
MAPLETON PUBLIC SCHOOLS
ADAMS COUNTY, COLORADO
FINANCIAL STATEMENTS
JUNE 30, 2020

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Board of Education
Mapleton Public Schools
Denver, Colorado

Report On The Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Mapleton Public Schools (the District) as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the District as of June 30, 2020, and the respective changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 20; the budgetary comparison information on pages 76 through 80; the schedules of the District's proportionate share of the net pension liability, District's contributions, District's proportionate share of the net other postemployment benefit (OPEB) liability and District's contributions on pages 81 through 84 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund financial statements and schedules and the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund financial statements and schedules and the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such 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 individual fund financial statements and schedules and the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 the District's internal control over financial reporting and compliance.

RubinBrown LLP

December 11, 2020

Management's Discussion and Analysis

The management of Mapleton Public Schools (District) offers this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2020.

Financial Highlights

- The total assets of the Primary Government, including land, buildings, equipment and deferred outflows of resources, were less than its total liabilities and deferred inflows of resources, including long term bonds payable, at the close of FY 2019-20 by \$96,528,783 (net position). The Net Position balance increased \$21,638,822 during FY 2019-20, due primarily to an increase of \$29.9 million in capital assets, offset by depreciation expense and current year disposals.
- At the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$61,703,843 an increase of \$5,884,473 from the prior year. The increase is due primarily to the issuance of general obligation bonds, offset by completion of capital projects in the 2020 Capital Projects Funds.
- The General Fund balance increased by \$2,033,452 in FY 2019-20 due to increased enrollment compared to the original budget.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$5,857,095 or 7.95% of the total General Fund operating revenue. Operating revenue consists of all District revenue minus the revenue passed through to Connections Academy (on-line school), which for FY 2019-20 totaled \$17,942,723. The total General Fund Non-spendable/Restricted/Committed/Assigned fund balances for FY 2019-20 are \$4,750,568, inclusive of restrictions of \$848,583 for the Insurance Fund and \$80,815 for the Colorado Pre-School Program Fund. Other fund balances in governmental funds include: \$169,367 in the Capital Reserve Fund, \$40,165,686 in the Capital Projects Fund, \$1,306,445 in the Food Service Fund and \$9,454,682 in the Bond Redemption Fund.
- June 30, 2020, \$2,826,345 of the \$10,607,663 fund balance of the General Fund was restricted for the emergency contingency required by Article X, Section 20 of the Colorado Constitution.
- The district's noncurrent liabilities increased by \$31,517,480 (21.14%), net of debt principal payments of \$12,674,361 during the current fiscal year. The increase is mainly explained by the issuance of governmental bonds for a total of \$36,603,327 as part of the 2016 voter approved debt.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Mapleton Public Schools' basic financial statements. The District's basic financial statements are made up of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of Mapleton Public Schools' finances in a manner similar to a private-sector business. They consist of two statements:

The *Statement of Net Position* presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Mapleton Public Schools is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of Mapleton Public Schools that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Mapleton Public Schools include instruction and support services of the District.

The government-wide financial statements can be found on pages 21 - 22 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenue, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Mapleton Public Schools maintains six individual governmental funds. Information is

presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenue, Expenditures, and Changes in Fund Balances for the General Fund, the Bond Redemption Fund, the Capital Reserve Fund, the Food Service Fund, the Capital Projects Fund and the Governmental Grants Fund, because all are considered to be major funds.

The governmental fund financial statements can be found on pages 23 and 25 of this report.

Proprietary Funds. Mapleton Public Schools maintains one type of proprietary fund. *Internal service funds* are accounting devices used to accumulate and allocate costs internally among Mapleton's various functions. The District uses an internal service fund to account for its risk-related activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. For reporting purposes, these activities are included with the General Fund.

Fiduciary Funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Mapleton Public Schools' own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Fiduciary Fund financial statement can be found on pages 27 - 28 of this report.

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

The notes to the basic financial statements can be found on pages 29 - 75 of this report.

Other Information. Mapleton Public Schools adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The combining statements referred to earlier, in connection with non-major governmental funds, are presented after the notes to the financial statements.

Primary Government Condensed Statement of Net Position

	FY 2020	FY 2019	Amount of Change	% of Change
Current and Other Assets	78,815,471	71,728,090	7,087,381	9.88%
Capital Assets, net of depreciation	212,636,149	182,685,390	29,950,759	16.39%
Total Assets	291,451,620	254,413,480	37,038,140	14.56%
Deferred Outflows of Resources	28,232,831	56,686,711	-28,453,880	-50.19%
Long-term Liabilities Outstanding	180,630,152	149,112,672	31,517,480	21.14%
Net Pension Liability	125,006,029	137,565,664	-12,559,635	-9.13%
Net OPEB Liability	6,145,050	6,780,567	-635,517	-9.37%
Other Liabilities	22,741,079	24,425,090	-1,684,011	-6.89%
Total Liabilities	334,522,310	317,883,993	16,638,317	5.23%
Deferred Inflows of Resources	81,690,924	111,293,803	-29,602,879	-26.60%
Net Position				
Net Investment in Capital Assets	64,782,134	58,022,803	6,759,331	11.65%
Restricted For:				
Debt Service	9,008,885	10,335,716	-1,326,831	-12.84%
Capital Purposes	5,397,185	0	5,397,185	
Multi-Year Contracts	993,550	993,550	0	0.00%
Preschool Sub-fund	80,815	275,258	-194,443	-70.64%
Emergencies	2,826,345	2,472,208	354,137	14.32%
Food Service Program	1,028,011	1,444,165	-416,154	-28.82%
Unrestricted	-180,645,708	-191,711,305	11,065,597	5.77%
Total Net Position	-96,528,783	-118,167,605	21,638,822	18.31%

Primary Government Condensed Statement of Changes in Net Position

	FY 2020	FY 2019	Amount of Change	% of Change
Program Revenues:				
Charges for Services	838,842	835,356	3,486	0.42%
Operating Grants and Contributions	14,717,314	12,321,555	2,395,759	19.44%
Capital Grants and Contributions	8,494,635	3,613,557	4,881,078	135.08%
General Revenues:				
Local Property Taxes	42,078,972	39,311,127	2,767,845	7.04%
Specific Ownership Taxes	2,719,369	3,307,264	(587,895)	-17.78%
State Equalization	52,272,539	48,815,803	3,456,736	7.08%
Other Revenues	1,909,090	1,957,239	(48,149)	-2.46%
Gain on Sale of Assets	-	-	-	0.00%
Investment Earnings	1,186,362	1,493,032	(306,670)	-20.54%
Capital Contributions:				
Contributed Capital from Govt.	-	-	-	
Total Program, General, and Capital Revenue	124,217,123	111,654,933	12,562,190	11.25%
Expenses:				
Instruction	55,469,748	55,278,193	191,555	0.35%
Supporting Services	40,715,171	38,305,838	2,409,333	6.29%
Interest Expense	6,393,382	5,897,067	496,315	8.42%
Total Expenses:	102,578,301	99,481,098	3,097,203	3.11%
Increase in Net Position Before Transfers	21,638,822	12,173,835	9,464,987	77.75%
Transfers	-	-	-	
Change in Net Position	21,638,822	12,173,835	9,464,987	77.75%
Net Position - July 1 (prior)	(118,167,605)	(130,341,440)	12,173,835	9.34%
Net Position - July 1 (current)	(96,528,783)	(118,167,605)	21,638,822	18.31%

Government-wide Financial Analysis

As noted earlier, *net position* may serve over time as a useful indicator of the District's financial position. In FY 2019-20, the District's assets were less than its liabilities by \$96,528,783. In FY 2018-19, the District had a net position of (\$118,167,605) an increase of \$21,638,822. Explanations for the change in net position are found below.

Governmental Activities. Governmental activities increased the District's net position by \$21,638,822. Key elements of governmental activity are as follows:

- Total Governmental Activities Program, General, and Capital Revenue increased by \$12,562,190 from FY 2018-19 to FY 2019-20.
- The federal and state governments subsidized certain programs with Operating Grants and Contributions totaling \$14,717,314, an increase of 19.44% from FY 2018-19. This increase is explained by CRF Funds and additional Medicaid revenue.
- Capital Grants and Contributions total is \$8,494,635 which is mainly attributed to the Building Excellent Schools Today (BEST) grants for Global Intermediate Academy and Valley View.
- In General Revenues, the District realized a significant increase in the amount of property taxes collected due to the passage of the bond and mill-levy override. The Adams County Assessor's Office reported an increase in assessed valuation for Mapleton of \$145,321,790 which is approximately 21.36%. However, the City and County of Denver, Adams County, and the Denver Urban Renewal Authority entered into a Tax Increment Financing (TIF) agreement in 2010 for the environmental remediation and re-development of the old 77 acre ASARCO plant that was partially located within the Mapleton Public School District boundaries. The agreement called for an abatement of local property taxes and in FY 2019-20 reduced Mapleton's assessed valuation by \$18,453,460.
- Primary government expenses for FY 2019-20 were \$102,578,301, an increase of \$3,097,203 or 3.11% from FY 2018-19 which is mostly attributed to an increase in debt service payments and supporting services salaries and benefits.
- Instructional expenses increased by \$191,555 or 0.35% on a governmental wide basis. This is primarily due to an increase in salaries and benefits and a decrease in the District's proportionate share of the pension liability after the special funding from the state.
- Primary government supporting services expenses increased by \$2,409,333 or 6.29% also mostly attributed to an increase in salaries and benefits and long-term debt service payments and a decrease in the District's proportionate share of the pension liability after the special funding from the state.
- Expenditures in the Capital Reserve Fund decreased by \$641,729 due to a reduction of capital and small equipment purchases.
- Most of the District's governmental activities were financed by District and state taxpayers. General revenues for governmental activities consist of \$42,078,972 in local revenues including property taxes and \$52,272,539 of state revenues including unrestricted state equalization based on the statewide education aid formula.
- The district received Covid Relief Funds in the amount of \$5,886,166 from CDE. These funds were used to support remote learning and facilities health and safety expenses.

Financial Analysis of the Governmental Funds

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

As of the end of FY 2019-20, Mapleton Public Schools' governmental funds reported a combined ending fund balance of \$61,703,843, an increase of \$5,884,473 or 10.54%. The increase is explained by the issuance of \$23,650,000 General Obligation Bonds, Series 2019A and related premium of \$6,512,239. Additionally, \$6,441,088 Bonds 2019C were issued as part of the dollar matching grant from the Colorado Best program for the construction of Valley View school building. Capital Projects Fund revenues were offset by project completion expenditures in the amount of \$39,249,182.

In the District's General Fund, only the restricted items are protected in un-expendable budget lines (Multi-Year Contracts, Emergency Reserves, etc.). The remaining unassigned fund balance is distributed throughout the District budget in accounts that are expendable or held as contingency.

General Fund

The General Fund is the major operating fund of Mapleton Public Schools, providing the majority of the resources for educational and support programs. For reporting purposes, the General Fund includes the General Operating Fund, Risk Management Fund and Preschool Fund. As of June 30, 2020, the General Fund reports ending fund balance of \$10,607,663, an increase of \$2,033,452 from the prior year.

Revenues

Revenues for the General Fund totaled \$91,633,158 before transfers in FY 2019-20. The following table reflects the amount of revenue from various sources:

General Fund Revenues:	FY 2020	FY 2019	Amount of Change	Percent of Change
Local Property Taxes	29,058,327	25,763,991	3,294,336	12.79%
Specific Ownership Taxes	2,719,369	3,307,264	(587,895)	-17.78%
Other Local	2,624,997	1,967,384	657,613	33.43%
Equalization	52,272,539	48,815,803	3,456,736	7.08%
Other State	4,957,926	4,820,001	137,925	2.86%
Total	91,633,158	84,674,443	6,958,715	8.22%

Property Taxes. The calendar year 2020 General Fund property tax revenues were based upon a levy of 35.95 mills applied against the assessed valuation of \$825,823,560 minus the TIF of \$18,453,460. The 2019 mill levy was 37.87 mills applied against an assessed valuation of \$695,919,890 minus the TIF of \$15,418,120. Collection amounts remained steady at 94.55%.

Specific Ownership Taxes. Specific ownership tax is applied to the fair value of vehicles registered in Colorado. The tax is collected when vehicle owners renew their vehicle registrations each year. This year's collections decreased by \$587,895 or 17.78%.

State Equalization. State equalization revenue for kindergarten through 12th grade education is the primary revenue source for the General Fund. Payments are received monthly at generally 1/12th of the annual state estimated revenue. Total state equalization payments increased by \$3,456,736, 7.08% higher than FY 2019-20. This is explained by a higher pupil count and the inflationary increase from the state to the base funding value. FY 2010-11 marked the end of the provision in Amendment 23 of the state constitution which required that base funding for K-12 education increase by the rate of inflation plus 1%. The base funding will continue to increase by the rate of inflation annually. FY 2019-20 marks the eleventh year that the state has applied the "Budget Stabilization Factor" to the funding formula. In 2019-20, these reductions amounted to approximately 9.75% of the amount the District was supposed to receive. This equates to almost a \$5.6 million reduction to Mapleton.

Education of the Handicapped. The majority of the District's revenue for education of disabled students is received in the fall of each year. Revenue received in FY 2019-20 was \$1,792,526 which was an increase of \$116,926 over FY 2018-19.

Other State Sources. Other state sources consist mainly of state English Language Proficiency (ELPA) revenue for \$781,488, transportation reimbursement revenue for \$591,757, and revenue recognition for the payment made by the state to PERA for \$1,200,896.

Expenditures

Expenditures in the General Fund totaled \$89,527,706 in FY 2019-20. This represents an increase of 5.27% from FY 2018-19. Most of the change is due to cost of living salaries increase and movement on the negotiated salary schedules. The district also recognized a \$1,200,896 expenditure related to on-behalf payments made by the State to Colorado PERA. On-behalf payments were allocated \$768,303 to Instruction and \$432,594 to Supporting Services.

General Fund Expenditures	FY 2020	FY 2019	Amount of Change	Percent of Change
Instruction	54,001,654	50,806,900	3,194,754	6.29%
Pupil Services	3,726,166	4,115,220	(389,054)	-9.45%
Instructional Support	3,445,871	3,152,747	293,124	9.30%
General Administration	3,603,262	2,841,308	761,954	26.82%
School Administration	6,235,523	6,304,564	(69,041)	-1.10%
Business Services	2,875,172	2,873,191	1,981	0.07%
Operations and Maintenance	6,737,084	6,146,493	590,591	9.61%
Student Transportation	2,659,630	2,671,546	(11,916)	-0.45%
Central Support	5,081,776	5,132,263	(50,487)	-0.98%
Other Support	537,927	569,059	(31,132)	-5.47%
Food Svcs Operations	25,420	67,534	(42,114)	
Community Services	347,145	231,428	115,717	50.00%
Capital Outlay	251,077	48,489	202,588	417.80%
Debt Service	-	86,391	(86,391)	-100.00%
Total	89,527,706	85,047,133	4,480,573	5.27%

Transfers to Other Funds. The per pupil requirement for transfer to the Capital Reserve fund is no longer required; however, the General fund allocated \$72,000 of property tax revenues to the Capital Reserve Fund for COPs debt service payments.

OTHER MAJOR FUNDS

Food Service Fund

The Food Service Fund's balance decreased by \$301,202 in FY 2019-20. The department is anticipating a further spenddown of its reserves in the coming fiscal year as new equipment is purchased for various sites.

Bond Redemption Fund

The Bond Redemption Fund's balance decreased by \$1,291,204 in FY 2019-20. The mills were adjusted to compensate for the payments of GO Bonds 2019A, Go Refunding Bonds 2019B and Matching Money Bonds 2019C interest payment which will begin in December 2020. The revenue in this fund can also vary slightly due to percentage of property tax actually collected.

In September 2019, the District issued \$4,175,000 of General Obligation Refunding Bonds, Series 2019B for the purpose of advance refunding a portion of the General Obligation Bonds, Series 2017. The proceeds were deposited with the escrow bank. As a result, a portion of the 2017 General Obligation Bonds are considered defeased, and the related liability for the bonds has been removed from the District's liabilities.

Bond Redemption Fund reported fund balance of \$9,454,682. The large ending fund balance is necessary to have sufficient cash on hand to make debt service payments as they become due in the subsequent year. Property tax levies are based upon a calendar year cycle while debt service payments are made each fiscal year in December and June.

Governmental Grants Fund

The Grant Fund's balance has remained at \$0 for FY 2019-20.

Grants revenues increased by \$1,668,482 when compared to prior year. This is mainly explained by the \$5,886,166 Coronavirus Relief Funds passed through the State in May 2020. Out of this allocation, \$1,824,424 were used to pay for incurred Covid19 related expenditures during FY19-20. The balance was booked to Deferred Revenue for FY20-21 consumption.

Capital Reserve Fund

The Capital Reserve Fund's balance decreased by \$501,000 in FY 2019-20. The General Fund allocated \$72,000 of property tax revenue to the Capital Reserve fund to address the COPs debt service payments during FY 2019-20

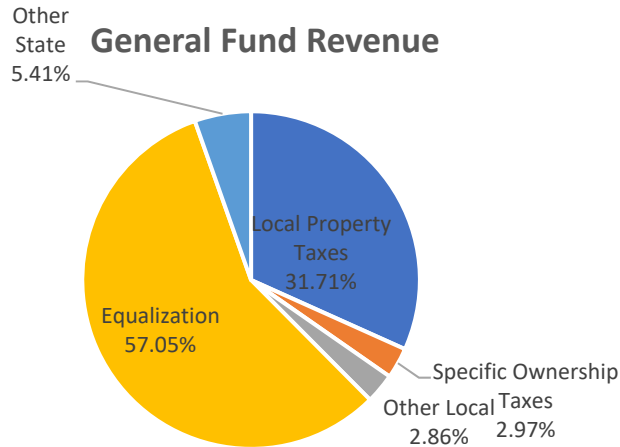
Capital Projects Fund

The Capital Projects Fund's balance increased by \$5,944,427 in FY 2019-20. Projects related to the voter approved 2017 GO Bond are continuing to progress. This district was awarded a \$17.4 million Best grant for the construction of Valley View school. The district issued Matching Money GO Bonds 2019C in the amount of \$6,441,088 consistent with the requirements of the Best Act.

Additionally, GO Bonds Series 2019A in the amount of \$23,650,000 and related premium of \$6,512,239 were issued in November 2019. This bond issuance will complete the 2017 voter approved debt of \$150 million.

General Fund Budgetary Highlights

For audit purposes, the General Fund includes funds 10, 18, and 19. In the annual budget document, the funds are budgeted separately.



The original FY 2019-20 budget adopted by the Board of Education for the District as a whole totaled appropriations of \$166,230,841 including General Fund (10,18, and 19) appropriations of \$91,292,895.

The final General Fund supplemental budget appropriation of \$91,668,732, reflected an increase in Preschool revenue due to an underestimated state share revenue.

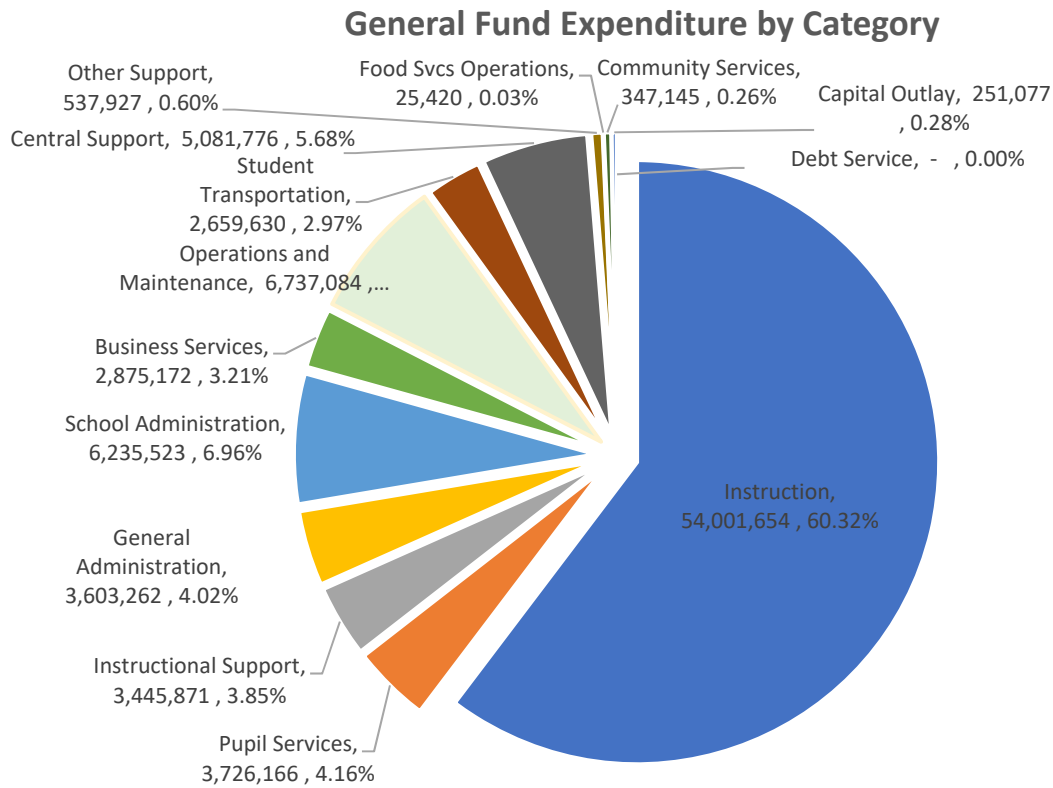
The following chart illustrates General Fund Revenues including the Insurance and Colorado Pre-School Program sub-funds.

General Fund Budget vs. Actual Revenue*

General Fund Revenues:	Original Budget	Final Budget	Actual	Variance
Local Property Taxes	28,695,372	28,695,372	29,058,327	362,955
Specific Ownership Taxes	3,400,000	3,400,000	2,719,369	(680,631)
Other Local	2,711,743	2,711,743	2,624,997	(86,746)
State of Colorado				-
Equalization	50,838,107	50,838,107	52,272,539	1,434,432
Other State	3,467,214	3,467,214	4,957,926	1,490,712
Total	89,112,436	89,112,436	91,633,158	2,520,722

*Before transfers

General Fund final budget to actual variance was \$2,520,722 or 2.83% over final budgeted revenues. This is mainly explained by On-behalf payment made by the State to PERA for a value of \$1,200,896.



General Fund Budget vs. Actual Expenditures

General Fund Expenditures:	Original Budget	Final Budget	Actual	Variance to Final
Instruction	59,086,967	58,646,274	54,001,655	(4,644,619)
Pupil Services	3,854,166	3,605,664	3,726,163	120,499
Instructional Support	3,038,008	3,494,603	3,445,871	(48,732)
General Administration	1,591,189	1,578,719	3,603,266	2,024,547
School Administration	6,102,370	6,211,486	6,235,523	24,037
Business Services	1,977,076	2,034,164	2,875,171	841,007
Operations and Maintenance	7,758,219	6,702,830	6,737,084	34,254
Student Transportation	2,815,428	2,876,897	2,659,629	(217,268)

Central Support	4,109,304	4,400,102	5,081,775	681,673
Other Support	615,969	615,995	537,928	(78,067)
Food Svcs Operations	100,000	100,000	25,420	(74,580)
Community Services	106,864	120,591	347,144	226,553
Contingency/Capital Outlay/Debt Service	137,335	1,281,407	251,077	(1,030,330)
Total	91,292,895	91,668,732	89,527,706	(2,141,025)

General Fund final budget to actual variance was -\$2,141,025 or 2.34% under final budgeted expenditures. The most significant variance was instructional expenditures which also contains the contingency for the General Fund. Some of the budget variance was due to changes submitted by Connections Academy contract school which are part of the overall budget appropriation, but not regulated by Mapleton's Board of Education.

Capital Asset and Debt Administration

Capital Assets. Mapleton Public Schools' investment in capital assets for its governmental and business type activities as of June 30, 2020 amounts to \$212,636,149 (net of accumulated depreciation). This investment in capital assets includes land, buildings, service vehicles, buses, playgrounds, and office and instructional equipment.

Capital Assets	Governmental Activities	
	2020	2019
Land	4,970,513	4,970,513
Construction in Progress	46,258,853	31,453,995
Site Improvements	29,467,161	27,674,892
Buildings and Improvements	170,426,330	153,494,774
Equipment and vehicles	8,924,908	8,876,889
Depreciation	(47,411,616)	(43,785,674)
Total	212,636,149	182,685,389

Additional information on the District's capital assets can be found in Note 3 of this report.

Long-Term Debt. As of June 30, 2020, the district had outstanding debt of \$186,214,911. Of this amount, \$130,160,000 is general obligation bonded debt, which is backed by the full faith and credit of the District, \$30,290,748 in matching money bonds from the state of Colorado BEST grant. In addition, the District maintains leases on lighting and buses in the amount of \$177,491. These leases are collateralized with the upgraded equipment and the voter-approved mill levy override (technology equipment only). In FY 2004-05, the District secured \$5,567,202 in debt proceeds (less discount) through Certificates of Participation (COPS), which was refinanced in FY 2015-16 and now appear as the 2015 COPS debt with a balance of \$1,865,000. In FY 2016-17, the District secured an additional COPS in the amount of \$4,200,000 for the purchase of the Broadway Building. The COPS 2016 outstanding balance is \$3,530,000,. The District's remaining long-term debt is illustrated in the table below.

Long-Term Debt	Governmental Activities	
	2020	2019
General Obligation Bonds	130,160,000	111,555,000
Matching Money Bonds	30,290,748	25,261,136
Capital Leases	177,491	258,836
Certificates of Participation	5,395,000	5,835,000
Bond Premiums	18,437,324	13,256,152
COPS Refunding Premium	49,005	58,806
Compensated Absences	1,705,342	1,250,384
Total Long-Term Debt	186,214,911	157,475,314

As of June 30, 2020, the District's total long-term debt was 22.55% of the assessed valuation of \$825,823,560, or 3.45% of the actual valuation of \$5,403,190,519.

For more detailed information on debt administration, see Note 5 in the Notes to basic Financial Statements.

Economic Factors and Next Year's Budgets

While economic and revenue collections have exceeded expectations in recent months, the near and longer-term impacts of the pandemic on Colorado's economy and state revenue remain uncertain according to the Colorado Legislative Council's economic and revenue forecast for September 2020. Longer and repeated periods of reduced economic activity to control the spread of COVID-19 will cause more severe and longer-lasting revenue impacts. Conversely, near-term development and distribution of a COVID-19 therapy, a stronger than expected resumption of

economic activity, and additional federal fiscal and/or monetary policy support pose near-term upside risks to next year's budget.

The School Finance for FY 2021-22 total program requirement is expected to be \$132 million higher than last year's requirement due primarily to higher inflation expectations. In FY 2021-22, state aid is expected to increase by at least \$143 million relative to last year to cover the full increase in total program funding and to offset a decline in the local share, as the COVID-19 pandemic is expected to depress growth in assessed values for property taxes and specific ownership taxes to school districts. Assuming that assessed values remain constant relative to FY 2020-21 levels and specific ownership tax declines 6 percent, the local share would be \$11 million lower on a year-over-year basis.

Preliminary, unaudited figures from the Office of the State Controller indicate cash fund revenue subject to TABOR totaled \$2.24 billion in FY 2019-20, a decrease of \$201.3 million or 8.3 percent from the prior fiscal year. The most significant decrease in both dollar and percentage terms was in severance tax collections, which shrank by \$123.5 million, or 48.4 percent. Monthly average oil and gas production and prices tracked below FY 2018-19 levels during the first nine months of the fiscal year before COVID-related shutdowns caused both prices and production to fall precipitously. Transportation-related revenue, the largest source of cash fund revenue subject to TABOR, also declined, contracting by \$77.7 million, as demand for motor fuel and vehicle registrations fell April through June this year.

Current business activity indicators suggest that the recovery continues from May and June lows across sectors, but many businesses continue to trim employment, reduce their capital budgets, and delay projects to cut costs and maintain profits. In April, the federal government and many local governments began offering loans to assist small businesses through the pandemic. In spite of low- and no-interest loans, many companies continue to struggle, and some have closed or significantly reduced operations. Moreover, social distancing restrictions appear to be reshaping consumer-spending patterns, supporting recovery and expansion for some companies while hindering others.

Denver-Aurora-Lakewood inflation is expected to continue to exceed the U.S. average. Prices in the Denver-Aurora-Lakewood combined statistical area have comfortably outpaced national inflation. Housing prices, in particular, have inflated more quickly than at the national level, as demand remains high and supply remains comparatively constrained. • Headline inflation for U.S. urban consumers is expected to raise prices by 1.3 percent in 2020 and 1.9 percent in 2021. Headline inflation in the Denver-Aurora-Lakewood combined statistical area is forecast at 1.7 percent in 2020 and 2.2 percent in 2021

Colorado's diverse seven-county metro Denver region holds the largest share of the state's population and workforce of the nine economic regions identified in this forecast. The impacts of the COVID-19 pandemic and related recession have taken a toll on the region's labor market, with only a fraction of the jobs lost in March and April regained in subsequent months. In response to the downturn in tourism and business travel and shifts in consumer activity, many businesses have reduced their workforce or shuttered their doors. Reflecting ongoing elevated demand, residential real estate and construction markets remain hot in the metro Denver area. Nonresidential construction activity, however, continues to cool from 2016 highs.

Data published by the U.S. Bureau of Labor Statistics for the metro Denver region suggest a 4.0 percent decline in the number of jobs year-to-date through July relative to the same period last year. Between January and April, the region lost 197,800 jobs (more than one in every ten jobs) of which 73,200 have been recovered between May and July (Figure 19, left). The metro Denver region is home to a wide range of tourism-related and business travel activities, with Denver International Airport serving as the main air transit hub in and out of Colorado. While conditions have improved since the lows of April, reduced air travel and ongoing social distancing continue to hit employment hard for leisure and hospitality industries, including performing arts and entertainment, hotels, brick and mortar retail establishments, and restaurants and bars. The Denver metro area is home to a large concentration of oil and gas firms, many of which have reduced the size of their workforce amid the low energy price environment. The area unemployment rate rose from 2.6 percent in February to a high of 12.2 percent in April before ticking down to 9.9 percent in June (Figure 19, right). Year-to-date through June, the regional unemployment rate is 7.0 percent.

Home price appreciation continues to moderate in the metro Denver region along with other regions of the state following several years of double-digit gains (Figure 20). COVID-19-related restrictions and uncertainty limited the number of homes put on the market in recent months. Home prices are expected to remain elevated as demand for housing in the metro Denver area continues to outstrip limited supply.

Mapleton Public Schools October, 2020 count verified 8899 FTE total funded enrollment for the 20-21 school year, a decrease of 204 FTE for Mapleton and an increase of 232 FTE for Connections when compared to October, 2019 count.

Salary adjustments for staff are the result of salary and compensation negotiations and discussions. For budget development purposes, salary and benefit amounts are primarily based on salary schedule increases consistent with the rate of increase in per pupil funding.

For FY 2019-20, the District agreed to funding a step and 2.9% for classified employees and school administrators. Central Administrators received a salary increase of 2.7%. A new salary schedule was created for certified employees with competitive increases.

On November 8, 2016, the District did successfully pass both a mill-levy override and a bond measure for \$150M. The mill-levy override raised \$1 million the first year, \$2 million the second year, and will raise \$3 million for each subsequent year. The additional funds are used to enhance classroom materials and equipment; create a middle/high school career technology program; help maintain both existing and new school buildings and grounds; and attract and retain highly qualified staff to work with Mapleton students.

The bond proceeds have funded the renovation of Welby, Preschool on Poze, Big Picture, Career X and the completion of new buildings for: Adventure, Trailside, Explore, Global Intermediate, Global Primary and Global Leadership. Fine Arts and Monterey buildings will be completed by August 2021. Valley View building is scheduled for completion February 2022.

In FY 2019-20, Mapleton Public Schools issued an additional General Obligation Bonds 2019A for the amount of \$23,650,000, as part of the 2016 voter approve debt. The proceeds will be used to finance remaining capital projects. Additionally, Taxable General Obligation Refunding Bonds for the amount of \$4,175,000 were issued to refinance a portion of the principal payments due on the 2017 Bonds and pay the cost of issuance.

This district was awarded a \$17.4 million Best grant for the construction of Valley View school. The district issued Matching Money GO Bonds 2019C in the amount of \$6,441,088 consistent with the requirements of the Best Act.

Moody's Investors Service has assigned the Bonds a rating of Aa2.

Requests for Information

This financial report is designed to provide a general overview of Mapleton Public Schools. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, 7350 N. Broadway, Denver, CO 80221 or (303) 853-1000.

MAPLETON PUBLIC SCHOOLS

STATEMENT OF NET POSITION

June 30, 2020

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
Assets	
Cash and investments	\$ 20,001,661
Restricted cash and investments	52,463,182
Due from other governments	2,988
Accounts receivable	201,102
Taxes receivable	2,276,443
Grants receivable	2,776,129
Receivable from external parties	22,358
Other assets	791,899
Prepaid items	1,275
Inventories	278,434
Capital assets:	
Not being depreciated	51,229,366
Depreciable	161,406,783
Total Assets	<u>291,451,620</u>
Deferred Outflows Of Resources	
Deferred loss on refunding	1,717,685
Deferred outflows pension	25,426,230
Deferred outflows OPEB	1,088,916
Total Deferred Outflows Of Resources	<u>28,232,831</u>
Liabilities	
Accounts payable	4,262,280
Accrued salaries and benefits	5,886,622
Retainage payable	949,880
Unearned revenues	5,435,305
Accrued interest payable	622,233
Noncurrent liabilities:	
Long-term debt:	
Due within one year	5,584,759
Due in more than one year	180,630,152
Net pension liability	125,006,029
Net OPEB liability	6,145,050
Total Liabilities	<u>334,522,310</u>
Deferred Inflows Of Resources	
Deferred inflows pension	80,456,813
Deferred inflows OPEB	1,234,111
Total Deferred Inflows Of Resources	<u>81,690,924</u>
Net Position	
Net investment in capital assets	64,782,134
Restricted:	
Debt service	9,008,885
Capital purposes	5,397,185
Multi-year contracts	993,550
Preschool	80,815
Emergencies	2,826,345
Food Nutrition Program	1,028,011
Unrestricted	(180,645,708)
Total Net Position	<u>\$ (96,528,783)</u>

MAPLETON PUBLIC SCHOOLS

STATEMENT OF ACTIVITIES For The Year Ended June 30, 2020

	Program Revenues				Net Revenue (Expense) And Changes In Net Position
	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities
Primary Government					
Governmental activities:					
Instruction	\$ 55,469,748	\$ 533,310	\$ 9,051,294	\$ —	\$ (45,885,144)
Supporting services	40,715,171	305,532	5,666,020	8,494,635	(26,248,984)
Interest on long-term debt	6,393,382	—	—	—	(6,393,382)
Total Governmental Activities	102,578,301	838,842	14,717,314	8,494,635	(78,527,510)
Total Primary Government	\$ 102,578,301	\$ 838,842	\$ 14,717,314	\$ 8,494,635	(78,527,510)
General Revenues					
Local property taxes					42,078,972
Specific ownership taxes					2,719,369
State equalization					52,272,539
Investment earnings					1,186,362
Other					1,909,090
Total General Revenues					100,166,332
Change In Net Position					21,638,822
Net Position - Beginning Of Year					(118,167,605)
Net Position - End Of Year					\$ (96,528,783)

MAPLETON PUBLIC SCHOOLS

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2020

Assets								
	General Fund	Governmental Grants Fund	Food Service Fund	Capital Reserve Fund	Capital Projects Fund	Bond Redemption Fund		Total
Cash and investments	\$ 13,706,658	\$ 5,228,265	\$ 1,058,218	\$ 8,520	\$ —	\$ —	\$	20,001,661
Restricted cash and investments	—	—	—	—	43,527,768	8,935,414		52,463,182
Accounts receivable	1,754	151,198	33,800	14,300	50	—		201,102
Due from other funds	2,134,304	265	—	150,000	251,077	—		2,535,646
Due from other governments	2,988	—	—	—	—	—		2,988
Taxes receivable	1,580,739	—	—	—	—	695,704		2,276,443
Grants receivable	—	1,593,754	231,700	—	950,675	—		2,776,129
Other assets	791,899	—	—	—	—	—		791,899
Prepaid items	1,275	—	—	—	—	—		1,275
Inventories	—	—	278,434	—	—	—		278,434
Total Assets	\$ 18,219,617	\$ 6,973,482	\$ 1,602,152	\$ 172,820	\$ 44,729,570	\$ 9,631,118	\$	81,328,759
Liabilities, Deferred Inflows Of Resources And Fund Balances								
Liabilities:								
Accounts payable	\$ 556,215	\$ 87,991	\$ 4,070	\$ —	\$ 3,614,004	\$ —	\$	4,262,280
Accrued salaries and benefits	5,886,622	—	—	—	—	—		5,886,622
Retainage payable	—	—	—	—	949,880	—		949,880
Due to other funds	601,706	1,636,635	271,494	3,453	—	—		2,513,288
Unearned revenues	166,306	5,248,856	20,143	—	—	—		5,435,305
Total Liabilities	7,210,849	6,973,482	295,707	3,453	4,563,884	—		19,047,375
Deferred Inflows Of Resources								
Unavailable property tax - revenue	401,105	—	—	—	—	176,436		577,541
Fund Balances								
Nonspendable:								
Prepaid items	1,275	—	—	—	—	—		1,275
Inventories	—	—	278,434	—	—	—		278,434
Restricted for debt service	—	—	—	—	—	9,454,682		9,454,682
Restricted for capital purposes	—	—	—	169,367	40,165,686	—		40,335,053
Restricted for multi-year contracts	993,550	—	—	—	—	—		993,550
Restricted for preschool	80,815	—	—	—	—	—		80,815
Restricted for the TABOR Amendment	2,826,345	—	—	—	—	—		2,826,345
Restricted for Food Nutrition Program	—	—	1,028,011	—	—	—		1,028,011
Committed - insurance pool	791,899	—	—	—	—	—		791,899
Assigned - insurance	56,684	—	—	—	—	—		56,684
Unassigned	5,857,095	—	—	—	—	—		5,857,095
Total Fund Balances	10,607,663	—	1,306,445	169,367	40,165,686	9,454,682		61,703,843
Total Liabilities, Deferred Inflows Of Resources And Fund Balances	\$ 18,219,617	\$ 6,973,482	\$ 1,602,152	\$ 172,820	\$ 44,729,570	\$ 9,631,118	\$	81,328,759

MAPLETON PUBLIC SCHOOLS

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION June 30, 2020

Total Governmental Funds Balances		\$	61,703,843
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.			212,636,149
Unavailable revenues are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			577,541
Accrued interest payable is not due and payable in the current period and, therefore, is not reported in the funds.			(622,233)
Net pension liability and related deferred outflows and deferred inflows are not considered current and, therefore, not reported in the funds.			
Deferred outflows	25,426,230		
Deferred inflows	(80,456,813)		
Net pension liability	<u>(125,006,029)</u>		(180,036,612)
Net OPEB liability and related deferred outflows and deferred inflows are not considered current and, therefore, not reported in the funds.			
Deferred outflows	1,088,916		
Deferred inflows	(1,234,111)		
Net OPEB liability	<u>(6,145,050)</u>		(6,290,245)
Liabilities not due and payable in the current period are not reported in the funds but are reported on the statement of net position.			
Bonds payable	(160,450,748)		
Certificates of participation payable	(5,395,000)		
Capital leases payable	(177,491)		
Premiums	(18,486,329)		
Deferred loss on refunding	1,717,685		
Compensated absences	<u>(1,705,343)</u>		(184,497,226)
Net Position Of Governmental Activities		\$	<u>(96,528,783)</u>

MAPLETON PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For The Year Ended June 30, 2020

	General Fund	Governmental Grants Fund	Food Service Fund	Capital Reserve Fund	Capital Projects Fund	Bond Redemption Fund	Total
Revenues							
Local sources	\$ 34,402,693	\$ 797,272	\$ 389,151	\$ 210,180	\$ 642,747	\$ 12,903,077	\$ 49,345,120
State sources	57,230,465	843,370	66,199	—	7,947,535	—	66,087,569
Federal sources	—	6,380,713	2,218,932	—	—	—	8,599,645
Total Revenues	91,633,158	8,021,355	2,674,282	210,180	8,590,282	12,903,077	124,032,334
Expenditures							
Instruction	54,001,655	5,131,857	—	—	—	—	59,133,512
Supporting services	35,274,974	2,342,398	2,833,913	9,257	3,302,589	2,358	43,765,489
Capital outlay	251,077	547,100	141,571	61,988	35,946,593	—	36,948,329
Debt service:							
Principal	—	—	—	521,345	—	7,321,476	7,842,821
Interest and fiscal charges	—	—	—	190,590	—	6,870,447	7,061,037
Total Expenditures	89,527,706	8,021,355	2,975,484	783,180	39,249,182	14,224,577	154,781,484
Excess (Deficiency) Of Revenues Over Expenditures	2,105,452	—	(301,202)	(573,000)	(30,658,900)	(1,321,500)	(30,749,150)
Other Financing Sources (Uses)							
Proceeds from bond issuance	—	—	—	—	23,650,000	—	23,650,000
Other long-term debt proceeds	—	—	—	—	6,441,088	—	6,441,088
Premium on bond issuance	—	—	—	—	6,512,239	—	6,512,239
Proceeds from refunding debt	—	—	—	—	—	4,175,000	4,175,000
Payment to refunded debt escrow	—	—	—	—	—	(4,144,704)	(4,144,704)
Transfers in (out)	(72,000)	—	—	72,000	—	—	—
Total Other Financing Sources (Uses)	(72,000)	—	—	72,000	36,603,327	30,296	36,633,623
Net Change In Fund Balances	2,033,452	—	(301,202)	(501,000)	5,944,427	(1,291,204)	5,884,473
Fund Balances - Beginning Of Year	8,574,211	—	1,607,647	670,367	34,221,259	10,745,886	55,819,370
Fund Balances - End Of Year	\$ 10,607,663	\$ —	\$ 1,306,445	\$ 169,367	\$ 40,165,686	\$ 9,454,682	\$ 61,703,843

MAPLETON PUBLIC SCHOOLS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For The Year Ended June 30, 2020

Net Change in Fund Balance - Total Governmental Funds \$ 5,884,473

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

Governmental funds report capital outlays as expenditures. However in the
statement of activities, the cost of those assets are allocated over their
estimated useful lives as depreciation expense. This is the amount by which
capital outlays exceed depreciation in the current period.

Capital outlay	36,948,329	
Depreciation expense	<u>(5,959,818)</u>	30,988,511

In the statement of activities, the gain or loss on the sale of assets is reported, but
only the proceeds are reported in the governmental funds. The difference is the
net book value of disposed assets. (1,037,753)

Revenues in the statement of activities that do not provide current financial resources
are not reported as revenues in the funds. This amount represents the change in
unavailable property taxes. 190,719

The issuance of long-term debt provides current financial resources to governmental
funds, while the repayment of principal of long-term debt consumes current financial
resources of governmental funds. Neither transaction, however, has any effect on net
position. Also, governmental funds report the effect of premiums, discounts and
similar items when debt is first issued, whereas these amounts are amortized in the
statement of activities.

Proceeds from issuance of bond	(36,603,327)	
Refunding bonds issued	(4,175,000)	
Payment to refunded bond escrow	4,144,704	
Bond principal payments	6,486,772	
Certificates of participation principal payments	440,000	
Net activity of bond premiums	1,340,868	
Net activity related to amortizing deferred loss on refundings	243,177	
Change in compensated absences	(454,959)	
Capital lease payments	81,345	
Change in accrued interest payable	<u>(81,683)</u>	(28,578,103)

Pension benefit reported in the statement of activities does not require
the use of current financial resources and, therefore, is not reported as
expenditures in the funds. 14,191,178

OPEB expense reported in the statement of activities does not require
the use of current financial resources and, therefore, is not reported as
expenditures in the funds. (203)

Change In Net Position Of Governmental Activities \$ 21,638,822

MAPLETON PUBLIC SCHOOLS
STATEMENT OF FIDUCIARY NET POSITION -
STUDENT ACTIVITY CUSTODIAL FUND
June 30, 2020

Assets

Cash and investments	<u>\$ 315,584</u>
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Liabilities

Accounts payable	1,886
Due to other funds	<u>22,358</u>

Total Liabilities	<u>24,244</u>
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Net Position

Restricted for student activities	<u>291,340</u>
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Total Net Position	<u><u>\$ 291,340</u></u>
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MAPLETON PUBLIC SCHOOLS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - STUDENT ACTIVITY CUSTODIAL FUND

June 30, 2020

Additions

Activities and fees	\$ 237,503
Donations	3,239
Interest income	673
Total Additions	<u>241,415</u>

Deletions

Supplies and materials	221,283
Purchased services	6,410
Total Deletions	<u>227,693</u>

Net Change In Fund Balances	13,722
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Fund Balances - Beginning Of Year	<u>277,618</u>
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Fund Balances - End Of Year	<u><u>\$ 291,340</u></u>
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MAPLETON PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

1. Summary Of Significant Accounting Policies

The accounting policies of the Mapleton Public Schools (the District) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies:

Reporting Entity

The financial reporting entity consists of the District and organizations for which the District is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the District. In addition, any legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability exists if the District appoints a voting majority of the organization's governing board and is able to impose its will on the organization or if the organization provides benefits to or imposes financial burdens upon the District.

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 nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to students or other customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, although the latter are excluded from the District's government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Measurement Focus, Basis Of Accounting And Financial Statement Presentation

The government-wide financial statements and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when the 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. Agency funds utilize the accrual basis of accounting.

In the fund financial statements, the District reports the following major governmental funds:

- ***General Fund*** - The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.
- ***Special Revenue Funds*** - The Governmental Grants Fund accounts for revenues and expenditures of specific local, state and federal grant awards. The Food Service Fund accounts for the financial activities associated with the District's breakfast and lunch programs.
- ***Capital Projects Funds*** - The Capital Reserve Fund accounts for purchases of equipment for the District. The Capital Projects Fund accounts for bond proceeds and other revenues used for the construction and acquisition of major capital facilities.
- ***Debt Service Fund*** - The Bond Redemption Fund accounts for resources accumulated for, and payments made on, long-term debt obligations of the District.

The District reports all funds except the Custodial Fund as major funds. The District reports the following fiduciary fund type:

- ***Custodial Fund*** - The Student Activity Fund is fiduciary in nature and is accounted for using the economic resources measurement focus and the accrual basis of accounting. The Student Activity Fund is used to account for assets that support each school's student activities. The District holds all resources in a purely fiduciary capacity.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

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 year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current year.

Property taxes, grants and interest associated with the current year are considered to be susceptible to accrual. Therefore, they have been recognized as revenues of the current year in the government-wide presentation. All other revenues are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

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

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

Assets, Liabilities And Net Position/Fund Balance

- ***Cash And Cash Equivalents*** - Cash on hand, demand deposits and highly-liquid investments with maturities of three months or less from date of purchase are considered to be cash and cash equivalents.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

- **Investments** - Investments are measured at amortized cost or net asset value (NAV), which approximates fair value, or at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application* (GASB 72), and as amended by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* (GASB 79).
- **Receivables** - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Property taxes levied but not received at year end are recorded as property taxes receivable. Any taxes not collected within 60 days after year end are recorded as unavailable revenue in the fund financial statements.
- **Prepaid Items** - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method.
- **Inventories** - Food Service Fund inventories consist of purchased and donated commodities. Purchased inventories are stated at average cost. Donated inventories, received at no cost under a program supported by the federal government, are valued based upon the cost furnished by the federal government, which approximates fair value. Inventory is recorded as an asset when individual items are purchased and as an expenditure when consumed.
- **Capital Assets** - Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value, as that term is defined in GASB 72, at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property and equipment of the District is depreciated using the straight-line method over the following estimated useful lives:

Site improvements	20 to 25 years
Buildings and improvements	15 to 50 years
Equipment	5 to 20 years

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

- ***Accrued Salaries And Benefits*** - Salaries and benefits of certain contractually employed personnel are paid over a 12-month period from September to August, but are earned during a school year of approximately 9 to 10 months. The accrued salaries and benefits earned but unpaid are reported as a liability of the General, Governmental Grants and Food Service Funds.
- ***Pensions*** - The District participates 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 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.

The Colorado General Assembly passed significant pension reform through Senate Bill 18-200: *Concerning Modifications to the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate With a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years* (SB 18-200). The bill was signed into law by the Governor of Colorado on June 4, 2018. SB 18-200 makes changes to certain benefit provisions. Some, but not all, of these changes were in effect as of June 30, 2020.

- ***Other Post-Employment Benefit (OPEB)*** - The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) fund administered by 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 HCTF 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.
- ***Unearned Revenues*** - Unearned revenues include grant funds that have been collected but corresponding expenditures have not been incurred.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

- ***Compensated Absences*** - The District's policy allows certain classes of employees to accumulate sick and vacation leave. Classified employees may accumulate up to 150 sick days. A classified employee who has completed at least 7 years of service in the District shall be compensated for all unused sick leave at 60% of the employee's daily rate to a maximum of 90 days upon separation by voluntary resignation, retirement or disability. The District shall not pay for unused vacation time except upon termination of employment. An employee who resigns or whose employment is terminated shall receive full compensation for earned unused vacation time for which he/she is entitled at the time of severance to the nearest half day.

Certified employees may accrue a maximum of 150 sick days. Employees who retire from the District under favorable conditions (i.e., under conditions other than discharge or constructive discharge), after 20 years of experience within the District, will be compensated at the rate of 100% of the substitute teacher rate in effect on the employee's date of retirement for all unused cumulative leave.

Administrative employees may maintain a maximum of 50 days of cumulative leave or may request payment for any or all of their cumulative leave during the year. Any leave in excess of 50 days will result in a payment, annually in July, for administrators with 7 or more years of continuous, full-time employment as an administrator. Payment for unused days of cumulative leave will also occur when an administrator leaves District employment, if he/she has at least 7 years of service to the District as an administrator. All payments for cumulative leave days are subject to the following formula: 7 - 10 years, payment will be made at the rate of 50% of the administrator's latest regular daily salary for each unused day; 10 - 15 years, payment will be 65%; 15 - 20 years, payment will be 85%; and over 20 years, payment will be 100%.

These compensated absences are recognized as current salary costs when due in the governmental funds. A long-term liability has been reported in the government-wide financial statements for the accrued compensated absences.

- ***Long-Term Debt*** - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

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

- ***Net Position/Fund Balance*** - In the government-wide financial statements, net position is restricted when constraints placed on net position are externally imposed.

In the fund financial statements, fund balances of the governmental funds are classified as follows:

- *Nonspendable fund balance* - Cannot ever be spent, cannot currently be spent or legally required to be maintained intact
- *Restricted fund balance* - Amounts subject to externally enforceable legal restrictions
- *Committed fund balance* - Amounts whose use is constrained by limitations that the government imposes on itself through formal action. Decisions are made by the Board of Education.
- *Assigned fund balance* - Intended use of resources established by the government itself
- *Unassigned fund balance* - Excess of total fund balance over all other designations

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements *(Continued)*

The District's fund balance policy requires the approval of the Board of Education, the highest level of decision-making authority for the District, via resolution to commit fund balance. Board resolution is also required to modify or rescind the commitment. The Board of Education delegated the authority to authorize the assignment of fund balances to the Superintendent. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, if expenditures incurred for specific purposes exceed restricted, committed and assigned amounts for those purposes, a negative unassigned fund balance may be reported.

Property Taxes

Property taxes are levied on January 1, based on the assessed value of property as certified by the County Assessor. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent, and penalties and interest may be assessed by the County Treasurer on the following day. The tax sale date is the first Thursday of November.

Property taxes are recorded initially at the budgeted collection rate as deferred revenue in the year levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected in the governmental funds and in the period in which the tax is levied in the government-wide financial statements. The District reports deferred inflows of resources in the governmental funds for property tax collection not yet available at year end.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Deferred Inflows And Outflows Of Resources

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Generally, deferred inflows are not aggregated with deferred outflows. These separate financial statement elements represent an acquisition or use of net position that applies to a future period or periods and will, therefore, not be recognized as an inflow or outflow until then.

Deferred inflows and outflows can result from the net difference between expected and actual experience, projected and actual earnings on pension and OPEB plan investments, changes in the District's proportionate of the net pension and OPEB liability, changes of assumptions, as well as contributions made by the District to PERA after PERA's measurement date.

For refunding of debt resulting in defeasance, deferred outflow of resources is the difference where net carrying value of the old debt is less than the reacquisition price. A deferred inflow of resources is the difference where net carrying value of the old debt is more than the reacquisition price in a refunding of debt resulting in defeasance. This amount is deferred and amortized over the shorter life of the refunding debt. Generally, deferred inflows are not aggregated with deferred outflows.

New Accounting Pronouncement

During the year, the District implemented GASB Statement No. 84, *Fiduciary Activities*. The District previously reported the activity of the Student Activities Fund as an agency fund. In accordance with the implementation of GASB Statement No. 84, the Student Activities Fund is considered a Custodial Fund. There was no change to net position as a result of the implementation.

2. Cash And Investments

At June 30, 2020, the District had the following cash and investments:

Cash on hand	\$ 550
Deposits	23,383,364
Investments	<u>49,396,513</u>
Total	<u>\$ 72,780,427</u>

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

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

Cash and investments	\$ 20,001,661
Restricted cash and investments	52,463,182
Fiduciary fund cash and investments	<u>315,584</u>
Total	<u>\$ 72,780,427</u>

Deposits

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 PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2020, the District had bank deposits of \$25,314,257 collateralized with securities held by the financial institution's agent, but not in the District's name.

Investments

At June 30, 2020, the District investment balances were as follows:

	Value	Concentration	S&P Rating
Money market mutual fund measured at amortized cost	\$ 8,935,415	18.09%	AAAm
Local government investment pool, (CSAFE) measured at NAV	31,993,169	64.77%	AAAf
Cash and investments held with fiscal agent, (Colorado State Treasurer) measured at NAV	8,467,929	17.14%	Unrated
Total Investments	\$ 49,396,513	100.00%	

The District does not have securities with maturities greater than 12 months at June 30, 2020.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

The District is required to comply with state statutes that specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest, which include the following:

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

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 and Level 3 inputs are significant unobservable inputs. The District has no investments required to be reported under the fair value hierarchy.

The District's investments are reported at:

- **NAV** - which approximates fair value, including money market funds, funds held with fiscal agent, and certain investment pools as defined by GASB 79
- **Amortized Cost** - including money market mutual funds

Interest Rate Risk - This is the risk that changes in interest rates will adversely affect the fair value of investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value loss resulting from increasing interest rates. State statutes limit investments in U.S. agency securities to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years. Based on the current rate environment, the District assumes all investments will be held to maturity. As of June 30, 2020, no coupon and discount securities had investment maturities greater than five years.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Credit Risk - This is the risk that an issuer or other counterparty to an investment will not fulfil its obligation. Colorado state statutes limit investments in U.S. agency securities to the highest rating issued by nationally recognized statistical rating organizations (NRSRO). The District's policy is to invest in money market funds that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of \$1 billion or the highest rating issued by a NRSRO.

Concentration Of Credit Risk - This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. State statutes do not limit the amount the District may invest in one issuer.

Local Government Investment Pools - The District invests in CSAFE Core, an investment vehicle established for local government and entities in Colorado to pool surplus funds. Investment objectives and strategies focus on safety, liquidity, transparency and competitive yields through investment in a diversified portfolio of short-term marketable securities. The State Securities Commissioner administers and enforces all state statutes governing CSAFE Core. CSAFE Core operates similarly to a money market fund, and each share approximates \$2.00, although not guaranteed. CSAFE Core may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and highly rated commercial paper. A designated custodial bank serves as custodian of CSAFE Core's portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodians' internal records segregate investments owned by CSAFE Core. In accordance with GASB 72, CSAFE Core has stable NAV, and its NAV is measured at fair value per share. CSAFE Core does have limitations and restrictions on participant withdrawals consisting of a 24-hour redemption notification and up to 3 redemptions monthly with an overall \$100,000 balance minimum. CSAFE Core is rated AAf/S1.

Cash And Investments Held With Fiscal Agent - The District has funds held with the Colorado State Treasurer that are expected to be used for future project costs in accordance with a matching grant.

Restricted Cash And Investments

Cash and investments of \$8,935,414 in the Bond Redemption fund are comprised of General Obligation Bond reserves restricted for use in accordance with applicable debt covenants. Cash and investments of \$43,527,768 in the Capital Projects Fund represent \$39,501,752 of unspent bond proceeds and \$4,026,016 of other funds restricted for capital purposes.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

3. Capital Assets

Activity for capital assets of the District is summarized below:

	Balance June 30, 2019	Additions	Deletions	Transfers	Balance June 30, 2020
Governmental Activities					
Capital assets, not being depreciated:					
Construction in progress	\$ 31,453,995	\$ 33,968,467	\$ —	\$ (19,163,609)	\$ 46,258,853
Land	4,970,513	—	—	—	4,970,513
Total Capital Assets, Not Being Depreciated	36,424,508	33,968,467	—	(19,163,609)	51,229,366
Capital assets, being depreciated:					
Site improvements	27,674,892	1,315,936	(803,118)	1,279,451	29,467,161
Buildings and improvements	153,494,774	1,218,779	(2,049,632)	17,762,409	170,426,330
Equipment	8,876,889	445,149	(518,879)	121,749	8,924,908
Total Assets Being Depreciated	190,046,555	2,979,864	(3,371,629)	19,163,609	208,818,399
Less: Accumulated depreciation:					
Site improvements	(6,939,680)	(1,322,012)	518,068	—	(7,743,624)
Buildings and improvements	(32,671,770)	(3,941,076)	1,443,185	—	(35,169,661)
Equipment	(4,174,224)	(696,730)	372,623	—	(4,498,331)
Total Accumulated Depreciation	(43,785,674)	(5,959,818)	2,333,876	—	(47,411,616)
Total Capital Assets Being Depreciated, Net	146,260,881	(2,979,954)	(1,037,753)	19,163,609	161,406,783
Governmental Activities, Capital Assets, Net	\$ 182,685,389	\$ 30,988,513	\$ (1,037,753)	\$ —	\$ 212,636,149

Depreciation expense was charged to the programs of the District as follows:

Governmental Activities	
Instruction	\$ 4,387,607
Supporting services	<u>1,572,211</u>
Total	<u><u>\$ 5,959,818</u></u>

4. Short-Term Debt

During the year ended June 30, 2020, the District borrowed and repaid \$13,561,009 from the state-sponsored interest-free loan program to provide cash flow throughout the fiscal year.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

5. Long-Term Debt

Following is a summary of long-term debt transactions of the District for the year ended June 30, 2020:

	Balance June 30, 2019	Additions	Payments	Balance June 30, 2020	Due Within One Year
Governmental Activities					
Matching Money Bonds 2010	\$ 17,022,955	\$ —	\$ 1,127,596	\$ 15,895,359	\$ 1,173,625
Matching Money Bonds 2018	8,238,181	—	283,880	7,954,301	290,477
General Obligation Bonds 2016	10,970,000	—	—	10,970,000	90,000
General Obligation Bonds 2017	100,585,000	—	9,220,000	91,365,000	1,925,000
Bond Premium 2016	679,467	—	45,298	634,169	—
Bond Premium 2017	12,576,685	—	998,464	11,578,221	—
GO Bonds 2019A	—	23,650,000	—	23,650,000	—
GO Refunding Bonds 2019B	—	4,175,000	—	4,175,000	1,110,000
Matching Money Bonds 2019C	—	6,441,088	—	6,441,088	242,857
Certificates of Participation 2016	3,695,000	—	165,000	3,530,000	170,000
Certificates of Participation Refunding 2015	2,140,000	—	275,000	1,865,000	290,000
Certificates of Participation Refunding Premium 2015	58,806	—	9,801	49,005	—
Bond Premium 2019A	—	6,512,239	287,305	6,224,934	—
Capital leases	258,836	—	81,345	177,491	84,318
Compensated absences	1,250,384	635,631	180,672	1,705,343	208,482
Total	\$ 157,475,314	\$ 41,413,958	\$ 12,674,361	\$ 186,214,911	\$ 5,584,759

Compensated absences of the governmental activities are expected to be liquidated with revenues of the General and Food Service Funds.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

General Obligation Bonds 2019A

In September 2019, the District authorized issuance of General Obligation Bond, Series 2019A to the State of Colorado (the State) in the aggregate principal amount of \$23,650,000 for replacements, renovations and repairs to a number of school facilities within the District. Interest payments are due semi-annually on June 1 and December 1 at rates ranging from 3.00% to 5.00%, commencing on June 1, 2020. Principal payments are due annually on December 1, commencing December 1, 2024, with final payment due on December 1, 2035. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ —	\$ 1,182,500	\$ 1,182,500
2022	—	1,182,500	1,182,500
2023	—	1,182,500	1,182,500
2024	960,000	1,158,500	2,118,500
2025	1,425,000	1,098,875	2,523,875
2026 - 2030	8,270,000	4,323,250	12,593,250
2031 - 2035	10,555,000	1,981,125	12,536,125
2036	2,440,000	61,000	2,501,000
Total	\$ 23,650,000	\$ 12,170,250	\$ 35,820,250

General Obligation Refunding Bonds 2019B

In September 2019, the District issued \$4,175,000 of General Obligation Refunding Bonds, Series 2019B, with interest rates ranging from 2.00% to 2.15%, for the purpose of advance refunding a portion of the General Obligation Bonds, Series 2017, with an interest rate from 3.00% to 5.25%. The proceeds of the 2019 General Obligation Refunding Bonds were deposited with the escrow bank and invested in government obligations maturing at such time and in such amounts as required to provide funds sufficient to pay the principal and interest on the refunded bonds as they become due. As a result, a portion of the 2017 General Obligation Refunding Bonds are considered defeased, and the related liability for the bonds has been removed from the District's liabilities. By refunding these bonds, the District reduced its total debt service payments over 18 years by \$2,110,318. The refunding resulted in a present value savings of \$955,327 and a deferred loss of \$426,256.

The proceeds from the refunding bonds were placed into an irrevocable trust to provide all future debt service payments on the refunded bonds. At June 30, 2020, the outstanding balance of the defeased bonds was \$3,100,000, and the market value of the irrevocable trust was \$4,018,376.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Interest payments are due semi-annually on June 1 and December 1, commencing on June 1, 2020. Principal payments are due annually on December 1, commencing December 1, 2020, with final payment due on December 1, 2024. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 1,110,000	\$ 75,012	\$ 1,185,012
2022	1,315,000	50,433	1,365,433
2023	1,340,000	22,885	1,362,885
2024	410,000	4,408	414,408
Total	\$ 4,175,000	\$ 152,738	\$ 4,327,738

Matching Money Bonds 2019C

On November 20, 2019, the District authorized issuance of Money Matching General Obligation Bond, Series 2019C, to the State in the aggregate principal amount of \$6,441,088 to meet the 36% required match for the Colorado Building Excellent Schools Today (BEST) grant. Proceeds of the 2019 Series bond will be used to match the grant of \$17,414,794 awarded to the District on November 14, 2019 for the replacement of Valley View Elementary School, including demolition and new construction costs. Principal and interest payments are due annually on December 1 at an annual rate of 2.952%, commencing on December 1, 2020, with final payment due on December 1, 2039. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 242,857	\$ 186,556	\$ 429,413
2022	247,914	179,313	427,227
2023	255,232	171,886	427,118
2024	262,767	164,240	427,007
2025	270,524	156,369	426,893
2026 - 2030	1,477,229	655,398	2,132,627
2031 - 2035	1,708,526	420,686	2,129,212
2036 - 2040	1,976,039	149,224	2,125,263
Total	\$ 6,441,088	\$ 2,083,672	\$ 8,524,760

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements *(Continued)*

Matching Money Bonds 2018

On November 13, 2018, the District authorized issuance of Money Matching General Obligation Bond, Series 2018N, to the State in the aggregate principal amount of \$8,238,181 to meet the 43% required match for the Colorado BEST grant. Proceeds of the 2018 Series bond will be used to match the grant of \$10,920,380 awarded to the District on November 14, 2018 for the replacement of the Global Intermediate Academy, including demolition and new construction costs. Principal and interest payments are due annually on December 1 at an annual rate of 3.893%, commencing on December 1, 2019, with final payment due on December 1, 2038. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 290,477	\$ 155,902	\$ 446,379
2022	301,785	315,187	616,972
2023	313,534	304,007	617,541
2024	325,739	292,478	618,217
2025	338,421	280,501	618,922
2026 - 2030	1,900,285	1,205,879	3,106,164
2031 - 2035	2,300,118	828,238	3,128,356
2036 - 2040	2,183,942	382,383	2,566,325
Total	\$ 7,954,301	\$ 3,764,575	\$ 11,718,876

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

General Obligation Bonds 2017

In February 2017, the District authorized issuance of General Obligation Bond, Series 2017 to the State in the aggregate principal amount of \$111,670,000 for replacements, renovations and repairs to many school facilities within the District. In addition, it funded the construction of new schools in the Midtown development and in the northern area of the District. Interest payments are due semi-annually on June 1 and December 1 at rates ranging from 3.00% to 5.25%, commencing on June 1, 2017. Principal payments are due annually on December 1, commencing December 1, 2017, with final payment due on December 1, 2040. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 1,925,000	\$ 4,397,563	\$ 6,322,563
2022	2,005,000	4,318,963	6,323,963
2023	2,080,000	4,237,263	6,317,263
2024	2,165,000	4,152,363	6,317,363
2025	2,255,000	4,063,963	6,318,963
2026 - 2030	12,780,000	18,757,963	31,537,963
2031 - 2035	16,445,000	15,441,913	31,886,913
2036 - 2040	40,410,000	8,902,956	49,312,956
2041	11,300,000	296,625	11,596,625
Total	\$ 91,365,000	\$ 64,569,572	\$ 155,934,572

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Certificates Of Participation 2016

On September 6, 2016, the District issued \$4,200,000 of Certificates of Participation, Series 2016, with an interest rate of 3.25% for the acquisition and site improvements on a new building. Principal and interest payments are due annually on June 1, commencing June 1, 2017, with final payment due on June 1, 2036. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 170,000	\$ 116,318	\$ 286,318
2022	175,000	110,717	285,717
2023	185,000	104,950	289,950
2024	190,000	99,125	289,125
2025	195,000	92,593	287,593
2026 - 2030	1,075,000	362,500	1,437,500
2031 - 2035	1,260,000	173,607	1,433,607
2036	280,000	9,252	289,252
Total	\$ 3,530,000	\$ 1,069,062	\$ 4,599,062

General Obligation Refunding Bonds 2016

In March 2016, the District issued \$11,275,000 of General Obligation Refunding Bonds, Series 2016, with interest rates ranging from 2.00% to 4.00%, for the purpose of advance refunding the General Obligation Bonds, Series 2011, with an interest rate of 6.25%. The proceeds of the 2016 General Obligation Refunding Bonds were deposited with the escrow bank and invested in government obligations maturing at such time and in such amounts as required to provide funds sufficient to pay the principal and interest on the refunded bonds as they become due. As a result, the 2011 General Obligation Refunding Bonds are considered defeased, and the related liability for the bonds has been removed from the District's liabilities. The refunding resulted in a reduction in debt service payments of \$1,582,217.

The proceeds from the refunding bonds were placed into an irrevocable trust to provide all future debt service payments on the refunded bonds. At June 30, 2020, the outstanding balance of the defeased bonds was \$10,970,000, and the market value of the irrevocable trust was \$9,922,507.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Principal payments on the General Obligation Refunding Bonds 2016 are due annually starting December 1, 2017, with final payment due on December 1, 2035. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 90,000	\$ 421,250	\$ 511,250
2022	90,000	419,450	509,450
2023	95,000	417,600	512,600
2024	95,000	415,700	510,700
2025	95,000	413,800	508,800
2026 - 2030	520,000	2,030,500	2,550,500
2031 - 2035	7,855,000	1,414,725	9,269,725
2036	2,130,000	—	2,130,000
Total	\$ 10,970,000	\$ 5,533,025	\$ 16,503,025

Matching Money Bonds 2010

In November 2010, the District authorized issuance of General Obligation Bond, Series 2010, to the State in the aggregate principal amount of \$22,031,271 to meet the 41% required match for the BEST grant. BEST included two new buildings on the Skyview site to house Skyview Academy, Clayton Partnership School, Mapleton Expeditionary School of the Arts and Mapleton Early College. BEST also requested funds for an addition to the existing Skyview building to house a media center and the North Valley School for Young Adults. The grant paid for demolition of the classroom sections of the Skyview building, as well as a limited amount of renovation to the remaining structure. Interest payments are due semi-annually on June 1 and December 1 at an annual rate of 4.082%, commencing on June 1, 2011. Principal payments are due annually on December 1, commencing December 1, 2014, with final payment due on December 1, 2030. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 1,173,625	\$ 624,895	\$ 1,798,520
2022	1,221,532	576,010	1,797,542
2023	1,271,395	525,129	1,796,524
2024	1,323,293	472,171	1,795,464
2025	1,377,310	417,052	1,794,362
2026 - 2030	7,777,206	1,176,428	8,953,634
2031	1,750,998	35,738	1,786,736
Total	\$ 15,895,359	\$ 3,827,423	\$ 19,722,782

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Refunding Certificates Of Participation 2015

In July 2015, the District issued \$3,265,000 of Refunding Certificates of Participation, Series 2015, with interest rates ranging from 2.00% to 3.00%, as a current refunding of the Certificates of Participation, Series 2005, with interest rates ranging between 3.00% and 5.00%. The proceeds of the Refunding Certificates of Participation 2015 were deposited with an escrow bank and used to pay the principal and interest on the refunded certificates of participation on December 1, 2015. As a result, the 2005 Certificates of Participation are considered defeased, and the related liability was removed from the District's liabilities. The refunding resulted in a reduction in debt service payments of \$201,136.

Principal payments are due annually on December 1, with final payment due on December 1, 2025. Bond payments, to maturity, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 290,000	\$ 51,600	\$ 341,600
2022	295,000	42,825	337,825
2023	305,000	33,825	338,825
2024	315,000	24,525	339,525
2025	325,000	14,925	339,925
2026	335,000	5,025	340,025
Total	\$ 1,865,000	\$ 172,725	\$ 2,037,725

Capital Leases

The District entered into a lease agreement on March 3, 2014 in the amount of \$201,645 for a lighting system. The lease carries an interest rate of 4.95%. Lease payments of \$26,195 are due annually on March 3 through 2024. Capital assets of \$201,645 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$62,982 at June 30, 2020.

The District entered into a lease agreement on July 10, 2016 in the amount of \$202,188 for buses. Lease payments of \$42,895 are due monthly on the 10th of each July through July 2020. Capital assets of \$202,188 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$67,396 at June 30, 2020.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements *(Continued)*

The District entered into a lease agreement on July 7, 2017 in the amount of \$105,900 for buses. Lease payments of \$22,681 are due monthly on the 15th of each July through July 2021. Capital assets of \$105,900 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$31,770 at June 30, 2020.

The total gross cost and accumulated depreciation of assets under capital lease is included in equipment in Note 3.

Minimum lease payments and the net present value of these payments are as follows:

Year Ended June 30,	Principal	Interest	Minimum Payment
2021	\$ 84,318	\$ 7,454	\$ 91,772
2022	44,510	4,366	48,876
2023	23,731	2,464	26,195
2024	24,932	1,263	26,195
Total	\$ 177,491	\$ 15,547	\$ 193,038

6. Interfund Transactions

Interfund balances, all of which are with major funds, for the year ended June 30, 2020 were comprised of the following:

Funds	Due From Other Funds	Due To Other Funds
General Fund	\$ 2,134,304	\$ 601,706
Governmental Grants Fund	265	1,636,635
Food Service Fund	—	271,494
Capital Reserves Fund	150,000	3,453
Capital Projects Fund	251,077	—
Student Activity Fund	—	22,358
Total	\$ 2,535,646	\$ 2,535,646

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Interfund transfers, all of which are among major funds, for the year ended June 30, 2020, were comprised of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Capital Reserve	General Fund	\$ 72,000

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the funds that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

7. Risk Management

Adams County BOCES Self-Insurance Pool

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; injuries to employees and natural disasters. The District plans to provide for or restore the economic damages of those losses through risk transfer. The District participates in the Adams County Board of Cooperative Educational Services (BOCES) Self-Insurance Pool (the Pool) for property, liability and workers' compensation insurance coverage.

The Pool provides property and liability, workers' compensation, boiler and machinery, errors and omissions and school board legal liability insurances for its member districts. Annually, each district provides funding for the Pool based on a pre-established amount that covers the cost of insurance, claims and operation of the Pool. Also, each district receives annual financial information on the equity interest and gains or losses. Pool members and percentage shares are as follows:

<u>Adams County School Districts</u>	<u>% Shares In Pool</u>
No. 1 (Mapleton)	20.94
No. 27J	39.16
No. 50	39.90
	<u>100.00</u>

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Following is an unaudited summary of financial information for the Pool as of and for the year ended June 30, 2020:

	District's Share	Total
Assets	\$ 1,604,979	\$ 7,663,308
Liabilities	813,079	3,842,197
Equity	\$ 791,900	\$ 3,821,111
Revenues	\$ 747,013	\$ 3,566,776
Increase in non-admitted assets	12,198	58,240
Expenditures	375,158	1,791,272
Net income	384,053	1,833,744
Member withdrawal	—	(360,189)
Surplus, Beginning	332,409	2,347,556
Surplus, Ending	\$ 716,462	\$ 3,821,111

Percentage shares are as of June 30, 2020. Percentages will vary slightly from year to year, depending upon premium allocation factors. The Pool's Board of Directors consists of one member appointed by the Board of Education of each participating school district. All members of the Pool's Board of Directors have an equal vote in the administration of the Pool's activities, are responsible for selection of management and have complete responsibility for all fiscal matters in the operation of the Pool. Separate financial statements for the Pool are available from the Adams County BOCES, 1400 W. 122nd Avenue, Suite 110, Westminster, Colorado 80234.

The District pays annual premiums for property, liability and workers' compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from Pool members. Any excess funds that the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula. The Pool, which is subject to actuarial review and annual audit, has various levels of self-insured retentions and purchases excess insurance for amounts above the retentions for liability, property and workers' compensation coverage.

The District continues to carry commercial insurance coverage for errors and omissions, risks of loss and employee health. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Dental Self-Insurance Plan

The District maintains a dental self-insurance plan (the Plan) for employees who elect to participate in the Plan. The District pays monthly premiums on behalf of the employees of \$24 per month. Dependent coverage is also available. The Plan limits participant claims to \$1,000 per year and a lifetime \$1,000 per person orthodontic claim. The District consults with Segal Company annually to evaluate the Plan. Liabilities and related claims expenses as reported were estimated based on analysis of the dental providers' claims data as of June 30, 2020. Claims due and payable at year end are reported in the General Fund and statement of net position under current liabilities.

Fiscal Year Ended June 30.	Beginning Liability	Claims Incurred	Claims Paid	Ending Liability
2020	\$ 22,589	\$ 316,150	\$ (306,766)	\$ 31,973
2019	7,221	370,580	(355,212)	22,589

8. Employee Retirement Plan - Defined Benefit Pension Plan

Plan Description - Eligible employees of the District are provided with pensions through 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 (CRS), administrative rules set forth at 8 C.C.R. 1502-1 and applicable provisions of the federal Internal Revenue Code (the IRC). Colorado state law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided As Of December 31, 2019 - 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 CRS § 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 following:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

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

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

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

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

As of December 31, 2019, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments referred to as annual increases in CRS, once certain criteria are met. Pursuant to SB 18-200, the annual increase for 2019 is 0% for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 1.25%, unless adjusted by the automatic adjustment provision (the AAP) pursuant to CRS § 24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 will receive the lesser of an annual increase of 1.25% or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10% of PERA's annual increase reserve (the AIR) for SCHDTE. The AAP may raise or lower the aforementioned annual increase by up to one-quarter of 1% based on the parameters specified in CRS § 24-51-413.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Disability benefits are available for eligible employees once they reach 5 years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the 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, 2020 - Eligible employees, the District and the State are required to contribute to SCHDTF at a rate set by Colorado statute. The contribution requirements are established under CRS § 24-51-401, et seq. and § 24-51-413. Eligible employees are required to contribute 8.75% of their PERA-includable salary during the period of July 1, 2019 through June 30, 2020.

The employer contribution requirements are summarized in the table below.

	July 1, 2019 Through June 30, 2020
Employer contribution rate ¹	10.40%
Amount of employer contribution apportioned to HCTF as specified in CRS 24-51-208(1)(f)	-1.02%
Amount apportioned to SCHDTF	9.38%
Amortization equalization disbursement (AED) as specified by CRS 24-51-411	4.50%
Supplemental amortization equalization disbursement (SAED) as specified in CRS 24-51-411	5.50%
Total Employer Contribution Rate To SCHDTF¹	19.38%

¹ Rates are expressed as a percentage of salary as defined in CRS 24-51-101(42)

As specified in CRS § 24-51-413, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to SCHDTF based on the proportionate amount of annual payroll of SCHDTF to the total annual payroll of SCHDTF, State Division Trust Fund, Judicial Division Trust Fund and DPS Division Trust Fund. A portion of the direct distribution allocated to SCHDTF is considered a nonemployer contribution for financial reporting purposes.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Subsequent to the SCHDTF's December 31, 2019 measurement date, HB 20-1379, *Suspend Direct Distribution to PERA Public Employees Retirement Association for 2020-21 Fiscal Year*, was passed into law during the 2020 legislative session and signed by Governor Polis on June 29, 2020. This bill suspends the July 1, 2020, \$225 million direct distribution allocated to the State, School, Judicial and DPS Divisions, as required under SB 18-200.

Employer contributions are recognized by SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to SCHDTF. Employer contributions recognized by SCHDTF from the District were \$9,462,116 for the year ended June 30, 2020.

Pension Liabilities, Pension Expense, Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To Pensions - The net pension liability for SCHDTF was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll forward the total pension liability to December 31, 2019. The District's proportion of the net pension liability was based on the District's contributions to SCHDTF for the calendar year 2019 relative to the total contributions of participating employers and the State as a nonemployer-contributing entity.

At June 30, 2020, the District reported a liability of \$125,006,029 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer-contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer-contributing entity and the total portion of the net pension liability that was associated with the District were as follows:

The District's proportionate share of the net pension liability	\$ 125,006,029
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The State's proportionate share of the net pension liability as a nonemployer-contributing entity associated with the District	<u>20,112,209</u>
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Total	<u><u>\$ 145,118,238</u></u>
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At December 31, 2019, the District's portion was 0.83673%, which was a decrease of 0.0598% from its portion measured as of December 31, 2018.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements *(Continued)*

For the year ended June 30, 2020, the District recognized pension benefit of \$15,392,036 and revenue of \$1,200,634 for support from the State as a nonemployer-contributing entity. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to its pension from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 6,812,899	\$ —
Net difference between projected and actual earnings on pension plan investments	—	14,808,193
Changes of assumptions	3,568,727	56,701,543
Changes in portion and differences between District contributions and proportionate share of contributions	10,051,538	8,947,077
District's contributions subsequent to the measurement date	4,993,066	—
Total	\$ 25,426,230	\$ 80,456,813

The amount of \$4,993,066 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pensions will be recognized in pension expense as follows:

For The Year Ended June 30,	Amount
2021	\$ 34,242,017
2022	22,982,218
2023	(2,237,902)
2024	5,037,316
Total	\$ 60,023,649

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Actuarial Assumptions

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50 - 9.70%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate ¹	4.78%
Post-retirement benefit increases:	
PERA benefit structure hired prior to January 1, 2007 and DPS benefit structure (automatic)	2.00%
PERA benefit structure hired after December 31, 2006 (ad hoc, substantively automatic)	Financed by the AIR

¹ A discount rate of 7.25% was used in the rollforward calculation of the total pension liability to the measurement date of December 31, 2019.

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70% factor applied to male rates and a 55% factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- **Males** - Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93% factor applied to rates for ages less than 80, a 113% factor applied to rates for ages 80 and above and further adjustments for credibility
- **Females** - Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68% factor applied to rates for ages less than 80, a 106% factor applied to rates for ages 80 and above and further adjustments for credibility

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

For disabled retirees, the mortality assumption was changed to reflect 90% of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012 through December 31, 2015, as well as the October 28, 2016 actuarial assumptions workshop, and were adopted by the PERA Board during the November 18, 2016 Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board of Directors on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for 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.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

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

Asset Class	Target Allocation	10-Year Expected Geometric Real Rate Of Return
U.S. equity - large cap	21.20%	4.30%
U.S. equity - small cap	7.42%	4.80%
Non-U.S. equity - developed	18.55%	5.20%
Non-U.S. equity - emerging	5.83%	5.40%
Core fixed income	19.32%	1.20%
High yield	1.38%	4.30%
Non-U.S. fixed income - developed	1.84%	0.60%
Emerging market bonds	0.46%	3.90%
Core real estate	8.50%	4.90%
Opportunity fund	6.00%	3.80%
Private equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

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%.

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

- 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 the additional 0.50% resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019 and effective July 1, 2020. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and the additional 0.50% resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019 and effective July 1, 2020. Employer contributions also include the current and estimated future AED and SAED until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State will provide an annual direct distribution of \$225 million, commencing July 1, 2018, that is proportioned between the State, School, Judicial and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- 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.
- The projected benefit payments reflect the lowered annual increase cap, from 1.50% to 1.25% resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019 and effective July 1, 2020.
- Benefit payments and contributions were assumed to be made at the middle of the year.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Based on the above assumptions and methods, the projection test indicates 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% on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount determination does not use the municipal bond rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity Of The District's Proportionate Share Of The Net Pension Liability To Changes In The Discount Rate - The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 165,784,759	\$ 125,006,029	\$ 90,768,731

Pension Plan Fiduciary Net Position - Detailed information about SCHDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

9. Employee Retirement Plan - Defined Benefit OPEB Plan

Plan Description - Eligible employees of the District are provided with OPEB through HCTF, a cost-sharing multiple-employer defined OPEB plan administered by PERA. HCTF is established under Title 24, Article 51, Part 12, of CRS, 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 CRS, 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 (PERACare), including the administration of the premium subsidies. Colorado state law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Benefits Provided - 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 DPS Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

CRS § 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 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 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

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, CRS § 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 HCTF or 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 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 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, HCTF or 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 CRS, as amended, certain contributions are apportioned to HCTF. PERA-affiliated employers of the State, School, Local Government and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into HCTF.

Employer contributions are recognized by HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by HCTF from the District were \$501,414 for the year ended June 30, 2020.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

OPEB Liabilities, Pension Expense, Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To OPEB

At June 30, 2020, the District reported a liability of \$6,145,050 on its proportionate share of the net OPEB liability. The net OPEB liability for HCTF was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2019. The District's proportion of the net OPEB liability was based on the District's contributions to HCTF for the calendar year 2018 relative to the total contributions of participating employers to HCTF.

At December 31, 2019, the District's proportion was 0.5467%, which was an increase of 0.0417% from its proportion measured as of December 31, 2018.

For the year ended June 30, 2020, the District recognized OPEB expense of \$524,319. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 20,400	\$ 1,032,597
Net difference between projected and actual earnings on pension plan investments	98,943	201,514
Changes of assumptions	50,984	—
Changes in portion and differences between District contributions and proportionate share of contributions	655,771	—
District's contributions subsequent to the measurement date	262,818	—
Total	\$ 1,088,916	\$ 1,234,111

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

The amount of \$262,818 reported as deferred outflows of resources related to the District's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For The Year Ended June 30,	Amount
2021	\$ 76,309
2022	76,309
2023	46,592
2024	95,977
2025	69,861
Thereafter	42,965
Total	\$ 408,013

Actuarial Assumptions

The total OPEB liability in December 31, 2018 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50% in the aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	5.60% for 2019, gradually decreasing to 4.50% in 2029
Medicare Part A premiums	3.50% for 2019, gradually increasing to 4.50% in 2029
DPS benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing costs between employers of each fund to that point.

The actuarial assumptions used in the December 31, 2018 valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012 through December 31, 2015, as well as the October 28, 2016 actuarial assumptions workshop, and were adopted by the PERA Board during the November 18, 2016 Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA's actuary, as discussed below.

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2018 for the PERA benefit structure:

<u>Medicare Plan</u>	<u>Cost For Members Without Medicare Part B</u>	<u>Premiums For Members Without Medicare Part A</u>
Medicare Advantage/Self-Insured Prescription	\$ 601	\$ 240
Kaiser Permanente Medicare Advantage HMO	605	237

The 2019 Medicare Part A premium is \$437 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age 65 or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

<u>Medicare Plan</u>	<u>Cost For Members Without Medicare Part B</u>
Medicare Advantage/Self-Insured Prescription	\$ 562
Kaiser Permanente Medicare Advantage HMO	571

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

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

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2018, 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 Plan	Medicare Part A Premiums
2019	5.60	3.50
2020	8.60	3.50
2021	7.30	3.50
2022	6.00	3.75
2023	5.70	3.75
2024	5.50	3.75
2025	5.30	4.00
2026	5.10	4.00
2027	4.90	4.25
2028	4.70	4.25
2029+	4.50	4.50

Mortality assumptions for the determination of the total pension liability for each of the division trust funds as shown below are applied, as applicable, in the determination of the total OPEB liability for HCTF. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70% factor applied to male rates and a 55% factor applied to female rates.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Healthy, post-retirement mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73% factor applied to rates for ages less than 80, a 108% factor applied to rates for ages 80 and above and further adjustments for credibility
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78% factor applied to rates for ages less than 80, a 109% factor applied to rates for ages 80 and above and further adjustments for credibility

Healthy, post-retirement mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93% factor applied to rates for ages less than 80, a 113% factor applied to rates for ages 80 and above and further adjustments for credibility
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68% factor applied to rates for ages less than 80, a 106% factor applied to rates for ages 80 and above and further adjustments for credibility

The mortality assumption for disabled retirees was based on 90% of the RP-2014 Disabled Retiree Mortality Table.

The following health care costs assumptions were updated and used in the measurement of the obligations for HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2019 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to the PERA Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for HCTF, 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.

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

Asset Class	Target Allocation	30-Year Expected Geometric Real Rate Of Return
U.S. equity - large cap	21.20%	4.30%
U.S. equity - small cap	7.42%	4.80%
Non-U.S. equity - developed	18.55%	5.20%
Non-U.S. equity - emerging	5.83%	5.40%
Core fixed income	19.32%	1.20%
High yield	1.38%	4.30%
Non-U.S. fixed income - developed	1.84%	0.60%
Emerging market bonds	0.46%	3.90%
Core real estate	8.50%	4.90%
Opportunity fund	6.00%	3.80%
Private equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

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%.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

Sensitivity Of The Collective Net OPEB Liability To Changes In The Health Care Cost Trend Rates

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

	1% Decrease In Trend Rates	Current Trend Rates	1% Increase In Trend Rates
Initial PERACare Medicare trend rate	4.60%	5.60%	6.60%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB liability	\$ 5,999,077	\$ 6,145,050	\$ 6,313,733

Discount Rate

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2019 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 3.50%.
- 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 used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were estimated and included in the projections.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

- Benefit payments and contributions were assumed to be made in the middle of the year.

Based on the above assumptions and methods, 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% 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%.

Sensitivity Of The District's Proportionate Share Of The Net OPEB Liability To Changes In The Discount Rate

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 6,948,216	\$ 6,145,050	\$ 5,458,175

OPEB Fiduciary Net Position

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

10. Defined Contribution Pension Plan

Plan Description

Employees of the District who are also members of SCHDTF may voluntarily contribute to the Voluntary Investment Program, an IRC Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of CRS, as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of CRS, as amended. There is no employer match. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2020, program members contributed \$273,705 to the Voluntary Investment Program.

11. Commitments And Contingencies

Claims And Judgments

The District is occasionally involved in various claims and pending legal actions related to matters arising from the ordinary conduct of business. The District believes the ultimate disposition of the actions will not have a material effect on the financial statements.

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2020, significant amounts of grant expenditures have not been audited, but the District believes that disallowed expenditures, if any, based on subsequent audits, will not have a material effect on the overall financial position of the District.

Construction Contracts

The District has entered into a number of separate construction projects as of June 30, 2020. Contract commitments at June 30, 2020, as a result of these projects, totaled \$949,880.

The TABOR Amendment

In November 1992, Colorado voters passed Article X, Section 20 (the TABOR Amendment) to the State Constitution, which limits state and local government tax powers and imposes spending limitations. The District is subject to the TABOR Amendment.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

In November 2002, voters within the District authorized the District to collect, retain and expend all excess revenues and other funds received from every source, without limitation, effective July 1, 2001, and each fiscal year thereafter without future voter approval, notwithstanding the limitations of the TABOR Amendment. The TABOR Amendment is subject to many interpretations, but the District believes it is substantially in compliance with the TABOR Amendment.

The TABOR Amendment requires the District to restrict an amount for emergencies.

Litigation

The District is involved in various lawsuits. In the opinion of management, any liability from claims or proceedings in excess of the amount covered by insurance will not have a material adverse effect on the District's net position, changes in net position or cash flows.

Environmental Remediation Loss Contingency

The District has several school buildings that contain asbestos and is a potentially responsible party regarding environmental impacts. Although a loss is probable at some point in the future, due to the uncertainty surrounding the timing and method of settlement, it is not possible to reasonably estimate the amount of any obligation for remediation that may be incurred at a future date.

COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared COVID-19, the illness caused by the coronavirus, a pandemic. The pandemic has caused business disruption as a result of mandated closings of businesses designated as nonessential and certain other social distancing measures across the U.S. The COVID-19 pandemic and resulting disruptions have caused significant economic uncertainty and volatility in financial markets, U.S. economy and local economy. Specific to the District, the disruptions included a temporary closure of schools and required the District to shift to temporary remote learning for the last quarter of the school year 2019 - 2020. Because of the uncertainty of the duration of the pandemic and its effects on the economy at this time, management is unable to estimate its impact on the District.

MAPLETON PUBLIC SCHOOLS

Notes To Financial Statements (*Continued*)

12. Net Investment In Capital Assets

Net investment in capital assets in the government-wide statement of net position as of June 30, 2020 is calculated as:

Net book value of capital assets	\$ 212,636,149
Less capital related debt and related premiums	(184,332,077)
Less capital leases	(177,491)
Less retainage payable	(949,880)
Less contracts payable	(3,614,004)
Plus debt related deferred outflows of resources	1,717,685
Plus unspent bond proceeds	<u>39,501,752</u>
Net Investment In Capital Assets	<u>\$ 64,782,134</u>

Required Supplementary Information

MAPLETON PUBLIC SCHOOLS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND

For The Year Ended June 30, 2020

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	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources:				
Property taxes	\$ 28,610,372	\$ 28,610,372	\$ 29,004,931	\$ 394,559
Specific ownership taxes	3,400,000	3,400,000	2,719,369	(680,631)
Delinquent taxes, penalties and interest	85,000	85,000	53,396	(31,604)
Other tuition	1,268,140	1,268,140	533,310	(734,830)
Investment earnings	13,325	13,325	464,914	451,589
Other	1,430,278	1,430,278	1,626,773	196,495
Total Local Sources	34,807,115	34,807,115	34,402,693	(404,422)
State sources:				
State equalization	50,913,107	50,913,107	52,313,074	1,399,967
Equalization adjustment	(75,000)	(75,000)	(211)	74,789
Adjustment to categorical revenue	—	—	(40,324)	(40,324)
Special education	1,568,772	1,568,772	1,792,526	223,754
English language learner	818,030	818,030	781,487	(36,543)
Transportation	615,000	615,000	591,757	(23,243)
Full-day kindergarten	82,000	82,000	—	(82,000)
At Risk	68,412	68,412	69,530	1,118
Read Act	315,000	315,000	265,854	(49,146)
Payment made by the State to PERA	—	—	1,200,896	1,200,896
Kindergarten Facility Capital Construction Rev	—	—	251,077	251,077
CPP Tax Check Off Revenue	—	—	4,799	4,799
Total State Sources	54,305,321	54,305,321	57,230,465	2,925,144
Total Revenues	89,112,436	89,112,436	91,633,158	2,520,722
Expenditures				
Instruction:				
Salaries	47,050,540	47,454,759	33,691,228	13,763,531
Employee benefits	9,374,805	9,012,931	9,820,955	(808,024)
Purchased services	1,454,849	1,359,101	1,771,935	(412,834)
Supplies and materials	2,002,548	1,606,334	9,500,653	(7,894,319)
Small equipment	4,400	12,000	3,807	8,193
Other	(800,175)	(798,851)	(786,923)	(11,928)
Total Instruction	59,086,967	58,646,274	54,001,655	4,644,619
Supporting services:				
Students:				
Salaries	2,652,364	2,419,635	2,450,136	(30,501)
Employee benefits	784,087	765,799	759,261	6,538
Purchased services	392,298	392,223	487,846	(95,623)
Supplies and materials	17,417	20,007	17,402	2,605
Small equipment	8,000	8,000	—	8,000
Other	—	—	11,518	(11,518)
Total Students	3,854,166	3,605,664	3,726,163	(120,499)

MAPLETON PUBLIC SCHOOLS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND

For The Year Ended June 30, 2020

Page 2 Of 3

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures (Continued)				
Supporting services (Continued)				
Instructional staff:				
Salaries	\$ 1,790,303	\$ 1,879,763	\$ 2,080,202	\$ (200,439)
Employee benefits	483,219	502,262	540,252	(37,990)
Purchased services	627,677	996,569	735,128	261,441
Supplies and materials	75,291	54,491	58,586	(4,095)
Small equipment	25,000	25,000	20,629	4,371
Other	36,518	36,518	11,074	25,444
Total Instructional Staff	3,038,008	3,494,603	3,445,871	48,732
General administration:				
Salaries	777,738	766,823	805,871	(39,048)
Employee benefits	203,531	202,706	213,564	(10,858)
Purchased services	328,784	373,054	2,360,551	(1,987,497)
Supplies and materials	129,144	129,144	111,176	17,968
Small equipment	121,297	76,297	72,489	3,808
Other	30,695	30,695	39,615	(8,920)
Total General Administration	1,591,189	1,578,719	3,603,266	(2,024,547)
School administration:				
Salaries	4,619,649	4,621,615	4,689,910	(68,295)
Employee benefits	1,295,042	1,349,460	1,369,658	(20,198)
Purchased services	27,815	27,632	13,868	13,764
Supplies and materials	147,864	200,359	151,679	48,680
Other	12,000	12,420	10,408	2,012
Total School Administration	6,102,370	6,211,486	6,235,523	(24,037)
Business services:				
Salaries	777,011	813,715	1,477,535	(663,820)
Employee benefits	207,224	227,608	398,145	(170,537)
Purchased services	966,641	966,641	988,213	(21,572)
Supplies and materials	19,750	19,750	8,020	11,730
Other	6,450	6,450	3,258	3,192
Total Business Services	1,977,076	2,034,164	2,875,171	(841,007)
Operations and maintenance:				
Salaries	3,603,039	2,811,007	2,778,028	32,979
Employee benefits	1,159,195	893,050	883,849	9,201
Purchased services	1,574,830	1,576,603	1,686,090	(109,487)
Supplies and materials	1,326,505	1,331,020	1,301,737	29,283
Small equipment	13,650	10,150	7,412	2,738
Other	81,000	81,000	79,968	1,032
Total Operations And Maintenance	7,758,219	6,702,830	6,737,084	(34,254)

MAPLETON PUBLIC SCHOOLS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND

For The Year Ended June 30, 2020

Page 3 Of 3

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures (Continued)				
Supporting services (Continued):				
Student transportation:				
Salaries	\$ 1,728,089	\$ 1,776,983	\$ 1,669,871	\$ 107,112
Employee benefits	569,669	582,244	557,020	25,224
Purchased services	150,144	138,186	121,663	16,523
Supplies and materials	362,726	375,284	308,922	66,362
Small equipment	3,400	3,400	269	3,131
Other	1,400	800	1,884	(1,084)
Total Student Transportation	2,815,428	2,876,897	2,659,629	217,268
Central support:				
Salaries	1,686,276	1,882,403	1,819,028	63,375
Employee benefits	459,819	557,685	543,286	14,399
Purchased services	1,583,709	1,582,514	1,158,639	423,875
Supplies and materials	50,500	48,342	20,465	27,877
Small equipment	325,000	325,000	330,121	(5,121)
On-behalf payments	—	—	1,200,896	(1,200,896)
Other	4,000	4,158	9,340	(5,182)
Total Central Support	4,109,304	4,400,102	5,081,775	(681,673)
Other support:				
Salaries	502,791	502,791	454,557	48,234
Employee benefits	103,678	103,704	81,758	21,946
Purchased services	4,500	4,500	1,613	2,887
Other	5,000	5,000	—	5,000
Total Other Support	615,969	615,995	537,928	78,067
Food Service Operations:				
Other	100,000	100,000	25,420	74,580
Community services:				
Salaries	—	5,500	4,271	1,229
Employee benefits	—	1,202	910	292
Purchased services	98,731	98,731	335,875	(237,144)
Supplies and materials	7,133	14,158	5,890	8,268
Other	1,000	1,000	198	802
Total Community Services	106,864	120,591	347,144	(226,553)
Total Supporting Services	32,068,593	31,741,051	35,274,974	(3,533,923)
Capital outlay	87,335	84,335	251,077	(166,742)
Contingency reserve	50,000	1,197,072	—	1,197,072
Total Expenditures	91,292,895	91,668,732	89,527,706	2,141,026
Excess (Deficiency) Of Revenues Over Expenditures	(2,180,459)	(2,556,296)	2,105,452	4,661,748
Other Financing Sources (Uses)				
Transfers out	(300,000)	75,836	(72,000)	(147,836)
Net Change In Fund Balance	\$ (2,480,459)	\$ (2,480,460)	\$ 2,033,452	\$ 4,513,912

MAPLETON PUBLIC SCHOOLS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GOVERNMENTAL GRANTS FUND For The Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources	\$ 91,818	\$ 961,141	\$ 797,272	\$ (163,869)
State sources	838,082	1,284,919	843,370	(441,549)
Federal sources	4,787,125	6,853,057	6,380,713	(472,344)
Total Revenues	5,717,025	9,099,117	8,021,355	(1,077,762)
Expenditures				
Instruction:				
Salaries	1,622,548	2,424,057	2,300,877	123,180
Employee benefits	438,203	592,956	578,478	14,478
Purchased services	410,489	479,641	346,139	133,502
Supplies and materials	274,330	426,352	235,074	191,278
Small equipment	—	838,788	841,612	(2,824)
Other	744,398	848,165	829,677	18,488
Total Instruction	3,489,968	5,609,959	5,131,857	478,102
Supporting services:				
Students	476,914	842,024	823,029	18,995
Instructional staff	787,730	1,116,452	978,820	137,632
General administration	17,001	51,504	25,129	26,375
School administration	63,552	140,414	213,740	(73,326)
Business services	—	5,699	5,699	—
Operations and maintenance	26,283	630,206	241,648	388,558
Student transportation	102,435	135,298	26,607	108,691
Central support	—	5,849	21,849	(16,000)
Other support	15,470	14,150	4,415	9,735
Food service operations	—	1,462	1,462	—
Community services	19,251	—	—	—
Total Supporting Services	1,508,636	2,943,058	2,342,398	600,660
Capital outlay	718,421	546,100	547,100	(1,000)
Total Expenditures	5,717,025	9,099,117	8,021,355	1,077,762
Net Change In Fund Balance	\$ —	\$ —	\$ —	\$ —

MAPLETON PUBLIC SCHOOLS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - FOOD SERVICE FUND For The Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources:				
Student and adult meals	\$ 269,232	\$ 269,232	\$ 224,235	\$ (44,997)
Nonreimbursable food service revenue	—	—	44,997	—
Investment earnings	9,178	9,178	4,500	(4,678)
Other	143,044	143,044	115,419	(27,625)
State sources:				
State match	77,450	77,450	66,199	(11,251)
Federal sources:				
School lunch and breakfast program	2,024,050	2,024,050	1,953,268	(70,782)
Donated commodities	205,075	205,075	265,664	60,589
Total Revenues	2,728,029	2,728,029	2,674,282	(53,747)
Expenditures				
Supporting services:				
Salaries	1,154,406	1,154,406	1,153,369	1,037
Benefits	347,872	347,872	343,492	4,380
Purchased services	141,916	141,916	106,103	35,813
Supplies and materials	1,222,942	1,222,942	1,066,911	156,031
Small equipment	73,000	73,000	12,482	60,518
Other	152,400	152,400	151,556	844
Capital outlay	154,000	154,000	141,571	12,429
Contingency reserve	300,000	300,000	—	300,000
Total Expenditures	3,546,536	3,546,536	2,975,484	571,052
Excess (Deficiency) Of Revenues Over Expenditures	(818,507)	(818,507)	(301,202)	517,305
Other Financing Sources				
Transfers in	45,000	45,000	—	(45,000)
Net Change In Fund Balance	\$ (773,507)	\$ (773,507)	\$ (301,202)	\$ 472,305

MAPLETON PUBLIC SCHOOLS

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY For The Year Ended December 31, (Measurement Date) Employee Pension Plan Year Six⁽¹⁾

	2019	2018	2017	2016	2015	2014
District's portion of the net pension liability	0.83673255990%	0.77689751840%	0.85804606680%	0.84827995740%	0.83242631120%	0.8368239563%
District's proportionate share of the net pension liability	\$ 125,006,029	\$ 137,565,664	\$ 277,461,603	\$ 252,565,034	\$ 127,313,727	\$ 113,417,755
State's proportionate share of the net pension liability as a nonemployer-contributing entity associated with the District	14,070,731	16,547,547	—	—	—	—
Total	\$ 139,076,760	\$ 154,113,211	\$ 277,461,603	\$ 252,565,034	\$ 127,313,727	\$ 113,417,755
District's covered payroll	\$ 48,197,465	\$ 42,710,218	\$ 39,580,644	\$ 38,072,316	\$ 36,276,775	\$ 35,056,996
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	259%	322%	701%	663%	351%	324%
Plan fiduciary net position as a percentage of the total pension liability	64.52%	57.01%	43.96%	43.13%	59.16%	62.84%

1. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

MAPLETON PUBLIC SCHOOLS

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TO THE PENSION PLAN
For The Fiscal Year Ended June 30, (Fiscal Year End Date)
Employee Pension Plan
Year Six⁽¹⁾**

	2020		2019		2018		2017		2016		2015	
Contractually required contribution	\$	9,468,008	\$	8,736,015	\$	6,970,153	\$	7,186,564	\$	6,569,899	\$	6,014,516
Contributions in relation to the contractually required contribution		9,468,008		8,736,015		6,970,153		7,186,564		6,569,899		6,014,516
Contribution deficiency (excess)	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
District's covered payroll	\$	50,936,634	\$	45,678,717	\$	40,228,095	\$	38,072,316	\$	36,276,775	\$	35,056,996
Contributions as a percentage of covered payroll (excluding HCTF)		18.59%		19.12%		17.33%		18.88%		18.11%		17.16%

1. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

MAPLETON PUBLIC SCHOOLS

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY For The Year Ended December 31, (Measurement Date) Health Care Trust Fund Year Three⁽¹⁾

	2019	2018	2017
District's portion of the net OPEB liability	0.5467135836%	0.5049875055%	0.4875383190%
District's proportionate share of the net OPEB liability	\$ 6,145,050	\$ 6,870,567	\$ 6,336,045
District's covered payroll	48,197,465	42,710,218	39,580,644
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	12.7%	16.1%	16.0%
Plan fiduciary net position as a percentage of the total OPEB liability	24.49%	17.03%	17.53%

1. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

MAPLETON PUBLIC SCHOOLS

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS TO THE NET OPEB PLAN For The Year Ended June 30, (Fiscal Year End Date) Health Care Trust Fund Year Three⁽¹⁾

	2020		2019		2018	
Contractually required contribution	\$	501,414	\$	435,644	\$	410,327
Contributions in relation to the contractually required contribution		501,414		435,644		410,327
Contribution deficiency (excess)	\$	—	\$	—	\$	—
District's covered payroll	\$	50,936,634	\$	45,678,717	\$	40,228,095
Contributions as a percentage of covered payroll		1.0%		1.0%		1.0%

1. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

MAPLETON PUBLIC SCHOOLS

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2020

1. Stewardship, Compliance And Accountability

Budgets And Budgetary Accounting

Budgets are required by state statutes for all of the District's funds. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles. Capital outlay and debt principal payments are budgeted as expenditures.

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. The Colorado Department of Education also requires a Budget Summary report to be filed with the adopted budget beginning July 1.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Education. All annual appropriations lapse at fiscal year end.
- Prior to June 30, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.

Supplementary Information

MAPLETON PUBLIC SCHOOLS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - CAPITAL RESERVE FUND For The Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources:				
Revenue from leases	\$ 31,000	\$ 31,000	\$ 36,300	\$ 5,300
Investment earnings	2,000	2,000	1,256	(744)
Other	160,000	160,000	172,624	12,624
Total Revenues	193,000	193,000	210,180	17,180
Expenditures				
Support services:				
Purchased services	6,000	6,000	5,804	196
Small equipment	—	—	3,453	(3,453)
Other	100,000	56,345	—	56,345
Capital outlay	213,000	256,655	61,988	194,667
Debt service:				
Principal	521,344	521,344	521,345	(1)
Interest and fiscal charges	192,591	192,591	190,590	2,001
Total Expenditures	1,032,935	1,032,935	783,180	249,755
Excess (Deficiency) Of Revenues Over Expenditures	(839,935)	(839,935)	(573,000)	266,935
Other Financing Sources				
Transfers in	300,000	300,000	72,000	(228,000)
Net Change In Fund Balance	\$ (539,935)	\$ (539,935)	\$ (501,000)	\$ 38,935

MAPLETON PUBLIC SCHOOLS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - CAPITAL PROJECTS FUND For The Year Ended June 30, 2020

	Original Budget		Final Budget		Actual	Variance Positive (Negative)		
Revenues								
Local sources:								
Investment earnings	\$	1,050,652	\$	1,050,652	\$	642,542	\$	(408,110)
Other		270,000		270,000		205		(269,795)
State source:								
Grants		5,503,030		5,503,030		197,427		(5,305,603)
Grant revenue - portion provided by state		7,989,080		7,989,080		7,750,108		(238,972)
Total Revenues		14,812,762		14,812,762		8,590,282		(6,222,480)
Expenditures								
Support services:								
Purchased services		1,045,302		1,045,302		743,006		302,296
Supplies and materials		36,250		36,250		70,365		(34,115)
Small equipment		1,210,019		1,349,278		1,624,434		(275,156)
Other		810,701		810,701		864,784		(54,083)
Capital outlay:								
Site improvements		—		59,607		4,337,141		(4,277,534)
Buildings		44,669,575		44,470,709		31,415,803		13,054,906
Equipment		14,455		14,455		193,649		(179,194)
Total Expenditures		47,786,302		47,786,302		39,249,182		8,537,120
Excess (Deficiency) Of								
Revenues Over Expenditures		(32,973,540)		(32,973,540)		(30,658,900)		2,314,640
Other Financing Sources								
Proceeds from the sale of bonds		30,061,819		30,061,819		23,650,000		(6,411,819)
Other long-term debt proceeds		—		—		6,441,088		6,441,088
Bond issuance premium		2,800,000		2,800,000		6,512,239		3,712,239
Total Other Financing Sources		32,861,819		32,861,819		36,603,327		3,741,508
Net Change In Fund Balance								
	\$	(111,721)	\$	(111,721)	\$	5,944,427	\$	6,056,148

MAPLETON PUBLIC SCHOOLS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - BOND REDEMPTION FUND For The Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources:				
Property taxes	\$ 16,449,211	\$ 16,449,211	\$ 12,802,154	\$ (3,647,057)
Delinquent taxes, penalties and interest	45,000	45,000	27,772	(17,228)
Investment earnings	90,000	90,000	73,151	(16,849)
Total Revenues	16,584,211	16,584,211	12,903,077	(3,681,134)
Expenditures				
Purchased services	—	6,600	2,358	4,242
Debt service:				
Principal	8,921,476	8,921,476	7,321,476	1,600,000
Interest and fiscal charges	7,380,588	7,380,588	6,870,447	510,141
Debt issuance cost	6,600	—	30,296	(30,296)
Contingency reserve	200,000	200,000	—	200,000
Total Expenditures	16,508,664	16,508,664	14,224,577	2,284,087
Excess (Deficiency) Of				
Revenues Over Expenditures	75,547	75,547	(1,321,500)	(1,397,047)
Other Financing Sources (Uses)				
Proceeds of refunding bonds	—	—	4,175,000	4,175,000
Payment to refunded bond escrow	—	—	(4,144,704)	(4,144,704)
Total Other Financing Sources	—	—	30,296	30,296
Net Change In Fund Balance	\$ 75,547	\$ 75,547	\$ (1,291,204)	\$ (1,366,751)

Federal Compliance

**Independent Auditors' Report
On Internal Control Over Financial
Reporting And On Compliance And Other
Matters Based On An Audit Of Financial
Statements Performed In Accordance With
*Government Auditing Standards***

Board of Education
Mapleton Public Schools
Denver, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Mapleton Public Schools (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 11, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance And Other Matters

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

Purpose Of This Report

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

RubinBrown LLP

December 11, 2020

State Compliance



Colorado Department of Education
Auditors Integrity Report
District: 0010 - Mapleton 1
Fiscal Year 2019-20
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	7,895,789	87,000,541	85,218,065	9,678,265
18 Risk Mgmt Sub-Fund of General Fund	403,165	1,528,413	1,082,995	848,583
19 Colorado Preschool Program Fund	275,258	3,032,203	3,226,646	80,814
Sub- Total	8,574,211	91,561,158	89,527,706	10,607,663
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	1,607,648	2,674,282	2,975,484	1,306,445
22 Govt Designated-Purpose Grants Fund	0	8,021,354	8,021,354	0
23 Pupil Activity Special Revenue Fund	277,618	241,415	227,693	291,340
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	10,745,886	17,078,077	18,369,281	9,454,682
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	34,221,259	45,193,609	39,249,182	40,165,686
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	670,367	282,180	783,180	169,367
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	56,096,990	165,052,074	159,153,880	61,995,183
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	0	0	0	0
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	0	0	0	0

FINAL