Preparatory are statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the district, Littleton Academy, and Littleton Preparatory were $21,873,358; $541,014; and $632,413, respectively for the year ended June 30, 2023.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a non-employer 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 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 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 total pension liability to December 31, 2022.

The district, Littleton Academy and Littleton Preparatory proportions of the net pension liability were based on their respective 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.

At June 30, 2023, the district, Littleton Academy, and Littleton Preparatory reported a liability for their proportionate shares of the net pension liability. The amount recognized as their proportionate shares of the net pension liability, the related state support, and the total portion of the net pension liability associated with the district, Littleton Academy, and Littleton Preparatory were as follows:

	District	Littleton Academy	Littleton Preparatory
Proportionate share of the net pension liability	$256,506,249	$6,344,410	$7,416,227
State's proportionate share of the net pension liability	74,748,499	1,848,825	2,161,163
Total	$331,254,748	$8,193,235	$9,577,390

At December 31, 2022, the district and the two charter schools' proportion was 1.484 percent, which was a decrease of 0.321 percent from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the district, Littleton Academy and Littleton Preparatory recognized net pension income of $9,801,042; $407,824; and $925,657, respectively. For the year ended June 30, 2023, the district, Littleton Academy, and Littleton Preparatory recognized revenue of $6,374,116; $157,657; and $184,292, respectively for support from the state as a non-contributing entity. At June 30, 2023, the district, Littleton Academy, and Littleton Preparatory reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources:

	District		Littleton Academy		Littleton Preparatory	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$2,427,555	$ -	$ 60,043	$ -	$ 70,187	$ -
Changes of assumptions or other inputs	4,543,562	-	112,380	-	131,365	-
Net difference between projected and actual earnings on pension plan investments	34,458,240	-	852,288	-	996,272	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	4,414,772	45,786,364	109,195	1,132,477	127,642	1,323,796
Contributions subsequent to the measurement date	12,125,071	-	299,901	-	350,566	-
Total	$57,969,200	$45,786,364	$1,433,807	$1,132,477	$1,676,032	$1,323,796

The $12,125,071; $299,901; and $350,566 from the district, Littleton Academy, and Littleton Preparatory, respectively, are reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date and 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:	District	Littleton Academy	Littleton Preparatory
2024	$ (16,636,743)	$ (411,492)	$ (481,009)
2025	(11,316,723)	(279,907)	(327,194)
2026	7,968,404	197,090	230,386
2027	20,042,827	495,738	579,487

Actuarial assumptions: The total pension liability in the December 31, 2021, actuarial valuation used 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 January 1, 2007; and DPS Benefit Structure (compounded annually)	1.00 %
PERA benefit structure hired after December 31, 2006[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 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

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

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

For disabled retirees, the mortality assumption was based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

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

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or 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 for the SCHDTF, 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 by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at 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 estimated 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 rate of return assumption of 7.25 percent.

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200, and required adjustments resulting from the 2018 and 2020 automatic adjustment provision

assessment. 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, required adjustments resulting from the 2018 and 2020 automatic adjustment provision assessment. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the state of Colorado, as a nonemployer contributing entity, will provide an annual direct distribution of $225 million (actual dollars), commencing July 1, 2018, and is proportioned between the state, district, judicial, and DPS division trust funds based upon 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 used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, 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 fiduciary net position 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.

Based on the above assumptions and methods, the GASB Statement No. 67 projection test indicates the SCHDTF’s fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the district’s, Littleton Academy’s, and Littleton Preparatory’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The chart presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
District's proportionate share of the net pension liability	$335,678,461	$256,506,249	$190,389,363
Littleton Academy's proportionate share of the net pension liability	8,302,651	6,344,410	4,709,079
Littleton Preparatory's proportionate share of the net pension liability	9,705,291	7,416,227	5,504,625

Pension plan fiduciary net position: Detailed information about the SCHDTF's fiduciary net position is available in PERA's Annual Report, which can be obtained at www.copera.org/investments/pera-financial-reports.

23. Postemployment Benefits Other Than Pensions (OPEB)

Summary of Significant Accounting Policies

The district, Littleton Academy, and Littleton Preparatory participate in the Health Care Trust Fund (HCTF), a cost-sharing, multiple-employer defined benefit OPEB fund administered by 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, and additions to/deductions from the fiduciary net position 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.

General Information about the OPEB Plan

Plan Description: Eligible employees of the district, Littleton Academy, and Littleton Preparatory are provided with OPEB through the HCTF—a cost-sharing, multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by Colorado PERA. The HCTF is established under Title 24, Article 51, Part 12 of the C.R.S., as amended. Colorado state law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, 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. PERA issues a publicly available annual comprehensive financial report (Annual Report) 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 Denver Public Schools (DPS) division and one or more of the other four divisions (state division, school division, local government division, and judicial division trust funds), the premium subsidy is allocated between the HCTF and the DPS HCTF. The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

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

Enrollment in 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 basis for 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 five percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

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

DPS Benefit Structure. The maximum service-based premium subsidy is $230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service–based subsidy is $115 per month for retirees 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 retirees with retirement benefits based on 20 or more years of service credit. There is a five percent reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

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

Contributions: Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the state, school, local government, and judicial divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member, and the district, Littleton Academy, and Littleton Preparatory are statutorily committed to pay the contributions. Employer contributions recognized by the HCTF were $1,108,063; $32,041; and $32,041, respectively, for the year ended June 30, 2023.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: At June 30, 2023, the district, Littleton Academy, and Littleton Preparatory reported a liability of $8,740,663; $216,173; and $252,711, respectively, for their proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability 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 total OPEB liability to December 31, 2022. The district's and the two charter schools' proportions of the net OPEB liability were based on total 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 district's, Littleton Academy's, and Littleton Preparatory's total proportion was 1.128 percent, which was a decrease of 0.05 percent from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the district, Littleton Academy, and Littleton Preparatory recognized OPEB expense of $1,476,860; $13,003; and $35,629, respectively. At June 30, 2023, the district, Littleton Academy, and Littleton Preparatory reported deferred outflows of resources and deferred inflows of resources related to OPEB from the sources shown on the table as follows.

	District		Littleton Academy		Littleton Preparatory	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,135	$2,113,782	$ 28	$52,278	$ 33	$ 61,114
Changes of assumptions or other inputs	140,486	964,697	3,474	23,859	4,062	27,891
Net difference between projected and actual earnings on OPEB plan investments	533,862	-	13,204	-	15,435	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	124,943	933,099	3,090	23,077	3,612	26,978
Contributions subsequent to the measurement date	596,156	-	14,744	-	17,236	-
Total	$1,396,582	$4,011,578	$34,540	$99,214	$40,378	$115,983

The $596,156; $14,744; and $17,236 from the district, Littleton Academy, and Littleton Preparatory, respectively, are reported as deferred outflows of resources related to OPEB will result in the district, Littleton Academy, and Littleton Preparatory contributions subsequent to the measurement date being recognized as a reduction in 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	District	Littleton Academy	Littleton Preparatory
2024	$ (1,099,883)	$ (27,202)	$ (31,804)
2025	(1,032,330)	(25,531)	(29,851)
2026	(573,268)	(14,178)	(16,577)
2027	(124,273)	(3,074)	(3,593)
2028	(308,806)	(7,637)	(8,929)
Thereafter	(72,591)	(1,795)	(2,099)

Actuarial assumptions: The total OPEB liability in the December 31, 2021, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs as shown on the table on the next page:

	Trust Fund			
	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Price inflation	2.30%	2.30%	2.30%	2.30%
Real wage growth	0.70%	0.70%	0.70%	0.70%
Wage inflation	3.00%	3.00%	3.00%	3.00%
Salary increases, including Wage inflation:				
Members other than State Troopers	3.30%–10.90%	3.40%–11.00%	3.20%–11.30%	2.80%–5.30%
State Troopers	3.20%–12.40%	N/A	3.20%–12.40%	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%	7.25%	7.25%	7.25%
Discount rate	7.25%	7.25%	7.25%	7.25%
Health care cost trend rates				
PERA benefit structure:				
Service-based premium subsidy	0.00%	0.00%	0.00%	0.00%
PERACare Medicare plans	6.50% in 2022, gradually decreasing to 4.50% in 2030	6.50% in 2022, gradually decreasing to 4.50% in 2030	6.50% in 2022, gradually decreasing to 4.50% in 2030	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	3.75% in 2022, gradually increasing to 4.50% in 2029	3.75% in 2022, gradually increasing to 4.50% in 2029	3.75% in 2022, gradually increasing to 4.50% in 2029
DPS benefit structure:				
Service-based premium subsidy	0.00%	0.00%	0.00%	0.00%
PERACare Medicare plans	N/A	N/A	N/A	N/A
Medicare Part A premiums	N/A	N/A	N/A	N/A

The total OPEB liability for the HCTF, as of December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. 24-51-313, of Tri-County Health Department (Tri-County 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, 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.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Males)	Annual Increase (Females)
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 HMP (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 HMP (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 discussed below.

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models, and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare and 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 total OPEB liability 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 total OPEB liability for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the state, district, local government, and judicial divisions participate in the HCTF.

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

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

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

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

Post-retirement non-disabled mortality assumptions for the state and local government divisions (members other than State Troopers) were based on the PubG-2010 Healthy Retiree Table, adjusted as follows:

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

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree 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 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

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

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

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

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

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

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

- 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 total OPEB liability, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 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 PERA’s Board during the November 20, 2020, Board meeting.

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

Several factors were 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 percentage and then adding expected inflation.

As of the most recent reaffirmation of the long-term expected 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 below:

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[1]	6.00	4.70
Total	100.00%	

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

Sensitivity of the District's, Littleton Academy's, and Littleton Preparatory's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the district's, Littleton Academy's, and Littleton Preparatory's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The table on the following page 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	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%
District's proportionate share of the net OBEB liability	$8,493,284	$8,740,663	$9,009,881
Littleton Academy's proportionate share of the net OPEB liability	210,054	216,173	222,831
Littleton Preparatory's proportionate share of the net OPEB liability	245,558	252,711	260,494

Discount Rate

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2022, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of the District's, Littleton Academy's, and Littleton Preparatory's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
District's proportionate share of the next OPEB liability	$10,133,043	$8,740,663	$7,549,769
Littleton Academy's proportionate share of the next OPEB liability	250,609	216,173	186,720
Littleton Preparatory's proportionate share of the next OPEB liability	292,966	252,711	218,279

OPEB Plan Fiduciary Net Position

Detailed information about the HCTF's fiduciary net position is available in PERA's Annual Audit, which can be obtained at www.copera.org/investments/pera-financial-reports.

Required Supplementary Information

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ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Variance With Final Budget-Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Property taxes	$ 82,935,206	$ 82,935,206	$ 84,129,339	$ 1,194,133
Specific ownership taxes	7,314,131	7,314,131	9,016,385	1,702,254
Intergovernmental revenue:				
Federal grants	300,000	300,000	361,271	61,271
State equalization aid	68,317,321	67,852,321	68,133,926	281,605
State education of students with disabilities	4,794,141	4,794,141	5,014,440	220,299
Other state entitlements	2,220,526	2,220,526	1,968,726	(251,800)
Investment earnings	140,000	140,000	985,143	845,143
Other	3,559,150	3,559,150	4,817,265	1,258,115
Total revenues	169,580,475	169,115,475	174,426,495	5,311,020
EXPENDITURES				
Current:				
Instruction	110,142,636	119,237,968	110,624,865	8,613,103
Support services:				
Pupil services	10,439,928	11,843,530	12,490,910	(647,380)
Instructional staff services	9,081,320	9,839,143	8,669,772	1,169,371
General administration	2,354,309	2,565,971	2,600,609	(34,638)
School administration	11,386,876	12,783,096	12,365,151	417,945
Financial administration	1,812,689	2,373,750	1,815,672	558,078
Operations administration	1,356,524	2,220,884	1,817,020	403,864
Transportation	6,719,590	7,101,405	7,193,831	(92,426)
Central administration	6,262,352	7,512,775	9,098,441	(1,585,666)
Community services	188,235	195,952	122,985	72,967
Contingency reserve	42,108,389	28,750,355	-	28,750,355
Total expenditures	201,852,848	204,424,829	166,799,256	37,625,573
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(32,272,373)	(35,309,354)	7,627,239	42,936,593
OTHER FINANCING SOURCES (USES)				
Transfers in	309,256	309,256	271,990	(37,266)
Transfers out	(5,862,194)	(6,012,194)	(6,062,194)	(50,000)
Total other financing sources (uses)	(5,552,938)	(5,702,938)	(5,790,204)	(87,266)
NET CHANGE IN FUND BALANCE	(37,825,311)	(41,012,292)	1,837,035	42,849,327
FUND BALANCE—BEGINNING	37,975,311	41,012,292	41,212,292	200,000
FUND BALANCE—ENDING	$ 150,000	$ -	$ 43,049,327	$ 43,049,327

RECONCILIATION to GAAP Basis:	
Total Revenue and Transfers In Above	$ 174,698,485
On-Behalf Contribution to PERA Retirement Plan	6,365,659
Total Revenue, GAAP Basis	181,064,144
Total Expenditures and Transfers Out Above	172,861,450
On-Behalf Contribution to PERA Retirement Plan	6,365,659
Total Expenditures, GAAP Basis	179,227,109
Change in Fund Balance, GAAP Basis	1,837,035
FUND BALANCE—BEGINNING, GAAP Basis	41,212,292
FUND BALANCE—ENDING, GAAP Basis	$ 43,049,327

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Risk Management Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Variance With Final Budget-Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Investment earnings	$ 1,500	$ 1,500	$ 108,838	$ 107,338
Insurance reimbursements and other	136,536	136,536	2,072,846	1,936,310
Total revenues	138,036	138,036	2,181,684	2,043,648
EXPENDITURES				
Current:				
Risk management	3,483,487	3,508,918	3,746,574	(237,656)
Contingency reserve	1,559,371	1,867,731	-	1,867,731
Total expenditures	5,042,858	5,376,649	3,746,574	1,630,075
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,904,822)	(5,238,613)	(1,564,890)	3,673,723
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(3,800,000)	(3,800,000)
Transfers in	200,000	200,000	3,000,000	2,800,000
Total other financing sources	200,000	200,000	(800,000)	(1,000,000)
NET CHANGE IN FUND BALANCE	(4,704,822)	(5,038,613)	(2,364,890)	2,673,723
FUND BALANCE—BEGINNING	4,704,822	5,038,613	5,038,613	-
FUND BALANCE—ENDING	$ -	$ -	$ 2,673,723	$ 2,673,723

NOTE 1: Budgetary Information

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

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

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

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

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

f. Appropriations for all funds lapse at the fiscal year end.

g. The Risk Management Fund is a sub-fund of the General Fund, and its budget is approved by the Board of Education annually. The Statement of Revenues, Expenditures, and Changes in Fund Balances combines the actual revenues and expenditures of the General Fund and the Risk Management Fund. A budgetary comparison schedule is provided provided separately for both the General Fund and the Risk Management Fund. The following is a reconciliation of the General Fund actual revenues and expenditures as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance.

	General Fund	Risk Management Fund	Total
Revenue and Transfers, GAAP Basis	$ 181,064,144	$ 5,181,684	$ 186,245,828
Expenditures and Transfers, GAAP Basis	(179,227,109)	(7,546,574)	(186,773,683)
Change in Fund Balances, GAAP Basis	1,837,035	(2,364,890)	(527,855)
Fund Balance—Beginning, GAAP Basis	41,212,292	5,038,613	46,250,905
Fund Balance—Ending, GAAP Basis	$ 43,049,327	$ 2,673,723	$ 45,723,050

NOTE 2: Changes in Pension Benefit Terms and Actuarial Assumptions

Benefit Changes

a. There were no signification changes of benefit terms for each of the reported plan years ended December 31, 2022.

Changes in Assumptions

a. There was no significant changes of assumptions for each of the reported plan years ended December 31 except for the following changes as compared to each respective previous plan year ended.

b. Changes in assumptions or other input effective for the December 31, 2021, measurement period are as follows:
- The projected benefit payments reflect the lowered annual increase cap from 1.25 percent to 1.00 percent, resulting from the 2020 AAP assessment, effective July 1, 2022.
- Assumptions on employer and employee contributions were updated to include the additional 0.50 percent resulting from the 2020 AAP assessment, effective July 1, 2022.

c. Changes in assumptions or other input effective for the December 31, 2020, measurement period are as follows:
- The price inflation assumption was lowered from 2.40 percent to 2.30 percent, and the wage inflation assumption was lowered from 3.50 percent to 3.00 percent.
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses, from 4.85 percent per year, net of investment expenses.
- Salary scale assumptions were revised to align with the revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State Division (members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The pre-retirement mortality assumption for the Judicial Division was changed to the PubG-2010(A) Above Median Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the State Division (Members other than State Troopers) was changed to the PubG-2010 Health Retiree Table, adjusted as follows:
  - Males: 94 percent of the rates prior to age 80 and 90.00 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
  - Females: 87 percent of the rates prior to age 80 and 107.00 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.
- The disabled mortality assumptions for the Division Trust Funds (Members other than State Troopers) was changed to the PubNS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
- The disability mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

d. Changes in assumptions or other inputs effective for the December 31, 2019, measurement period are as follows:
- The assumption used to value the annual increase (AI) cap benefit provision was changed from 1.50 percent to 1.25 percent.

e. Changes in assumptions or other inputs effective for the December 31, 2018, measurement period are as follows:
- The assumed investment rate of return of 7.25 percent was used as the discount rate, rather than using the blended rate of 4.72 percent.

f. Changes in assumptions or other inputs effective for the December 31, 2017, measurement period are as follows:
- The discount rate was lowered from 5.26 percent to 4.72 percent.

g. Changes in assumptions or other inputs effective for the December 31, 2016, measurement period are as follows:
   - The investment return assumption was lowered from 7.50 percent to 7.25 percent.
   - The price inflation assumption was lowered from 2.80 percent to 2.40 percent.
   - The real rate of investment return assumption increased from 4.70 percent per year, net of investment expenses, to 4.85 percent per year, net of investment expenses.
   - The wage inflation assumption was lowered from 3.90 percent to 3.50 percent.
   - The mortality tables were changed from RP-2000 Combined Mortality Table for Males and Females, as appropriate, with adjustments for mortality improvements based on a projection scale of Scale AA to 2020 to RP-2014 White Collar Employee Mortality for active employees, RP2014 Healthy Annuitant Mortality tables projected to 2020 using the MP-2015 projection scales for retirees, or RP-2014 Disabled Retiree Mortality Table for disabled retirees.
   - The discount rate was lowered from 7.50 percent to 5.26 percent.

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

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

j. Changes in assumptions or other input effective for the December 31, 2013, measurement period are as follows:
   - The investment return assumption was lowered from 8.00 percent to 7.50 percent.
   - The price inflation assumption was lowered from 3.50 percent to 2.80 percent.
   - The wage inflation assumption was lowered from 4.25 percent to 3.90 percent.

NOTE 3: Changes in OPEB Benefit Terms and Actuarial Assumptions

Benefit Changes

a. There were no signification changes of benefit terms for each of the reported plan years ended December 31, 2022.

Changes in Assumptions

a. There were no significant changes of assumptions for each of the reported plan years ended December 31 except for the following changes as compared to each respective previous plan year ended.

b. 2022-The timing of the retirement decrement was adjusted to middle-of year .

c. Changes in assumptions or other input effective for the December 31, 2020, measurement period are as follows:
   - The price inflation assumption was lowered from 2.40 percent to 2.30 percent, and the wage inflation assumption was lowered from 3.50 percent to 3.00 percent.
   - The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses, from 4.85 percent per year, net of investment expenses.
   - Salary scale assumptions were revised to align with the revised economic assumptions and to more closely reflect actual experience.
   - Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
   - The pre-retirement mortality assumption for the State Division (members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
   - The pre-retirement mortality assumption for the Judicial Division was changed to the PubG-2010(A) Above Median Employee Table with generational projection using scale MP-2019.
   - The post-retirement non-disabled mortality assumption for the State Division (Members other than State Troopers)

was changed to the PubG-2010 Health Retiree Table, adjusted as follows:

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

• The post-retirement non-disabled mortality assumption for the State Troopers was changed to the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

• The post-retirement non-disabled mortality assumption for the Judicial Division was changed to the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019. The post-retirement non-disability beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:

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

• The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubNS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

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

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

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

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

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

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Schedules of Required Supplementary Information
June 30, 2023

Schedule of the District's Proportionate Share of the Net Pension Liability
PERA Pension Plan
Last Ten Fiscal Years*
(Dollar amounts in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
District's proportion of the net pension liability	2.27%	2.25%	2.22%	2.21%	2.19%	1.82%	1.79%	1.90%	1.71%	1.41%
District's proportionate share of the net pension liability	$277,142	$291,875	$325,723	$ 629,668	$676,856	$322,173	$267,995	$287,817	$ 198,717	$256,506
State's proportionate share of the net pension liability associated with the district **	-	-	-	-	-	44,053	33,992	-	22,780	74,748
Total	$277,142	$291,875	$325,723	$ 629,668	$676,856	$366,226	$301,987	$287,817	$ 221,497	$331,255
District's covered payroll	$ 90,007	$ 90,761	$ 93,180	$ 94,917	$ 96,531	$100,073	$104,900	$103,372	$ 106,702	$114,824
District's proportionate share of the net pension liability as a percentage of its employee covered payroll	307.91%	321.59%	349.56%	663.39%	701.18%	321.94%	255.48%	278.43%	186.24%	223.39%
Plan fiduciary net position as a percentage of the total pension liability	64.06%	62.80%	59.20%	43.10%	43.96%	57.01%	64.52%	67.00%	74.90%	61.80%

Note: The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

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

Schedule of the District Contributions
PERA Pension Plan
Last Ten Fiscal Years
(Dollar amounts in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	$ 14,260	$ 15,327	$ 16,843	$ 17,498	$ 18,436	$ 19,631	$ 20,519	$ 21,099	$ 21,295	$ 21,873
Contributions in relation to the contractually required contribution	(14,260)	(15,327)	(16,843)	(17,498)	(18,436)	(19,631)	(20,519)	(21,099)	(21,295)	(21,873)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 89,784	$ 91,217	$ 94,995	$ 95,196	$ 97,621	$102,612	$105,877	$107,516	$ 107,294	$108,883
Contributions as a percentage of covered payroll	15.88%	16.80%	17.73%	18.38%	18.89%	19.13%	19.38%	19.62%	19.88%	20.10%

Note: The amounts presented for each fiscal year were determined as of June 30.

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Schedules of Required Supplementary Information
June 30, 2023

Schedule of the District's Proportionate Share of the OPEB Liability
Last Ten Fiscal Years*
(Dollar amounts in thousands)

	2016	2017	2018	2019	2020	2021	2022
District's proportion of the net OPEB liability	1.25%	1.24%	1.18%	1.17%	1.16%	1.18%	1.07%
District's proportionate share of the net OPEB liability	$ 15,585	$ 15,456	$ 16,099	$ 13,177	$ 10,511	$ 9,665	$ 8,741
District's covered payroll **	$ 94,917	$ 96,531	$ 100,073	$ 104,900	$ 103,372	$ 106,702	$ 114,824
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	16.42%	16.01%	16.09%	12.56%	10.17%	9.06%	7.61%
Plan fiduciary net position as a percentage of the total OPEB liability	16.72%	17.53%	17.03%	24.49%	32.78%	39.40%	38.57%

Note: The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.
* Information for 2013 to 2015 is not available.
** District's covered payroll updated for 2019--2021

Schedule of the District Contributions
PERA OPEB Plan
Last Ten Fiscal Years
(Dollar amounts in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	$ 916	$ 930	$ 968	$ 971	$ 996	$ 1,047	$ 1,080	$ 1,059	$ 1,094	$ 1,108
Contributions in relation to the contractually required contribution	(916)	(930)	(968)	(971)	(996)	(1,047)	(1,080)	(1,059)	(1,094)	(1,108)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 89,784	$ 91,217	$ 94,995	$ 95,196	$ 97,621	$ 102,612	$ 105,877	$ 107,516	$ 107,294	$ 108,883
Contributions as a percentage of employee payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

Note: The amounts presented for each fiscal year were determined as of June 30.

Other Supplementary Information: Combining and Individual Fund Statements and Schedules

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Nonmajor Governmental Funds

The first statements and schedules in this supplementary information are those of the nonmajor governmental funds. Special revenue funds are used to account for specific revenues that are restricted or committed to expenditures for particular purposes.

Designated Purpose Grants Fund. This fund is used to account for federal and state grants which are restricted as to the type of expenditures for which the grants may be used.

Nutrition Services Fund. This fund is used to account for the operation of breakfast, lunch, and summer feeding programs.

Extended Day Care Program Fund. This fund is used to account for preschool and before- and after-school day care programs.

Student Athletic, Activities, and Clubs Fund. This fund accounts for extracurricular activities at the elementary, middle, and high school levels; intramural athletic programs at the middle level; varsity athletic programs at the high school level; district-sponsored activities at the high school level; and clubs at all levels.

Capital Projects Fund. This fund is used to account for the acquisition of land, construction of new facilities, alterations and improvements to existing structures, and the acquisition of school buses and/or other equipment.

Operations and Technology Fund. This fund is used to account for the ongoing building maintenance, capital improvements, technology expenditures, and a per-pupil allocation to the Charter Schools. Funding is provided from the Debt-Free Schools Mill Levy passed by the Voters in November 2020.

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	Designated Purpose Grants Fund	Nutrition Services Fund	Extended Day Care Program Fund	Student Athletic, Activities, and Clubs Fund
ASSETS				
Equity in pooled cash and investments	$ 254,844	$ 3,306,082	$ 4,144,237	$ 1,410,989
Taxes receivable from the county treasurer	-	-	-	-
Taxes receivable—net	-	-	-	-
Due from other governments	1,503,878	175,448	-	-
Inventory	-	714,886	-	-
Total assets	$ 1,758,722	$ 4,196,416	$ 4,144,237	$ 1,410,989
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts and contracts payable	$ 544,302	$ 11,612	$ 263,028	$ 135,730
Accrued compensation	567,330	125,235	324,660	52,060
Unearned revenue	647,090	214,910	397,835	883
Total liabilities	1,758,722	351,757	985,523	188,673
DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenue	-	-	-	-
Total deferred inflows	-	-	-	-
Fund balances:				
Nonspendable for:				
Inventories	-	714,886	-	-
Restricted for:				
Nutrition services	-	3,129,773	-	-
Operations and technology	-	-	-	-
Committed for:				
Capital projects	-	-	-	-
Student care services	-	-	3,158,714	-
Pupil activities	-	-	-	1,218,686
Assigned for:				
Beverage sponsorship for student needs	-	-	-	3,630
Total fund balances	-	3,844,659	3,158,714	1,222,316
Total liabilities and fund balances	$ 1,758,722	$ 4,196,416	$ 4,144,237	$ 1,410,989

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	Capital Projects Fund	Operations and Technology Fund	Total Nonmajor Governmental Funds
ASSETS			
Equity in pooled cash and investments	$ 2,040,130	$ 4,965,062	$ 16,121,344
Taxes receivable from the county treasurer	-	127,970	127,970
Taxes receivable—net	-	313,881	313,881
Due from other governments	-	-	1,679,326
Inventory	-	-	714,886
Total assets	$ 2,040,130	$ 5,406,913	$ 18,957,407
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts and contracts payable	$ 1,761,219	$ 536,487	$ 3,252,378
Accrued compensation	-	7,259	1,076,544
Unearned revenue	-	-	1,260,718
Total liabilities	1,761,219	543,746	5,589,640
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue	-	313,881	313,881
Total deferred inflows	-	313,881	313,881
Fund balances:			
Nonspendable for:			
Inventories	-	-	714,886
Restricted for:			
Nutrition services	-	-	3,129,773
Operations and technology	-	4,549,286	4,549,286
Committed for:			
Capital projects	278,911	-	278,911
Student care services	-	-	3,158,714
Pupil activities	-	-	1,218,686
Assigned for:			
Beverage sponsorship for student needs	-	-	3,630
Total fund balances	278,911	4,549,286	13,053,886
Total liabilities and fund balances	$ 2,040,130	$ 5,406,913	$ 18,957,407

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2023

	Designated Purpose Grants Fund	Nutrition Services Fund	Extended Day Care Program Fund	Student Athletic, Activities, and Clubs Fund
REVENUES				
Intergovernmental revenue:				
Property taxes	$ -	$ -	$ -	$ -
Federal grants	8,129,930	1,731,708	-	-
Donated commodities	-	309,028	-	-
State grants	1,166,173	50,422	-	-
Food sales	-	2,773,808	-	-
Pupil activities	-	-	-	2,447,358
Student care	-	-	3,888,362	-
Investment earnings	-	124,050	142,798	56,994
Other	-	9,782	532,960	-
Total revenues	9,296,103	4,998,798	4,564,120	2,504,352
EXPENDITURES				
Current:				
Instruction	6,042,467	-	-	-
Support services	3,253,636	4,021,153	3,684,545	4,698,376
Capital outlay	-	18,995	20,644	11,224
Total expenditures	9,296,103	4,040,148	3,705,189	4,709,600
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	958,650	858,931	(2,205,248)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	2,112,194
Transfers out	-	-	(271,990)	-
Total other financing sources (uses)	-	-	(271,990)	2,112,194
NET CHANGE IN FUND BALANCE	-	958,650	586,941	(93,054)
FUND BALANCE—BEGINNING	-	2,886,009	2,571,773	1,315,370
FUND BALANCES—ENDING	$ -	$ 3,844,659	$ 3,158,714	$ 1,222,316

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2023

	Capital Projects Fund	Operations and Technology Fund	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental revenue:			
Property taxes	$ -	$ 16,269,544	$ 16,269,544
Federal grants	-	-	9,861,638
Donated commodities	-	-	309,028
State grants	-	-	1,216,595
Food sales	-	-	2,773,808
Pupil activities	-	-	2,447,358
Student care	-	-	3,888,362
Investment earnings	41,944	31,397	397,183
Other	26,900	-	569,642
Total revenues	68,844	16,300,941	37,733,158
EXPENDITURES			
Current:			
Instruction	-	-	6,042,467
Support services	-	18,137,754	33,795,464
Capital outlay	6,490,701	-	6,541,564
Total expenditures	6,490,701	18,137,754	46,379,495
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,421,857)	(1,836,813)	(8,646,337)
OTHER FINANCING SOURCES (USES)			
Transfers in	4,750,000	-	6,862,194
Transfers out	-	-	(271,990)
Total other financing sources (uses)	4,750,000	-	6,590,204
NET CHANGE IN FUND BALANCE	(1,671,857)	(1,836,813)	(2,056,133)
FUND BALANCE—BEGINNING	1,950,768	6,386,099	15,110,019
FUND BALANCES—ENDING	$ 278,911	$ 4,549,286	$ 13,053,886

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Designated Purpose Grants Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Budget			Variance With Final Budget-Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental revenue:				
Federal grants	$ 10,754,044	$ 10,754,044	$ 8,129,930	$ (2,624,114)
State grants	1,528,458	1,528,458	1,166,173	(362,285)
Total revenues	12,282,502	12,282,502	9,296,103	(2,986,399)
EXPENDITURES				
Current:				
Instruction	8,167,864	8,167,864	6,042,467	2,125,397
Support services	4,114,638	4,114,638	3,253,636	861,002
Total expenditures	12,282,502	12,282,502	9,296,103	2,986,399
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE—BEGINNING	-	-	-	-
FUND BALANCE—ENDING	$ -	$ -	$ -	$ -

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Nutrition Services Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Budget			Variance With Final Budget- Positive
	Original	Final	Actual	(Negative)
REVENUES				
Food sales	$ 3,064,233	$ 3,064,233	$ 2,773,808	$ (290,425)
Federal aid:				
Federal government programs reimbursements	1,276,973	1,276,973	1,731,708	454,735
Donated commodities	286,702	286,702	309,028	22,326
State programs reimbursement	40,379	40,379	50,422	10,043
Investment earnings	5,000	5,000	124,050	119,050
Other	20,000	20,000	9,782	(10,218)
Total revenues	4,693,287	4,693,287	4,998,798	305,511
EXPENDITURES				
Salaries and employee benefits	2,557,121	2,658,772	2,406,637	252,135
Purchased services	306,142	306,142	225,769	80,373
Supplies	167,778	167,778	8,941	158,837
Food costs:				
Purchased food	1,404,160	1,404,160	1,085,927	318,233
Donated commodities	286,702	286,702	309,028	(22,326)
Equipment	119,384	119,384	1,715	117,669
Other	2,000	2,000	2,131	(131)
Contingency reserve	2,531,164	2,784,358	-	2,784,358
Total expenditures	7,374,451	7,729,296	4,040,148	3,689,148
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,681,164)	(3,036,009)	958,650	3,994,659
OTHER FINANCING SOURCES				
Transfers in	150,000	150,000	-	150,000
NET CHANGE IN FUND BALANCE	(2,531,164)	(2,886,009)	958,650	3,844,659
FUND BALANCE—BEGINNING	2,531,164	2,886,009	2,886,009	-
FUND BALANCE—ENDING	$ -	$ -	$ 3,844,659	$ 3,844,659

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Extended Day Care Program Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Budget			Variance With Final Budget-Positive
	Original	Final	Actual	(Negative)
REVENUES				
Student care fees	$ 4,151,729	$ 4,059,417	$ 3,888,362	$ (171,055)
Investment earnings	20,765	100,774	142,798	42,024
Contributions	1,200	520,000	532,960	12,960
Total revenues	4,173,694	4,680,191	4,564,120	(116,071)
EXPENDITURES				
Salaries and employee benefits	3,158,747	3,766,994	3,002,425	764,569
Purchased services	262,627	256,534	196,333	60,201
Supplies	234,486	169,335	134,078	35,257
Equipment	38,086	343,282	352,188	(8,906)
Other	170,492	150,612	20,165	130,447
Transfers out	309,256	284,161	271,990	12,171
Contingency reserve	2,803,240	2,571,773	-	2,571,773
Total expenditures	6,976,934	7,542,691	3,977,179	3,565,512
NET CHANGE IN FUND BALANCE	(2,803,240)	(2,862,500)	586,941	3,449,441
FUND BALANCE—BEGINNING	2,803,240	2,571,773	2,571,773	-
FUND BALANCE—ENDING	$ -	$ (290,727)	$ 3,158,714	$ 3,449,441

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Student Athletic, Activities, and Clubs Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Budget			Variance With Final Budget- Positive
	Original	Final	Actual	(Negative)
REVENUES				
Pupil activities	$ 1,790,013	$ 1,790,013	$ 2,447,358	$ 657,345
Investment earnings	10,000	10,000	56,994	46,994
Total revenues	1,800,013	1,800,013	2,504,352	704,339
EXPENDITURES				
Current:				
Support services	3,912,207	5,227,577	4,709,600	517,977
Contingency reserve	984,243	-	-	-
Total expenditures	4,896,450	5,227,577	4,709,600	517,977
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,096,437)	(3,427,564)	(2,205,248)	1,222,316
OTHER FINANCING SOURCES				
Transfers in	2,112,194	2,112,194	2,112,194	-
NET CHANGE IN FUND BALANCE	(984,243)	(1,315,370)	(93,054)	1,222,316
FUND BALANCE—BEGINNING	984,243	1,315,370	1,315,370	-
FUND BALANCE—ENDING	$ -	$ -	$ 1,222,316	$ 1,222,316

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Capital Projects Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Budget			Variance With Final Budget- Positive
	Original	Final	Actual	(Negative)
REVENUES				
Investment earnings	$ 1,300	$ 1,300	$ 41,944	$ 40,644
Gifts to school and other revenue	496,000	496,000	26,900	(469,100)
Total revenues	497,300	497,300	68,844	(428,456)
EXPENDITURES				
Capital outlay	4,462,285	8,711,798	6,490,701	2,221,097
Contingency reserve	1,927,328	(2,513,730)	-	(2,513,730)
Total expenditures	6,389,613	6,198,068	6,490,701	(292,633)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,892,313)	(5,700,768)	(6,421,857)	(721,089)
OTHER FINANCING SOURCES				
Transfers in	3,550,000	3,750,000	4,750,000	1,000,000
NET CHANGE IN FUND BALANCE	(2,342,313)	(1,950,768)	(1,671,857)	278,911
FUND BALANCE—BEGINNING	2,342,313	1,950,768	1,950,768	-
FUND BALANCE—ENDING	$ -	$ -	$ 278,911	$ 278,911

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Operations and Technology Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Budget			Variance With Final Budget- Positive
	Original	Final	Actual	(Negative)
REVENUES				
Property taxes	$ 16,827,631	$ 16,827,631	$ 16,269,544	$ (558,087)
Interest income	25,241	25,241	31,397	6,156
Total revenues	16,852,872	16,852,872	16,300,941	(551,931)
EXPENDITURES				
Salaries and employee benefits	8,420,937	8,744,852	8,437,525	307,327
Purchased services	2,819,788	3,093,688	3,183,191	(89,503)
Supplies	3,378,187	4,398,420	4,805,301	(406,881)
Capital outlay	2,115,767	987,043	541,924	445,119
Other	-	-	160	(160)
Transfers out	1,136,042	1,136,042	1,169,653	(33,611)
Contingency reserve	5,641,175	4,878,926	-	4,878,926
Total expenditures	23,511,896	23,238,971	18,137,754	5,101,217
NET CHANGE IN FUND BALANCE	(6,659,024)	(6,386,099)	(1,836,813)	4,549,286
FUND BALANCE—BEGINNING	6,659,024	6,386,099	6,386,099	-
FUND BALANCE—ENDING	$ -	$ -	$ 4,549,286	$ 4,549,286

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Capital Projects—Building Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Budget			Variance With Final Budget- Positive
	Original	Final	Actual	(Negative)
REVENUES				
Interest earnings	$ 806,805	$ 806,805	$ 3,615,866	$ 2,809,061
Total revenues	806,805	806,805	3,615,866	2,809,061
EXPENDITURES				
Capital projects:				
Building and improvements	88,849,815	88,849,815	98,616,880	(9,767,065)
Contingency reserve	49,013,850	66,838,923	-	66,838,923
Total expenditures	137,863,665	155,688,738	98,616,880	57,071,858
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(137,056,860)	(154,881,933)	(95,001,014)	59,880,919
NET CHANGE IN FUND BALANCE	(137,056,860)	(154,881,933)	(95,001,014)	59,880,919
FUND BALANCE—BEGINNING	137,056,860	154,881,933	154,881,933	-
FUND BALANCE—ENDING	$ -	$ -	$ 59,880,919	$ 59,880,919

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Debt Service Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Budget			Variance With Final Budget-Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property taxes	$ 38,102,579	$ 38,102,579	$ 36,182,893	$ (1,919,686)
Investment earnings	137,250	137,250	771,223	633,973
Total revenues	38,239,829	38,239,829	36,954,116	(1,285,713)
EXPENDITURES				
Debt service:				
Principal	18,405,000	18,405,000	18,405,000	-
Interest and fiscal charges	19,130,600	19,130,600	19,138,556	(7,956)
Contingency reserve	32,624,957	32,551,758	-	32,551,758
Total expenditures	70,160,557	70,087,358	37,543,556	32,543,802
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(31,920,728)	(31,847,529)	(589,440)	31,258,089
NET CHANGE IN FUND BALANCE	(31,920,728)	(31,847,529)	(589,440)	31,258,089
FUND BALANCE—BEGINNING	31,920,728	31,847,529	31,847,529	-
FUND BALANCE—ENDING	$ -	$ -	$ 31,258,089	$ 31,258,089

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Combining Statement of Net Position
Component Units
June 30, 2023

	Littleton Academy Charter School	Littleton Preparatory Charter School	Total Component Units
ASSETS			
Equity in pooled cash and investments	$ 2,841,134	$ 3,229,760	$ 6,070,894
Restricted cash and investments	1,120,028	788,379	1,908,407
Due from other governments	116,712	48,918	165,630
Capital assets—net of accumulated depreciation			
Land	1,019,806	870,000	1,889,806
Land improvements	20,319	-	20,319
Building and leasehold improvements	3,533,969	5,481,793	9,015,762
Equipment	554,410	84,062	638,472
Construction in progress	11,351,110	-	11,351,110
Total assets	20,557,488	10,502,912	31,060,400
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding	243,503	-	243,503
Deferred OPEB outflows of resources	34,540	40,378	74,918
Deferred pension outflows of resources	1,433,807	1,676,032	3,109,839
Total deferred outflows	1,711,850	1,716,410	3,428,260
LIABILITIES			
Accounts and contracts payable	437,441	18,131	455,572
Accrued compensation	274,136	297,383	571,519
Accrued interest	74,521	25,604	100,125
Unearned revenue	9,650	25,835	35,485
Noncurrent liabilities:			
Due within one year	202,319	175,074	377,393
Due in more than one year	10,193,540	6,066,327	16,259,867
Net OPEB liability	216,173	252,711	468,884
Net pension liability	6,344,410	7,416,227	13,760,637
Total liabilities	17,752,190	14,277,292	32,029,482
DEFERRED INFLOWS OF RESOURCES			
Deferred OPEB inflows of resources	99,214	115,983	215,197
Deferred pension inflows of resources	1,132,477	1,323,796	2,456,273
Total deferred inflows	1,231,691	1,439,779	2,671,470
NET POSITION			
Net investment in capital assets	7,386,720	671,036	8,057,756
Restricted for:			
Debt service	-	126,191	126,191
Emergency reserve under TABOR	155,900	180,100	336,000
Repair and replacement	-	160,000	160,000
Capital projects	540,845	421,675	962,520
Unrestricted	(4,798,008)	(5,056,751)	(9,854,759)
Total net position	$ 3,285,457	$ (3,497,749)	$ (212,292)

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX
Combining Statement of Activities
Component Units
For the Fiscal Year Ended June 30, 2023

	Littleton Academy Charter School	Littleton Preparatory Charter School	Total Component Units
REVENUES			
Intergovernmental revenue:			
State equalization aid	$ 4,155,412	$ 4,512,375	$ 8,667,787
Supplemental funding from District	1,070,227	1,239,625	2,309,852
Fees for services	-	189,697	189,697
Investment earnings	204,855	136,271	341,126
Capital grants and contributions	163,183	186,315	349,498
Operating grants and contributions	269,367	266,931	536,298
Other	3,519,776	222,431	3,742,207
Total revenues	9,382,820	6,753,645	16,136,465
EXPENSES			
Current:			
Instruction	3,681,749	3,295,279	6,977,028
Support services	1,613,011	1,733,981	3,346,992
Debt service:			
Interest charges	295,595	305,549	601,144
Total expenses	5,590,355	5,334,809	10,925,164
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	3,792,465	1,418,836	5,211,301
CHANGE IN NET POSITION	3,792,465	1,418,836	5,211,301
NET POSITION—BEGINNING	(507,008)	(4,916,585)	(5,423,593)
NET POSITION—END OF THE YEAR	$ 3,285,457	$ (3,497,749)	$ (212,292)

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