



Annual Comprehensive Financial Report

for the Fiscal Year Ended June 30, 2023

School District 27J
18551 E. 160th Avenue • Brighton, CO 80601

SCHOOL DISTRICT 27J
ADAMS, WELD AND BROOMFIELD COUNTIES
BRIGHTON, COLORADO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

Prepared by:
Finance Office

School District 27J, Colorado
Comprehensive Annual Financial Report
For The Year Ended June 30, 2023

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Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Introductory Section



SCHOOL DISTRICT 27J

List of Elected and Appointed Officials June 30, 2023

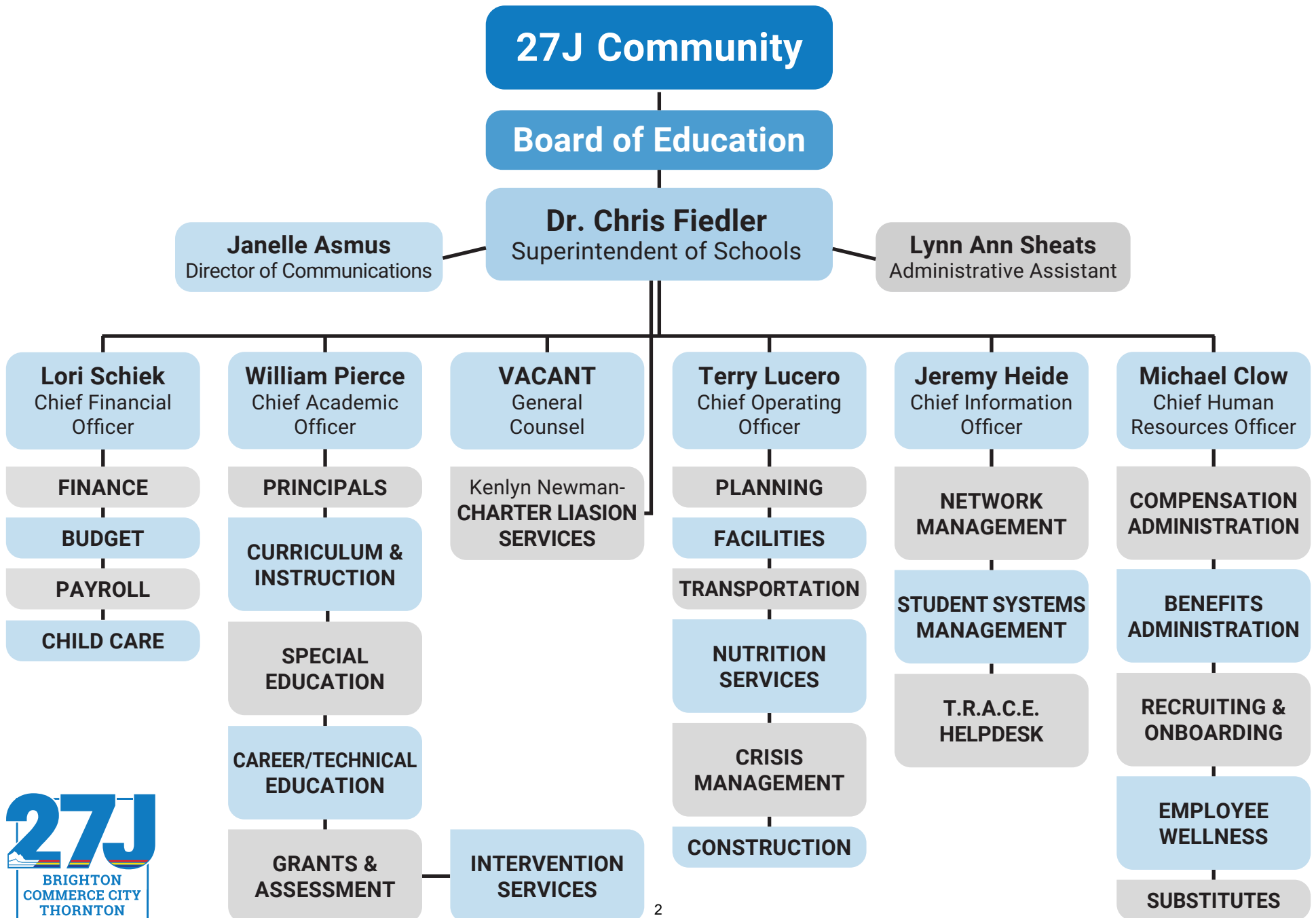
Board of Education

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Gregory Piotraschke	President	2023
Lloyd Worth	Vice-President	2023
Tom Green	Director	2023
Leon Thornton	Director	2025
Ashley Conn	Director	2025
Mandy Thomas	Director	2025
Mary Vigil	Director	2023

Executive Administrative Staff

Chris Fiedler	Superintendent
Lori Schiek	Chief Financial Officer
William Pierce	Chief Academic Officer
Terry Lucero	Chief Operations Officer
Michael Clow	Chief Human Resources Officer
Jeremy Heide	Chief Information Officer

27J SCHOOLS • ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**School District 27J
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



27J Schools

Superintendent Dr. Chris Fiedler, Ed.D
18551 E. 160th Avenue, Brighton, CO 80601

27J Schools Board of Education

Greg Piotraschke, President
Lloyd Worth, Vice President
Ashley Conn, Director
Tom Green, Director
Mandy Thomas, Director
Leon Thornton, Director
Mary Vigil, Director

January 18, 2024

Members of the Board of Education
School District 27J
Brighton, CO 80601

The Local Government Audit Law requires Colorado local governments to have an annual audit of their financial statements and publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This Annual Comprehensive Financial Report (ACFR) is published to fulfill that requirement for the fiscal year ended June 30, 2023.

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

The ACFR is presented in three sections: Introductory, Financial, and Statistical.

- The introductory section includes this letter of transmittal, the District's organizational chart, a list of principal officials and a reproduction of the 2022 GFOA Certificate of Achievement.
- The financial section includes the report of the independent auditor, management's discussion and analysis (MD&A), basic financial statements, required supplementary information and notes, combining statements, and individual fund statements and schedules.
- The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

RubinBrown LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the School District 27J's financial statements for the year ended June 30, 2023. The independent auditors' report is located at the front of the financial section of this report.

MD&A immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of School District 27J

Counties of Adams and Weld School District 27J, commonly referred to as School District 27J, formed in 1959 upon the reorganization and consolidation of several former school districts. School District 27J is located northeast of the Denver, Colorado metropolitan area and encompasses approximately 212.4 square miles in northwest Adams County, northeast Broomfield County and southwest Weld County and serves a population of about 109,800. The District is the only school district serving the City of Brighton and also serves segments of the cities of Thornton and Commerce City, in addition to the surrounding unincorporated and generally rural areas.

The District is a legally separate, primary government entity that operates under a publicly elected seven-member Board of Education. The Board of Education members are elected to alternating four-year terms with elections held every two years. Board members represent a specific area of the District, but are elected at-large. The School District 27J Board of Education voted January 27, 2009 to adopt the Policy Governance model of board governance. The Board of Education adopts the budget, employs all personnel required to maintain the operations, determines the educational programs provided by the district, and is primarily accountable for fiscal matters.

The District provides a full range of educational programs and services authorized by Colorado State Statutes to over 20,000 enrolled students. Included are basic kindergarten through twelfth-grade (K-12) education as well as preschool, vocational, special education, gifted and talented, bilingual education and numerous services and programs. The District's K-12 curriculum is delivered in its neighborhood school system of 12 elementary schools, 5 middle schools, 4 high schools (3 comprehensives and 1 alternative), 1 blended learning school, and 6 charter schools.

School District 27J is financially accountable for six charter schools and one capital foundation that are legally separate entities; all financial activity of the seven component units is discretely presented in the District's financial statements for the year ended June 30, 2022. The District's seven component units, are Belle Creek Charter School, Bromley East Charter School, Eagle Ridge Academy, Foundations Academy and Landmark Academy (charter schools operated by National Heritage Academies), The STEAD School, and the School District 27J Capital Facility Fee Foundation (CFFF). Additional information on all of these legally separate entities can be found in the notes to the financial statements (see note 1-A).

Colorado State Statutes require that the District adopt the budget by June 30 prior to the beginning of the subsequent fiscal year. Budget revisions may be adopted prior to January 31 of the current fiscal year. The District maintains extensive budgetary controls, to ensure compliance with legal requirements, Board of Education policies and District administrative guidelines. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by fund. Staffing levels are authorized for each site and are tracked monthly to insure usage within budgeted limits. Monthly reports are provided to each site's administrative staff, to allow monitoring of their discretionary budgets. As demonstrated by the statements and schedules included in the financials section of this report, the District continues to meet its responsibility for sound financial management.

Local economy

School District 27J provides educational services in the Metro Denver area inclusive of the cities of Brighton, Thornton and Commerce City. The District has a significant economic presence, employing in total more than 2,000 teachers, professionals and support staff.

The labor market in Colorado remains strong, with overall employment well exceeding pre-pandemic levels. While Colorado continues to outpace the nation on most labor market measures, there are some indications of softening. Elevated job openings continue to indicate that there is room to reign in inflationary pressures without decreasing employment. Employment levels in Colorado reached pre-pandemic levels in February 2022. Jobs are abundant, and ample household savings have helped to shrink the gap between rising incomes and even more quickly rising prices, but inflation has taken its toll. Rapid price hikes from energy and housing to food and vehicles have eroded real gains in earnings and income. Imposing and persistent inflationary pressures have prompted the Federal Reserve to raise interest rates and reduce asset purchases. The coming months will illuminate the inflation response to monetary policy treatment, as well as any persistent impacts for households and businesses.

Metro Denver has a limited supply of residential real estate and above-average population growth, so home prices and appreciation are rising, and construction activity is robust. School District 27J is one of the few remaining areas in Metro Denver with large amounts of land for development. The population in Brighton, Thornton and Commerce City have all increased in recent years.

Brighton City Council has continued its commitment to expanding both the employment base and range of retail opportunities by funding and working in cooperation with the Brighton Economic Development Corporation, Brighton Urban Renewal Authority, and Adams County Economic Development and Upstate Colorado Economic Development.

The District maintains a credit rating for schools of "A+" with a stable outlook. Credit ratings, provided by independent third parties, serve as an indicator of an organization's financial stability—as well as the safety and security of the debt sold by that organization. The most recent report from Standard and Poor referenced the District's access to, and participation in, the large and diverse Denver economy, coupled with very strong per capita wealth levels and good to very strong income indicators; which include continued growth in enrollment, the primary influence on the District's operating revenues; and consecutive years of positive operations with strong available general fund balances. In general, higher credit ratings often result in lower borrowing costs for the District because our interest rates are lower and there is a wider market of buyers.

Long-term financial planning and major initiative

Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund at year end was 19.3 percent of the total general fund revenues.

Student enrollment increased annually through fiscal year 2022-2023. Enrollment in fiscal year 2023-2024 will increase again due to projected growth at all grade levels. The District has worked through budget policy and practice of a structurally balanced budget in order to maintain stability, despite the inclusion of the budget stabilization factor in the Colorado School Finance Act which has limited growth on a per pupil basis.

The District was successful in passing a \$515 million bond in the November 2021 election supporting building four new schools, including a fourth district high school, a sixth district middle school, the second phase of the fourteenth district elementary and a K-8 school. In addition, STEM/CTE expansions at the three high schools, a new transportation terminal, additional technology, increased safety and security and continued deferred maintenance at the existing District buildings will all be supported by the bond. Discovery Magnet opened in the fall of 2023 along with all three CTE centers at the comprehensive high schools.

The District was also successful in passing a \$17.74 mill levy override in the November of 2022 election supporting compensation, safety and security and supporting our career technical and education centers.

Achievement

- Students in 27J are approaching the state average on Colorado Measures of Academic Success (CMAS).
- Students in 27J are scoring below the state average in nearly every assessment.
- These proficiency gaps widen as students approach graduation.
- There is a significant gap in performance with ELA students, Hispanic students, and free and reduced lunch students within 27J.

Growth

- Students in 27J are approaching making enough yearly growth.

Gaps

- Proficient or advanced 27J students are not "keeping up" with their proficiency at the same rate that other Colorado students are, nor are the proficient students "moving up" toward an advanced score.
- "Students with Disabilities" received a "Does Not Meet" rating in Reading, Math, and Writing at the elementary and middle school levels. They also received a "Does Not Meet" rating for Graduation rate.

The three major improvement strategies outlined in the 27J Unified Improvement Plan are:

Thinking Classrooms provide a framework for outlining the structures for 27J leaders. The Thinking Classroom is a classroom that transfers the definition of learning from the teacher delivering knowledge to the teacher being a driver of focused intentional learning, and students moving from a passive receiver of facts to a thinker using information. All students will have access to the same goal derived from the adopted 27J standards which are based on Colorado Academic Standards and the Common Core Standards.

The Thinking Classroom will have student evidence that is thoughtfully considered for each goal and assessed against the desired learning. Adjustments will be made in the instruction, and accommodations are offered to ensure the goal attainment based on the evidence.

The second focus is to use 27J curricular frames to align instruction toward big ideas. The 27J curricular frame is used to help create unit goals. These unit goals consider big ideas, the acquisition of essential knowledge and understandings, and the skills that a student will need to transfer this learning. Daily lessons are planned backwards from the unit goals. Each daily lesson's objective is essential in the development of larger unit goals.

The third area is to use 27J common assessment evidence to improve instruction. The teacher is also clear about what successful learning looks like and sounds like for each unit goal, daily objective and assignment. The teacher uses these learning criteria to tune in smartly to every student conversation, project, quiz, exit ticket or homework assignment as a way to gather evidence of learning, provide feedback, adjust future lessons, organize instructional supports, etc.

Relevant financial policies

The District's accounting system is designed to provide reasonable assurance that its assets are adequately safeguarded and that transactions are accurately recorded and have proper authorization. The District's budgetary and accounting controls provide reasonable assurance that errors or irregularities of a material nature are prevented or are detected in a reasonable period of time. The District is required by state law to adopt an annual budget that represents a complete financial plan for the ensuing fiscal year. A detailed programmatic budget is used as a guideline for expenditures, and monthly financial variance reports are prepared and distributed to the Superintendent and District leadership. The monthly reports contain information for all funds regarding revenue and expenditures as compared to the approved budget and prior fiscal year. While minor deviations from budget at the line-item level are allowed, control of expenditures is maintained at the fund level to ensure that all budget areas stay within their total budgeted appropriations. School principals and department managers use the reports to monitor budgetary variances and significant differences are discussed with the appropriate

supervisory staff as they occur. The Board of Education also receives monitoring reports throughout the fiscal year providing further detailed financial information on all funds as well as charter school operational and financial activity.

The financial accounting and budgetary system is automated and includes edits and balancing routines to ensure the integrity of the data entered. An evaluation of internal controls conducted by our auditors is included as part of this annual financial audit. The auditors' findings are presented to the Board of Education in the Single Audit report in the Compliance Section.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to School District 27J for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. This is the thirty-second consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable program requirements. A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe that our current ACFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

This preparation of this report would not have been possible without the skill, effort, and dedication of the entire Finance Office staff. Each and every member of the Finance Office staff provides input into this report. We commend the Board of Education for their interest and unfailing support related to the planning and management of the District's finances in a responsible and progressive manner. Additionally, we would like to express our appreciation to the cities of Brighton, Commerce City, Thornton, Adams and Weld Counties, and other public entities which provided meaningful information in the preparation of this report.

Respectfully submitted,



Dr. Chris Fiedler
Superintendent of Schools



Lori Schiek
Chief Financial Officer

Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Financial Section



Independent Auditors' Report

Board of Education
School District 27J
Brighton, Colorado

Report On The Audit Of The Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information for School District 27J (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

We did not audit the financial statements of Eagle Ridge Academy Charter School, Bromley East Charter School, Belle Creek Charter School, Foundation Academy Charter School, Landmark Academy Charter School, Capital Facility Fee Foundation, and the STEAD School, which represent 100 percent of the assets, net position and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for Eagle Ridge Academy Charter School, Bromley East Charter School, Belle Creek Charter School, Foundation Academy Charter School, Landmark Academy Charter School, Capital Facility Fee Foundation and the STEAD School, is based solely on the reports of the other auditors.

Basis For Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. The financial statements of Bromley East Charter School, Belle Creek Charter School, the Capital Facility Fee Foundation, and the STEAD School were not audited in accordance with *Government Auditing Standards*.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis Of Matter

As discussed in Note 2-L to the financial statements, the District implemented the provisions of Governmental Accounting Standards Board Number 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities Of Management 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.

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

Auditors' Responsibilities For The Audit Of The Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 14 through 24 and budgetary comparison information, schedule of the District's proportionate share of the net pension liability, schedule of the District's contributions to the pension plan, schedule of the District's proportionate share of the net other postemployment benefit (OPEB) liability and the schedule of the District's contributions to the OPEB plan on pages 94 through 101 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 schedule of expenditures of federal awards, as required by the U.S. Office of Management and Budget's Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures, the combining and individual fund financial statements and schedules and the combining component unit financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 GAAS by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above and the report of the other auditors, the schedule of expenditures of federal awards, the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures, the combining and individual fund financial statements and schedules and the combining component unit financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 18, 2024 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

RubinBrown LLP

January 18, 2024

School District 27J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the fiscal year ended June 30, 2023

As management of School District 27J, counties of Adams, Weld and Broomfield, Colorado (the School District), we offer readers of the School District's Annual Comprehensive Financial Report this narrative overview and analysis of the financial activities of the School District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal; which can be found on pages 4-8 of this report, and the School District's financial statements, which follow this section.

Financial Highlights

- Effective July 1, 2014, the District is required to apply the Governmental Accounting Standards Board (GASB) Statement No. 68 Accounting and Financial Reporting for Pensions (GASB 68). GASB 68 revises and establishes new financial reporting requirements for governments that provide their employees with pension benefits. The School District provides its employees with pension benefits through a multiple employer cost sharing defined benefit retirement program administered by the Public Employees' Retirement Association of Colorado (PERA).
- Due to the (\$217.3) million effect of GASB 68, the assets and deferred outflows of resources of the School District only exceeded its liabilities and deferred inflows of resources at June 30, 2023, by \$19.0 million (net position).
- During the November 2020 election, the School District voters successfully passed an authorization for issuance of \$515 million of bonds. The bonds are funding building a new comprehensive high school, two new middle schools, STEM/CTE centers at all three of the current high schools; all opened in the fall of 2023, a K-8 school; Discovery Magnet which opened in the fall of 2023, and the second phase of a new elementary; Southlawn Elementary, which opened in fall of 2022. In addition, the School District will increase safety and security measures district-wide and lengthen the life of existing educational facilities through repairs, maintenance and renovations.
- The net position of the School District governmental activities includes \$99.4 million net investment in capital assets; net position of \$75 million restricted for debt service payments, \$5.6 million required emergency reserves; and an unrestricted net position balance of negative \$(169.1) million.
- At the end of the current fiscal year, unassigned fund balance for the General Fund is \$21.5 million or 10% of General Fund Expenditures.

Overview of the Financial Statements

The discussion and analysis provided are intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) the notes to the financial statements. This report also includes required supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader of the School District's Annual Comprehensive Financial Report a broad overview of the School District's finances in a manner similar to a private sector business. The government-wide financial statements include the statement of net position and the statement of activities.

The statement of net position presents financial information on all of the School District's assets, deferred outflows or 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 the School District as a whole is improving or deteriorating. Evaluation of the overall health of the School District would extend to other non-financial factors such as diversification of the taxpayer base or the condition of School District infrastructure, in addition to the financial information provided in this report.

The statement of activities presents information showing how the School District's net position changed during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods. The purpose of the statement of activities is to show the financial reliance of the School District's activities or functions on revenues provided by the School District's taxpayers.

In the government-wide financial statements, the School District's activities include:

- ***Governmental activities:*** Most of the School District's basic services are included here, such as instruction and support services that are principally supported by property taxes and state funding.

The government-wide financial statements include not only financial data for the School District itself (known as the primary government), but also the legally separate Capital Facility Fee Foundation and seven legally separate charter schools for which the School District is financially accountable. Financial information for these component units is presented separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 25-26 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. The School District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report. All of the funds of the School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide 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 annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains ten individual governmental funds. The major funds are the general fund, the capital projects fund, the debt service fund, nutrition services fund and the government designated purpose grants fund. They are presented separately in the fund financial statements with the remaining governmental funds combined into a single aggregated presentation labeled other governmental funds. Individual fund information for the non-major funds is presented as supplementary information in this document.

The School District adopts an annual appropriated budget for each of the governmental funds. Budgetary comparison statements for the ten governmental funds are included in the supplementary information to demonstrate compliance with the amended budget.

The basic governmental fund financial statements can be found on pages 27-30 of this report.

Proprietary funds: Effective July 1, 2014 the School District maintains one type of proprietary fund, internal service funds. Internal service funds are used to accumulate and allocate costs internally among the governmental functions. The School District has two internal service funds, the risk management/dental insurance fund, which is used for the School District self-insured dental program and the print shop fund, which is used for the in-house printing services. The School District adopts an annual appropriated budget for each of the proprietary funds. Budgetary comparison statements for the two proprietary funds are included in the supplementary information to demonstrate compliance with the amended budget.

The basic proprietary fund financial statements can be found on pages 31-33 of this report.

Private Purpose Trust Fund: The private purpose trust fund is used to account for resources held for the benefit of parties outside of the School District. The private purpose trust fund is not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's own programs. The accounting used for private purpose trust funds is much like that used for proprietary funds. The School District has one private purpose trust fund which is primarily used for scholarship activity.

The basic private purpose trust fund financial statements can be found on pages 34-35 of this report.

Notes to the Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the School District's budget presentations. Budgetary comparison statements are included as "required supplementary information" for the general fund, nutrition services fund and the government designated purpose grant fund. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the School District's adopted budget.

As discussed, the School District reports major funds in the basic financial statements. Combining and individual fund statements and schedules for non-major funds can be found beginning on page 104 of this report.

Government-wide Overall Financial Analysis

Government-wide Net Position

As noted earlier, net position may serve as a useful indicator of a government's financial position. Largely due to the effect of GASB 68, the assets and deferred outflows of resources of the School District only exceeded its liabilities and deferred inflows at June 30, 2023, by \$19.0 million.

The assets of the School District are classified as current assets, capital assets, net of depreciation and amortization and other non-current assets. Cash, investments, deposit with insurance pool, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. Cash and investments account for 92.9% of the current assets. Receivables are due in large part as a result of the property tax collection process. The School District receives close to 95% of the annual property tax assessment between March and June. The School District reports deferred outflows of resources related to pensions and the loss on refunding.

Current and noncurrent liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, accrued interest payable, unearned revenue, early retirement payable, compensated absences payable, leases payable, SBITAs payable, estimates for claims and premiums, and current debt obligations. The liquidation of current liabilities is anticipated to be from current available resources, current assets or new resources that become available during fiscal year 2023-2024. Noncurrent liabilities such as long-term debt obligations and compensated absences will be liquidated from resources that will become available after fiscal year 2023-2024.

The School District's net position includes a \$99.2 million investment in capital assets net of accumulated depreciation and amortization and any related outstanding debt that was used to acquire those assets. The School District uses these capital assets to provide educational services to its students. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net position of \$75.0 million, accumulated due to voter approved bonded debt mill levy assessments, have been restricted to provide resources to liquidate the current general obligation bond principal and related interest payments.

Unrestricted net position is different than what would be reflected on a governmental fund accounting basis. This is due to GASB 68 and 75 along with the accounting treatment in the government-wide statements of accrued salaries and benefits earned but unpaid and compensated absences payable. The \$1.48 million long-term portion of compensated absences is recorded as a liability on the government-wide statements, but not on the governmental fund statements because they are not payable with current funds. The GASB 68 net pension liability and GASB 75 net other post-employment benefit liability are reported in the same manner as compensated absences and are \$246.9 million and \$8.4 million, respectively.

Comparative Summary of Net Position As of June 30, 2023			
	Governmental Activities		Total % Change
	2023	2022	2022 to 2023
<u>Assets:</u>			
Total Current Assets	\$ 162,219,675	\$ 137,649,310	17.8%
Capital Assets net of Depreciation and Amortization	540,229,612	428,923,684	26.0%
Other Non-Current Assets	199,292,385	302,251,699	-34.1%
Total Assets	901,741,672	868,824,693	3.8%
Deferred Outflows of Resources	65,260,012	64,196,167	1.7%
<u>Liabilities:</u>			
Total Current	64,259,805	53,572,020	20.0%
Total Non-Current	848,955,761	814,359,700	4.2%
Total Liabilities	913,215,566	867,931,720	5.2%
Deferred Inflows of Resources	34,829,845	90,089,314	-61.3%
<u>Net Position:</u>			
Net Investment in Capital Assets	99,201,987	77,703,890	27.7%
Restricted for:			
TABOR	5,596,417	4,986,655	12.2%
Debt Service	74,995,304	73,816,187	1.6%
Government Designated Purpose Grants	649,696	1,012,717	-35.8%
Colorado Preschool Program	827,454	311,091	166.0%
Nutrition Service	4,976,557	2,027,441	145.5%

Other Program Purposes	1,796,900	1,420,465	26.5%
Unrestricted	(169,088,042)	(186,278,623)	-9.2%
Total Net Position	\$ 18,956,273	\$ (25,000,177)	-175.8%

The School District's overall net position increased \$44.1 million from the prior fiscal year. Further detail for this overall increase is provided in the following sections for governmental activities.

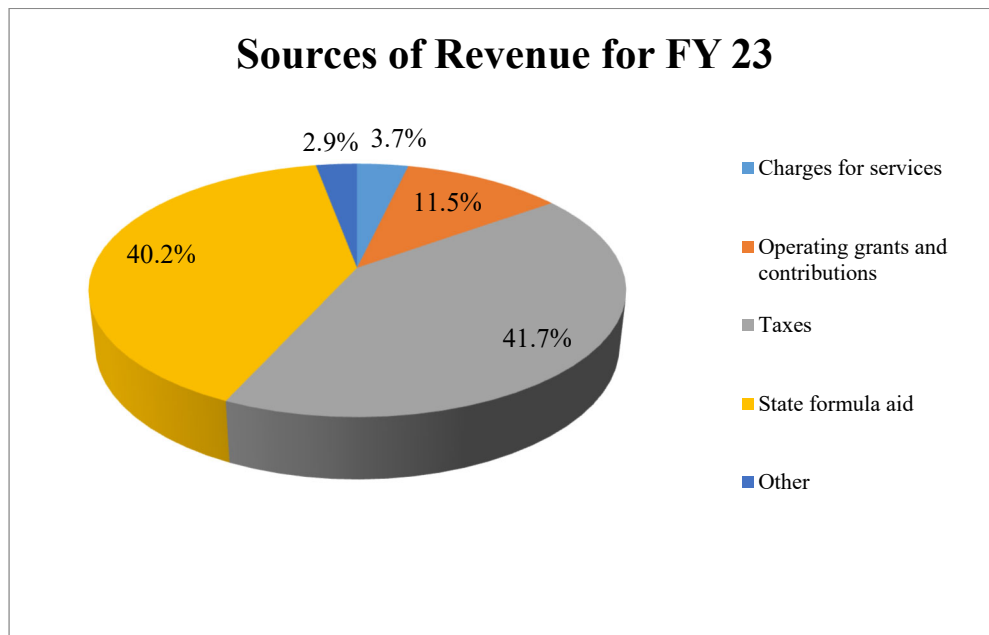
Governmental Activities

Governmental activities increased the net position of the School District by \$44.0 million.

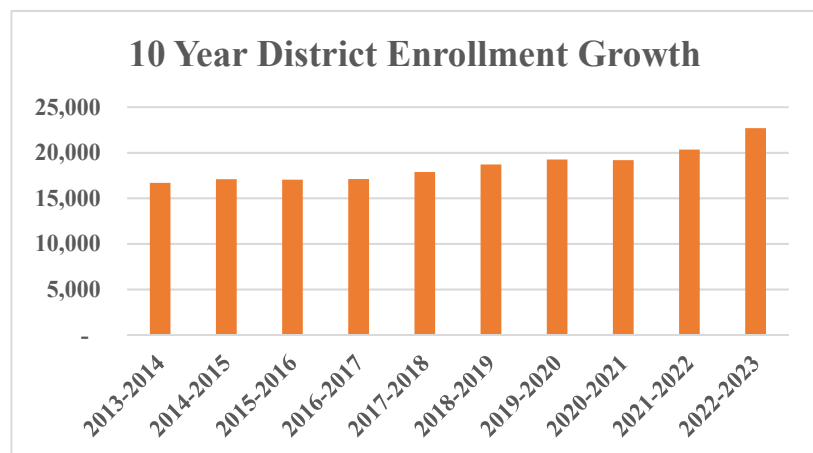
Comparative Schedule of Changes in Net Position			
For the Year Ended June 30, 2023			
	Governmental Activities		Total % Change
	2023	2022	2022 to 2023
<u>Program Revenues:</u>			
Charges for Services	\$ 12,610,412	\$ 12,349,201	2.1%
Operating Grants and Contributions	39,817,349	36,868,778	8.0%
Capital Grants and Contribution	-	-	0.0%
<u>General Revenues:</u>			
Local Property Taxes	138,212,817	100,479,897	37.6%
Specific Ownership Taxes	5,537,768	3,746,716	47.8%
Equalization	138,639,823	115,982,915	19.5%
Other	10,126,396	492,239	1957.2%
Total Revenues	344,944,565	269,919,746	27.8%
<u>Expenses:</u>			
Instruction	121,930,926	73,518,228	65.9%
Supporting Services			
Pupil Services	14,854,016	9,172,689	61.9%
Instructional Staff	7,751,337	4,837,835	60.2%
General Administration	2,741,128	1,436,129	90.9%
School Administration	14,166,299	8,437,353	67.9%
Operations and Maintenance	17,006,602	9,634,340	76.5%
Pupil Transportation	9,146,464	5,671,130	61.3%
Business Supporting Services	3,832,784	2,707,160	41.6%
Central Supporting Services	15,016,360	12,285,378	22.2%
Community Services	1,857,633	957,434	94.0%
Pupil Activities	4,353,277	2,340,212	86.0%
Charter Schools	57,187,048	34,760,360	64.5%
Debt Service - Interest	23,197,693	14,768,577	57.1%
Nutrition Service	7,946,548	5,004,776	58.8%
Total Expenses	300,988,115	185,531,602	62.2%
Change in Net Position	43,956,450	84,388,144	-47.9%
Beginning Net Position	(25,000,177)	(109,388,321)	-77.1%
Ending Net Position	\$ 18,956,273	\$ (25,000,177)	-175.8%

While the continued loss in funding due to the inclusion of the negative factor in the Colorado Public School Finance Act (SFA) has certainly had an impact on the School District, management has been able to limit expenses to

minimize the impact on governmental activities over the long term. The SFA provides for the majority of the funding of local school districts based on a funded pupil count formula and a maximum property tax mill levy determined for each school district. Funding for the SFA comes from property taxes, specific ownership tax and state equalization. State equalization provided 40.2% of the School District's total governmental revenues, which is a decrease of 2.8% over the prior fiscal year. Local taxes provided 41.7% of governmental revenue. The \$37.7 million increase in local property taxes from the prior fiscal year is associated with the increase in levies for mills and passing of the mill levy override. The School District levies 34.221 mills annually for the SFA, an increase of 6.424 from the prior year. The \$22.7 million increase in equalization is due to a combination of an increase in per pupil funding in 2022-23 and an 11.5% increase in enrollment.

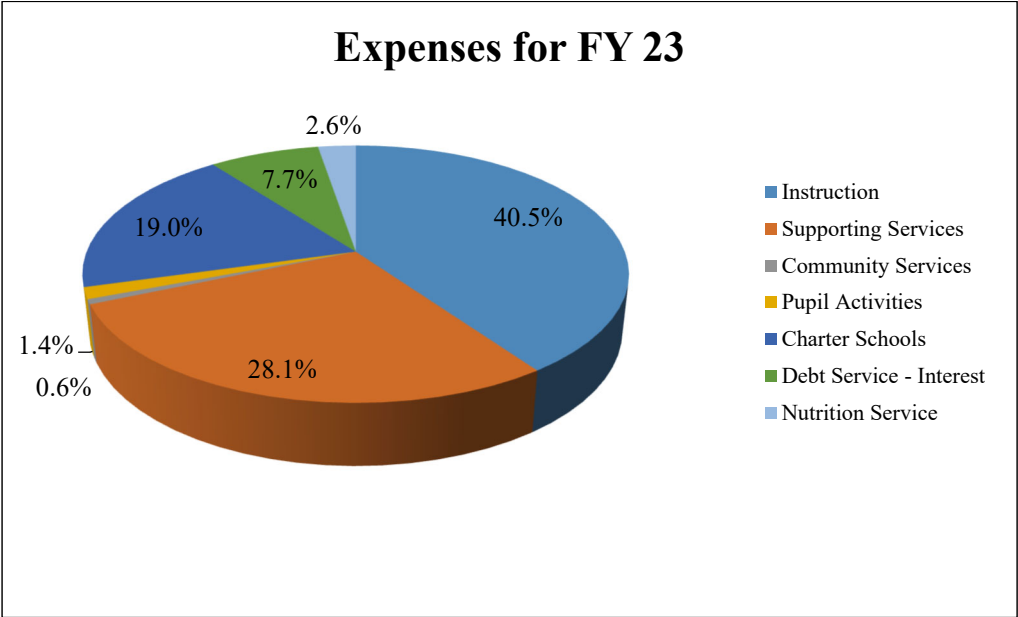


Year	Student Count	% Change
2013-2014	16,698	3.3%
2014-2015	17,103	2.4%
2015-2016	17,042	-0.4%
2016-2017	17,115	0.4%
2017-2018	17,883	4.5%
2018-2019	18,711	4.6%
2019-2020	19,248	2.9%
2020-2021	19,188	-0.3%
2021-2022	20,338	6.0%
2022-2023	22,687	11.5%



Government-wide expenses increased \$115.5 million from the prior year. A large portion of this was due to the increase in the amount the State contributed to the state pension fund and the amount the District was required to report as an “on-behalf” benefit. Direct governmental instructional expenses make up 40.5% of the total governmental expenses. This category includes direct instruction to students. Support services, which includes but is not limited to operations and maintenance, transportation, pupil services, and other general support services is 28.4% of the total governmental expenses. Charter schools’ governmental expenses constitute 19.0% of the total

governmental expenses in fiscal year 2023. The remaining 12.4% of the total governmental expenses include community services, pupil activities, and debt service interest payments.



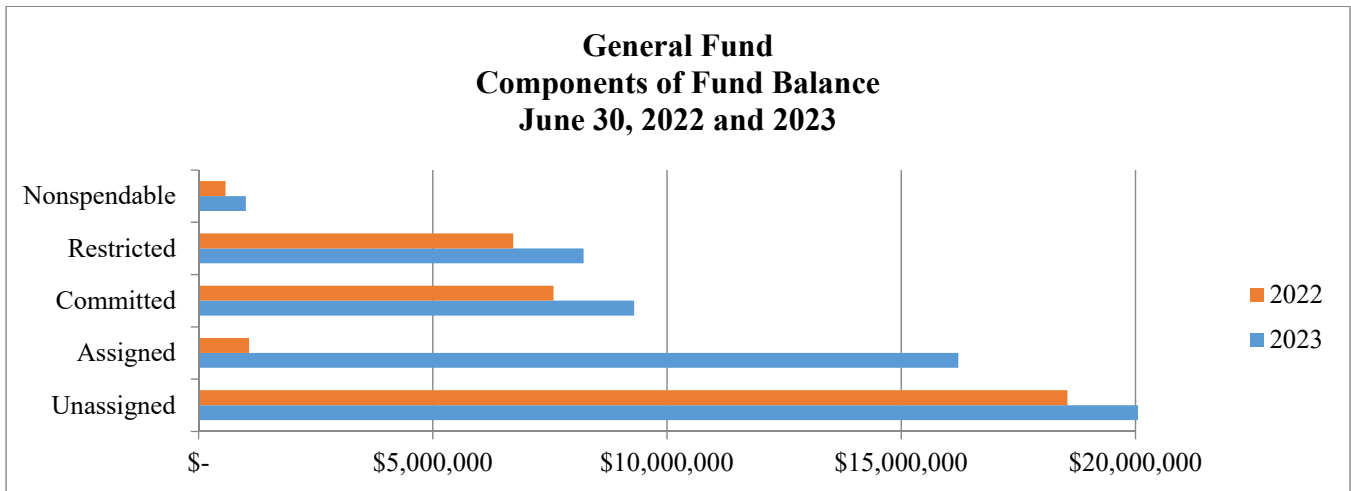
Financial Analysis of Governmental Funds

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations.

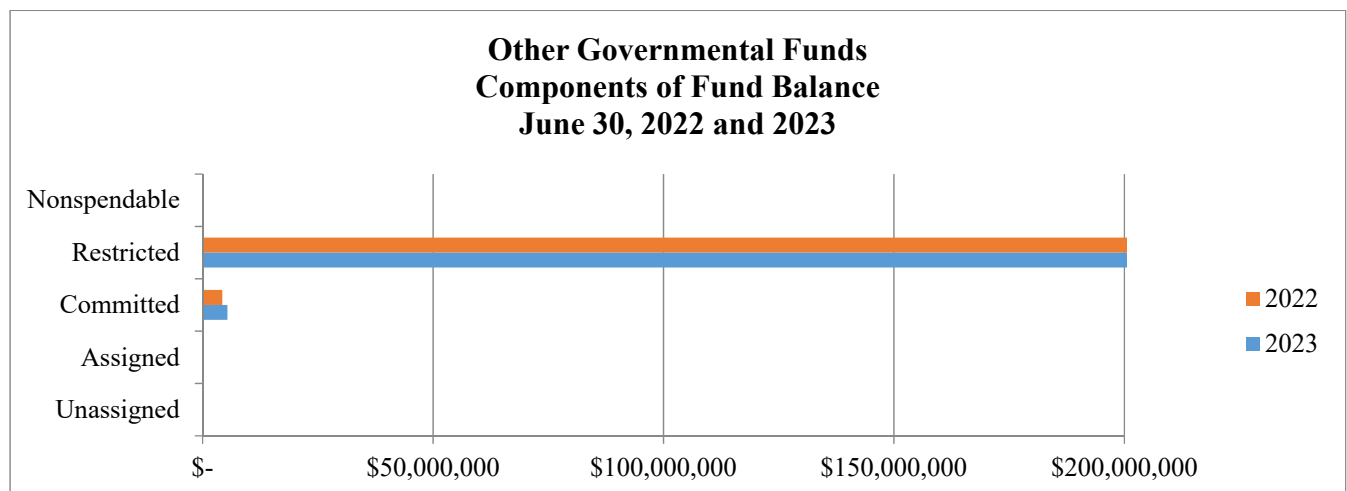
Governmental Funds

The focus of the School District’s governmental funds is to provide information on near-term inflows, outflow, and balances of spendable resources. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the School District, or a group or individual that has been delegated authority to assign resources for particular purposes by School District’s Board of Education.

Of this year-end total, \$21.5 million is unassigned, indicating availability for continuing School District service requirements. Legally restricted fund balances include \$74.3 million for debt service, \$179.4 million for capital projects and \$5.6 million restricted pursuant to the TABOR Amendment. Article X 20(5) of the Colorado State Constitution (TABOR Amendment), requires that an amount equal to 3% or more of its fiscal year spending excluding debt service be set aside. Committed fund balances include \$5.4 million for special revenue funds, \$5.9 million for Board contingencies, \$1.6 million for capital reserve projects, \$3.4 million for risk management insurance and contracted services.



The General Fund is the School District's primary operating fund and the largest source of day-to-day service delivery. At the end of the current fiscal year, unassigned fund balance in the general fund was \$21.5 million, while total fund balance increased \$21.7 million to \$56.2 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 10.0% of total general fund expenditures net of intergovernmental – charter schools, while total fund balance represents approximately 26.0% of that same amount.



Proprietary Funds

The School District's proprietary funds consist of two internal service funds that provide the same type of information found in the government-wide financial statements, but in more detail. In fiscal year 2023, the School District accounted for the School District's self-insured dental plan and print shop as part of the proprietary funds.

The unrestricted net position for the School District's self-insured dental plan and print shop is \$0.7 million, with the School District's self-insured dental plan accounting for 100 percent of the total.

General Fund Budgetary Highlights

Revenue - Actual revenues were \$1.0 million more than the final approved budget. This is primarily due to state equalization projections being lower than what was received as well as the on-behalf PERA payment revenue of \$5.6 million.

General Fund Revenue	Budget	Actual	Difference
Taxes	\$ 94,149,578	\$ 88,918,841	\$ (5,230,737)
Intergovernmental Revenue	145,357,532	151,102,609	5,745,077
Charges for Services	1,905,688	1,715,514	(190,174)
Investment Earnings	796,293	1,382,962	586,669
Miscellaneous	432,988	542,415	109,427
Total	\$ 242,642,079	\$ 243,662,341	\$ 1,020,262

Expenditures – General fund expenditures were \$41.8 million less than budgeted. The fiscal year 2023 budget includes reserves to account and prepare for the new mill levy override funds received in fiscal year 2023 but not expensed until fiscal year 2024. In addition, the District negotiated an increase to compensation that was budgeted in fiscal year 2023 to go into effect in fiscal year 2024 and fiscal year 2025, since this is a recurring cost to the District.

Capital Assets and Debt Administration

Capital assets

The School District's investment in capital assets, net of accumulated depreciation and amortization, for governmental activities as of June 30, 2023, was \$540.2 million. The overall increase in this net investment was \$111.3 million. This increase is due to the increase in construction in progress as well as the increase to capitalized buildings from the prior year. See Note 2-D for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following table provides a summary of capital asset activity

Capital Assets As of June 30, 2023		
	Governmental Activities	
	2023	2022
Non-depreciable assets:		
Land	\$ 13,131,691	\$ 13,131,691
Water Shares	1,496,673	1,496,673
Construction in progress	131,876,986	28,856,166
Total non-depreciable	146,505,350	43,484,530
Depreciable assets:		
Buildings	507,320,731	487,854,626
Equipment	24,240,843	23,610,921
Right-to-Use Lease Equipment	574,994	574,994
Subscription Based IT Arrangements	1,716,204	-
Total depreciable assets	533,852,772	512,040,541
Less accumulated depreciation and amortization	140,128,510	126,601,387
Book Value - depreciable assets	393,724,262	384,439,154
Percentage depreciated	26.2%	24.7%
Book Value - all assets	\$ 540,229,612	\$ 428,923,684

Long-term debt

At the end of the fiscal year, the School District had outstanding general obligation bonds of \$552.7 million.

This debt is backed by the full faith and credit of the School District (general obligation bonds) with debt service fully funded by voter-approved property taxes.

The School District has incurred liabilities for early retirement obligations and compensated absences earned by employees. The following chart provides summary information on the School District's long-term debt:

Long Term Debt As of June 30, 2023		
	Governmental Activities	
	2023	2022
- <u>Type of Debt:</u>		
General Obligation Bonds	\$ 552,745,000	\$ 581,355,000
Certificates of Participation	3,467,452	3,772,272
Leases Payable	22,822	180,708
SBITA Payable	467,702	-
Bond Premium	<u>62,172,142</u>	<u>66,413,074</u>
Total	618,875,118	651,721,054
Early Retirement of Obligation	216,056	245,266
Compensated Absences	<u>3,699,279</u>	<u>3,613,490</u>
Total	\$ 3,915,335	\$ 3,858,756

The School District maintains an “A+” rating from Standard & Poor’s and an “Aa3” from Moody’s Investors Service for general obligation debt.

Additional information on the School District’s long-term debt can be found in Note 2-G of this report.

Economic Factors and Budget Highlights

The School District is highly dependent upon the State of Colorado for operating revenue. Amendment 10 of the Colorado Constitution, TABOR, restricts the School District’s ability to raise property taxes without a vote of the electorate. The School District has seen lower than expected funding from the state for ten consecutive years.

The State economy heading into the 2023-2024 fiscal year reflects an optimistic outlook for revenue stated in the Governor’s budget published November 2023. The effects of the 2023 Election have yet to be analyzed as it pertains to the budget and fiscal year 2024 expenditures.

The Board of Education established a course of action for 2023-2024 fiscal year planning and budgeting. The direction from the Board is “Financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board’s Goals priorities, risk financial jeopardy, or fail to be derived from a multi-year plan.” The Board’s Global Goals are:

- The graduation/completer rate will increase by 2% per year until 95% is attained at which it will not drop lower.

- The School District's average composite ACT score will increase by .5 points per year until the score reaches 22 at which it will not drop lower.
- Students with continuous enrollment during an academic year will achieve at least one year's academic growth grades 1-10 in reading, writing, math and science. The core content areas of social studies and world language will have this same academic growth expectations beginning one year after the state's assessment for these areas have been developed.

The key principles of the budget development process are:

- Maximize resources in direct and indirect instruction of students
- Increase parent involvement and communications
- Focus on enrollment growth and seat capacity where needed
- Maintain fiscal stability by keeping expenditures (of which employee compensation is the largest component) in-line with revenue expectations
- Continued support of current technology in schools
- Investment in asset protection and maintenance of facilities
- Maintenance of strategic long range financial plan

Contacting the School District's Financial Management

The intent of this financial report is to provide a general overview of the School District's finances, comply with finance-related laws and regulations, and demonstrate the School District's commitment to public accountability. If there are questions about this report or you would like to request additional information, contact the School District at the Educational Services Center located at 1850 E. Egbert Street in Brighton, CO 80601. You can also visit the School District's website at www.sd27j.org for additional information about its schools, departments, and finances.

School District 27J, Colorado
Statement of Net Position
June 30, 2023

	Governmental Activities	Component Units
Assets		
Current Assets		
Cash and Investments	\$ 150,596,477	\$ 14,132,458
Investment in Insurance Pool	3,370,961	-
Inventory	121,054	-
Receivables		
Accounts	164,724	495,406
Property Taxes	3,313,083	-
Intergovernmental	2,570,971	1,494,062
Grants	102,571	271,989
Leases	698,043	-
Accrued Interest on Investments	215,093	-
Deposits and Prepaids	1,066,698	455,530
Total Current Assets	<u>162,219,675</u>	<u>16,849,445</u>
Noncurrent Assets		
Restricted Cash and Investments	199,292,385	10,139,186
Non Depreciable Capital Assets	146,505,350	25,498,977
Depreciable Capital Assets, Net	393,724,262	30,665,724
Total Noncurrent Assets	<u>739,521,997</u>	<u>66,303,887</u>
Total Assets	<u>901,741,672</u>	<u>83,153,332</u>
Deferred Outflows of Resources		
Loss on Refunding	2,066,733	294,639
Related to OPEB	2,302,326	182,765
Related to Pensions	60,890,953	5,588,181
	<u>65,260,012</u>	<u>6,065,585</u>
Liabilities		
Current Liabilities		
Accounts Payable	20,900,025	3,202,038
Accrued Salary and Benefits	9,570,581	1,022,679
Accrued Interest Payable	2,103,620	417,764
Loan Payable	-	6,187,760
Building Loan	-	631,420
Unearned Revenue	2,540,629	360,015
Compensated Absences Payable	2,219,567	-
Early Retirement Payable	216,056	-
Claims Payable	51,244	825,567
Leases Payable	16,967	32,533
SBITA Payable	231,295	-
Certificates of Participation	304,820	-
General Obligation Bonds Payable	26,105,000	-
Total Current Liabilities	<u>64,259,805</u>	<u>12,679,776</u>
Noncurrent Liabilities		
Compensated Absences Payable (net of current portion)	1,479,712	-
Leases Payable (net of current portion)	5,855	51,320
SBITA Payable (net of current portion)	236,407	-
COPS (net of current portion)	3,162,632	-
General Obligation Bonds Payable (net of current portion)	588,812,142	-
Loans Payable (net of current portion)	-	25,314,826
Building Loans Payable (net of current portion)	-	14,833,917
Net OPEB Liability	8,408,116	849,038
Net Pension Liability	246,850,897	24,918,153
Total Noncurrent Liabilities	<u>848,955,761</u>	<u>65,967,254</u>
Total Liabilities	<u>913,215,566</u>	<u>78,647,030</u>
Deferred Inflows of Resources		
Related to Leases	677,022	-
Related to OPEB	2,850,916	337,814
Related to Pensions	31,301,906	4,238,416
	<u>34,829,845</u>	<u>4,576,230</u>
Net Position		
Net Investment in Capital Assets	99,201,987	9,800,563
Restricted for		
TABOR	5,596,417	1,457,919
Debt Service	74,995,304	2,220,662
Government Designated Purpose Grants	649,696	-
Colorado Preschool Program	827,454	-
Other Program Purposes	1,796,900	276,000
Nutrition Service	4,976,557	-
Building Maintenance	-	2,480,809
Operations and Maintenance	-	155,739
Capital Projects	-	4,570,128
Unrestricted	(169,088,042)	(14,966,163)
Total Net Position	<u>\$ 18,956,273</u>	<u>\$ 5,995,657</u>

See accompanying notes to the basic financial statements.

School District 27J, Colorado
Statement of Activities
For The Year Ended June 30, 2023

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Component Units
Primary Government						
Governmental Activities						
Instructional Services	\$ 121,930,926	\$ -	\$ 31,133,403	\$ -	\$ (90,797,523)	\$ -
Supporting Services						
Pupil Services	14,854,016	-	-	-	(14,854,016)	-
Instructional Staff	7,751,337	-	-	-	(7,751,337)	-
General Administration	2,741,128	-	-	-	(2,741,128)	-
School Administration	14,166,299	-	-	-	(14,166,299)	-
Operations and Maintenance	17,006,602	-	-	-	(17,006,602)	-
Pupil Transportation	9,146,464	772,467	1,510,263	-	(6,863,734)	-
Business Supporting Services	3,832,784	-	-	-	(3,832,784)	-
Central Supporting Services	15,016,360	-	-	-	(15,016,360)	-
Community Services	1,857,633	5,100,842	-	-	3,243,209	-
Pupil Activities	4,353,277	3,629,502	-	-	(723,775)	-
Charter School Funding	57,187,048	-	-	-	(57,187,048)	-
Interest on Long-Term Debt	23,197,693	-	-	-	(23,197,693)	-
Nutrition Services	7,946,548	3,107,600	7,173,683	-	2,334,735	-
Total Governmental Activities	\$ 300,988,115	\$ 12,610,411	\$ 39,817,349	\$ -	(248,560,354)	-
Component Units						
Eagle Ridge Academy	\$ 5,774,742	\$ 154,033	\$ 325,454	\$ 1,189,498	-	(4,105,757)
Bromley East Charter School	13,935,849	1,334,372	1,206,490	421,047	-	(10,973,940)
Belle Creek Charter School	6,836,464	471,741	645,051	1,370,357	-	(4,349,315)
Foundations Academy Charter School	8,648,455	-	511,500	-	-	(8,136,955)
Landmark Academy Charter School	8,614,581	-	538,371	-	-	(8,076,210)
The STEAD School	4,629,162	727,935	6,046,574	55,948	-	2,201,295
Capital Facility Fee Foundation	245,736	750,962	36,167	-	-	541,393
Total Component Units	\$ 48,684,989	\$ 3,439,043	\$ 9,309,607	\$ 3,036,850	-	(32,899,489)
General Revenues						
Local Property Taxes					138,212,817	-
Specific Ownership Taxes					5,537,768	-
Equalization					138,639,823	-
Equalization - Charter Schools					-	38,384,024
Mill Levy Override					-	3,693,921
Investment Earnings					9,468,269	417,536
Other					658,127	1,349,752
Total General Revenues					292,516,804	43,845,233
Change in Net Position					43,956,450	10,945,744
Net Position Beginning of Year, as previously stated					(25,000,177)	(4,848,202)
Restatement					-	(101,885)
Net Position Beginning of Year, as restated					(25,000,177)	(4,950,087)
Net Position End of Year					\$ 18,956,273	\$ 5,995,657

See accompanying notes to the basic financial statements.

School District 27J, Colorado
Balance Sheet
Governmental Funds
June 30, 2023

	General	Capital Projects	Government Designated Purpose Grants	Debt Service	Nutrition Services	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and Investments	\$ 71,293,870	\$ -	\$ -	\$ 73,694,011	\$ 5,056,310	\$ 552,286	\$ 150,596,477
Restricted Cash and Investments	-	199,292,385	-	-	-	-	199,292,385
Deposit with Insurance Pool	3,370,961	-	-	-	-	-	3,370,961
Inventory	-	-	-	-	121,054	-	121,054
Receivables							
Accounts	172	-	-	1,159	-	147,042	148,373
Property Taxes	2,266,908	-	-	1,046,175	-	-	3,313,083
Intergovernmental	-	-	2,144,556	-	426,415	-	2,570,971
Leases	-	-	-	-	-	698,043	698,043
Interfund Receivable	4,437,564	-	1,949,711	38,866	-	8,635,988	15,062,129
Interest on Investment	-	-	-	215,093	-	-	215,093
Prepaid Items	1,010,127	-	-	-	-	56,571	1,066,698
Grant Fund Advance	-	-	102,571	-	-	-	102,571
Total Assets	\$ 82,379,602	\$ 199,292,385	\$ 4,196,838	\$ 74,995,304	\$ 5,603,779	\$ 10,089,930	\$ 376,557,838
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts and Other Current Payables	\$ 3,922,821	\$ 16,308,486	\$ 574,043	\$ -	\$ 15,784	\$ 78,891	\$ 20,900,025
Accrued Salary and Benefits	8,570,946	4,514	432,470	-	98,829	463,822	9,570,581
Unearned Revenue	-	-	2,540,629	-	-	-	2,540,629
Interfund Payable	11,888,879	3,546,116	-	-	391,555	-	15,826,550
Total Liabilities	24,382,646	19,859,116	3,547,142	-	506,168	542,713	48,837,785
Deferred Inflows of Resources							
Unavailable Property Tax Revenue	1,756,950	-	-	707,814	-	-	2,464,764
Unavailable Lease Receivable	-	-	-	-	-	677,022	677,022
Total Deferred Inflows of Resources	1,756,950	-	-	707,814	-	677,022	3,141,786
Fund Balances							
Nonspendable Items	1,010,127	-	-	-	121,054	56,571	1,187,752
Restricted for Debt Service	-	-	-	74,287,490	-	-	74,287,490
Restricted for Capital Projects	-	179,433,269	-	-	-	-	179,433,269
Restricted for TABOR	5,596,417	-	-	-	-	-	5,596,417
Restricted for Cash-in-Lieu of Land	1,796,900	-	-	-	-	-	1,796,900
Restricted for Government Designated Purpose Grants	-	-	649,696	-	-	-	649,696
Restricted for Nutrition Services	-	-	-	-	4,976,557	-	4,976,557
Restricted for Colorado Preschool	827,454	-	-	-	-	-	827,454
Restricted for Pupil Activity	-	-	-	-	-	3,424,240	3,424,240
Committed for Risk Management Insurance	3,370,961	-	-	-	-	-	3,370,961
Committed, Reported in Special Revenue Funds	-	-	-	-	-	5,389,384	5,389,384
Committed for Board Contingencies	5,928,363	-	-	-	-	-	5,928,363
Assigned for Capital Reserve Projects	1,647,814	-	-	-	-	-	1,647,814
Assigned for Career and Technical Education	425,000	-	-	-	-	-	425,000
Assigned for Subsequent Year Expenditures	14,146,816	-	-	-	-	-	14,146,816
Unassigned, Reported in General Fund	21,490,154	-	-	-	-	-	21,490,154
Total Fund Balances	56,240,006	179,433,269	649,696	74,287,490	5,097,611	8,870,195	324,578,267
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 82,379,602	\$ 199,292,385	\$ 4,196,838	\$ 74,995,304	\$ 5,603,779	\$ 10,089,930	\$ 376,557,838

See accompanying notes to the basic financial statements

School District 27J, Colorado
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2023

Total Governmental Fund Balances		\$ 324,578,267
Amounts reported for governmental activities in the Statement of Activities are different due to:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds but are reported on the Statement of Activities:		
Cost	\$ 680,358,122	
Less Accumulated Depreciation and Amortization	<u>(140,128,510)</u>	540,229,612
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds:		
Unavailable Property Tax Revenue		2,464,764
An Internal Service Fund is used by management to charge the costs of dental insurance premiums to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities on the Statement of Net Position.		729,528
Accrued interest on long-term debt is not reported at the fund financial reporting level, but is reported on the Statement of Net Position.		(2,103,620)
Liabilities not due and payable in the current period are not reported in the funds but are reported on the Statement of Net Position:		
COPS Payable	\$ (3,467,452)	
Bonds Payable	(552,745,000)	
Leases Payable	(22,822)	
SBITA Payable	(467,702)	
Compensated Absences Payable	(3,699,279)	
Early Retirement Payable	<u>(216,056)</u>	(560,618,311)
Premiums, discounts and refunding differences are reported as expenditures in the funds when the debt is issued but capitalized on the Statement of Net Position:		
Premium	\$ (62,172,142)	
Deferred Outflow: Loss on Refunding	<u>2,066,733</u>	(60,105,409)
Net pension liability not due and payable in the current period are not reported in the funds but are reported on the Statement of Net Position:		
Deferred Outflow	\$ 60,890,953	
Deferred Inflow	(31,301,906)	
Net Pension Liability	<u>(246,850,897)</u>	(217,261,851)
Net OPEB liability not due and payable in the current period are not reported in the funds but are reported on the Statement of Net Position:		
Deferred Outflow	\$ 2,302,326	
Deferred Inflow	(2,850,916)	
Net OPEB Liability	<u>(8,408,116)</u>	(8,956,707)
Net Position of Governmental Activities		<u><u>\$ 18,956,273</u></u>

See accompanying notes to the basic financial statements

School District 27J, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For The Year Ended June 30, 2023

	General	Capital Projects	Government Designated Purpose Grants	Debt Service	Nutrition Services	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 88,918,841	\$ -	\$ -	\$ 53,909,672	\$ -	\$ -	\$ 142,828,513
Intergovernmental Revenue							
Vocational Education	455,213	-	-	-	-	-	455,213
Special Education	6,330,512	-	-	-	-	-	6,330,512
State On Behalf	5,677,061	-	457,123	-	-	-	6,134,184
Transportation	-	-	-	-	-	1,510,263	1,510,263
Federal Grants	-	-	13,953,912	-	7,059,073	-	21,012,985
State Grants	-	-	4,259,582	-	114,610	-	4,374,192
Equalization	138,639,823	-	-	-	-	-	138,639,823
Pupil Activities	-	-	-	-	-	3,629,502	3,629,502
Charges for Services	1,715,514	-	-	-	3,107,600	4,157,795	8,980,909
Investment Earnings (loss)	1,382,962	6,128,113	-	1,806,687	136,929	13,578	9,468,269
Miscellaneous	542,415	-	102,563	-	2,672	10,477	658,127
Total Revenues	243,662,341	6,128,113	18,773,180	55,716,359	10,420,884	9,321,615	344,022,492
Expenditures							
Current							
Instructional Services	96,539,823	-	9,126,399	-	-	616,561	106,282,783
Supporting Services							
Pupil Services	10,236,036	-	4,069,886	-	-	-	14,305,922
Instructional Staff	4,771,790	-	2,628,016	-	-	12,729	7,412,535
General Administration	2,528,514	-	-	-	-	1,000	2,529,514
School Administration	12,984,494	-	62,551	-	-	-	13,047,045
Operations and Maintenance	15,041,140	-	-	-	-	-	15,041,140
Pupil Transportation	62,187	-	40,586	-	-	8,022,203	8,124,976
Business Supporting Services	1,883,341	-	1,203,258	-	-	11,632	3,098,231
Central Supporting Services	11,708,067	-	1,198,832	-	-	282,606	13,189,505
Community Services	548,405	-	27,192	-	-	1,213,492	1,789,089
Nutrition Services	-	-	-	-	7,594,442	-	7,594,442
Pupil Activities	-	-	-	-	-	4,192,647	4,192,647
Capital Outlay	1,123,063	124,677,857	779,481	-	-	45,385	126,625,786
Intergovernmental - Charter Schools	57,187,048	-	-	-	-	-	57,187,048
Debt Service							
Principal Retirement	935,634	-	-	28,610,000	-	-	29,545,634
Interest	88,445	-	-	25,933,552	-	-	26,021,997
Fiscal Charges	1,960	-	-	8,100	-	-	10,060
Total Expenditures	215,639,947	124,677,857	19,136,201	54,551,652	7,594,442	14,398,255	435,998,354
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,022,394	(118,549,744)	(363,021)	1,164,707	2,826,442	(5,076,640)	(91,975,862)
Other Financing Sources (Uses)							
Issuance of SBITAs	523,972	-	-	-	-	-	523,972
Transfers Out	(6,802,973)	-	-	-	-	-	(6,802,973)
Transfers In	-	-	-	-	-	6,702,046	6,702,046
Total Other Financing Sources (Uses)	(6,279,001)	-	-	-	-	6,702,046	423,045
Net Change in Fund Balances	21,743,393	(118,549,744)	(363,021)	1,164,707	2,826,442	1,625,406	(91,552,817)
Fund Balance Beginning of Year	34,496,613	297,983,013	1,012,717	73,122,783	2,271,169	7,244,789	416,131,084
Fund Balances End of Year	\$ 56,240,006	\$ 179,433,269	\$ 649,696	\$ 74,287,490	\$ 5,097,611	\$ 8,870,195	\$ 324,578,267

See accompanying notes to the basic financial statements.

School District 27J, Colorado
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, 2023

Net Changes In Fund Balances - Total Governmental Funds	\$	(91,552,817)
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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 is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation and loss on disposal of capital assets in the current period.

	Depreciation and Amortization	\$ (13,527,125)	
	Capital Outlay	<u>124,416,393</u>	110,889,268

Property tax and grant revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		922,072
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

	Bond Principal	\$ 28,610,000	
	Lease Payable	157,886	
	SBITA Payable	472,928	
	COPs Principal	<u>304,820</u>	29,545,634

Governmental funds report the effect of premiums and discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the Statement of Activities.

	Amortization:		
	Premium	\$ 4,240,932	
	Bond Refunding	<u>(584,243)</u>	3,656,689

The issuance of long-term debt (e.g. bonds, leases, certificates of participation) provides current financial resources of governmental funds. Neither transaction has any effect on net position.

		(523,972)
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Pension benefit reported in the Statement of Activities, does not require the use of current financial resources and therefore is not reported as an expenditure in governmental funds.

(9,024,027)

OPEB benefit reported in the Statement of Activities, does not require the use of current financial resources and therefore is not reported as an expenditure in governmental funds.

884,426

Some expenses reported in the Statement of Activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The change in the current year's accruals are as follows:

	Compensated Absences		
	Liability 2022	\$ 3,613,490	
	Liability 2023	<u>(3,699,279)</u>	(85,789)
	Accrued Interest		
	Liability 2022	\$ 1,271,235	
	Liability 2023	<u>(2,103,620)</u>	(832,385)
	Early Retirement		
	Liability 2022	\$ 245,266	
	Liability 2023	<u>(216,056)</u>	29,210

Internal Service Fund activity related to third parties is not reported in governmental funds but is reported as governmental activities in the Statement of Activities.

48,140

Change In Net Position Of Governmental Activities

\$ 43,956,449

See accompanying notes to the basic financial statements

School District 27J, Colorado
Statement of Net Position
Proprietary Funds
June 30, 2023

	Governmental Activities - Internal Service Funds
Assets	
Current Assets:	
Receivables:	
Accounts	\$ 77
Interfund Receivable	780,695
Total Assets	<u>780,772</u>
Liabilities	
Current Liabilities:	
Accounts Payable	<u>51,244</u>
Total Liabilities	<u>51,244</u>
Total Net Position	<u><u>\$ 729,528</u></u>

See accompanying notes to the basic financial statements.

School District 27J, Colorado
Statement of Revenues, Expenditures and Changes in Net Position
Proprietary Funds
For The Year Ended June 30, 2023

	Governmental Activities - Internal Service Funds
Operating Revenues	
Interfund Services Provided:	
Dental Insurance Premiums	\$ 935,093
Print Shop	27,847
Total Operating Revenues	<u>962,940</u>
Operating Expenses	
Salaries and Benefits	93,009
Purchased Services	10,552
Materials and Supplies	21,075
Indirect Costs	4,138
Dental Claims	886,953
Total Operating Expenses	<u>1,015,727</u>
Income (Loss) from Operations	(52,787)
Other Financing Sources	
Transfers In (Out)	<u>100,927</u>
Change in Net Position	48,140
Net Position Beginning of Year	<u>681,388</u>
Net Position End of Year	<u><u>\$ 729,528</u></u>

See accompanying notes to the basic financial statements.

School District 27J, Colorado
Statement of Cash Flows
Proprietary Funds
For The Year Ended June 30, 2023

	Governmental Activities - Internal Service Funds
Cash Flows From (Used for) Operating Activities	
Cash Received from Interfund Services Provided	\$ 899,988
Cash Payments for Goods and Services	(128,774)
Cash Payments for Insurance Premiums and Expenses	(872,141)
	<hr/>
Net Cash From (Used for) Operating Activities	(100,927)
Cash Flows From (Used for) Noncapital Financing Activities	
Transfers In (Out)	100,927
	<hr/>
Net Increase (Decrease) in Cash and Cash Equivalents	-
Cash and Cash Equivalents Beginning of Year	-
	<hr/>
Cash and Cash Equivalents End of Year	\$ -
	<hr/> <hr/>
Reconciliation of Operating Income (Loss) to Net Cash From (Used for) Operating Activities	\$ (52,787)
Adjustments:	
(Increase) Decrease in Assets:	
Accounts Receivable	559
Interfund Receivable	(63,511)
Increase (Decrease) in Liabilities:	
Accounts Payable	14,812
	<hr/>
Net Cash From (Used for) Operating Activities	\$ (100,927)
	<hr/> <hr/>

See accompanying notes to the basic financial statements.

School District 27J, Colorado
Statement of Fiduciary Net Position
Private Purpose Trust Fund
June 30, 2023

	Private Purpose Trust Fund
Assets	
Cash and Investments	\$ 44,804
Total Assets	<u>44,804</u>
Liabilities	
Due to Other Groups	<u>16,275</u>
Total Liabilities	<u>16,275</u>
Net Position	
Restricted for Scholarships	<u>28,529</u>
Total Net Position	<u><u>\$ 28,529</u></u>

See accompanying notes to the basic financial statements

School District 27J, Colorado
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Fund
For The Year Ended June 30, 2023

	Private Purpose Trust Fund
Additions	
Investment Earnings	\$ 1,732
Change in Net Position	1,732
Net Position Beginning of Year	26,797
Net Position End of Year	\$ 28,529

See accompanying notes to the basic financial statements.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

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School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

Counties of Adams, Weld and Broomfield School District 27J, Colorado (the School District) is a school district located northeast of Denver, Colorado. The School District provides Preschool through 12th Grade Public Education.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the School District have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) in the United States of America as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for government accounting and financial reporting. The most significant of the School District's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the School District. For the School District, this reporting entity includes the legal entity, School District 27J, Colorado and seven discretely presented component units.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organizations; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the School District in that the School District approves the budget, levies their taxes or issues their debt. Finally, the School District may include separate legal entities that do not meet the above criterion; however, the School District would consider the financial statements to be misleading if omitted.

The component unit column included on the government-wide financial statements identifies the financial data of the School District's aggregate discretely presented component units. They are reported separately to emphasize that they are legally separate from the School District.

Significant transactions between the School District and its component unit Charter Schools consist of monthly payments to each Charter School for their share of mill levy override and state equalization money and charges from the School District to each Charter School for contracted purchased services. Brief descriptions of the discretely presented component units follow:

The Bromley East Charter School was established by contract with the School District during fiscal year 2000. The School is a legally separate entity. The contract between the Bromley East Charter School and the School District was executed on April 26, 2000, for the purpose of establishing and clarifying the relationship between the Bromley East Charter School and the School District. The Bromley East Charter School is deemed to be a component unit of the School District because the organization is dependent upon the School District for the majority of its funding and the School District approves the charter and excluding the Bromley East Charter School would result in misleading financial reporting. Financial activity of the Bromley East Charter School is included within the School District's financial statements.

The Belle Creek Charter School was established by contract with the School District during fiscal year 2002. The School is a legally separate entity. The contract between the Belle Creek Charter School and the School District was executed on June 25, 2002, for the purpose of establishing and clarifying the relationship between the Belle Creek Charter School and the School District. The Belle Creek Charter School is deemed to be a component unit of the School District because the organization is dependent upon the School District for the majority of its funding and the School District approves the charter and excluding the Belle Creek Charter School would result in misleading financial reporting. Financial activity of the Belle Creek Charter School is included within the School District's financial statements.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

The Landmark Academy Charter School was established by contract with the School District during fiscal year 2008. The School is a legally separate entity. The contract between the Landmark Academy Charter School and the School District was executed on January 23, 2007 for the purpose of establishing and clarifying the relationship between the Landmark Academy Charter School and the School District, but the school did not open until fiscal year 2008. Landmark Academy Charter School has entered into a management agreement with National Heritage Academies, Inc. (NHA) which requires NHA to provide administration, strategic planning and all labor, materials, equipment and supervision necessary for the provision of educational services to students. As part of the consideration received under the agreement, NHA also provides the facility in which the Landmark Academy Charter School operates. Under the terms of the agreement, NHA receives as remuneration for its services an amount equal to the total revenue received by the Landmark Academy Charter School from all revenue sources. The Landmark Academy Charter School is deemed to be a component unit of the School District because the organization is dependent upon the School District for the majority of its funding and the School District approves the charter and excluding the Landmark Academy Charter School would result in misleading financial reporting. Financial activity of the Landmark Academy Charter School is included within the School District's financial statements.

The Foundations Academy Charter School was established by contract with the School District during fiscal year 2011. The Foundations Academy Charter School is a legally separate entity. The contract between the Foundations Academy Charter School and the School District was executed on October 19, 2008, for the purpose of establishing and clarifying the relationship between the Foundations Academy Charter School and the School District, but the school did not open until fiscal year 2011. Foundations Academy Charter School has entered into a management agreement with National Heritage Academies, Inc. (NHA) which requires NHA to provide administration, strategic planning and all labor, materials, equipment and supervision necessary for the provision of educational services to students. As part of the consideration received under the agreement, NHA also provides the facility in which the Foundations Academy Charter School operates. Under the terms of the agreement, NHA receives as remuneration for its services an amount equal to the total revenue received by the Foundations Academy Charter School from all revenue sources. The Foundations Academy Charter School is deemed to be a component unit of the School District because the organization is dependent upon the School District for the majority of its funding and the School District approves the charter and excluding the Foundations Academy Charter School would result in misleading financial reporting. Financial activity of the Foundations Academy Charter School is included within the School District's financial statements.

The Eagle Ridge Academy Charter School was established by contract with the School District and is a legally separate entity. A contract between the Eagle Ridge Academy Charter School and the School District was executed in July 2010 for the purpose of establishing and clarifying the relationship between this Eagle Ridge Academy Charter School and the School District. The Eagle Ridge Academy Charter School is deemed to be a component unit of the School District because the organization is dependent upon the School District for the majority of its funding and the School District approves the charter and excluding Eagle Ridge Academy Charter School would result in misleading financial reporting. Financial activity of the Eagle Ridge Academy Charter School is included within the School District's financial statements.

The STEAD School was established by contract with the School District and is a legally separate entity. A contract between The STEAD School and the School District was executed in August 2020 for the purpose of establishing and clarifying the relationship between this The STEAD School and the School District, but the school did not open until fiscal year 2022. The STEAD School is deemed to be a component unit of the School District because the organization is dependent upon the School District for the majority of its funding and the School District approves the charter and excluding The STEAD School would result in misleading financial reporting. Financial activity of The STEAD School is included within the School District's financial statements.

The School District 27J Capital Facility Fee Foundation (Foundation) was established during fiscal year 2001 in response to rapid growth with the onset of the development of the Denver International Airport. The School District wanted to be proactive about the growth rather than reactive and began discussion in the late 1990's with the primary municipalities within the School District. This included Brighton, Commerce City and Thornton as well as a group of developers with projects within the School District. At the time, the primarily rural School District would not have had the financial capacity to raise enough capital through the sale of voter-approved bonds to meet the needs for new schools in a timely manner.

A small group of builders and developers and School District representatives formed a working group to find solutions to address the shortfall needs. A program of voluntary financial contributions was implemented. The Foundation is a 501(c)(3)

School District 27J, Colorado
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organization whose purpose is to promote and assist in the development, financing, and acquisition of educational facilities and capital improvements in the School District. The Foundation consists of a nine-member board of directors and includes three representatives of contributing builders or developers, three School District representatives, and one city council representative of each city. Voluntary contributions are accepted by the Foundation and kept in foundation-managed accounts. The Board of Education makes requests for the release of Foundation funds for school construction purposes as needed. The Foundation Board determines if the request meets the requirements for disbursement of the funds.

The Capital Facility Fee Foundation is deemed to be a component unit of the School District because the Foundation may only distribute funds to the School District and only at the request of the School District. Because of this restricted use of Foundation Funds, the Foundation is a discretely presented component unit. Complete financial statements for each of the individual component units may be obtained at each entity's administrative offices.

Eagle Ridge Academy
3551 Southern Street
Brighton, CO 80601

Belle Creek Charter School
9290 E 107th Ave
Henderson, CO 80640

Landmark Academy Charter School
c/o National Heritage Academies, Inc.
3850 Broadmoor SE, Suite 201
Grand Rapids, MI 49512

Bromley East Charter School
c/o Bart A. Skidmore, CPA
356 Longspur Drive
Brighton, CO 80601

School District 27J
Capital Facility Fee Foundation
18551 East 160th Avenue
Brighton, CO 80601

Foundations Academy
c/o National Heritage Academies, Inc.
3850 Broadmoor SE, Suite 201
Grand Rapids, MI 49512

The STEAD School
18251 Homestead Trail
Commerce City, CO 80022

Related Organization - The 27J Education Foundation provides opportunities for individuals and/or groups beyond what the School District can offer. Their mission is to preserve, support and improve the educational opportunities within the community by developing a community partnership among schools, businesses and individuals. Through this partnership, this Foundation encourages a wide variety of educational experiences through grants awarded to individuals and organizations. The Foundation is governed by a twelve-member board consisting of community members and education members. The School District Board does not appoint members of the 27J Education Foundation, nor is this Foundation fiscally dependent on the School District and therefore, this Foundation is not considered a component unit and is not included in the School District's financial statements.

1-B. Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements report financial information for the School District as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by grants and governmental general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. However, the District has no business-type activities. Fiduciary funds and fiduciary-type component units are excluded from the government-wide financial statements because the School District holds these assets in a purely custodial capacity and cannot use these resources for School District programs.

The Statement of Net Position presents the financial position of the governmental activities of the School District and the School District's discretely presented component units at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the School District activities and for each identifiable activity of the business-type activities of the School District's component units. Direct expenses are those that are specifically associated

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with a function and therefore clearly identifiable to that particular function. The School District does not allocate indirect expenses to functions in the Statement of Activities.

The Statement of Activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the School District's services; (2) operating grants and contributions which finance annual operating activities including restricted investment earnings; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. When identifying which function program revenue pertains to, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is for which function the revenues are restricted. Other revenue sources not properly included with program revenues are reported as general revenues of the School District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds. Major individual governmental funds are reported in separate columns.

Fund Accounting - The School District uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The School District uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - School District funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The School District reports the difference between governmental fund assets, liabilities, and deferred inflows of resources as fund balance. The following are the School District's major governmental funds:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund.

Capital Projects Fund - This fund accounts for bond proceeds and other revenues used for the construction and acquisition of major capital facilities other than those related to the nutrition services fund.

Governmental Designated-Purpose Grants Fund - This fund accounts for grants received for designated programs funded by federal, state or local governments. It is a special revenue fund.

Debt Service Fund - This fund accounts for the accumulated resources (normally property taxes) used to retire principal and interest on general long-term debt.

Nutrition Services Fund - This fund accounts for financial resources related to food service operations. The School District receives USDA school breakfast/lunch money in this fund. It is a special revenue fund.

The School District also has five non-major governmental funds that account for financial resources specific to each funds purpose.

School District 27J, Colorado
Notes to the Basic Financial Statements
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Additionally, the School District reports the following fund types:

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The School District's proprietary funds are classified as internal service funds.

Internal Service Funds - The internal service funds account for the School District's self-insured dental plan and the School District's print shop.

Private Purpose Trust Funds – Funds that are fiduciary in nature and present changes in fiduciary net position. Private purpose trust funds are accounted for using the full accrual basis of accounting. These funds are used to account for assets the School District holds for others in a fiduciary capacity. The School District's fiduciary fund provides scholarships to students.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows/inflows of resources and liabilities associated with the operation of the School District are included on the Statement of Net Position. The Statement of Activities reports revenues and expenses.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the School District's governmental and component units. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements - The governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the Statements of Net Position. The Statement of Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The Statement of Cash Flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. The School District's fiduciary funds are accounted for on an economic resources measurement focus.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. The fiduciary funds use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows and outflows of resources, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough

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thereafter to be used to pay liabilities of the current fiscal year. For the School District, the phrase “available for exchange transactions” means expected to be received within sixty days of year-end.

Revenues – Non-exchange Transactions - Non-exchange transactions in which the School District receives value without directly giving equal value in return, include grants, taxes and donations. Revenue from property taxes and specific ownership taxes is recognized in the fiscal year for which the taxes are levied (Note 2-C). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include: timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected by the School District within 60 days except for specific ownership taxes which use a 30-day available period, and grant revenues which use a 180-day available period) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, specific ownership taxes, interest and federal and state grants.

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and when certain grants are received before eligibility requirements are met.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred inflows of resources (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as unearned revenue at both reporting levels.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Deferred Outflows, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position

1-E-1. Cash, Cash Equivalents, and Investments

The School District utilizes the pooled cash concept whereby cash balances of each of the School District’s funds are pooled and invested by the School District in short-term certificates of deposit, repurchase agreements, money market deposit accounts, government pools, and U.S. Treasury obligations.

For the purposes of the Statement of Cash Flows, cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the School District to be cash equivalents.

Generally, the School District invests in governmental securities, local government investment pools, and collateralized certificates of deposits in Colorado banks and repurchase agreements. Investments are either measured at net asset value, which approximates fair value, or at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

1-E-2. Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1-E-3. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund

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Notes to the Basic Financial Statements
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receivables/ interfund payables". Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide financial statements as "internal balances."

1-E-4. Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements all inventories are stated at cost. For all fund level reporting, cost is determined on a first-in, first-out basis. Donated surplus commodities received are valued based upon the cost furnished by the Federal Government.

1-E-5. Prepaid Items

Payments made to vendors for services that will benefit periods beyond current fiscal year are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is non-spendable in the governmental fund types as this amount is not available for general appropriation.

1-E-6. Capital Assets

Capital assets from governmental activities are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The School District reports these assets in the governmental activities column of the government-wide Statement of Net Position but does not report these assets in the governmental fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The School District maintains a capitalization threshold of five thousand dollars. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. All reported capital assets are depreciated except for land, water rights and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. The adjustment for removal of salvage value is shown in the Capital Assets Note 2-D. Depreciation is computed using the straight-line method over the following useful lives:

	Governmental Activities	Component Units
<u>Description</u>	<u>Estimated Lives</u>	<u>Estimated Lives</u>
Buildings	20-50 years	5-50 Years
Equipment	3-25 years	5-15 years

At the inception of right-to-use asset leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

1-E-7. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and fund level balance sheet will sometimes report a separate section for deferred outflows and inflows of resources. Deferred outflows of resources represent a consumption of net assets and deferred inflows represent an acquisition of net assets that applies to future periods and so will not be recognized as an outflow or inflow of resources until then. Deferred charge on refunding is reported in the government-wide Statement of Net Position as a deferred outflow of resources. A deferred charge on refunding results from the difference in the carrying value of refunded debt and reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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In addition to liabilities, the Statement of Net Position and fund level balance sheet will sometimes report a separate section for deferred inflows of resources. This section represents acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Receivables for long-term leases where the school district is the lessor are reported in the government-wide Statement of Net Position and governmental fund financial statements as a deferred inflow of resources. On governmental fund financial statements (i.e., on the modified accrual basis), other receivables that will not be collected within the available period have been reported as deferred inflows of resources (i.e., they are measurable but not available) rather than as revenue.

Deferred outflows of resources and deferred inflows of resources as related to pensions and other post-employment benefits can result from the net difference between expected and actual experience, projected and actual earnings on plan investments, changes in the District's proportionate of liability, changes of assumptions, as well as contributions made by the District to PERA after PERA's measurement date. Generally, deferred inflows are not aggregated with deferred outflows.

1-E-8. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Temporary leave (sick leave, personal and bereavement) benefits are accrued as a liability using the termination payment method. An accrual for earned temporary leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the School District's past experience of making termination payments.

In fiscal year 2014, the District offered Early Separation Plans and Long Term Service Benefits to its employees. Only those employees who have completed fifteen or more years of service in the District as of July 1, 2009 are eligible after completing twenty years of service. These plans ended on June 30, 2014. Classified employees may receive 90% of their current year's salary at either July 31st or January 31st of the year following their retirement. Eligible certified employees who voluntarily resign or retire shall receive a payout that equals the difference between the certified employee's actual salary for the 2008-2009 school years and the \$45,129 average salary of full-time teachers hired by the District during that school year. Administrators may receive the average paid out to certified employees during the year of their retirement. One employee received their early separation plan/long term service payment in fiscal year 2023. As of June 30, 2023, there were four certified employees who were eligible for future payments at a total remaining cost of \$216,056.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "*when due*".

1-E-9. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts and deferred amounts on refunding bonds, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of applicable bond premiums and discounts.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Bonds are recognized as a liability in the governmental fund financial statements when due.

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1-E-10. Leases and Subscription Based Information Technology Arrangements (SBITA)

For arrangements where the District is a lessee or enters into a SBITA, a liability and a right to use (RTU) intangible asset are recognized at the commencement of the lease or arrangement term. RTU assets represent the District's right to use an underlying asset for the contracted term and liabilities represent the District's obligation to make payments arising from the lease or arrangement. RTU assets and liabilities are recognized at the lease or arrangement commencement date based on the estimated present value of the payments over the contracted term. Subsequently, the liability is reduced by the principal portion of payments made. The RTU asset is initially measured as the initial amount of the liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs and is amortized on a straight-line basis over its useful life for leases and subscription term for SBITAs.

Key estimates and judgements related to leases and SBITAs include how the School determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease or arrangement term, and (3) payments.

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

The District monitors changes in circumstances that would require a remeasurement and will remeasure the RTU asset and liability if certain changes occur that are expected to significantly affect the amount of the liability. RTU assets are reported with other capital assets and liabilities are reported with long-term debt on the statement of net position.

For government-wide and fund statements, for arrangements in which the District is the lessor, a lease receivable and a deferred inflow of resources is recognized at the commencement of the lease term. The deferred inflows of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relates to future periods.

1-E-11. Bond Premiums, Discounts and Issuance Costs

On the government-wide Statement of Net Position and the proprietary fund type Statement of Net Position, bond premiums and discounts are netted against bonds payable and bond issuance costs are reported as an expense in the year they are charged. On the government-wide and proprietary fund type Statement of Activities, gains/losses on refunding are recognized as deferred inflows/outflows and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental funds recognize bond premiums, discounts, and bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Payments of bond proceeds made to an escrow agent for refunding bonds are reported as other financing uses.

1-E-12. Fund Balance/Net Position

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund Balance – Generally, fund balance represents the difference between the fund assets and fund liabilities. The School District restricts those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods.

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Assignments are management's intent to set aside these resources for specific services. The School District follows GASB 54, *Fund Balance Reporting and Government Fund Type Definition*, and records fund balances in the following classifications depicting the relative strength of the spending constraints placed on the purposed for which resources can be used:

Non-spendable fund balance – amounts that are not in a spendable form (such as inventory or prepaid items) or are required to be maintained intact (such as the corpus of an endowment fund).

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance – amounts that can be used only for specific purposes determined by a formal action of the Board of Education, the highest level of decision-making authority for the District. Commitments may be established, modified or rescinded only through resolutions approved by the Board of Education.

Assigned fund balance – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Board of Education's adopted policy, only the Superintendent or his/her designee may assign amounts for specific purposes.

Unassigned fund balance – amounts that are available for any purpose; a positive unassigned fund balance is reported only in the general fund.

The School District adopted fund balance policy (Superintendent Policy DA-R(1)) in fiscal year 2011. The governing body's process for assigning fund balance is determined by the Chief Financial Officer.

The District's order of fund balance spending policy is to apply expenditures against restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance. The District reserves the right to selectively spend unassigned fund balance.

Net Position - Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net investment in capital assets consists of capital assets, net of accumulated depreciation and related debt. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

The School District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

1-E-13. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating expenses are necessary costs incurred to provide the sale of meals, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenue and expense.

1-E-14. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-15. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the non-operating

School District 27J, Colorado
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revenues/expenses section in proprietary funds. The effect of interfund activity has been eliminated from the government-wide financial statements. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Transfers between governmental and business-type activities on the government-wide Statement of Activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated.

Since the internal service fund revenues are employee payments for dental insurance, they are not eliminated (i.e., they do not relate to other funds, rather they relate to third parties).

1-E-16. Estimates

The preparation of the financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-17. Budgets

A budget was adopted for all government funds, proprietary funds, internal funds and fiduciary funds on a basis consistent with Generally Accepted Accounting Principles. A proposed budget is submitted to the Board of Directors for the fiscal year commencing the following July 1. The budget is adopted by the board prior to June 30.

Expenditures may not legally exceed appropriations at the fund level. Revisions must be approved by the Board. The budget includes proposed expenditures and the means of financing them.

In the year ending June 30, 2023, the District's expenditures exceed its appropriations in the Growth Impact Fund. The District chose to eliminate the fund this year and did not budget for the expense of the investment earnings.

Note 2 – Detailed Notes on All Funds

2-A. Cash and Investments

At June 30, 2023, the School District had the following cash and investments:

	District	Private Purpose Trust	Component Units
Cash on Hand	\$ 450	\$ -	\$ -
Deposits	39,799,385	-	7,422,553
Investments	310,087,529	44,804	16,849,091
Total	<u>\$ 349,887,364</u>	<u>\$ 44,804</u>	<u>\$ 24,271,644</u>
Governmental Activities	\$ 150,594,979	\$ -	\$ 14,132,458
Restricted Cash and Investments	199,292,385	-	10,139,186
Subtotal	\$ 349,887,364	\$ -	\$ 24,271,644
Fiduciary Activities	-	44,804	-
Total	<u>\$ 349,887,364</u>	<u>\$ 44,804</u>	<u>\$ 24,271,644</u>

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Restricted Cash and Investments – As of June 30, 2023, the School District has restricted cash and investments of \$199,292,385 recorded in the School District’s capital projects fund for that purpose.

Cash Held in Trust – As of June 30, 2023, the School District has \$1,346,054 held in trust. Adams County and Weld County collected property taxes for the School District and holds the funds in trust until sent to the School District on a monthly basis. Cash held in trust is grouped in deposits in the Cash and Investments Note 2-A.

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. At June 30, 2023, the State regulatory commissioners had indicated that all financial institutions holding deposits for the School District are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102 percent of the uninsured deposits. As of June 30, 2023, the School District had bank deposits of \$41,337,107 collateralized, with securities held by the financial institution’s agency not in the School District’s name.

At June 30, 2023, component unit Eagle Ridge Academy had deposits with financial institutions with a carrying amount of \$4,311,705 all of which was covered by federal depository insurance or collateralized under PDPA. At June 30, 2023, Bromley East Charter School had deposits with financial institutions with a carrying amount of \$1,054,536. Of the bank balances, \$250,000 was covered by federal deposit insurance and the remaining balance was uninsured but collateralized in accordance with the provisions of PDPA. At June 30, 2023, Belle Creek Charter School had bank deposits of \$920,704. Of the bank balances, \$250,000 was covered by federal deposit insurance and the remaining balance was uninsured but collateralized in accordance with the provisions of PDPA. At June 30, 2023, The STEAD School had bank deposits of \$820,374. Of the bank balances, \$250,000 were covered by federal deposit insurance and the remaining balance was uninsured but collateralized in accordance with the provisions of the PDPA. At June 30, 2023, Landmark Academy had deposits with a carrying amount and bank balance of \$502,767, of which \$252,767 was uninsured and uncollateralized by federal depository insurance. At June 30, 2023, Foundations Academy had deposits with a carrying amount of \$437,094 of which \$187,094 was uninsured and uncollateralized by federal depository insurance.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure the School District’s deposits may not be returned to it. The School District and the discretely presented component units do not have a formal deposit policy for custodial credit risk, but are following PDPA. At June 30, 2023 the School District had no deposits exposed to custodial credit risk.

Investments – Colorado statutes specify investment instruments meeting defined rating maturity and concentration risk criteria. The School District has adopted an investment policy which is more restrictive and limits investments to the following:

- Obligations of the United States Treasury
- Agencies and Instrumentalities of the federal government
- Bank deposits collateralized according to PDPA
- AA or AAA rated corporate bonds
- A-1 or P-1 rated commercial paper or negotiable certificates of deposit
- A, AA or AAA rated municipal bonds
- Money market mutual funds
- Local government investment pools (“LGIP”)

The District and its component units have investments either at net asset value (NAV), which approximates fair value, including certain external investment pools and market funds, and amortized cost, including certificates of deposit, in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

The District’s Colorado Government Liquid Asset Trust (ColoTrust) external investment pool of \$33,089,882 at June 30, 2023 is valued using the NAV per share (or its equivalent) of the investments. The District’s Colorado Statewide Investment Program (CSIP) external investment pool of \$76,091,083 at June 30, 2023 is valued using the NAV per share (or its equivalent) of the investments. The District’s Colorado Surplus Asset Fund Trust (CSAFE) external investment pool of \$1,401,155 is measured

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at amortized cost. The component units' external investment pools of \$10,638,180 at June 30, 2023, are valued using the NAV per share (or its equivalent) and amortized cost of the investments. The investments do not have any unfunded commitments, redemption restrictions or redemption notice periods. The component units have investments in Money Market Funds, U.S. Treasuries, Fixed Income, and Certificates of Deposit in the amount of \$24,112, \$581,625, \$1,189,693 and \$3,857,275, respectively, with maturity dates of less than one and two years. The Money Market investments are valued with Level 1 inputs and the Certificates of Deposit are valued with Level 2 inputs.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Investments are assigned a level based upon the observability of the inputs which are significant to the overall valuation. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. 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.

		Fair Value Measurements Using		
Investments by Fair Value Level	June 30, 2023	Level 1	Level 2	Level 3
Money Market Mutual Fund	\$ 66,787,670	\$ 66,787,670	\$ -	\$ -
U.S. Treasury Obligations	132,762,544	-	132,762,544	-
Total Investments by Fair Value Level	<u>\$ 199,550,214</u>	<u>\$ 66,787,670</u>	<u>\$ 132,762,544</u>	<u>\$ -</u>
Investments at Net Asset Value (NAV)	June 30, 2023			
ColoTrust Investment Pool	\$ 33,089,882			
CSIP Investment Pool	76,091,083			
Total Investments held at Net Asset Value (NAV)	<u>\$ 109,180,965</u>			
Investments at Amortized Cost	June 30, 2023			
CSAFE Investment Pool	\$ 1,401,155			
Total Investments held at Amortized Cost	<u>\$ 1,401,155</u>			
Total Investments	<u>\$ 310,132,333</u>			

As of June 30, 2023, the School District had the following investments. Deposits and investments are internally pooled to maximize investment safety, liquidity and interest yield:

Type of Security	Value	Concentration	S&P Rating	Maturity		
				12 Months or Less	1-3 Years	3-5 Years
ColoTrust (external investment pool)	\$ 33,089,882	10.67%	AAAm	\$ 33,089,882	\$ -	\$ -
CSAFE (external investment pool)	1,401,155	0.45%	AAAm	1,401,155	-	-
CSIP (external investment pool)	76,091,083	24.54%	AAAm	76,091,083	-	-
U.S. Treasury Obligations	132,762,544	42.81%	AA+	74,977,958	57,784,586	-
Money Market Mutual Fund	66,787,670	21.54%	AAAm	66,787,670	-	-
	<u>\$ 310,132,333</u>	<u>100.00%</u>		<u>\$ 252,347,748</u>	<u>\$ 57,784,586</u>	<u>\$ -</u>

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At June 30, 2023, the School District's discretely presented component units' investments are as follows:

Eagle Ridge Academy	
CSAFE	<u>\$ 1,670,125</u>
Bromley East Charter School	
Colotrust	\$ 3,160,448
CSAFE	2,304,420
Money Market Funds	24,112
Fixed Income	<u>1,189,693</u>
Total	<u>\$ 6,678,673</u>
Belle Creek Charter School	
CSAFE	\$ 3,446,912
Colotrust	<u>56,275</u>
Total	<u>\$ 3,503,187</u>
Capital Facility Fee Foundation	
U.S. Treasuries	\$ 581,625
Certificate of Deposits	<u>3,857,275</u>
Total	<u>\$ 4,438,900</u>
Total Component Units	<u>\$ 16,290,885</u>

Local Government Investment Pool - These are investment trusts established for local government entities in Colorado to pool surplus funds and are registered with the State Securities Commissioner. These pools operate similarly to a money market fund and each share is equal in value to \$1. Investments of the pool consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by pools in connection with the direct investment and withdrawal functions of the pools. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial banks. The custodian's internal records identify the investments owned by the School District. Due to their high liquidity, these funds are classified as investments for reporting purposes. The Trusts are rated AAAM by Standard and Poor's.

Interest Rate Risk – The School District and the component units do not have formal investment policies that limit investment maturities as a means of managing its exposure to fair value loss resulting from increasing interest rates. The Colorado Revised Statute 24-75-601 limits investment maturities to five years or less without governing board approval. Based on the current rate environment, the School District and the component units assume that investments will be held to maturity. As of June 30, 2023, no coupon and discount securities had investment maturities greater than five years. The weighted average maturity of the local government entity investment pools investments shall not exceed 60 days for ColoTrust and CSAFE at June 30, 2023.

Credit Risk – State statute limit investments in U.S. Government Agency securities to the highest rating issued by Nationally Recognized Statistical Rating Organizations (NRSROs).

Concentration of Credit Risk – State statutes do not limit the amount the School District may invest in one issuer. The School District has adopted a policy which is more restrictive and limits investments to: not more than 25% of the School District's portfolio invested in the securities in any "one" government agency with the exception of United States Treasury securities; not more than 25% of the School District's portfolio invested in deposit accounts; money market mutual funds shall be diversified so that no fund shall hold more than 50% of the School District's portfolio; combined fund investments not to exceed 75% of the total portfolio and not exceeding 25% of the School District's total portfolio in repurchase agreements. All of the Charter Schools and the Capital Facility Fee Foundation have adopted an investment policy that does not vary significantly from Colorado State Statutes.

Belle Creek Charter had \$56,275 and \$3,446,912 respectively, invested in ColoTrust and CSAFE at June 30, 2023. The

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investment pools were rated AAAm by Standard & Poor's. Belle Creek Charter held restricted cash and cash equivalents of \$593,004 for the Education Center Fund.

Bromley East Charter had \$3,160,448 and \$2,304,420 respectively, invested in ColoTrust and CSAFE respectively, at June 30, 2023. The investment pools were rated AAAm by Standard & Poor's. Bromley East Charter held restricted cash and cash equivalents of \$2,878,951 for the Building Corp Fund.

Eagle Ridge Academy had \$1,670,125 invested in CSAFE at June 30, 2023. The pool is rated AAAm by Standard and Poor's. Investments in the amount of \$1,670,125 are restricted in the special revenue fund for debt service requirements, as a result of the Series 2016 Bond issuance.

Foundation Academy Charter School, Landmark Academy Charter School, and The STEAD School did not have investments in marketable securities or ColoTrust and CSAFE investment pools at June 30, 2023.

2-B. Receivables

Receivables at June 30, 2023, consisted of taxes, interest, accounts (billings for user charges) and School District receivables arising from grants, fiduciary activity and lease payments.

Receivables and payables are recorded on the governmental financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

Leased Asset Receivable

The School District, serving in a lessor capacity, is required to recognize a lease receivable for certain lease transactions. These right-to-use assets receivables are offset by a deferred inflows of resources as well as accrued interest earned. For the period, principal lease revenue of \$38,640 was collected and interest revenue of \$2,596

	Balance 7/1/2022	Additions	Deductions	Balance 6/30/2023	Current Portion
Leased Asset Receivable	737,747	-	39,704	698,043	39,765
Total Leased Asset Receivable	<u>\$ 737,747</u>	<u>\$ -</u>	<u>\$ 39,704</u>	<u>\$ 698,043</u>	<u>\$ 39,765</u>

AT&T – In February of 2019, the District entered into a lease agreement with New Cingular Wireless PCS, LLC to lease approximately six hundred (600) square feet of land, including the air space above such ground space, owned by the District and located at S. 8th avenue and E. Southern Street in the City of Brighton, Adams County, Colorado. New Cingular Wireless will use a portion of the Property in connection with its federally licensed communications business. The initial term of the lease will be five (5) years, commencing on February 2019. The lease will automatically renew for four (4) additional five (5) year terms unless the tenant notifies the landlord in writing of its intention not to renew the lease agreement. The lease requires monthly lease payments to the District of \$1,217 with rent payments increasing fifteen percent (15.0%) on an annual basis. The outstanding lease receivable on June 30, 2023, is \$407,829

Verizon - In November of 2019, the District entered into a lease agreement with Verizon Wireless, LLC to lease approximately two thousand nine hundred (2,900) square feet of land, including the air space above such ground space, owned by the District and located at Brighton Gardens in the City of Brighton, Adams County, Colorado. Verizon Wireless will use a portion of the Property in connection with its federally licensed communications business. The initial term of the lease will be five (5) years, commencing on November 2019. The lease will automatically renew for two (2) additional five (5) year terms unless the tenant notifies the landlord in writing of its intention not to renew the lease agreement. The lease requires monthly lease payments to the District of \$1,808 with rent payments increasing fifteen percent (15.0%) on an annual basis. The outstanding lease receivable on June 30, 2023, is \$289,207.

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Greystar Development - In August of 2021, the District entered into a license agreement with Greystar Development and Construction, LP to grant it and its authorized contractors and representatives a non-exclusive license to enter upon and use the premises for the purposes associated with the temporary construction occurring on the adjacent property. The location of the property is 18551 E. 160th Avenue in Adams County, Colorado. Greystar agrees to pay the District \$500 per month with an initial security deposit of \$1,000. The license is a temporary license taking effect on September 1, 2021 and shall automatically expire on August 31, 2023. The outstanding receivable on June 30, 2023, is \$1,007

2-C. Property Taxes

The Board of Education levies property taxes. The levy is based on assessed valuations determined by the County Assessors' offices generally as of January 1st of each year. The levy is set by December 15th by certification to the County Commissioners to put the tax lien on the individual properties as of December of each year. The County Treasurers' offices collect the determined taxes during the ensuing calendar year. The taxes are payable by April 30th or, if in equal installments, at the taxpayer's election on February 28th and June 15th. Delinquent taxpayers are notified in August and tax sales of the liens on delinquent properties are held in November. The County Treasurers' offices remit the taxes collected to the School District on the 10th of each month and on March 25th, May 25 and June 25th.

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2-D. Capital Assets – Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance 7/1/2022	Additions	Deductions	Balance 6/30/2023
Governmental Activities:				
Capital Assets not being depreciated:				
Land	\$ 13,131,691	\$ -	\$ -	\$ 13,131,691
Water Shares	1,496,673	-	-	1,496,673
Construction in Progress	28,856,166	122,486,925	19,466,105	131,876,986
Total Capital Assets not being depreciated	43,484,530	122,486,925	19,466,105	146,505,350
Other Capital Assets being depreciated:				
Buildings and Improvements	487,854,626	19,466,105	-	507,320,731
Equipment	23,610,921	629,922	-	24,240,843
Total Other Capital Assets	511,465,547	20,096,027	-	531,561,574
Lease and SBITA Right-to-Use Assets				
Equipment	574,994	-	-	574,994
Software	416,658	1,299,546	-	1,716,204
Total Lease Assets	991,652	1,299,546	-	2,291,198
Total Capital Assets	555,941,729	143,882,498	19,466,105	680,358,122
Accumulated Depreciation and Amortization				
Buildings and Improvements	110,144,114	10,735,082	-	120,879,196
Equipment	16,200,830	1,813,551	-	18,014,381
Lease Right-of-Use Asset Equipment	256,441	188,592	-	445,033
SBITA Right-of-Use Asset Software	-	789,900	-	789,900
Total Accumulated Depreciation and Amortization	126,601,385	13,527,125	-	140,128,510
Total Capital Assets being Depreciated and Right-of-Use Assets, Net	385,855,814	7,868,448	-	393,724,262
Governmental Activities Capital Assets, net	\$ 429,340,344	\$ 130,355,373	\$ 19,466,105	\$ 540,229,612

As a result of implementation of GASB 96, \$416,658 in SBITA assets has been added to the beginning balance presented above. As these assets are offset by an equal amount of SBITA liabilities, the District does not report a restatement of beginning net position for the implementation of GASB 96.

Governmental Activities Depreciation/Amortization Expense

Instructional Services	\$ 9,943,592
Business Supporting Services	984,438
Operation and Maintenance	683,996
Pupil Transportation	583,439
Central Supporting Services	1,272,771
Nutrition Services	58,889
	<u>\$ 13,527,125</u>

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Component Units Capital Assets	Balance 7/1/2022	Additions	Deductions	Balance 6/30/2023
Eagle Ridge Academy				
Capital Assets not being depreciated:				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Construction in Progress	48,960	1,074,599	-	1,123,559
Total capital assets not being depreciated	98,960	1,074,599	-	1,173,559
Capital Assets being depreciated:				
Buildings and Improvements	10,011,600	-	-	10,011,600
Land Improvements	385,019	2,173,940	-	2,558,959
Equipment	33,756	-	-	33,756
Total capital assets being depreciated	10,430,375	2,173,940	-	12,604,315
Less Accumulated Depreciation	(2,967,982)	(266,632)	-	(3,234,614)
Total Depreciable Capital Assets	7,462,393	1,907,308	-	9,369,701
Net Eagle Ridge Academy	\$ 7,561,353	\$ 2,981,907	\$ -	\$ 10,543,260
Bromley East Charter School:				
Capital Assets not being depreciated:				
Land	\$ 144,120	\$ -	\$ -	\$ 144,120
Construction in Progress	-	508,005	-	508,005
Total Capital Assets not being depreciated	144,120	508,005	-	652,125
Capital Assets being depreciated:				
Buildings and Improvements	22,879,975	123,461	-	23,003,436
Vehicles and Equipment	341,495	121,764	-	463,259
Total Capital Assets being depreciated	23,221,470	245,225	-	23,466,695
Less Accumulated Depreciation	(5,776,320)	(535,456)	-	(6,311,776)
Total - Depreciable Capital Assets	17,445,150	(290,231)	-	17,154,919
Lease Assets being Amortized:				
Vehicles and Equipment	-	74,679	-	74,679
Total Lease Assets being Amortized	-	74,679	-	74,679
Less Accumulated Amortization	-	(18,670)	-	(18,670)
Total Amortized Lease Assets	-	56,009	-	56,009
Total Depreciable & Amortizable Capital Assets	17,445,150	(234,222)	-	17,210,928
Net Bromley East Charter School	\$ 17,589,270	\$ 273,783	\$ -	\$ 17,863,053
Belle Creek Charter School:				
Capital Assets not being depreciated:				
Construction in Progress	\$ -	\$ 1,177,895	\$ -	\$ 1,177,895
Total Capital Assets not being depreciated	-	1,177,895	-	1,177,895
Capital Assets being depreciated:				
Buildings and Improvements	\$ 7,639,235	\$ -	\$ -	\$ 7,639,235
Furniture & Equipment	42,204	7,396	-	49,600
Vehicles	101,481	-	-	101,481
Total Capital Assets being depreciated	7,782,920	7,396	-	7,790,316
Less Accumulated Depreciation	(3,538,225)	(211,983)	-	(3,750,208)
Total Depreciable Capital Assets	4,244,695	(204,587)	-	4,040,108
Lease Assets being Amortized:				
Furniture and Equipment	40,555	-	-	40,555
Total Lease Assets being Amortized	40,555	-	-	40,555
Less Accumulated Amortization	(8,111)	(8,111)	-	(16,222)
Total Amortized Lease Assets	32,444	(8,111)	-	24,333
Total Depreciable and Amortizable Capital Assets	4,277,139	(212,698)	-	4,064,441
Net Belle Creek Charter School	\$ 4,277,139	\$ 965,197	\$ -	\$ 5,242,336

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	Balance			Balance
Component Units Capital Assets, Continued	7/1/2022	Additions	Deductions	6/30/2023
Foundations Academy Charter School:				
Capital Assets being depreciated:				
Equipment	\$ 46,098	\$ -	\$ -	\$ 46,098
Less Accumulated Depreciation	(44,674)	(1,424)	-	(46,098)
Net Foundations Academy Charter School	<u>\$ 1,424</u>	<u>\$ (1,424)</u>	<u>\$ -</u>	<u>\$ -</u>
The STEAD School:				
Capital Assets not being depreciated:				
Construction in Progress	\$ 13,569,002	\$ 8,926,396	\$ -	\$ 22,495,398
Total Capital Assets not being depreciated	<u>13,569,002</u>	<u>8,926,396</u>	<u>-</u>	<u>22,495,398</u>
Capital Assets being depreciated:				
Furniture and Equipment	28,026	-	-	28,026
Less Accumulated Depreciation	(3,068)	(4,305)	-	(7,373)
Total Capital Assets being depreciated	<u>24,958</u>	<u>(4,305)</u>	<u>-</u>	<u>20,653</u>
Net The STEAD School	<u>\$ 13,593,960</u>	<u>\$ 8,922,091</u>	<u>\$ -</u>	<u>\$ 22,516,051</u>
Total Component Unit Capital Assets, Net	<u>\$ 43,023,146</u>	<u>\$ 13,141,554</u>	<u>\$ -</u>	<u>\$ 56,164,700</u>

Bromley East has entered into a lease agreement for equipment. The total costs of these right-to-use lease assets are recorded as \$74,679, less amortization of \$18,670. Belle Creek has entered into lease agreements for equipment. The total costs of these right-to-use lease assets are recorded as \$40,555, less amortization of \$16,222.

2-E. Interfund Receivables, Payables and Transfers

Interfund receivable and payable balances at June 30, 2023, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The School District expects to repay all interfund balances within one year.

Receivable Fund		Payable Fund	
Government Designated Purpose Grant Fund	\$ 1,949,711	General Fund	11,888,879
Nonmajor Governmental Funds	8,635,988	Nutrition Services Fund	391,555
General Fund	4,437,564	Capital Projects Fund	3,546,116
Internal Service Fund	780,695	Private Purpose Trust Fund	16,274
Debt Service Fund	38,866		
Total	<u>\$ 15,842,824</u>		<u>\$ 15,842,824</u>

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Interfund transfers for the year ended June 30, 2023, consisted of the following:

	Transfers In				<u>Total</u>
	Pupil	Other Special			
	Activity	Programs	Transportation	Print Shop	
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	
<u>Transfers Out</u>					
General Fund	\$ 815,756	\$ 146,817	\$ 5,739,473	\$ 100,927	\$ 6,802,973

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations.

All School District transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

2-F. Compensated Absences

School District policy limits the accumulation of earned employee vacation to the equivalent of 2 years earned vacation. Also, the School District grants temporary (sick, personal & bereavement, etc.) leave to all classes of employees. Unused leave balances are paid at termination. Upon termination and/or retirement, Administrative, Professional, Technical (APT) personnel are paid at a flat rate of \$79.54 a day. Certified personnel are paid at a flat rate of \$79.54 for all temporary leave days accumulated before July 1, 2018 and \$87.11 for all temporary leave days accumulated after July 1, 2018. Classified personnel are paid at a rate of \$5.95 per hour for the first 75 days; after 75 days they are paid \$7.08 per hour. Classified employees with 75 or more days of accrued temporary leave and certified employees with 45 or more days of accrued temporary leave have the option of being paid for the excess days each June. In addition, eligible employees may elect to contract with the School District for early retirement upon terms and conditions specified by School District policy. Eligible employees may contract for early retirement benefits after twenty years of service to the School District.

2-G. Long-Term Liabilities

Long-term Debt

Periodically, the School District issues bonds to finance the construction of its various facilities.

Certificates of Participation Series 2019— Certificates of Participation, Series 2019, dated and issued September 30, 2019, were a direct purchase non-bank qualified tax exempt obligation of \$4,768,184. The Certificates of Participation include Series 2016 Certificates refunded at current principal and interest of \$1,730,184 and a Lease Purchase Agreement to provide funds to acquire 30,599 square feet of space in the Brighton Learning Resource Center at a purchase price of \$3,000,000.

Interest on the Certificates at a rate of 2.33% is payable annually at August 1, including principal, each calendar year thereafter to 2032. The certificates are payable solely from annually appropriated base rentals and any purchase option price paid by the School District under the lease from the Capital Reserve Fund.

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Annual debt service requirements to maturity for the Certificates of Participation, Series 2019, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	311,923	80,792	392,715
2025	319,191	73,524	392,715
2026	326,628	66,087	392,715
2027	334,238	58,476	392,714
2028	342,026	50,689	392,715
2029-2030	1,833,446	130,124	1,963,570
Total	<u>\$ 3,467,452</u>	<u>\$ 459,692</u>	<u>\$ 3,927,144</u>

General Obligation Refunding Bonds Series 2012A – General Obligation Refunding Bonds, Series 2012A, were dated and issued April 24, 2012, total issue of \$31,340,000. The bonds were issued to refund a portion of the School District’s outstanding general obligation debt for the purpose of reducing debt service requirements. The obligation refunded consisted of the School District’s General Obligation Bonds, Callable Series 2004, originally issued in the principal aggregate amount of \$49,900,000.

Interest at a rate of 2.00% –5.00% is payable at each June 1 and December 1. Principal payments are payable on December 1, 2012 and each calendar year thereafter to 2025. The bonds are general obligations of the School District and shall be payable from general ad valorem taxes required to be levied, without limitations as to rate and in amounts sufficient to pay for the principal of and interest on the bonds, on all taxable property of the School District, except to the extent other legally available funds are applied for such purpose.

Annual debt service requirements to maturity for the General Obligation Refunding Bonds, Series 2012A, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	2,915,000	382,375	3,297,375
2025	6,190,000	154,750	6,344,750
Total	<u>\$ 9,105,000</u>	<u>\$ 537,125</u>	<u>\$ 9,642,125</u>

General Obligation Refunding Bonds Series 2014 – General Obligation Refunding Bonds, Series 2014, were dated and issued December 9, 2014, total issue of \$49,530,000. The bonds were issued to refund a portion of the School District’s outstanding general obligation debt for the purpose of reducing debt service requirements. The obligation refunded consisted of the School District’s General Obligation Bonds, Callable Series 2006C, originally issued in the principal aggregate amount of \$74,900,000.

Interest at a rate of 4.00% –5.375% is payable at each June 1 and December 1. Principal payments are payable on December 1, 2017 and each calendar year thereafter to 2027. The bonds are general obligations of the School District and shall be payable from general ad valorem taxes required to be levied, without limitations as to rate and in amounts sufficient to pay for the principal of and interest on the bonds, on all taxable property of the School District, except to the extent other legally available funds are applied for such purpose. Refunding the callable 2004 bonds at 2.54% TIC equates to a present value savings of \$5,700,000 in fiscal year 2016.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

Annual debt service requirements to maturity for the General Obligation Refunding Bonds, Series 2014, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	3,860,000	1,565,000	5,425,000
2025	4,050,000	1,367,250	5,417,250
2026	12,350,000	957,250	13,307,250
2027	12,970,000	324,250	13,294,250
Total	<u>\$ 33,230,000</u>	<u>\$ 4,213,750</u>	<u>\$ 37,443,750</u>

General Obligation Bonds Series 2015 – General Obligation Bonds, Series 2015, were dated and issued December 15, 2015, total issue of \$160,000,000. The bonds were issued to finance the costs to construct, improve, repair and make additions to school buildings, to equip or furnish school buildings, improve school grounds, or to acquire, construct or improve any capital asset for District purposes. A premium of \$25,353,909 was realized at time of issue.

Interest at a rate of 2.00% –5.00% is payable at each June 1 and December 1. Principal payments are payable on December 1, 2017 and each calendar year thereafter to 2041. The bonds are general obligations of the School District and shall be payable from general ad valorem taxes required to be levied, without limitations as to rate and in amounts sufficient to pay for the principal of and interest on the bonds, on all taxable property of the School District, except to the extent other legally available funds are applied for such purpose.

Annual debt service requirements to maturity for the General Obligation Refunding Bonds, Series 2015, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	-	7,275,700	7,275,700
2025	-	7,275,700	7,275,700
2026	-	7,275,700	7,275,700
2027	-	7,275,700	7,275,700
2028	-	7,275,700	7,275,700
2029-2033	47,015,000	32,170,200	79,185,200
2034-2038	59,225,000	16,992,250	76,217,250
2039-2041	43,125,000	2,226,250	45,351,250
Total	<u>\$ 149,365,000</u>	<u>\$ 87,767,200</u>	<u>\$ 237,132,200</u>

General Obligation Bonds Series 2016A – General Obligation Refunding Bonds, Series 2016A, were dated and issued November 3, 2016, total issue of \$33,570,000. The bonds were issued to current refund aggregate principal amounts of the District's general obligation refunded bonds, Series 2006A and advance refund the District's general obligation refunded bonds, Series 2008. A premium of \$3,494,045 was realized at time of issue.

Interest at a rate of 4.25% –5.25% is payable at each June 1 and December 1. Taxable yield on the Series 2016A bonds is 1.82%. Principal payments are payable on December 1, 2018 and each calendar year thereafter to 2028. The bonds are general obligations of the School District and shall be payable from general ad valorem taxes required to be levied, without limitations as to rate and in amounts sufficient to pay for the principal of and interest on the bonds, on all taxable property of the School District, except to the extent other legally available funds are applied for such purpose.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

Annual debt service requirements to maturity for the General Obligation Refunding Bonds, Series 2016A, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	4,070,000	416,675	4,486,675
2025	1,155,000	286,050	1,441,050
2026	290,000	254,275	544,275
2027	295,000	247,688	542,688
2028	9,760,000	122,000	9,882,000
Total	<u>\$ 15,570,000</u>	<u>\$ 1,326,688</u>	<u>\$ 16,896,688</u>

General Obligation Bonds Series 2016B – General Obligation Refunding Bonds, Taxable Series 2016B, were dated and issued November 3, 2016, total issue of \$3,040,000. The bonds were issued to current refund aggregate principal amounts of the District’s general obligation refunded bonds, Series 2006A and advance refund the District’s general obligation refunded bonds, Series 2008. The Taxable Series 2016B bonds are not subject to optional redemption prior to maturity. Interest at a rate of 4.00% –5.25% is payable at each June 1 and December 1. Principal payments are payable on December 1, 2017 and each calendar year thereafter to 2028. The bonds are general obligations of the School District and shall be payable from general ad valorem taxes required to be levied, without limitations as to rate and in amounts sufficient to pay for the principal of and interest on the bonds, on all taxable property of the School District, except to the extent other legally available funds are applied for such purpose.

Annual debt service requirements to maturity for the General Obligation Refunding Bonds, Series 2016B, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	60,000	79,373	139,373
2025	60,000	77,738	137,738
2026	65,000	75,971	140,971
2027	65,000	74,103	139,103
2028	2,480,000	36,579	2,516,579
Total	<u>\$ 2,730,000</u>	<u>\$ 343,764</u>	<u>\$ 3,073,764</u>

General Obligation Bonds Series 2017 – General Obligation Bonds, Taxable Series 2017, were dated and issued September 14, 2017, total issue of \$88,000,000. The bonds were issued to finance the costs to construct, improve, repair and make additions to school buildings, to equip or furnish school buildings, improve school grounds, or to acquire, construct or improve any capital asset for District purposes. A premium of \$17,658,825 was realized at time of issue.

Interest at a rate of 2.00% –5.00% is payable at each June 1 and December 1. Principal payments are payable on December 1, 2028 and each calendar year thereafter to 2043. The bonds are general obligations of the School District and shall be payable from general ad valorem taxes required to be levied, without limitations as to rate and in amounts sufficient to pay for the principal of and interest on the bonds, on all taxable property of the School District, except to the extent other legally available funds are applied for such purpose.

School District 27J, Colorado
Notes to the Basic Financial Statements
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Annual debt service requirements to maturity for the General Obligation Bonds, Series 2017, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	-	4,400,000	4,400,000
2025	-	4,400,000	4,400,000
2026	-	4,400,000	4,400,000
2027	-	4,400,000	4,400,000
2028	-	4,400,000	4,400,000
2029-2033	14,215,000	20,647,500	34,862,500
2034-2038	18,155,000	16,719,000	34,874,000
2039-2043	55,630,000	10,912,500	66,542,500
Total	<u>\$ 88,000,000</u>	<u>\$ 70,279,000</u>	<u>\$ 158,279,000</u>

General Obligation Bonds Series 2022 – General Obligation Bonds, Taxable Series 2022, were dated and issued March 31, 2022, total issue of \$272,915,000. The bonds were issued to finance the costs to construct, improve, repair and make additions to school buildings, to equip or furnish school buildings, improve school grounds, or to acquire, construct or improve any capital asset for District purposes. A premium of \$28,368,117 was realized at time of issue.

Interest at a rate of 2.00% – 5.00% is payable at each June 1 and December 1. Principal payments are payable on December 1, 2022 and each calendar year thereafter to 2047. The bonds are general obligations of the School District and shall be payable from general ad valorem taxes required to be levied, without limitations as to rate and in amounts sufficient to pay for the principal of and interest on the bonds, on all taxable property of the School District, except to the extent other legally available funds are applied for such purpose.

Annual debt service requirements to maturity for the General Obligation Bonds, Series 2022, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	15,200,000	10,472,400	25,672,400
2025	1,750,000	10,048,650	11,798,650
2026	1,160,000	9,975,900	11,135,900
2027	1,215,000	9,916,525	11,131,525
2028	3,025,000	9,810,525	12,835,525
2029-2033	25,415,000	46,256,750	71,671,750
2034-2038	32,355,000	39,304,950	71,659,950
2039-2043	39,800,000	31,865,400	71,665,400
2044-2047	134,825,000	13,746,800	148,571,800
Total	<u>\$ 254,745,000</u>	<u>\$ 181,397,900</u>	<u>\$ 436,142,900</u>

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

A summary of the above bonds and certificates outstanding at June 30, 2023 follows:

Long Term Debt	Principal	Interest	Total
Certificates of Participation Series 2019	\$ 3,467,452	\$ 459,692	\$ 3,927,144
General Obligation Bonds Series 2012A	9,105,000	537,125	9,642,125
General Obligation Refunding Bonds Series 2014	33,230,000	4,213,750	37,443,750
General Obligation Bonds Series 2015	149,365,000	89,246,850	238,611,850
General Obligation Refunding Bonds Series 2016A	15,570,000	1,326,688	16,896,688
General Obligation Refunding Bonds Series 2016B	2,730,000	343,764	3,073,764
General Obligation Bonds Series 2017	88,000,000	68,079,000	156,079,000
General Obligation Bonds Series 2022	254,745,000	176,530,450	431,275,450
Total	<u>\$ 556,212,452</u>	<u>\$ 340,737,319</u>	<u>\$ 896,949,771</u>

Component Unit Long-Term Debt

Belle Creek Charter School: Following is a summary of Belle Creek Charter School's long-term debt transactions for the year ended June 30, 2023:

	Beginning Balance	Debt Issued and Additions	Reductions	Ending Balance	Due Within One Year
Building Loan	\$ 6,250,000	\$ -	\$ (75,000)	\$ 6,175,000	\$ 100,000
Discount	(36,917)	-	1,236	(35,681)	-
Total	<u>\$ 6,213,083</u>	<u>\$ -</u>	<u>\$ (73,764)</u>	<u>\$ 6,139,319</u>	<u>\$ 100,000</u>

2022 Building Loan – On May 11, 2022, the Colorado Educational and Cultural Facilities Authority (CECFA) issued \$5,925,000 of Charter School Revenue Refunding Bonds, Series 2022A, and \$325,000 Taxable Charter School Revenue Bonds, Series 2022B, to current refund CECFA's outstanding Series 2007 Bonds. Proceeds of bond issuances have been loaned to the Education Center the School's building. The School is obligated under a lease agreement to make monthly lease payments to the Education Center for using the facilities. The Education Center is required to make equal payments to the trustee for payment of the bonds. Interest accrues at a rate of 5.00% to 5.25% and is due semi-annually. Principal payments are due annually on March 15 through 2052.

Annual debt service requirements to maturity for loan payable is as follows:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2024	100,000	319,656	419,656
2025	105,000	314,406	419,406
2026	110,000	308,894	418,894
2027	115,000	303,281	418,281
2028	120,000	297,531	417,531
2029-2033	700,000	1,391,156	2,091,156
2034-2038	890,000	1,194,819	2,084,819
2039-2043	1,140,000	942,669	2,082,669
2044-2048	1,475,000	612,938	2,087,938
2049-2052	1,420,000	186,113	1,606,113
Total	<u>\$ 6,175,000</u>	<u>\$ 5,871,462</u>	<u>\$ 12,046,462</u>

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

Eagle Ridge Academy: Following is a summary of Eagle Ridge Academy's long-term debt transactions for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023	Due In One Year
Bonds Payable - Series 2016	\$ 8,095,000	\$ -	\$ 8,095,000	\$ -	\$ -
Premium - Series 2016	133,025	-	133,025	-	-
Bonds Payable - Series 2022	-	10,525,000	-	10,525,000	225,000
Premium - Series 2022	-	185,693	7,143	178,550	7,142
Total	<u>\$ 8,228,025</u>	<u>\$10,710,693</u>	<u>\$ 8,235,168</u>	<u>\$ 10,703,550</u>	<u>\$ 232,142</u>

Charter School Revenue Bond Series 2022 –On July 20, 2022, the Colorado Educational Cultural Facilities Authority (CECFA) issued \$10,525,000 Charter School Revenue Bonds dated July 20, 2022. The Building Corporation has entered into a mortgage and lease agreement with the Eagle Ridge Academy to use the bond proceeds for: 1) current refunding of Eagle Ridge Authority's Charter School Revenue Bonds Series 2016 originally issued in the aggregate principal amount of \$9,720,000 and outstanding in the aggregate principal amount of \$8,095,000; 2) constructing improvements to existing educational facilities; and 3) funding a bond reserve fund and paying costs associated with the issuance of the Series 2022 bonds. The bonds accrue interest at 5.0%. Interest payments are due semi-annually on May 1 and November 1. Principal payments are due annually on November 1, through 2048.

Annual debt service requirements to maturity for the long-term debt transactions are as follows:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2024	225,000	478,063	703,063
2025	235,000	466,563	701,563
2026	245,000	454,563	699,563
2027	260,000	441,938	701,938
2028	275,000	428,563	703,563
2029-2033	1,585,000	1,918,565	3,503,565
2034-2038	2,025,000	1,469,065	3,494,065
2039-2043	2,550,000	943,500	3,493,500
2044-2048	3,125,000	342,658	3,467,658
Total	<u>\$ 10,525,000</u>	<u>\$ 6,943,478</u>	<u>\$ 17,468,478</u>

Bromley East Charter School: Following is a summary of Bromley East Charter School's long-term debt transactions for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023	Due In One Year
Building Loan	<u>\$ 15,940,270</u>	<u>\$ -</u>	<u>\$ (610,660)</u>	<u>\$ 15,329,610</u>	<u>\$ 631,420</u>

School District 27J, Colorado
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2015 Building Loan – In September, 2015, the Colorado Educational and Cultural Facilities Authority (CECFA) issued \$19,155,000 Charter School Refunding and Improvement Revenue Bonds, Series 2015. Proceeds of the Series 2015 Bonds were loaned to the CECFA to provide funding to construct the School’s educational facilities. The School is obligated under a lease agreement to make monthly lease payments to the CECFA for using the facilities. The Building Corporation is required to make equal payments to the trustee, for payment of the bonds. Interest accrues a rate of 3.4% and is due semi-annually. Principal payments are due annually on September 1, with a balloon payment of \$14,045,300 due on September 1, 2025.

Annual debt service requirements to maturity for the long-term debt transactions are as follows:

Fiscal Year Ending			
30-Jun	Principal	Interest	Total
2024	\$ 631,420	\$ 505,106	\$ 1,136,526
2025	652,890	483,090	1,135,980
2026	14,045,300	159,180	14,204,480
Total	<u>\$ 15,329,610</u>	<u>\$ 1,147,376</u>	<u>\$ 16,476,986</u>

The STEAD School: Following is a summary of The STEAD School’s long-term debt transactions for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023	Due In One Year
Building Loan	<u>\$ 9,105,922</u>	<u>\$ 5,833,890</u>	<u>\$ (144,368)</u>	<u>\$ 14,795,444</u>	<u>\$ 5,855,618</u>

Vectra Construction Loan - On January 15, 2021, the Building Corp entered into a construction loan agreement with Zions Bancorporation, N.A. dba Vectra Bank Colorado in the amount of \$14,503,148. The construction loan consists collectively of the Phase 1 Loan and Phase 2 Loan. Proceeds were loaned to the Building Corp to provide funding to construct the School’s educational facilities. As of June 30, 2022 all \$4,808,000 of Phase Loans 1 and \$74,355 of \$7,125,148 Phase 2 loans were issued. Interest accrues a rate of 3.50% for the Phase 1 Loans and 5.4% of Phase 2 Loans. Principal and Interest payments are due monthly with an initial maturity of January 15, 2026.

Clayton Loan - On January 15, 2021 the Building Corp entered into a loan agreement with Clayton Properties Group II, Inc. in the amount of \$2,243,757. Interest accrues a rate of 3.50% and is due monthly.

CCFS Construction Loan - On January 15, 2021, the Building Corp entered into a construction loan agreement with CCFS SPE 2, LLC in the amount of \$2,800,000. The construction loan consists collectively of the Phase 1 Loan, and Phase 2 Loan. Loans were loaned to the Building Corp to provide funding to construct the School’s educational facilities. As of June 30, 2022 all \$1,021,700 Phase Loans 1 and \$969,055 of \$1,778,300 Phase 2 loans were issued. Interest accrues a rate of 3.50%. Principal and Interest payments are due monthly with an initial maturity of January 15, 2026.

Annual debt service requirements to maturity for loan payable is as follows:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2024	\$ 183,292	\$ 319,654	\$ 502,946
2025	190,328	312,402	502,730
2026	8,522,686	182,532	8,705,218
Total	<u>\$ 8,896,306</u>	<u>\$ 814,588</u>	<u>\$ 9,710,894</u>

School District 27J, Colorado
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Long-term Leases

Equipment Leases

CBS Copier Lease 500-0642700-002- In December of 2021, the District entered into a 3 year agreement for the right to use copy machines. The incremental borrowing rate at the commencement of the agreement was 0.45%. The future minimum lease obligations and net present value of these minimum lease payments are as follows:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2024	\$ 3,226	\$ 14	\$ 3,240
Total	\$ 3,226	\$ 14	\$ 3,240

CBS Copier Lease 500-0642700-000 - In July of 2021, the District entered into a 3 year agreement for the right to use copy machines. The incremental borrowing rate at the commencement of the agreement was 0.18%. The future minimum lease obligations and net present value of these minimum lease payments are as follows:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2024	\$ 8,540	\$ 15	\$ 8,555
Total	\$ 8,540	\$ 15	\$ 8,555

CBS Copier Lease 500-0640849 - In July of 2021, the District entered into a 3 year agreement for the right to use copy machines. The incremental borrowing rate at the commencement of the agreement was 0.18%. The future minimum lease obligations and net present value of these minimum lease payments are as follows:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2024	\$ 1,090	\$ 2	\$ 1,092
Total	\$ 1,090	\$ 2	\$ 1,092

Quadient Leasing – In December of 2020, the District entered into a 5 year agreement for the right to use a postage machine. The incremental borrowing rate at the commencement of the agreement was 0.43%. The future minimum lease obligations and net present value of these minimum lease payments are as follows:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2024	\$ 4,111	\$ 35	\$ 4,146
2025	4,129	17	4,146
2026	1,726	2	1,728
Total	\$ 9,966	\$ 54	\$ 10,020

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

Subscription Based Information Technology Arrangements (SBITA)

GreatHorn – In November of 2022, the District entered into a 3 year agreement for the right to use software. The incremental borrowing rate at the commencement of the agreement was 2.736%. The future minimum lease obligations and net present value of these minimum lease payments are as follows:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2024	\$ 23,212	\$ 1,288	\$ 24,500
2025	23,848	652	24,500
Total	<u>\$ 47,060</u>	<u>\$ 1,940</u>	<u>\$ 49,000</u>

iboss – In June of 2022, the District entered into a 3 year agreement for the right to use software. The incremental borrowing rate at the commencement of the agreement was 2.154%. The future minimum lease obligations and net present value of these minimum lease payments are as follows:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2024	\$ 147,602	\$ 6,427	\$ 154,029
2025	150,781	3,248	154,029
Total	<u>\$ 298,383</u>	<u>\$ 9,675</u>	<u>\$ 308,058</u>

Imagine Learning – In June of 2022, the District entered into a 3 year agreement for the right to use software. The incremental borrowing rate at the commencement of the agreement was 2.154%. The future minimum lease obligations and net present value of these minimum lease payments are as follows:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2024	\$ 60,481	\$ 2,634	\$ 63,115
2025	61,784	1,331	63,115
Total	<u>\$ 122,265</u>	<u>\$ 3,965</u>	<u>\$ 126,230</u>

Component Unit Long-Term Leases

Belle Creek Charter School: The School, as lessee, has entered into lease agreements for equipment with lease terms of five years. The total costs of these right-to-use lease assets are recorded as \$40,555, less accumulated amortization of \$8,111. The School has determined that as of June 30, 2023, there is no loss associated with an impairment of the right-to-use lease asset.

School District 27J, Colorado
Notes to the Basic Financial Statements
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The future lease payments under lease agreements as of June 30, 2023 are as follows:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2024	\$ 7,660	\$ 1,424	\$ 9,084
2025	8,043	1,041	9,084
2026	8,445	639	9,084
2027	4,327	216	4,543
Total	\$ 28,475	\$ 3,320	\$ 31,795

Bromley East Charter School: The School, as a lessee, had entered into a lease agreement for equipment with a lease term of 3 years. The total costs of these right-to-use lease assets are recorded as \$74,679, less accumulated amortization of \$18,670. The School has determined that as of June 30, 2023, there is no loss associated with an impairment of the right-to-use lease asset.

Changes in Long-term Liabilities - Changes in the School District's long-term obligations consisted of the following for the year ended June 30, 2023:

Governmental Activities:	Beginning Balance	Debt Issued And Additions	Reductions	Ending Balance	Amounts Due in One Year
General Obligation Bonds	\$ 581,355,000	\$ -	\$ 28,610,000	\$ 552,745,000	\$ 26,105,000
Certificates of Participation	3,772,272	-	304,820	3,467,452	311,923
Leases Payable	180,708	-	157,886	22,822	16,967
SBITA Payable	416,658	523,972	472,928	467,708	231,295
Bond Premium	66,413,074	-	4,240,932	62,172,142	-
Total	\$ 652,137,712	\$ 523,972	\$ 33,786,566	\$ 618,875,124	26,665,185
Early Retirement Obligation	\$ 245,266	\$ -	\$ 29,210	\$ 216,056	\$ 216,056
Compensated Absences Payable	3,613,490	2,207,192	2,121,403	3,699,279	2,219,568
Total	\$ 3,858,756	\$ 2,207,192	\$ 2,150,613	\$ 3,915,335	\$ 2,435,624

As a result of implementation of GASB 96, \$416,658 in SBITA liabilities has been added to the beginning balance presented above. As these SBITA liabilities are offset by an equal amount of SBITA assets, the District does not report a restatement of beginning net position for the implementation of GASB 96.

Changes in the Component Units' Long-Term Obligations consisted of the following for the year ended June 30, 2023:

Governmental Activities:	Beginning Balance	Debt Issued And Additions	Reductions	Ending Balance	Amounts Due in One Year
Loans Payable	\$ 23,450,922	\$ 16,358,890	\$ 8,314,368	\$ 31,495,444	\$ 6,180,618
Note Payable	-	-	-	-	-
Loan Agreement	-	-	-	-	-
Building Loan	15,940,270	-	610,660	15,329,610	631,420
Premium/Discount	96,108	185,693	138,932	142,869	7,142
Leases Payable	35,770	74,679	26,596	83,853	32,533
Total	\$ 39,523,070	\$ 16,619,262	\$ 9,090,556	\$ 47,051,776	\$ 6,851,713

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

Other – Payment of principal and interest for general obligation bonds is made from the bond redemption debt service fund. The legal limit and debt margin as of June 30, 2023 are \$1,222,043,177 and \$669,298,177, respectively. Compensated absences, pension and OPEB obligations are generally liquidated in the General Fund.

2-H. Short-Term Debt

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

2-I. Defined Benefit Pension Plan

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

General Information about the Pension Plan

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

Benefits provided as of December 31, 2022 - PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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.
- \$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 highest average salary and cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either

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50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

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

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

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

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

	July 1, 2022 Through June 30, 2023
Employer contribution rate	11.40%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)
Amount apportioned to the SCHDTF	10.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%
Total employer contribution rate to the SCHDTF	20.38%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the School District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the School District were \$22,492,455 for the year ended June 30, 2023.

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

The net pension liability for the SCHDTF was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TPL to December 31, 2022. The School District's proportion of the net pension

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liability was based on the School District's contributions to the SCHDTF for the calendar year 2022 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2023, the School District reported a liability of \$246,850,897 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 School District as its proportionate share for 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 School District were as follows:

The School District's proportionate share of net pension liability	\$246,850,897
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the School District	71,934,832
Total	\$318,785,729

At December 31, 2022, the School District's proportion was 1.3556186135% which was a decrease of 0.2038569736% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the School District recognized pension expense of \$37,480,211 and revenue of \$6,134,183 for support from the State as a non-employer contributing entity. At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$2,336,207	\$ -
Changes of assumptions or other inputs	4,372,544	-
Net difference between projected and actual earnings on pension plan investments	33,161,185	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	9,781,683	31,301,906
Contributions subsequent to the measurement date	11,239,334	N/A
Total	\$60,890,953	\$31,301,906

The \$11,239,334 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2024	\$(3,845,377)
2025	(6,123,268)
2026	9,029,979
2027	19,288,379
Total	\$18,349,713

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

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

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

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

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

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

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

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

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

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

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

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

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

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

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

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

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

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- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate - The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, 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	\$323,042,926	\$246,850,897	\$180,519,607

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

Component Unit Defined Benefit Pension Plan

Bromley East Charter School

Contributions: Employer contributions recognized by the SCHDTF School were \$1,199,676 for the year ended June 30, 2023.

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

At June 30, 2023, the School reported a liability of \$13,519,120 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The School's proportion of the net pension liability was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll forward the TPL to December 31, 2022. The School's proportion of the net pension liability was based on the School's contributions to the SCHDTF for the calendar year 2022 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At December 31, 2022, the School's proportion of the net pension liability was 0.0742422708%, which was a decrease of 0.0133554731% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the School recognized pension expense of \$91,182 and revenue of \$463,274 for support from the State as a nonemployer contributing entity. At June 30, 2023, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$127,944	---

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Changes of assumptions or other inputs	239,468	---
Net difference between projected and actual earnings on pension plan investments	1,816,116	---
Changes in proportion and differences between contributions recognized and proportionate share of contributions	---	2,176,019
Contributions subsequent to the measurement date	589,685	N/A
Total	\$2,773,213	\$2,176,019

\$589,685 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2024	\$(1,021,384)
2025	(488,486)
2026	461,024
2027	1,056,355
2028	--
Thereafter	--

Sensitivity of the School'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	\$17,691,879	\$13,519,120	\$10,034,441

Eagle Ridge Academy

Contributions: Employer contributions recognized by the SCHDTF School were \$401,079 for the year ended June 30, 2023.

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

At June 30, 2023, the School reported a liability of \$4,579,353 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The School's proportion of the net pension liability was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll forward the TPL to December 31, 2022. The School's proportion of the net pension liability was based on the School's contributions to the SCHDTF for the calendar year 2022 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

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At December 31, 2022, the School's proportion of the net pension liability was 0.02515%, which was a decrease of 0.00405% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the School recognized pension expense of \$4,129 and revenue of \$156,925 for support from the State as a nonemployer contributing entity. At June 30, 2023, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$43,339	\$ --
Changes of assumptions or other inputs	81,115	--
Net difference between projected and actual earnings on pension plan investments	615,176	--
Changes in proportion and differences between contributions recognized and proportionate share of contributions	152,397	697,284
Contributions subsequent to the measurement date	202,273	-
Total	\$1,094,300	\$697,284

\$202,273 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2024	\$(179,622)
2025	(146,885)
2026	163,429
2027	357,821
Total	\$194,743

Sensitivity of the School'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	\$5,992,798	\$4,579,353	\$3,398,982

Belle Creek Charter School

Contributions: Employer contributions recognized by the SCHDTF School were \$590,347 for the year ended June 30, 2023.

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

At June 30, 2023, the School reported a liability of \$6,819,680 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The School's proportion of the net pension liability was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll forward the TPL to December 31, 2022. The School's proportion of the net pension liability was based on the School's contributions to the SCHDTF for the calendar year 2022 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At December 31, 2022, the School's proportion of the net pension liability was 0.0374512929%, which was a decrease of 0.0103209762% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the School recognized pension expense of \$82,585 and revenue of \$233,697 for support from the State as a nonemployer contributing entity. At June 30, 2023, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$64,541	\$ --
Changes of assumptions or other inputs	120,799	--
Net difference between projected and actual earnings on pension plan investments	916,134	--
Changes in proportion and differences between contributions recognized and proportionate share of contributions	323,560	1,365,113
Contributions subsequent to the measurement date	295,634	N/A
Total	\$1,720,668	\$1,365,113

\$295,634 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2024	\$ (271,735)
2025	(378,818)
2026	177,600
2027	532,874
2028	--
Thereafter	--

Sensitivity of the School'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

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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	\$8,924,616	\$6,819,680	\$5,061,844

2-J. Defined Contribution Pension Plan

Voluntary Investment Program (PERAPLUS 401(k) plan)

Plan Description - Employees of the School District that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program (PERAPLUS 401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPLUS 401(k) Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The PERAPLUS 401(k) Plan 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 the C.R.S., as amended. There is no employer match. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2023, program members contributed \$457,877.

2-K. Other Post-Employment Benefits

Defined Benefit Other Post Employment Benefit (OPEB) Plan

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

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

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

C.R.S. § 24-51-1202 *et seq.* specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy

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differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

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

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

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

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the School District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the School District were \$1,144,350 for the year ended June 30, 2023.

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

At June 30, 2023 the School District reported a liability of \$8,408,116 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TOL to December 31, 2022. The School District's proportion of the net OPEB liability was based on the School District contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

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At December 31, 2022, the School District's proportion was 1.0298018693% which was an increase of 0.0115824060% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the School District recognized OPEB expense of \$298,906. At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$917	\$1,935,513
Changes of assumptions or other inputs	130,383	911,049
Net difference between projected and actual earnings on OPEB plan investments	528,650	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,064,964	4,354
Contributions subsequent to the measurement date	577,412	N/A
Total	\$2,302,326	\$2,850,916

The \$577,412 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2024	\$(389,939)
2025	(429,623)
2026	(138,506)
2027	40,520
2028	(167,754)
Thereafter	(40,700)
Total	\$(1,496,487)

School District 27J, Colorado
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Actuarial assumptions. The TOL in the December 31, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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

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

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

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Age-Related Morbidity Assumptions

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

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

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

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

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

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

School District 27J, Colorado
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Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2021, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

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

Mortality assumptions used in the December 31, 2021 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

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

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

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

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

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.

School District 27J, Colorado
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- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

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

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

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

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

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

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate ¹	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$8,170,129	\$8,408,116	\$8,667,070

¹For the January 1, 2023, plan year.

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

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

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

Sensitivity of the School District's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, 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:

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	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$9,747,497	\$8,408,116	\$7,262,513

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

Component Unit Post-Employment Benefits

Bromley East Charter School

Contributions: Employer contributions recognized by the HCTF from the School were \$60,043 for the year ended June 30, 2023.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs: At June 30, 2023, the School reported a liability of \$460,526 for its proportionate share of the net OPEB liability. At December 31, 2022, the School's proportion was 0.0564038895%, which was a decrease of 0.0007907065% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the School recognized an OPEB expense of \$51,790. At June 30, 2023, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$60	\$111,371
Changes of assumptions or other inputs	7,402	50,828
Net difference between projected and actual earnings on OPEB plan investments	28,128	--
Changes in proportion and differences between contributions recognized and proportionate share of contributions	35,020	7,768
Contributions subsequent to the measurement date	29,513	N/A
Total	\$100,123	\$169,967

\$29,513 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2024	\$(35,942)
2025	(33,142)
2026	(10,072)
2027	(3,840)
2028	(13,294)
Thereafter	(3,067)

School District 27J, Colorado
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Sensitivity of the School's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$447,491	\$460,526	\$474,709

Sensitivity of the School'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	\$533,886	\$460,526	\$397,779

Eagle Ridge Academy

Contributions. Employer contributions recognized by the HCTF from the School were \$20,074 for the year ended June 30, 2023.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2023, the School reported a liability of \$156,072 for its proportionate share of the net OPEB liability. At December 31, 2022, the School's proportion was 0.01912%, which was a decrease of 0.000005% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the School recognized OPEB income of \$17,749. At June 30, 2023, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$20	\$37,744
Changes of assumptions or other inputs	2,508	17,226
Net difference between projected and actual earnings on OPEB plan investments	9,533	--
Changes in proportion and differences between contributions recognized and proportionate share of contributions	3,864	1,526
Contributions subsequent to the measurement date	10,124	--
Total	\$26,049	\$56,496

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\$10,124 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2024	\$(14,329)
2025	(14,489)
2026	(6,029)
2027	(879)
2028	(3,947)
Thereafter	(898)
Total	\$(40,571)

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$151,655	\$156,072	\$160,879

Sensitivity of the School'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	\$180,934	\$156,072	\$134,808

Belle Creek Charter School

Contributions: Employer contributions recognized by the HCTF from the School were \$29,546 for the year ended June 30, 2023.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs: At June 30, 2023, the School reported a liability of \$232,440 for its proportionate share of the net OPEB liability. At December 31, 2022, the School's proportion was 0.0284685717%, which was a decrease of 0.0027230354% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the School recognized OPEB expense of \$28,724. At June 30, 2023, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$30	\$56,212
Changes of assumptions or other inputs	3,736	25,654
Net difference between projected and actual earnings on OPEB plan investments	14,197	--
Changes in proportion and differences between contributions recognized and proportionate share of contributions	23,834	29,485
Contributions subsequent to the measurement date	14,796	N/A
Total	\$56,593	\$111,351

\$14,796 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2024	\$(23,986)
2025	(20,349)
2026	(8,265)
2027	(3,777)
2028	(10,603)
Thereafter	(2,574)

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$225,861	\$232,440	\$239,599

Sensitivity of the School'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	\$269,467	\$232,440	\$200,770

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Notes to the Basic Financial Statements
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2-L. Adoption of New Accounting Standards

The School District implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, effective July 1, 2022. This standard requires the recognition of certain software subscription-based arrangements that previously were classified as operating expenses and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability. For the fiscal year ended June 30, 2023, the District did not have any implementation costs associated with its SBITAs. Refer to note 1-E-10 for additional information.

2-M. Prior Period Adjustment

Correction of Accrued Interest Balances

A component unit of the District, The Stead School, reported a prior period adjustment. Net position as of June 30, 2022 has been restated to correct prior year accrued interest. The School had under-reported accrued interest at June 30, 2022.

Governmental Activities

Net Position, June 30, 2022, as originally stated	\$ 2,937,388
Correction of accrued interest balances	<u>(101,885)</u>
Net Position, June 30, 2022, as restated	<u><u>\$ 2,835,503</u></u>

2-N. Net Position

Net investment in capital assets on the Government-wide Statement of Net Position as of June 30, 2023 is calculated as:

Net investment in capital assets:	Governmental Activities
Cost of Capital Assets	\$ 680,358,122
Less Accumulated Depreciation	<u>(140,128,510)</u>
Book Value	540,229,612
Less Capital Related Debt - Bonds	(552,745,000)
Less Capital Related Debt - Certificates of Participation	(3,467,452)
Less Capital Related Debt - Lease	(22,822)
Less Capital Related Debt - SBITA	(467,702)
Less Retainage Payable	(3,652,509)
Less Bond Premiums	(62,172,142)
Add Bond Deferred Outflows of Resources	2,066,733
Add Unspent Proceeds	<u>179,433,269</u>
	<u><u>\$ 99,201,987</u></u>

Note 3 - Other Notes

3-A. Risk Management

Self-Insurance Pool - The School District is exposed to various risks of loss related to torts, thefts or damage to, or destruction of assets; errors or omissions; workers' compensation; employee dental claims; and natural disasters. School District 27J has been a member of the Adams County BOCES Self Insurance Pool (the Pool) since its inception in 1979. The BOCES consists of 3 school districts in Adams County including Adams 1 – Mapleton, Adams 50 – Westminster and School District 27J. The Pool provides property and liability, workers' compensation, boiler and machinery, errors and omissions, and school board

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

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, operation of the Pool. Also, each district receives annual financial information on the equity interest and gains or losses. For the year ended June 30, 2023, the District recorded an investment of \$3,370,961. The District's ending surplus share of the Pool was a net gain of \$369,799.

Pool members and percentage shares are as follows:

<u>Adams County School Districts</u>	<u>% Shares in Pool</u>
No. 1	22.10
No. 27J	41.92
No. 50	35.97

Following is a summary of financial information for the Pool as of and for the year ended June 30, 2023:

	<u>Total</u>	<u>District's Share</u>
Assets	\$ 10,489,690	\$ 4,397,620
Liabilities	1,607,967	1,026,659
Equity	<u>\$ 8,881,723</u>	<u>\$ 3,370,961</u>
Revenues	\$ 3,852,576	\$ 1,615,125
Expenditures	2,970,491	1,245,326
Net Income	882,085	369,799
Surplus, Beginning	7,999,638	3,001,162
Surplus, Ending	<u>\$ 8,881,723</u>	<u>\$ 3,370,961</u>

Percentage shares are as of June 30, 2023. 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 School 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 the 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 subjected 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.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

The following schedule shows the coverage for fiscal year 2023:

	School District Deductible	Pool's Self-Insured Retention (Per Occurrence)	Excess Insurance Per Occurrence
Liability	\$ -	\$ 150,000	\$ 4,850,000 (auto) 9,850,000 (general)
Property		100,000	900,000
Content	1,000		
Vehicles	5,000		
Workers' Compensation	-	550,000	550,000 Statutory
Errors and Omissions	10,000	150,000	9,850,000
Boiler and Machinery	5,000	N/A	100,000,000
Crime	25,000	N/A	1,000,000
Cyber	50,000	N/A	5,000,000

The School District is protected under the statutes of the Colorado Governmental Immunity Act to a maximum of \$150,000 per individual and \$600,000 per occurrence for liability exposure.

The School 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.

Dental Self-Insurance Plan - The School District maintains a dental self-insurance plan (the "Plan") for employees who elect to purchase dental insurance through the plan. The Plan is entirely funded from employee contributions. Monthly premiums are \$42.90 per month for the employee. Dependent coverage is also available. The Plan is designed to minimize the risk to the School District by designing the plan to be dependent upon employee-paid premiums for all plan expenditures. The Plan limits participant claims to \$1,500 per year and a lifetime \$2,000 per person orthodontic claim. The School District consults with Lockton Companies to annually evaluate the plan. Claims are paid by the third party administrator acting on behalf of the School District. Claims due and payable within one year equal \$49,746 and are reported in the proprietary fund Statement of Net Position under current liabilities in the governmental activities internal service fund.

Date	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2022	44,474	873,503	881,545	36,432
2023	36,432	888,451	873,639	51,244

3-B. Tax, Spending and Debt Limitations

In November of 1992, Colorado voters approved a State Constitutional amendment, referred to as the Taxpayer's Bill of Rights (TABOR), containing tax, spending and debt limitations on the state and local governments. TABOR limits increases in revenues and expenditures to the rate of inflation and local growth. TABOR also requires local governments to establish emergency reserves to be used only for declared emergencies. On November 3, 1998, School District 27J voters approved a ballot question "for Authorization of Collection, Retention and Expenditures of Revenue in Excess of the limitations set by Section 20 of Article X of the State Constitution". This ballot issue authorized the School District to retain and expend all excess revenue in fiscal year 1997/98 and in each fiscal year thereafter. This ballot question was approved by a vote of 4,357 in favor of the question and 2,512 opposing the question. As required by the Amendment, the School District has established a reserve for emergencies of \$5,596,417 at June 30, 2023. This reserve is recorded as a restricted fund balance in the general

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

fund.

Belle Creek Charter School reported an emergency reserve of \$199,000 at June 30, 2023 as a restricted fund balance in the general fund. Eagle Ridge Academy reported a reserve of \$199,028 at June 30, 2023 as a restricted fund balance in the general fund. Bromley East Charter School reported an emergency reserve of \$432,000 at June 30, 2023 as a restricted fund balance in the general fund. Landmark Academy Charter School reported an emergency reserve of \$258,437 at June 30, 2023 as a restricted fund balance in the general fund. Foundations Academy Charter School reported an emergency reserve of \$259,454 at June 30, 2023 as a restricted fund balance in the general fund. The STEAD School reported an emergency reserve of \$110,000 at June 30, 2023 as a restricted fund balance in the general fund.

3-C. Designated for Cash-In-Lieu of Land Dedication

Pursuant to CRS 29-1-801, the School District has received land dedications or cash-in-lieu of land dedications from residential land developers to ensure that the cost of school site acquisition is borne by new residential construction and residential development. The School District entered into agreements with various cities and developers called the “Fair Contributions for Public School Sites” that restricts the use of the funds.

The following cash-in-lieu of activities have been recognized in the School District’s general fund balance – restricted for cash-in-lieu of land in the governmental funds Balance Sheet:

Beginning balance as of July 1, 2022	\$ 1,420,465
Cash received through June 30, 2023	<u>376,435</u>
Ending balance as of June 30, 2023	<u>\$ 1,796,900</u>

3-D. Contingent Liabilities

Grants – The School 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 School District may be required to reimburse the grantor government. As of June 30, 2023, significant amounts of grant expenditures have not been audited by the funding agencies but the School District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the School District.

Short-Term Leases – For 2023 an operating lease agreement was extended through 2024 with Williams Scotsman for the use the one modular unit. Under terms of the agreement, the School District makes monthly rental payments. Rent expense through June 30, 2023 was \$10,593.

Litigation – The School District is involved in significant or potential litigation for the year ended June 30, 2023. The School District believes the final resolution of these matters will not have a materially and adverse effect on the financial position of the District due to its defense to these matters, budgeted reserves and adequate insurance.

Stewardship, Compliance and Accountability

Construction – The School District had multiple construction contracts during fiscal year 2023. As of June 30, 2023 a total of \$62,256,055 was committed for construction. The breakdown is as follows:

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2023

<u>Location</u>	<u>Amount</u>
BHS CTE Center	\$ 14,021,369
PVHS CTE Center	8,858,346
RRHS CTE Center	6,555,491
DM 2015	94,725
DM 2021	2,636,119
HS #4	11,312
K8 Willow Bend (Discovery)	27,122,229
MS #6	948,239
MS #6 Land	61,532
Quist & Quist Modulrs	291,031
Southlawn	1,655,661
	<u>\$ 62,256,055</u>

Investment earnings of \$3,675,959 were earned in fiscal year 2023. The total amount expended in fiscal year 2023 for capital projects was \$121,070,444.

3-E. Subsequent Events

The School District has no noted significant subsequent events.

Required Supplementary Information

School District 27J, Colorado
General Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 60,060,282	\$ 94,149,578	\$ 88,918,841	\$ (5,230,737)
Intergovernmental Revenue				
Vocational Education	409,534	409,534	455,213	45,679
Special Education	6,126,412	6,126,412	6,330,512	204,100
At-Risk Mitigation	1,787,865	-	-	-
State On-Behalf	-	-	5,677,061	5,677,061
Equalization	147,797,589	138,821,586	138,639,823	(181,763)
Charges for Service	1,829,199	1,905,688	1,715,514	(190,174)
Investment Earnings	80,000	796,293	1,382,962	586,669
Miscellaneous	2,219,215	432,988	542,415	109,427
Total Revenues	220,310,096	242,642,079	243,662,341	1,020,262
Expenditures				
Instructional Services	90,856,648	100,030,757	96,539,823	3,490,934
Supporting Services				
Pupil Services	9,477,074	10,116,320	10,236,036	(119,716)
Instructional Staff	4,393,578	4,728,556	4,771,790	(43,234)
General Administration	2,467,398	2,639,820	2,528,514	111,306
School Administration	9,748,934	12,686,613	12,984,494	(297,881)
Operations and Maintenance	15,025,894	14,429,493	15,041,140	(611,647)
Pupil Transportation	-	-	62,187	(62,187)
Business Supporting Services	18,944,090	23,152,760	1,883,341	21,269,419
Central Supporting Services	11,735,014	24,303,256	11,708,067	12,595,189
Community Services	603,069	655,069	548,405	106,664
Contingency Reserves	2,694,624	2,777,977	-	2,777,977
Capital Outlay	364,500	520,202	1,123,063	(602,861)
Debt Service				
Principal Retirement	1,034,015	1,434,015	935,634	498,381
Interest	135,272	135,272	88,445	46,827
Fiscal Charges	2,000	2,000	1,960	40
Intergovernmental				
Charter Schools	55,788,199	59,857,134	57,187,048	2,670,086
Total Expenditures	223,270,309	257,469,244	215,639,947	41,829,297
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,960,213)	(14,827,165)	28,022,394	42,849,559
Other Financing Sources (Uses)				
Issuance of SBITAs	-	-	523,972	523,972
Transfers Out	(6,310,101)	(7,623,422)	(6,802,973)	820,449
Net Change in Fund Balance	\$ (9,270,314)	\$ (22,450,587)	21,743,393	\$ 44,193,980
Fund Balance Beginning of Year			34,496,613	
Fund Balance End of Year			\$ 56,240,006	

See the independent auditors' report.

School District 27J, Colorado
Government Designated Purpose Grants Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Intergovernmental				
Federal Grants	\$ 16,746,237	\$ 14,753,156	\$ 13,953,912	\$ (799,244)
State Grants	4,709,098	6,435,174	4,259,582	(2,175,592)
State On Behalf	-	-	457,123	457,123
Miscellaneous	90,050	90,050	102,563	12,513
Total Revenues	<u>21,545,385</u>	<u>21,278,380</u>	<u>18,773,180</u>	<u>(2,505,200)</u>
Expenditures				
Current				
Instructional Services	7,774,130	8,601,683	9,126,399	(524,716)
Supporting Services				
Pupil Services	4,314,539	4,771,189	4,069,886	701,303
Instructional Staff	3,966,652	3,893,768	2,628,016	1,265,752
School Administration	58,900	72,625	62,551	10,074
Pupil Transportation	59,286	59,286	40,586	18,700
Business Supporting Services	2,927,639	1,258,049	1,203,258	54,791
Central Supporting Services	398,759	878,034	1,198,832	(320,798)
Community Services	34,563	39,284	27,192	12,092
Contingency Reserves	3,250,917	2,407,776	-	2,407,776
Capital Outlay	-	20,000	779,481	(759,481)
Total Expenditures	<u>22,785,385</u>	<u>22,001,694</u>	<u>19,136,201</u>	<u>2,865,493</u>
Net Change in Fund Balance	<u>\$ (1,240,000)</u>	<u>\$ (723,314)</u>	<u>(363,021)</u>	<u>\$ 360,293</u>
Fund Balance Beginning of Year			<u>1,012,717</u>	
Fund Balance End of Year			<u>\$ 649,696</u>	

See the independent auditors' report.

School District 27J, Colorado
Nutrition Services Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Student Lunches	\$ 2,546,640	\$ 2,546,848	\$ 3,107,600	\$ 560,752
State Match	104,871	104,871	114,610	9,739
Federal Sources				
School Lunches	2,448,194	2,136,588	5,409,260	3,272,672
Breakfast Program	281,610	281,610	363,903	82,293
Fruit and Vegetable Program	-	-	-	-
Summer Program	99,000	101,552	54,081	(47,471)
Commodity Donations	500,000	600,000	806,887	206,887
Supply Chain Assistance	-	-	424,942	424,942
Investment Income	594	66,000	136,929	70,929
Miscellaneous	-	2,672	2,672	-
Total Revenues	5,980,909	5,840,141	10,420,884	4,580,743
Expenditures				
Pupil Services:				
Salaries	2,800,447	2,805,823	2,671,342	134,481
Benefits	908,841	910,304	855,648	54,656
Purchased Services	135,507	136,546	117,132	19,414
Food and Milk	2,667,603	2,670,479	2,784,861	(114,382)
General and Office Supplies	861,131	960,723	1,165,459	(204,736)
Capital Outlay	28,000	28,000	-	28,000
Contingency	741,656	599,444	-	599,444
Total Expenditures	8,143,185	8,111,319	7,594,442	516,877
Net Change in Fund Balance	\$ (2,162,276)	\$ (2,271,178)	2,826,442	\$ 5,097,620
Fund Balance Beginning of Year			2,271,169	
Fund Balance End of Year			\$ 5,097,611	

See the independent auditors' report.

School District 27J, Colorado
Schedule of the District's Proportionate Share of the
Last 10 Calendar Years*
(Dollar amounts in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022
District's proportion of the Net Pension Liability (Asset)	1.51%	1.52%	1.52%	1.49%	1.36%	1.42%	1.70%	1.56%	1.36%
District's proportionate share of the Net Pension Liability (Asset)	\$ 205,030	\$ 232,267	\$ 454,010	\$ 480,489	\$ 240,860	\$ 212,554	\$ 256,724	\$ 181,482	\$ 246,851
State of Colorado's proportionate share of the Net Pension Liability (Asset) associated with the District	-	-	-	-	32,934	26,960	-	20,805	71,935
Total	<u>\$ 205,030</u>	<u>\$ 232,267</u>	<u>\$ 454,010</u>	<u>\$ 480,489</u>	<u>\$ 273,794</u>	<u>\$ 239,514</u>	<u>\$ 256,724</u>	<u>\$ 202,287</u>	<u>\$ 318,786</u>
Districts Covered Payroll	\$ 63,374	\$ 66,182	\$ 68,435	\$ 68,519	\$ 74,198	\$ 83,028	\$ 90,279	\$ 96,938	\$ 103,625
District's proportionate share of the Net Pension Liability (Asset) as a percentage of its Covered Payroll	323.52%	350.95%	663.42%	701.25%	324.62%	256.00%	284.37%	187.21%	238.22%
Plan fiduciary net position as a percent of the total Pension Liability	62.84%	59.20%	43.10%	43.96%	57.01%	64.50%	66.99%	74.86%	61.79%

* The amounts presented for each fiscal year were determined as of 12/31.
This schedule is presented to illustrate the requirement to show information for 10 years.
However, until a full 10-year trend is compiled, the School District is presenting information
for those years for which information is available.

See accompanying notes to the basic financial statements

School District 27J, Colorado
Schedule of District Pension Contributions
Last 10 Fiscal Years*
(Dollar amounts in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 10,889	\$ 11,804	\$ 12,402	\$ 13,451	\$ 14,891	\$ 17,137	\$ 18,576	\$ 19,827	\$ 22,492
Contributions in relation to the contractually required contribution	(10,889)	(11,804)	(12,402)	(13,451)	(14,891)	(17,137)	(18,576)	(19,827)	(22,492)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 64,484	\$ 65,847	\$ 67,842	\$ 71,479	\$ 77,313	\$ 87,849	\$ 93,013	\$ 99,075	\$ 109,354
Contributions as a percent of Covered Payroll	16.89%	17.93%	18.28%	18.82%	19.26%	19.51%	19.97%	20.01%	20.57%

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

See accompanying notes to the basic financial statements

**Net OPEB Liability
Last 10 Calendar Years*
(Dollar amounts in thousands)**

	2017	2018	2019	2020	2021	2022
District's proportion of the OPEB Liability (Asset)	0.84%	0.88%	0.93%	0.98%	1.02%	1.03%
District's proportionate share of the OPEB Liability (Asset)	\$ 10,968	\$ 12,029	\$ 10,448	\$ 9,329	\$ 8,780	\$ 8,408
District's Covered Payroll	\$ 68,519	\$ 74,198	\$ 83,028	\$ 90,279	\$ 96,938	\$ 103,625
District's proportionate share of the OPEB Liability (Asset) as a percentage of its Covered Payroll	16.01%	16.21%	12.58%	10.33%	9.06%	8.11%
Plan fiduciary net position as a percent of the total OPEB Liability	17.53%	17.03%	24.49%	32.78%	39.40%	38.57%

However, until a full 10-year trend is compiled, the School District is presenting information for those years for which information is available.

See accompanying notes to the basic financial statements

School District 27J, Colorado
Schedule of District OPEB Contributions
Last 10 Fiscal Years*
(Dollar amounts in thousands)

	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 721	\$ 791	\$ 902	\$ 954	\$ 1,016	\$ 1,144
Contributions in relation to the contractually required contributio	(721)	(791)	(902)	(954)	(1,016)	(1,144)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 71,479	\$ 77,313	\$ 87,849	\$ 93,013	\$ 99,075	\$ 109,354
Contributions as a percent of Covered Payroll	1.01%	1.02%	1.03%	1.03%	1.03%	1.05%

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

See accompanying notes to the basic financial statements

School District 27J, Colorado
Notes to the Required Supplementary Information
For The Year Ended June 30, 2023

Stewardship, Compliance and Accountability

Budgetary Information – Budgets are required by state law for all funds. By June 1, the Superintendent submits to the Board of Education a proposed budget for all funds for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the Board of Education to obtain taxpayer comments. The budget must be adopted by formal resolution prior to June 30, although it may be subsequently revised by January 31.

Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments, within any fund and the reallocation of budget line items within any department or within any fund rests with the Superintendent of Schools. Revisions that alter the total expenditures of any fund must be approved by the Board of Education. Appropriations are based on total resources expected to be available in each budget year, including reserves as established by the Board of Education. Variances between budget and actual are the result from the non-expenditure of reserves, nonoccurrence of anticipated events, scheduling of capital projects and normal operating variances.

Budgets for all fund types are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Superintendent of Schools and/or the Board of Education throughout the year.

Supplementary Information

Combining and Individual Fund

Financial Statements and Schedules

The Combining and Individual Fund Financial Statements represent the second level of financial reporting for the District. These financial statements present more detailed information for the individual funds in a format that segregates information by fund type. For those fund types with a single fund, individual fund financial statements are presented.

Non-Major Governmental Funds

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Growth Impact Fund - This fund accounts for the revenues received from the City and County of Denver, Colorado as the result of an annexation by Denver of land previously within the School District boundaries.

Pupil Activity Fund - This fund accounts for financial transactions of all school activity funds in the District. Revenues are those raised by clubs and/or school building support groups. Expenditures are for school activity functions.

Transportation Fund - This fund accounts for fees collected for the payment of excess transportation costs without voter approval. Transportation categorical program revenues received from the state are also recorded in this fund.

Other Special Programs Fund - This fund accounts for all revenues and costs of providing day care to people who live within the District. This fund also accounts for the Detention Center school. The Brighton School District provides this program for the Adams County Detention Center. All other school districts that make up the catchment area for the center are billed an amount in proportion to their number of students. Also included are the district print shop, and the summer school programs.

Child Care/Extended Day Kindergarten – This fund is considered an “Other Special Revenue” fund. The Child Care and Extended Day Kindergarten programs are tuition based for generating revenue.

Major Governmental Funds

Capital Projects Fund - This fund accounts for bond proceeds and other revenues used for the construction and acquisition of major capital facilities.

Debt Service Fund - This fund accounts for the accumulated resources (normally property taxes) used to retire principal and interest on general long-term debt.

School District 27J, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	Growth Impact	Pupil Activity	Transportation	Child Care / Extended Day Kindergarten	Other Special Programs	Non-Major Governmental Funds
Assets						
Cash and Investments	\$ -	\$ 552,286	\$ -	\$ -	\$ -	\$ 552,286
Receivables						
Accounts	-	11,617	101,728	7,050	26,647	147,042
Leases	-	-	-	-	698,043	698,043
Interfund Receivable	-	2,919,724	240,549	1,029,721	4,445,994	8,635,988
Prepaid Items	-	55,721	850	-	-	56,571
Total Assets	<u>\$ -</u>	<u>\$ 3,539,348</u>	<u>\$ 343,127</u>	<u>\$ 1,036,771</u>	<u>\$ 5,170,684</u>	<u>\$ 10,089,930</u>
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$ -	\$ 57,134	\$ 19,210	\$ -	\$ 2,547	\$ 78,891
Accrued Salary and Benefits	-	2,253	323,917	77,820	59,832	463,822
Interfund Payable	-	-	-	-	-	-
Deferred Inflow Leases	-	-	-	-	677,022	677,022
Total Liabilities	<u>-</u>	<u>59,387</u>	<u>343,127</u>	<u>77,820</u>	<u>739,401</u>	<u>1,219,735</u>
Fund Balances						
Nonspendable Prepaid Items	-	55,721	-	-	-	55,721
Restricted for Pupil Activity	-	3,424,240	-	-	-	3,424,240
Committed, Reported In						
Nonmajor Governmental Funds	-	-	-	958,951	4,431,283	5,390,234
(See Note 1-E-10)						
Total Fund Balances	<u>-</u>	<u>3,479,961</u>	<u>-</u>	<u>958,951</u>	<u>4,431,283</u>	<u>8,870,195</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 3,539,348</u>	<u>\$ 343,127</u>	<u>\$ 1,036,771</u>	<u>\$ 5,170,684</u>	<u>\$ 10,089,930</u>

See the independent auditors' report.

School District 27J, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For The Year Ended June 30, 2023

	Growth Impact	Pupil Activity	Transportation	Child Care / Extended Day Kindergarten	Other Special Programs	Nonmajor Governmental Funds
Revenues						
Transportation Services	\$ -	\$ -	\$ 1,510,263	\$ -	\$ -	\$ 1,510,263
Pupil Activities	-	3,629,502	-	-	-	3,629,502
Investment Earnings	2,058	11,520	-	-	-	13,578
Charges for Services	-	-	772,467	1,329,846	2,055,482	4,157,795
Leases	-	-	-	-	10,477	10,477
Total Revenues	<u>2,058</u>	<u>3,641,022</u>	<u>2,282,730</u>	<u>1,329,846</u>	<u>2,065,959</u>	<u>9,321,615</u>
Expenditures						
Instructional Services	-	-	-	2,153	614,408	616,561
Business Supporting Services	6,731	-	-	-	4,901	11,632
Transportation Services	-	-	8,022,203	-	-	8,022,203
Instructional Staff	-	-	-	-	12,729	12,729
General Administration	-	-	-	-	1,000	1,000
Community Services	-	-	-	1,213,492	-	1,213,492
Central Supporting Services	-	-	-	-	282,606	282,606
Pupil Activities	-	3,950,420	-	-	242,227	4,192,647
Capital Outlay	-	-	-	-	45,385	45,385
Total Expenditures	<u>6,731</u>	<u>3,950,420</u>	<u>8,022,203</u>	<u>1,215,645</u>	<u>1,203,256</u>	<u>14,398,255</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,673)	(309,398)	(5,739,473)	114,201	862,703	(5,076,640)
Other Financing Sources (Uses)						
Transfers In (Out)	-	815,756	5,739,473	-	146,817	6,702,046
Net Change in Fund Balances	(4,673)	506,358	-	114,201	1,009,520	1,625,406
Fund Balances Beginning of Year	4,673	2,973,603	-	844,750	3,421,763	7,244,789
Fund Balances End of Year	<u>\$ -</u>	<u>\$ 3,479,961</u>	<u>\$ -</u>	<u>\$ 958,951</u>	<u>\$ 4,431,283</u>	<u>\$ 8,870,195</u>

See the independent auditors' report.

School District 27J, Colorado
Growth Impact Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Investment Earnings	\$ -	\$ -	\$ 2,058	\$ 2,058
Total Revenues	-	-	2,058	2,058
Expenditures				
Supporting Services	7,300	4,673	6,731	(2,058)
Net Change in Fund Balance	<u>\$ (7,300)</u>	<u>\$ (4,673)</u>	(4,673)	<u>\$ -</u>
Fund Balance Beginning of Year			4,673	
Fund Balance End of Year			<u>\$ -</u>	

See the independent auditors' report.

School District 27J, Colorado
Pupil Activity Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Pupil Activities	\$ 3,108,133	\$ 3,188,199	\$ 3,629,502	\$ 441,303
Investment Earnings	150	7,500	11,520	4,020
Total Revenues	<u>3,108,283</u>	<u>3,195,699</u>	<u>3,641,022</u>	<u>445,323</u>
 Expenditures				
Pupil Activities	<u>5,684,576</u>	<u>6,985,041</u>	<u>3,950,420</u>	<u>3,034,621</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,576,293)	(3,789,342)	(309,398)	3,479,944
 Other Financing Sources (Uses)				
Transfers In (Out)	<u>765,704</u>	<u>815,756</u>	<u>815,756</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (1,810,589)</u>	<u>\$ (2,973,586)</u>	506,358	<u>\$ 3,479,944</u>
 Fund Balance Beginning of Year			<u>2,973,603</u>	
Fund Balance End of Year			<u>\$ 3,479,961</u>	

See the independent auditors' report.

School District 27J, Colorado
Transportation Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Pupil Transportation	\$ 1,480,940	\$ 1,516,218	\$ 1,510,263	\$ (5,955)
Charges for Services	1,040,398	320,000	772,467	452,467
Total Revenues	<u>2,521,338</u>	<u>1,836,218</u>	<u>2,282,730</u>	<u>446,512</u>
 Expenditures				
Pupil Transportation	<u>7,802,246</u>	<u>8,402,511</u>	<u>8,022,203</u>	<u>380,308</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 (5,280,908)	 (6,566,293)	 (5,739,473)	 826,820
 Other Financing Sources (Uses)				
Transfers In (Out)	<u>5,280,908</u>	<u>6,566,293</u>	<u>5,739,473</u>	<u>(826,820)</u>
 Net Change in Fund Balance	 <u>\$ -</u>	 <u>\$ -</u>	 -	 <u>\$ -</u>
 Fund Balance Beginning of Year			 <u>-</u>	
 Fund Balance End of Year			 <u>\$ -</u>	

See the independent auditors' report.

School District 27J, Colorado
Child Care/Extended Day Kindergarten Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Charges for Services	\$ 1,478,000	\$ 1,219,156	\$ 1,329,847	\$ 110,691
Total Revenues	<u>1,478,000</u>	<u>1,219,156</u>	<u>1,329,847</u>	<u>110,691</u>
Expenditures				
Instructional Services	3,770	54,556	2,153	52,403
Community Services	<u>2,123,859</u>	<u>1,982,397</u>	<u>1,213,492</u>	<u>768,905</u>
Total Expenditures	<u>2,127,629</u>	<u>2,036,953</u>	<u>1,215,645</u>	<u>821,308</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(649,629)</u>	<u>(817,797)</u>	<u>114,202</u>	<u>931,999</u>
Net Change in Fund Balance	<u>\$ (649,629)</u>	<u>\$ (817,797)</u>	<u>114,202</u>	<u>\$ 931,999</u>
Fund Balance Beginning of Year			<u>844,750</u>	
Fund Balance End of Year			<u>\$ 958,952</u>	

See the independent auditors' report.

School District 27J, Colorado
Other Special Programs Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Charges for Services	\$ 2,004,531	\$ 2,256,973	\$ 2,055,482	\$ (201,491)
Lease Revenue	-	-	10,477	10,477
Total Revenues	<u>2,004,531</u>	<u>2,256,973</u>	<u>2,065,959</u>	<u>(191,014)</u>
Expenditures				
Instructional Services	1,184,726	656,377	614,408	41,969
Supporting Services				
Pupil Services	149,103	205,632	242,227	(36,595)
Instructional Staff	22,132	17,820	12,729	5,091
Central Supporting Services	3,773,314	338,194	282,606	55,588
Contingency Reserves	3,202,765	4,502,664	-	4,502,664
Total Expenditures	<u>8,605,550</u>	<u>5,815,010</u>	<u>1,203,256</u>	<u>4,611,754</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,601,019)	(3,558,037)	862,703	4,420,740
Other Financing Sources (Uses)				
Transfers In (Out)	165,569	146,817	146,817	-
Net Change in Fund Balance	<u>\$ (6,435,450)</u>	<u>\$ (3,411,220)</u>	1,009,520	<u>\$ 4,420,740</u>
Fund Balance Beginning of Year			<u>3,421,763</u>	
Fund Balance End of Year			<u>\$ 4,431,283</u>	

See the independent auditors' report.

School District 27J, Colorado
Capital Projects Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Investment Earnings (loss)	\$ 663,000	\$ 1,120,000	\$ 6,128,113	\$ 5,008,113
Total Revenues	<u>663,000</u>	<u>1,120,000</u>	<u>6,128,113</u>	<u>5,008,113</u>
Expenditures				
Capital Outlay	<u>-</u>	<u>299,103,012</u>	<u>124,677,857</u>	<u>174,425,155</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>663,000</u>	<u>(297,983,012)</u>	<u>(118,549,744)</u>	<u>179,433,268</u>
Net Change in Fund Balance	<u>\$ 663,000</u>	<u>\$ (297,983,012)</u>	<u>(118,549,744)</u>	<u>\$ 179,433,268</u>
Fund Balance Beginning of Year			<u>297,983,013</u>	
Fund Balance End of Year			<u>\$ 179,433,269</u>	

See the independent auditors' report.

School District 27J, Colorado
Debt Service Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Property taxes	\$ 44,553,969	\$ 58,041,452	\$ 53,909,672	\$ (4,131,780)
Investment Earnings	5,000	800,000	1,806,687	1,006,687
Total Revenues	<u>44,558,969</u>	<u>58,841,452</u>	<u>55,716,359</u>	<u>(3,125,093)</u>
Expenditures				
Debt Service				
Principal Retirement	28,610,000	28,610,000	28,610,000	-
Interest	25,933,533	25,933,533	25,933,552	(19)
Fiscal Charges	11,000	11,400	8,100	3,300
Contingency Reserves	63,014,248	77,409,300	-	77,409,300
Total Expenditures	<u>117,568,781</u>	<u>131,964,233</u>	<u>54,551,652</u>	<u>77,412,581</u>
Net Change in Fund Balance	<u>\$ (73,009,812)</u>	<u>\$ (73,122,781)</u>	1,164,707	<u>\$ 74,287,488</u>
Fund Balance Beginning of Year			<u>73,122,783</u>	
Fund Balance End of Year			<u>\$ 74,287,490</u>	

See the independent auditors' report.

Proprietary Funds

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The School District's proprietary funds are classified as internal service funds.

Internal Service Funds - The internal service funds accounts for the District's self-insured dental plan and print shop.

Private Purpose Trust Fund

Private Purpose Trust Fund - The School District's private purpose trust fund provides scholarships to students and is classified as a private purpose trust.

School District 27J, Colorado
Combining Statement of Net Position
Internal Service Funds
June 30, 2023

	Print Shop	Risk Management	Governmental Activities - Internal Service Funds
Assets			
Receivables			
Accounts	\$ -	\$ 77	\$ 77
Interfund Receivable	-	780,695	780,695
Total Assets	-	780,772	780,772
 Liabilities and Fund Balances			
Liabilities			
Accounts Payable	-	51,244	51,244
Total Liabilities	-	51,244	51,244
 Net Position	<u>\$ -</u>	<u>\$ 729,528</u>	<u>\$ 729,528</u>

See the independent auditors' report.

School District 27J, Colorado
Combining Statement of Revenues, Expenditures and Changes in Net Position
Internal Service Funds
For The Year Ended June 30, 2023

	Print Shop	Risk Management	Governmental Activities - Internal Service Funds
Operating Revenues			
Dental Insurance Premiums	\$ -	\$ 935,093	\$ 935,093
Print Shop	27,847	-	27,847
Total Operating Revenues	27,847	935,093	962,940
Operating Expenses			
Salaries and Benefits	93,009	-	93,009
Purchased Services	10,552	-	10,552
Materials and Supplies	21,075	-	21,075
Indirect Costs	4,138	-	4,138
Risk Management Dental	-	886,953	886,953
Total Operating Expenses	128,774	886,953	1,015,727
Income (Loss) from Operations	(100,927)	48,140	(52,787)
Transfers In (Out)	100,927	-	100,927
Change in Net Position	-	48,140	48,140
Net Position Beginning of Year	-	681,388	681,388
Net Position End of Year	\$ -	\$ 729,528	\$ 729,528

See the independent auditors' report.

School District 27J, Colorado
Combining Statement of Cash Flows
Internal Service Funds
For The Year Ended June 30, 2023

	<u>Print Shop</u>	<u>Risk Management</u>	<u>Governmental Activities - Internal Service Funds</u>
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows From (Used for) Operating Activities			
Cash Received from Customers	\$ 27,847	\$ 872,141	\$ 899,988
Cash Payments for Goods and Services	(128,774)	-	(128,774)
Cash Payments for Insurance Premiums and Expenses	-	(872,141)	(872,141)
	<u> </u>	<u> </u>	<u> </u>
Net Cash From (Used for) Operating Activities	(100,927)	-	(100,927)
Cash Flows From (Used for) Noncapital Financing Activities			
Transfers	100,927	-	100,927
	<u> </u>	<u> </u>	<u> </u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	-
Cash and Cash Equivalents Beginning of Year	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Cash and Cash Equivalents End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities			
Operating Income (Loss)	\$ (100,927)	\$ 48,140	\$ (52,787)
(Increase) Decrease in Assets:			
Accounts Receivable	-	559	559
Interfund Receivable	-	(63,511)	(63,511)
Increase (Decrease) in Liabilities:			
Accounts Payable	-	14,812	14,812
	<u> </u>	<u> </u>	<u> </u>
Net Cash From (Used for) Operating Activities	<u>\$ (100,927)</u>	<u>\$ -</u>	<u>\$ (100,927)</u>

See the independent auditors' report.

School District 27J, Colorado
Print Shop Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Charges for Services	\$ 33,000	\$ 55,904	\$ 27,847	\$ (28,057)
Total Revenues	<u>33,000</u>	<u>55,904</u>	<u>27,847</u>	<u>(28,057)</u>
Expenses				
Current:				
Business Supporting Services	<u>130,920</u>	<u>150,460</u>	<u>128,774</u>	<u>21,686</u>
Total Expenses	<u>130,920</u>	<u>150,460</u>	<u>128,774</u>	<u>21,686</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	(97,920)	(94,556)	(100,927)	(6,371)
Other Financing Sources (Uses)				
Transfers In (Out)	<u>97,920</u>	<u>94,556</u>	<u>100,927</u>	<u>6,371</u>
Change in Net Position	<u>-</u>	<u>-</u>	-	<u>\$ -</u>
Fund Balances Beginning of Year			<u>-</u>	
Fund Balances End of Year			<u>\$ -</u>	

See the independent auditors' report.

School District 27J, Colorado
Risk Management Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Dental Insurance Premiums	\$ 915,000	\$ 920,702	\$ 935,093	\$ 14,391
Total Revenues	<u>915,000</u>	<u>920,702</u>	<u>935,093</u>	<u>14,391</u>
Expenses				
Dental Insurance Claims	984,141	809,593	886,953	(77,360)
Contingency	<u>643,581</u>	<u>792,497</u>	<u>-</u>	<u>792,497</u>
Total Expenses	<u>1,627,722</u>	<u>1,602,090</u>	<u>886,953</u>	<u>715,137</u>
Change in Net Position	<u>\$ (712,722)</u>	<u>\$ (681,388)</u>	48,140	<u>\$ 729,528</u>
Fund Balances Beginning of Year			<u>681,388</u>	
Fund Balances End of Year			<u>\$ 729,528</u>	

See the independent auditors' report.

School District 27J, Colorado
Schedule of Changes in Net Position - Budget to Actual
Private-Purpose Trust Fund
For The Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Additions				
Investment Earnings	\$ 250	\$ 947	\$ 1,732	\$ 785
Total Additions	<u>250</u>	<u>947</u>	<u>1,732</u>	<u>785</u>
Deductions				
Support Services	<u>26,957</u>	<u>27,744</u>	<u>-</u>	<u>27,744</u>
Total Deductions	<u>26,957</u>	<u>27,744</u>	<u>-</u>	<u>27,744</u>
Change in Net Position	<u>\$ (26,707)</u>	<u>\$ (26,797)</u>	1,732	<u>\$ 28,529</u>
Net Position Beginning of Year			<u>26,797</u>	
Net Position End of Year			<u>\$ 28,529</u>	

See the independent auditors' report.

Component Units

The component units consist of a foundation and six charter schools: Capital Facility Fee Foundation, Bromley East Charter School, Belle Creek Charter School, Landmark Academy Charter School, Foundations Academy Charter School, The STEAD School and Eagle Ridge Charter School.

The Foundation is a 501(c)(3) organization whose purpose is to promote and assist in the development, financing and acquisition of educational facilities and capital improvements in the School District. The Foundation consists of a nine-member board of directors and includes three representatives of contributing builders or developers, three School District representatives, and one city council representative of each city. Voluntary contributions are accepted by the Foundation and kept in foundation-managed accounts. The Board of Education makes requests for the release of Foundation funds for school construction purposes as needed. The Foundation Board determines if the request meets the requirements for disbursement of the funds.

The charter schools have separate governing boards but are dependent upon the District for the majority of their funding.

School District 27J, Colorado
Nonmajor Component Units
Combining Statement of Net Position
June 30, 2023

	Capital Facility Fee Foundation	Bromley East Charter School	Eagle Ridge Academy Charter School	Belle Creek Charter School	Foundation Academy Charter School	Landmark Academy Charter School	The STEAD School	Total Component Units
Assets								
Cash and Investments	\$ 125,348	\$ 4,854,258	\$ 4,126,073	\$ 3,830,887	\$ 430,957	\$ 502,767	\$ 262,168	\$ 14,132,458
Restricted Cash and Investments	4,438,900	2,878,951	1,670,125	593,004	-	-	558,206	10,139,186
Accounts Receivable	5,880	48,144	423,634	1,295	-	-	16,453	495,406
Grants Receivable	-	113,321	-	95,550	19,893	43,225	-	271,989
Intergovernmental Receivables	-	-	-	638,472	-	-	855,590	1,494,062
Prepaid Expenses	-	263,178	1,102	10,873	51,693	57,596	68,474	452,916
Deposits	-	1,614	-	1,000	-	-	-	2,614
Capital Assets, Not Being Depreciated	-	652,125	1,173,559	1,177,895	-	-	22,495,398	25,498,977
Capital Assets, Net of Accumulated Depreciation/Amortization	-	17,210,928	9,369,701	4,064,442	-	-	20,653	30,665,724
Total Assets	4,570,128	26,022,519	16,764,194	10,413,418	502,543	603,588	24,276,942	83,153,332
Deferred Outflows of Resources								
Related to Pensions	-	2,773,213	1,094,300	1,720,668	-	-	-	5,588,181
Related to OPEB	-	100,123	26,049	56,593	-	-	-	182,765
Deferred Charges	-	294,639	-	-	-	-	-	294,639
Total Deferred Outflows of Resources	-	3,167,975	1,120,349	1,777,261	-	-	-	6,065,585
Liabilities								
Accounts Payable	-	296,338	788,290	1,095,732	28,170	43,255	950,253	3,202,038
Accrued Salaries and Benefits	-	381,200	127,164	241,472	-	-	272,843	1,022,679
Claims Payable	-	771,387	54,180	-	-	-	-	825,567
Unearned Revenue	-	1,500	-	4,031	161,971	192,513	-	360,015
Accrued Interest Payable	-	43,434	80,615	93,233	-	-	200,482	417,764
Noncurrent Liabilities								
Due within one year	-	656,293	232,142	107,660	-	-	5,855,618	6,851,713
Due in more than one year	-	14,728,695	10,471,408	6,060,134	-	-	8,939,826	40,200,063
Net Pension Liability	-	13,519,120	4,579,353	6,819,680	-	-	-	24,918,153
Net OPEB Liability	-	460,526	156,072	232,440	-	-	-	849,038
Total Liabilities	-	30,858,493	16,489,224	14,654,382	190,141	235,768	16,219,022	78,647,030
Deferred Inflows of Resources								
Related to Pensions	-	2,176,019	697,284	1,365,113	-	-	-	4,238,416
Related to OPEB	-	169,967	56,496	111,351	-	-	-	337,814
Total Deferred Inflows of Resources	-	2,345,986	753,780	1,476,464	-	-	-	4,576,230
Net Position								
Net Investment in Capital Assets	-	2,772,704	232,709	(925,457)	-	-	7,720,607	9,800,563
Restricted for								
Capital Projects	4,570,128	-	-	-	-	-	-	4,570,128
Other Program Purposes	-	180,000	-	96,000	-	-	-	276,000
Building Maintenance	-	2,087,810	392,999	-	-	-	-	2,480,809
Operations and Maintenance	-	155,739	-	-	-	-	-	155,739
Emergencies	-	432,000	199,028	199,000	259,454	258,437	110,000	1,457,919
Debt Service	-	635,401	920,151	499,771	-	-	165,339	2,220,662
Unrestricted	-	(10,277,639)	(1,103,348)	(3,809,481)	52,948	109,383	61,974	(14,966,163)
Total Net Position	\$ 4,570,128	\$ (4,013,985)	\$ 641,539	\$ (3,940,167)	\$ 312,402	\$ 367,820	\$ 8,057,920	\$ 5,995,657

See the independent auditors' report.

School District 27J, Colorado
Nonmajor Component Units
Combining Statement of Activities
For The Year Ended June 30, 2023

	Capital Facility Fee Foundation	Bromley East Charter School	Eagle Ridge Academy Charter School	Belle Creek Charter School	Foundation Academy Charter School	Landmark Academy Charter School	The STEAD School	Total Component Units
Revenues								
Intergovernmental Revenue:								
Per Pupil Operating Revenue	\$ -	\$ 11,592,879	\$ 4,781,357	\$ 5,351,281	\$ 7,124,128	\$ 7,116,775	\$ 2,417,604	\$ 38,384,024
Mill Levy Override	-	1,113,378	459,032	513,936	690,349	695,469	221,757	3,693,921
Investment Earnings	24,049	185,511	99,241	108,735	-	-	-	417,536
Charges for Services	750,962	1,334,372	154,033	471,741	-	-	727,935	3,439,043
Operating Grants and Contributions	36,167	1,206,490	325,454	645,051	511,500	538,371	6,046,574	9,309,607
Capital Grants and Contributions	-	421,047	1,189,498	1,370,357	-	-	55,948	3,036,850
Other	-	69,320	202,344	27,516	352,703	316,108	381,761	1,349,752
Total Revenues	811,178	15,922,997	7,210,959	8,488,617	8,678,680	8,666,723	9,851,579	59,630,733
Expenditures								
Current								
Instruction	-	7,341,639	3,370,867	2,847,340	3,353,934	3,455,486	1,921,625	22,290,891
School Construction	-	-	-	-	-	-	302,288	302,288
Support Services	245,736	5,929,814	1,574,451	3,663,492	5,291,894	5,159,095	1,890,587	23,755,069
Interest on Long-term Debt	-	664,396	829,424	325,632	-	-	514,662	2,334,114
Depreciation	-	-	-	-	1,424	-	-	1,424
Business-Type Activities	-	-	-	-	1,203	-	-	1,203
Total Expenditures	245,736	13,935,849	5,774,742	6,836,464	8,648,455	8,614,581	4,629,162	48,684,989
Change in Net Position	565,442	1,987,148	1,436,217	1,652,153	30,225	52,142	5,222,417	10,945,744
Fund Balances Beginning of Year	4,004,686	(6,001,133)	(794,678)	(5,592,320)	282,177	315,678	2,937,388	(4,848,202)
Restatement	-	-	-	-	-	-	(101,885)	(101,885)
Fund Balance, Beginning of Year as Restated	4,004,686	(6,001,133)	(794,678)	(5,592,320)	282,177	315,678	2,835,503	(4,950,087)
Net Position End of Year	\$ 4,570,128	\$ (4,013,985)	\$ 641,539	\$ (3,940,167)	\$ 312,402	\$ 367,820	\$ 8,057,920	\$ 5,995,657

See the independent auditors' report.

Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Statistical Section



School District 27J, Colorado
Statistical Section

This part of the School District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

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Operating Information - These schedules contain staffing, key operating statistics comparisons and capital asset data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.

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SOURCE: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

School District 27J
SEC Bond Issue Requirement
Undertaking to Provide Ongoing Disclosure

Pursuant to the requirements of Section (b) (5) (i) of the Securities and Exchange Commission Rule 15c2-12 (17 CFR Part 240, 240.15c2-12) (the “Rule”), the District has agreed to provide certain financial information and other operating data (the “Undertaking”) to nationally recognized municipal securities information repositories (“NRMSIRs”).

The following tables are the information specified in the covenants to bond holders. The information is on June 30, 2018. This information was prepared by the District and has not been subjected to the audit process.

School District 27J, Colorado
Net Position by Component
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net Investment in Capital Assets	\$ 54,911,193	\$ 58,348,901	\$ 77,351,838	\$ 159,173,513	\$ 71,833,108	\$ 73,633,965	\$ 75,869,175	\$ 78,243,721	\$ 77,703,890	\$ 99,201,987
Restricted	18,017,412	21,188,694	21,880,142	118,644,734	154,177,765	35,188,806	46,902,485	64,496,621	83,574,556	88,842,328
Unrestricted	14,138,367	(176,032,876)	(190,921,679)	(438,798,723)	(479,514,264)	(327,985,722)	(294,817,709)	(252,128,663)	(186,278,623)	(169,088,042)
Total Governmental Activities Net Position	\$ 87,066,972	\$ (96,495,281)	\$ (91,689,699)	\$ (160,980,476)	\$ (253,503,391)	\$ (219,162,951)	\$ (172,046,049)	\$ (109,388,321)	\$ (25,000,177)	\$ 18,956,273
Business-Type Activities										
Net Investment in Capital Assets	\$ 127,249	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,546,913	-	-	-	-	-	-	-	-	-
Total Business-Type Activities Net Position	\$ 1,674,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Primary Governmental										
Net Investment in Capital Assets	\$ 55,038,442	\$ 58,348,901	\$ 77,351,838	\$ 159,173,513	\$ 71,833,108	\$ 73,633,965	\$ 75,869,175	\$ 78,243,721	\$ 77,703,890	\$ 99,201,987
Restricted	18,017,412	21,188,694	21,880,142	118,644,734	154,177,765	35,188,806	46,902,485	64,496,621	83,574,556	88,842,328
Unrestricted	15,685,280	(176,032,876)	(190,921,679)	(438,798,723)	(479,514,264)	(327,985,722)	(294,817,709)	(252,128,663)	(186,278,623)	(169,088,042)
Total Primary Governmental Net Position	\$ 88,741,134	\$ (96,495,281)	\$ (91,689,699)	\$ (160,980,476)	\$ (253,503,391)	\$ (219,162,951)	\$ (172,046,049)	\$ (109,388,321)	\$ (25,000,177)	\$ 18,956,273

School District 27J

<p style="text-align: center;">School District 27J, Colorado Changes in Net Position Last Ten Fiscal Years (Unaudited)</p>										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenditures:										
Instruction	\$ 58,078,995	\$ 69,819,034	\$ 70,958,267	\$ 110,287,101	\$ 123,402,162	\$ 70,769,819	\$ 75,509,005	\$ 69,644,215	\$ 73,518,228	\$ 121,930,926
Supporting Services										
Pupil Services	6,040,052	7,160,322	7,598,750	11,089,858	12,171,523	8,179,522	8,827,926	11,258,089	9,172,689	14,854,016
Instructional Staff	3,188,517	4,195,210	4,388,290	6,674,199	6,519,988	3,534,065	4,371,411	5,172,885	4,837,835	7,751,337
General Administration	1,247,085	1,422,035	1,253,592	2,270,773	2,865,341	1,295,331	1,397,339	1,177,267	1,436,129	2,741,128
School Administration	7,529,507	8,656,067	7,420,284	14,657,259	17,859,057	8,684,276	9,538,323	8,075,765	8,437,353	14,166,299
Operations and Maintenance	9,358,202	10,210,360	9,186,136	15,854,736	17,406,459	9,690,171	9,531,231	9,304,277	9,634,340	17,006,602
Pupil Transportation	5,436,870	5,491,876	5,907,425	8,995,023	10,366,324	5,234,782	5,994,035	5,317,371	5,671,130	9,146,464
Business Supporting Services	1,463,254	2,058,803	2,077,563	3,870,464	5,217,770	1,919,116	2,067,030	2,108,268	2,707,160	3,832,784
Central Supporting Services	5,389,693	6,538,379	7,096,785	14,171,480	12,000,638	10,069,084	8,929,785	12,362,521	12,285,378	15,016,360
Community Services	1,919,695	1,196,170	1,372,391	2,311,704	2,780,297	1,682,676	1,614,144	1,052,839	957,434	1,857,633
Pupil Activities	3,604,522	3,497,619	3,449,901	5,057,738	5,315,104	2,782,059	2,346,061	1,199,900	2,340,212	4,353,277
Charter Schools	21,654,836	23,613,579	25,076,862	26,799,848	27,942,884	29,957,524	32,137,492	30,401,586	34,760,360	57,187,048
Debt Service - Interest	7,696,768	6,085,213	11,136,192	9,628,044	13,249,944	13,610,729	13,284,630	12,990,507	14,768,577	23,197,693
Nutrition Services	5,447,599	5,367,753	5,582,380	8,140,985	8,881,578	4,735,596	4,734,079	3,776,266	5,004,776	7,946,548
Total Governmental Activities	138,055,595	155,312,420	162,504,818	239,809,212	265,979,069	172,144,750	180,282,491	173,841,756	185,531,602	300,988,115
Business-Type Activities:										
Nutrition Services	5,447,599	-	-	-	-	-	-	-	-	-
Total - Primary Government	<u>\$ 143,503,194</u>	<u>\$ 155,312,420</u>	<u>\$ 162,504,818</u>	<u>\$ 239,809,212</u>	<u>\$ 265,979,069</u>	<u>\$ 172,144,750</u>	<u>\$ 180,282,491</u>	<u>\$ 173,841,756</u>	<u>\$ 185,531,602</u>	<u>\$ 300,988,115</u>
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Community Services	\$ 1,508,692	\$ 3,144,026	\$ 3,035,051	\$ 3,234,404	\$ 4,174,475	\$ 3,774,561	\$ 2,874,061	\$ 4,081,728	\$ 8,677,213	\$ 5,100,843
Pupil Transportation	-	378,079	439,717	355,583	379,171	456,935	403,623	124,018	317,676	772,467
Nutrition Service	-	1,831,219	1,897,852	2,040,437	2,076,630	2,211,233	2,163,985	165,026	363,415	3,107,600
Pupil Activities	3,075,202	2,885,360	2,628,234	2,971,610	2,362,593	2,798,243	2,696,050	1,316,050	2,990,897	3,629,502
Operating Grants and Contributions:										
Instruction	7,707,759	10,633,518	10,920,832	11,821,675	12,294,332	12,757,822	14,131,274	28,519,173	28,211,262	31,133,403
Pupil Transportation	1,605,012	1,353,453	1,425,769	1,462,467	1,503,981	1,542,587	1,484,551	1,561,318	1,578,356	1,510,263
Nutrition Service	-	3,334,974	3,398,582	3,499,441	3,606,054	3,183,071	3,388,171	5,239,680	7,079,160	7,173,683
Capital Grants and Contributions:										
Instruction	123,881	3,000	135,498	137,020	180,446	-	-	-	-	-
Operations and Maintenance	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	<u>14,020,546</u>	<u>23,563,629</u>	<u>23,881,535</u>	<u>25,522,637</u>	<u>26,577,682</u>	<u>26,724,452</u>	<u>27,141,715</u>	<u>41,006,993</u>	<u>49,217,979</u>	<u>52,427,761</u>
Business-Type Activities:										
Charges for Services:										
Nutrition Service	2,613,055	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions:										
Nutrition Service	3,263,944	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions:										
Nutrition Service	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	<u>5,876,999</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total - Primary Government	<u>\$ 19,897,545</u>	<u>\$ 23,563,629</u>	<u>\$ 23,881,535</u>	<u>\$ 25,522,637</u>	<u>\$ 26,577,682</u>	<u>\$ 26,724,452</u>	<u>\$ 27,141,715</u>	<u>\$ 41,006,993</u>	<u>\$ 49,217,979</u>	<u>\$ 52,427,761</u>
Net (Expense)/Revenue										
Governmental Activities	\$ 118,587,450	\$ (131,748,785)	\$ (138,623,283)	\$ (214,286,575)	\$ (239,401,387)	\$ (145,420,298)	\$ (153,140,776)	\$ (132,834,763)	\$ (136,313,623)	\$ (248,560,354)
Business-Type Activities	(429,400)	-	-	-	-	-	-	-	-	-
Total - Primary Government	<u>\$ 118,158,050</u>	<u>\$ (131,748,785)</u>	<u>\$ (138,623,283)</u>	<u>\$ (214,286,575)</u>	<u>\$ (239,401,387)</u>	<u>\$ (145,420,298)</u>	<u>\$ (153,140,776)</u>	<u>\$ (132,834,763)</u>	<u>\$ (136,313,623)</u>	<u>\$ (248,560,354)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes:										
General Purposes	\$ 25,634,454	\$ 25,763,791	\$ 32,062,244	\$ 31,838,574	\$ 36,520,581	\$ 40,320,930	\$ 52,102,918	\$ 59,836,034	\$ 60,145,852	\$ 89,840,913
Debt Service	15,189,593	17,450,842	22,468,773	21,894,389	25,988,094	28,753,885	36,010,599	45,888,814	44,792,244	53,909,672
Equalization	78,593,963	87,575,528	86,853,890	89,855,162	93,128,798	104,178,937	106,808,650	90,588,760	115,982,915	138,639,823
Earnings on Investments	22,949	(233,272)	839,319	774,056	1,302,123	3,571,016	2,429,328	1,200,120	(532,274)	9,468,269
Miscellaneous	2,191,310	674,989	1,204,638	633,617	826,637	2,935,969	4,206,550	1,170,418	313,029	658,127
Total Governmental Activities	<u>121,632,269</u>	<u>131,231,878</u>	<u>143,428,864</u>	<u>144,995,798</u>	<u>157,766,233</u>	<u>179,760,737</u>	<u>201,558,045</u>	<u>198,684,146</u>	<u>220,701,766</u>	<u>292,516,804</u>
Change in Net Position										
Governmental Activities	3,044,819	(516,907)	4,805,581	(69,290,777)	(81,635,154)	34,340,439	48,417,269	65,849,383	84,388,144	43,956,450
Business-Type Activities	429,400	-	-	-	-	-	-	-	-	-
Business-Type Transfers	-	-	-	-	-	-	-	-	-	-
Total - Primary Government	<u>\$ 3,474,219</u>	<u>\$ (516,907)</u>	<u>\$ 4,805,581</u>	<u>\$ (69,290,777)</u>	<u>\$ (81,635,154)</u>	<u>\$ 34,340,439</u>	<u>\$ 48,417,269</u>	<u>\$ 65,849,383</u>	<u>\$ 84,388,144</u>	<u>\$ 43,956,450</u>

School District 27J, Colorado
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ 4,003,552	\$ 2,967,123	\$ 2,792,537	\$ 3,960,316	\$ 4,593,650	\$ 5,413,776	\$ 6,353,954	\$ 5,267,047	\$ 6,718,211	\$ 8,220,771
Nonspendable Prepaid Item	633,455	19,087	58,104	427,015	497,287	436,394	414,396	124,236	574,430	1,010,127
Committed	3,156,594	3,772,824	3,787,365	3,953,555	3,943,973	4,210,070	5,300,437	6,241,226	7,578,427	9,299,324
Assigned	3,781,597	3,977,837	7,290,445	9,770,708	15,540,555	15,501,439	13,224,545	943,001	1,077,699	16,219,630
Unassigned	5,567,028	6,519,050	7,096,553	4,083,556	3,010,933	4,905,458	6,430,678	12,401,826	18,547,845	21,490,154
Total General Fund	<u>17,142,226</u>	<u>17,255,921</u>	<u>21,025,004</u>	<u>22,195,150</u>	<u>27,586,398</u>	<u>30,467,137</u>	<u>31,724,010</u>	<u>24,977,336</u>	<u>34,496,612</u>	<u>56,240,006</u>
All Other Governmental Funds										
Restricted	13,865,957	17,166,032	189,122,487	113,626,251	148,422,371	100,745,725	71,206,535	88,611,976	376,092,699	262,121,556
Nonspendable Prepaid Item	-	-	175	88,413	-	109,177	218,632	136,389	257,869	177,625
Restricted for Government Designated Purpose Grants	623,264	1,055,539	1,289,831	1,058,167	1,468,450	2,688,938	2,480,967	1,104,052	1,012,717	649,696
Committed, reported in:										
Special Revenue Funds	1,924,689	3,854,314	4,106,885	3,163,794	-	1,692,667	1,228,378	2,830,824	4,271,186	5,389,385
Total All Other Governmental Funds	<u>16,413,910</u>	<u>22,075,885</u>	<u>194,519,378</u>	<u>117,936,625</u>	<u>149,890,821</u>	<u>105,236,507</u>	<u>75,134,512</u>	<u>92,683,241</u>	<u>381,634,471</u>	<u>268,338,262</u>
Total Fund Balances of Governmental Funds	<u>\$ 33,556,136</u>	<u>\$ 39,331,806</u>	<u>\$215,544,382</u>	<u>\$ 140,131,775</u>	<u>\$ 177,477,219</u>	<u>\$ 135,703,644</u>	<u>\$ 106,858,522</u>	<u>\$ 117,660,577</u>	<u>\$ 416,131,083</u>	<u>\$ 324,578,268</u>

NOTE 1 - Tabor Reserve moved from General Fund Reserved to Capital Projects Fund Reserved in fiscal year 2010. Tabor Reserve moved back to General Fund Reserved in fiscal year 2011.

NOTE 2 - For fiscal year ending 2011, the District follows GASB 54, Fund Balance Reporting and Governmental Fund Type Definition

School District 27J, Colorado
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:											
Taxes	\$ 39,370,670	\$ 40,830,227	\$ 43,389,958	\$ 54,164,431	\$ 53,688,850	\$ 62,481,629	\$ 68,892,560	\$ 84,441,804	\$ 105,724,848	\$ 104,938,096	\$ 142,828,513
Intergovernmental ¹	82,285,591	88,803,250	102,897,473	102,895,315	106,638,745	110,533,165	121,662,417	125,812,646	125,908,931	152,851,693	178,457,172
Local Grants	340,039	123,881	3,000	135,498	137,020	180,446	-	-	-	-	-
Pupil Activities	2,957,393	3,075,202	2,885,360	2,628,234	2,971,610	2,362,588	2,798,243	2,696,050	1,316,050	2,990,897	3,629,502
Charges for Services	2,949,329	2,183,005	5,353,324	5,372,621	5,630,424	6,630,276	6,442,729	5,441,669	4,370,772	9,358,304	8,980,910
Investment Earnings	171,515	22,949	(233,272)	839,319	774,056	1,302,123	3,571,016	2,429,328	1,200,120	(532,274)	9,468,269
Miscellaneous	1,549,792	620,482	696,571	1,204,638	633,617	826,637	2,935,969	4,206,550	1,170,418	985,944	658,127
Total Revenues	<u>129,624,329</u>	<u>135,658,996</u>	<u>154,992,414</u>	<u>167,240,056</u>	<u>170,474,322</u>	<u>184,316,864</u>	<u>206,302,934</u>	<u>225,028,047</u>	<u>239,691,139</u>	<u>270,592,660</u>	<u>344,022,493</u>
Expenditures:											
Instruction	51,651,793	55,385,700	60,542,859	62,319,644	62,958,047	65,894,018	72,439,013	81,780,588	85,793,811	93,689,264	106,282,783
Supporting services:											
Pupil Services	5,185,598	5,528,005	6,178,769	6,366,083	6,450,116	6,795,199	8,816,341	9,962,470	14,494,724	12,912,964	14,305,922
Instructional Staff	2,685,068	3,121,900	3,944,667	3,934,136	4,110,103	3,974,651	4,147,336	5,316,962	7,005,604	6,764,544	7,412,535
General Administration	1,076,842	1,182,540	1,232,049	1,241,070	1,183,243	1,349,171	1,484,702	1,619,770	1,684,357	1,934,777	2,529,514
School Administration	6,377,121	7,041,755	7,433,569	7,617,701	7,856,803	8,571,660	9,770,218	11,136,278	11,077,884	11,408,251	13,047,045
Operations and Maintenance	8,537,890	9,121,361	9,185,014	8,874,127	9,183,388	9,417,714	11,247,038	11,480,254	13,019,756	13,013,416	15,041,140
Pupil Transportation	4,326,254	4,972,783	5,061,879	5,272,481	5,575,251	6,188,685	6,317,769	7,002,457	6,741,819	7,239,400	8,124,976
Business Supporting Services	1,518,711	1,378,520	1,418,944	1,311,402	1,791,758	2,665,058	1,474,725	1,896,456	2,211,945	3,169,968	3,098,231
Central Supporting Services	3,825,928	5,177,907	5,938,717	6,239,025	8,802,844	7,357,378	11,689,567	10,769,422	16,757,007	16,057,024	13,189,505
Community Services	2,802,651	1,919,694	1,117,737	1,242,672	1,451,274	1,713,220	1,995,828	1,977,628	1,453,042	1,347,839	1,789,089
Pupil Activities	3,146,673	3,604,522	3,268,280	5,054,729	5,123,872	5,472,832	3,299,811	2,874,364	1,656,004	3,294,462	4,192,647
Nutrition Services	-	-	5,023,969	3,123,814	3,183,300	3,275,169	5,616,908	5,744,220	5,148,671	6,986,217	7,594,442
Capital Outlay	3,332,261	1,801,101	2,993,528	14,862,348	79,545,320	72,515,618	57,677,103	45,821,997	4,000,491	31,997,272	126,625,786
Charter Schools	20,339,699	21,654,836	23,613,578	25,076,862	26,799,848	27,942,884	29,957,524	32,137,492	30,401,586	34,760,360	57,187,048
School District 27J Debt Service ²											
Principal	14,914,690	8,132,392	8,819,026	12,359,049	10,227,368	10,499,663	8,995,528	11,832,284	11,832,610	10,347,880	29,545,634
Interest	7,242,931	6,812,108	6,470,104	10,456,280	10,772,996	15,255,996	16,171,318	15,847,101	15,512,470	17,146,447	26,021,997
Administrative Fees	8,195	5,734	6,975	92,136	27,036	8,150	8,800	49,404	8,265	9,500	10,060
Bond Issuance Costs	9,750	-	144,500	952,239	139,504	573,212	-	-	-	1,278,818	-
Total Expenditures	<u>136,982,055</u>	<u>136,840,859</u>	<u>152,394,164</u>	<u>176,395,798</u>	<u>245,182,071</u>	<u>249,470,278</u>	<u>251,109,529</u>	<u>257,249,147</u>	<u>228,800,046</u>	<u>273,358,403</u>	<u>435,998,354</u>
Percentage of Debt Service Expenditures to Non-Capital Expenditures	0.0%	16.5%	11.0%	10.3%	12.4%	13.9%	13.0%	13.1%	12.2%	11.4%	18.0%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,357,726)	(1,181,863)	2,598,250	(9,155,742)	(74,707,749)	(65,153,414)	(44,806,595)	(32,221,100)	10,891,093	(2,765,743)	(91,975,861)
Other Financing Sources (Uses)											
Other Financing Sources (Uses)											
Issuance of Bonds	6,730,000	-	49,530,000	160,000,000	36,610,000	88,000,000	-	-	-	272,915,000	-
Premium on Bond Issuance	-	-	8,101,220	25,353,909	3,494,045	17,658,825	-	-	-	28,368,117	-
Payment to COPS Escrow	-	-	-	(2,250,000)	(40,734,842)	-	-	-	-	-	-
Payment to Bond Escrow	(7,367,463)	-	(57,265,849)	2,290,000	-	-	-	-	-	-	-
Issuance of Leases	-	-	-	-	-	-	-	-	-	38,569	-
Issuance of SBITAs	-	-	-	-	-	-	-	-	-	-	523,972
Capital Lease Proceeds	113,418	471,680	1,242,125	-	-	-	-	-	-	-	-
Refinancing COP's	-	-	-	-	-	-	-	4,768,184	-	-	-
Transfers In	3,609,603	3,928,521	3,562,338	3,629,212	4,374,453	4,864,120	5,096,765	5,619,394	6,015,195	6,136,337	6,702,046
Transfers Out	(3,609,603)	(4,004,177)	(3,569,572)	(3,654,804)	(4,448,515)	(4,911,787)	(5,176,050)	(5,711,234)	(6,104,235)	(6,221,770)	(6,802,973)
Total Other Financing Sources (Uses)	<u>(524,045)</u>	<u>396,024</u>	<u>1,600,262</u>	<u>185,368,317</u>	<u>(704,859)</u>	<u>105,611,158</u>	<u>(79,285)</u>	<u>4,676,344</u>	<u>(89,040)</u>	<u>301,236,253</u>	<u>423,045</u>
Net Change in Fund Balances	<u>\$ (7,881,771)</u>	<u>\$ (785,839)</u>	<u>\$ 4,198,512</u>	<u>\$ 176,212,576</u>	<u>\$ (75,412,608)</u>	<u>\$ 40,457,744</u>	<u>\$ (44,885,880)</u>	<u>\$ (27,544,756)</u>	<u>\$ 10,802,053</u>	<u>\$ 298,470,510</u>	<u>\$ (91,552,816)</u>

Note 1 - Intergovernmental Revenue total includes vocational education, special education, transportation, federal and state grants and equalization revenue.

Note 2 - Debt service expenditures are recorded as principal retirement, interest and fiscal charges, advance refunding and bond issuance costs.

Note 3 - Percentage of debt service expenditures to noncapital expenditures is calculated using capital outlay amount from the Reconciliation of the Statement of Revenues, Expenditures and Changes. Principal and interest are divided by total expenditures less capital outlay plus reconciliation capital outlay less principal, interest, issue costs and fees.

School District 27J, Colorado
Governmental Funds Revenues by Source
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Local Sources										
Taxes	\$ 40,830,227	\$ 43,389,958	\$ 54,164,431	\$ 53,688,850	\$ 62,481,629	\$ 68,892,560	84,441,804	105,724,848	104,938,096	142,828,513
Grants	123,881	3,000	135,498	137,020	180,446	-	-	-	-	-
Interest	22,949	(233,272)	839,319	774,056	1,302,123	3,571,016	2,429,328	1,200,120	(532,274)	9,468,269
Pupil Activities	3,075,202	2,885,360	2,628,234	2,971,610	2,362,588	2,798,243	2,696,050	1,316,050	2,990,897	3,629,502
Charges for Services	2,183,005	5,353,324	5,372,621	5,630,424	6,630,276	6,442,729	5,441,669	4,370,772	9,358,304	8,980,910
Miscellaneous	620,482	696,571	1,204,638	633,617	826,637	2,935,969	4,206,550	1,170,418	985,944	658,127
Total Local Sources	46,855,746	52,094,941	64,344,741	63,835,577	73,783,699	84,640,517	99,215,401	113,782,208	117,740,967	165,565,321
State Sources										
Equalization	78,593,963	87,575,528	86,853,890	89,855,162	93,128,798	104,178,937	106,808,650	90,588,760	120,444,930	144,774,007
Vocational Education	621,111	587,100	516,935	441,373	274,956	369,162	307,150	538,658	620,756	455,213
Transportation	1,225,752	1,353,453	1,425,769	1,462,467	1,503,981	1,542,587	1,484,551	1,561,318	1,578,356	1,510,263
Special Education	2,599,278	2,684,981	2,927,817	3,095,008	3,108,885	3,285,086	3,853,765	3,934,705	4,364,531	6,330,512
Grants	1,274,289	2,598,557	3,428,724	3,433,004	3,364,590	3,702,317	3,952,186	3,631,132	4,281,965	4,374,192
Total State Sources	84,314,393	94,799,619	95,153,135	98,287,014	101,381,210	113,078,089	116,406,302	100,254,573	131,290,538	157,444,187
Federal Sources										
Grants	4,488,857	8,097,854	7,742,179	8,351,731	9,151,955	8,584,328	9,406,344	25,654,358	21,561,155	21,012,985
Total Revenues by Source	<u>\$ 135,658,996</u>	<u>\$ 154,992,414</u>	<u>\$ 167,240,055</u>	<u>\$ 170,474,322</u>	<u>\$ 184,316,864</u>	<u>\$ 206,302,934</u>	<u>\$ 225,028,047</u>	<u>\$ 239,691,139</u>	<u>\$ 270,592,660</u>	<u>\$ 344,022,493</u>

School District 27J, Colorado
Governmental Funds Expenditures by Function
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction	\$ 55,385,700	\$ 60,542,859	\$ 62,319,644	\$ 62,958,047	\$ 65,894,018	\$ 72,439,013	\$ 81,780,588	\$ 85,793,811	\$ 93,689,264	\$ 106,282,783
Pupil Services	5,528,005	6,178,769	6,366,083	6,450,116	6,795,199	8,816,341	9,962,470	14,494,724	12,912,964	14,305,922
Instructional Staff	3,121,900	3,944,667	3,934,136	4,110,103	3,974,651	4,147,336	5,316,962	7,005,604	6,764,544	7,412,535
General Administration	1,182,540	1,232,049	1,241,070	1,183,243	1,349,171	1,484,702	1,619,770	1,684,357	1,934,777	2,529,514
School Administration	7,041,755	7,433,569	7,617,701	7,856,803	8,571,660	9,770,218	11,136,278	11,077,884	11,408,251	13,047,045
Operations and Maintenance	9,121,361	9,185,014	8,874,127	9,183,388	9,417,714	11,247,038	11,480,254	13,019,756	13,013,416	15,041,140
Pupil Transportation	4,972,783	5,061,879	5,272,481	5,575,251	6,188,685	6,317,769	7,002,457	6,741,819	7,239,400	8,124,976
Central Supporting Services	6,556,429	7,357,661	7,550,427	10,594,602	10,022,436	13,164,292	12,665,878	18,968,952	19,226,992	16,287,736
Community Services	1,919,694	1,117,737	1,242,672	1,451,274	1,713,220	1,995,828	1,977,628	1,453,042	1,347,839	1,789,089
Nutrition Services	-	5,023,969	5,054,729	5,123,872	5,472,832	5,616,908	5,744,220	5,148,671	6,986,217	7,594,442
Pupil Activities	3,604,522	3,268,280	3,123,814	3,183,300	3,275,169	3,299,811	2,874,364	1,656,004	3,294,462	4,192,647
Capital Outlay	1,801,100	2,993,528	14,862,348	79,545,320	72,515,618	57,677,103	45,821,997	4,000,491	31,997,272	126,625,786
Charter Schools	21,654,836	23,613,578	25,076,862	26,799,848	27,942,884	29,957,524	32,137,492	30,401,586	34,760,360	57,187,048
Debt Services:										
Principal	8,132,392	8,819,026	12,359,049	10,227,368	10,499,663	8,995,528	11,832,284	11,832,610	10,347,880	29,545,634
Interest and Fiscal Charges	6,812,108	6,477,079	10,456,280	10,772,996	15,255,996	16,171,318	15,896,505	15,520,735	17,155,947	26,032,057
Bond Issuance Costs	5,734	144,500	952,239	166,540	573,212	-	-	-	1,278,818	-
Advance Refunding	-	-	92,136	-	8,150	8,800	-	-	-	-
Total Expenditures by Function	<u>\$ 136,840,859</u>	<u>\$ 152,394,164</u>	<u>\$ 176,395,798</u>	<u>\$ 245,182,071</u>	<u>\$ 249,470,278</u>	<u>\$ 251,109,529</u>	<u>\$ 257,249,147</u>	<u>\$ 228,800,046</u>	<u>\$ 273,358,403</u>	<u>\$ 435,998,354</u>

School District 27J, Colorado
Assessed Value and Actual Value of Taxable Property in the District
Last Ten Fiscal Years
(Unaudited)

Levy Year/ Collection Year	Residential Property	Personal Property ¹	Commercial Property	Oil and Gas	Agricultural Property	Vacant Land	Industrial Property	State Assessed	Natural Resources	Total Taxable Assessed Value	Total Direct Tax Rate	Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2012/2013	455,113,890	106,671,110	126,708,040	48,820,850	4,961,130	44,776,456	8,877,650	8,910,956	2,817,280	807,657,362	45.629	6,981,766,411	11.57%
2013/2014	453,686,040	117,995,570	135,622,540	48,601,373	5,599,140	44,366,430	9,660,260	8,549,637	3,140,910	827,221,900	45.629	7,024,260,308	11.78%
2014/2015	469,081,120	118,090,820	141,839,460	43,523,260	5,582,360	39,368,110	9,823,820	8,799,279	3,333,690	839,441,919	47.628	7,208,531,447	11.65%
2015/2016	568,131,769	130,837,590	159,152,477	68,175,826	7,010,889	49,539,530	21,765,492	10,225,998	2,762,646	1,017,602,217	49.359	8,677,921,133	11.73%
2016/2017	592,972,023	128,428,570	159,682,681	28,539,190	6,942,122	42,430,770	21,768,493	9,730,721	2,738,492	993,233,062	49.317	8,926,146,307	11.13%
2017/2018	730,637,774	130,169,750	176,347,191	21,246,700	6,673,557	74,928,380	23,128,521	9,578,864	2,007,490	1,174,718,227	49.164	11,829,920,949	9.93%
2018/2019	771,283,150	141,240,320	183,725,641	75,895,378	7,447,780	77,092,613	22,845,859	9,976,347	1,678,474	1,291,185,562	49.092	12,908,291,458	10.00%
2019/2020	947,231,281	144,762,330	241,423,018	199,329,625	7,991,662	114,405,465	39,426,341	10,595,760	1,988,544	1,707,154,026	48.810	15,408,874,954	11.08%
2020/2021	995,743,788	164,029,250	273,147,378	474,697,886	8,298,695	105,241,710	26,725,394	13,127,544	2,361,230	2,063,372,875	48.745	16,513,588,786	12.49%
2021/2022	1,114,778,125	170,181,380	316,865,643	233,547,140	8,574,548	124,570,687	30,915,330	13,442,059	1,442,414	2,014,317,326	49.866	18,919,929,213	10.65%
2022/2023	1,144,891,900	68,142,700	535,459,130	590,924,640	8,098,210	138,813,030	32,813,070	115,856,380	882,500	2,635,881,560	56.290	20,367,357,674	12.94%

¹ Represents personal property in Adams County only. Personal property in Weld County is distributed throughout other categories.

Tax Rates by category				
Levy Year	Residential	Commercial	Oil & Gas	Collection Year
2013	7.96%	29.00%	87.50%	2014
2014	7.96%	29.00%	87.50%	2015
2015	7.96%	29.00%	87.50%	2016
2016	7.96%	29.00%	87.50%	2017
2017	7.20%	29.00%	87.50%	2018
2018	7.20%	29.00%	87.50%	2019
2019	7.15%	29.00%	87.50%	2020
2020	7.15%	29.00%	87.50%	2021
2021	7.15%	29.00%	87.50%	2022
2022	6.95%	29.00%	87.50%	2023

SOURCE: Adams, Broomfield and Weld Counties Assessors' Offices.

School District 27J, Colorado
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Levy/ Collection Year	Total Tax Levy	Current Tax Collection	Percentage of Levy Collection	Delinquent Tax Collection	Total Tax Collection	% of Total Tax Collection to Levy
2012/2013	36,852,598	36,761,713	99.75%	127,283	36,888,996	100.10%
2013/2014	37,745,309	37,714,321	99.92%	180,517	37,894,838	100.40%
2014/2015	39,980,940	39,073,895	97.73%	111,810	39,185,705	98.01%
2015/2016	50,227,828	48,883,815	97.32%	114,802	48,998,617	97.55%
2016/2017	48,983,275	47,777,952	97.54%	22,994	47,800,946	97.59%
2017/2018	57,753,847	57,845,688	100.16%	172,328	58,018,016	100.46%
2018/2019	63,386,880	68,762,963	108.48%	148,611	68,911,573	108.72%
2019/2020	83,326,188	81,328,553	97.60%	144,828	81,473,380	97.78%
2020/2021	100,579,111	106,648,039	106.03%	212,730	106,860,770	106.25%
2021/2022	100,445,945	104,860,842	104.40%	952,594	105,813,437	105.34%
2022/2023	148,374,238	137,106,225	92.41%	224,239	137,330,465	92.56%

Notes: County treasurer's fees of 0.25% have not been deducted from these amounts. Abatements made to taxpayers for overpayment of taxes have not been deducted from these amounts. The percent of total tax collections to levy includes amounts collected as delinquent taxes and therefore may result in total collections of more than 100% of taxes levied. Both levy and collection years are a calendar year beginning January 1. Information is not available from the counties as it relates to the year that delinquent taxes apply. In accordance with accrual accounting, delinquent taxes are recorded in the year collected, not the year assessed.

School District 27J, Colorado
History of District's Assessed Valuation
Last Ten Fiscal Years
(Unaudited)

Levy/ Collection Year	Assessed Valuation				Percent Increase
	Adams County	Broomfield County	Weld County	Total	
2013/2014	780,933,390	16,827	46,271,683	827,221,900	2.4%
2014/2015	795,775,740	18,369	43,647,810	839,441,919	1.5%
2015/2016	937,492,120	5,517	80,104,580	1,017,602,217	21.2%
2016/2017	942,311,960	1,877	50,919,225	993,233,062	-2.4%
2017/2018	1,130,027,810	1,072	44,689,345	1,174,718,227	18.3%
2018/2019	1,202,126,530	783	89,058,249	1,291,185,562	9.9%
2019/2020	1,604,802,380	119	102,351,527	1,707,154,026	32.2%
2020/2021	1,869,815,880	33	193,556,962	2,063,372,875	20.9%
2021/2022	1,927,985,140	7,560	86,324,626	2,014,317,326	-2.4%
2022/2023	2,285,230,950	8,260	148,385,721	2,433,624,931	20.8%

NOTES: Estimated statutory actual valuation is not intended to represent market value. The estimate is based on the breakdown of major classification of property in the district and the percentage set by state law for the computation of assessed value and does not include tax increment financing properties. The assessment rates for commercial property is 29% of actual valuation. Both levy and collection years are calendar year beginning January 1.

The assessment rates for residential property have been:

<u>Years</u>	<u>Percent</u>
1983-1986	21.00
1987	18.00
1988	16.00
1989	15.00
1990	14.34
1991	12.86
1992	10.36
1993-2000	9.74
2001-2002	9.15
2003-2015	7.96
2016-2018	7.20
2019-2020	7.15
2021-2022	7.15
2022-2023	6.77

SOURCE: Adams, Broomfield and Weld Counties Assessors' Offices.

School District 27J, Colorado
Property Tax Rates
(In Mills)
Last Ten Fiscal Years
(Unaudited)

Levy/ Collection Year	General Fund				Bond Redemption Fund	Total Levy
	Finance Act	Credits and Abatements	Mill Levy Override	Total		
2013/2014	26.262	0.098	0.907	27.267	18.362	45.629
2014/2015	26.262	0.261	0.893	27.416	20.212	47.628
2015/2016	26.262	0.291	0.737	27.290	22.069	49.359
2016/2017	26.262	0.231	0.755	27.248	22.069	49.317
2017/2018	26.262	0.195	0.638	27.095	22.069	49.164
2018/2019	26.262	0.180	0.581	27.023	22.069	49.092
2019/2020	26.262	0.040	0.439	26.741	22.069	48.810
2020/2021	26.262	0.051	0.363	26.676	22.069	48.745
2021/2022	27.000	0.425	0.372	27.797	22.069	49.866
2022/2023	27.000	0.206	7.015	34.221	22.069	56.290

NOTES: Both levy and collection year are a calendar year beginning January 1.

SOURCE: Adams, Broomfield and Weld Counties Assessors' Offices.

School District 27J, Colorado
Principal Property Tax Payers
Current Year and Nine Years Ago
(Unaudited)

Taxpayer	2022		2013	
	Assessed Valuation	Percent of District's Assessed Valuation	Assessed Valuation	Percent of District's Assessed Valuation
Great Western Oil and Gas	\$ 429,577,360	17.65%	\$ -	0.00%
Xcel Enerty Co (Public Service Co)	347,205,200	14.27%	125,922,410	15.22%
Aurora Convention Center Hotel LLC	138,331,300	5.68%	-	0.00%
Suncor Energy USA Inc.	102,866,680	4.23%	143,996,240	17.41%
Colorado Interstate Gas Co	52,284,300	2.15%	53,532,200	6.47%
Amazon.com Services Inc.	49,959,870	2.05%	-	0.00%
Qwest Corportation FKA US West	36,249,100	1.49%	78,760,700	9.52%
TPP Orchard Property LLC	34,028,010	1.40%	-	0.00%
Lit Gateway Portfolio LLC	33,879,580	1.39%	-	0.00%
Verison Wireless LLC	-	0.00%	22,506,500	2.72%
Starboard Platform Brighton JV LLC	-	0.00%	-	0.00%
Tri-State Generation	-	0.00%	21,679,720	2.62%
Public Service Co of Colorado	-	0.00%	76,121,650	9.20%
Wal-Mart Real Estate Business Trust	-	0.00%	19,808,560	2.39%
United Power Inc Property	-	0.00%	22,885,900	2.77%
Total	<u>\$ 1,307,578,380</u>	<u>53.73%</u>	<u>\$ 588,613,100</u>	<u>71.16%</u>

NOTES: The 2021 Principal taxpayers assessed valuation amounts are as of December 31, 2021, the latest date for which information is available.

SOURCE: Adams County Assessor's Office.

School District 27J, Colorado
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Unaudited)

School District No. 27J	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund	27.416	27.290	27.248	27.095	27.023	26.741	26.676	27.797	27.797
Bond Redemption Fund	20.212	22.069	22.069	22.069	22.069	22.069	22.069	22.069	22.069
Total School District No. 27J	47.628	49.359	49.317	49.164	49.092	48.810	48.745	49.866	49.866
Adams County	27.042	26.817	27.055	26.929	26.864	26.917	26.897	27.069	26.967
City of Brighton	6.650	6.650	6.650	6.650	6.650	6.650	6.650	6.650	6.650
City of Commerce City	3.280	3.280	3.128	3.160	3.280	3.104	3.200	2.920	3.110
City of Thornton	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210	10.210
Belle Creek Metro #1	74.900	74.900	74.900	62.500	64.500	61.000	61.000	61.000	61.000
Bennett Fire Protection District No. 7	8.907	8.907	9.063	13.041	13.012	13.062	13.062	13.122	13.152
Box Elder Water and Sanitation District	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000
Brighton Area Fire Protection District No. 6	11.795	11.795	11.795	11.795	11.795	11.795	11.795	11.795	15.320
Brighton Crossing #4 FKA Bromley Park #4	52.000	52.000	52.000	62.270	62.270	66.797	66.797	66.797	62.093
Bromley Park #2	86.025	86.025	86.025	86.025	86.025	73.074	64.662	59.088	57.969
Bromley Park #3	54.932	54.932	54.932	60.622	60.622	60.622	60.622	60.858	62.339
Bromley Park #5	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.056	40.000
Bromley Park #6	18.000	26.000	35.000	35.000	35.000	35.000	35.000	36.665	35.000
Buffalo Ridge	42.827	42.827	42.827	46.860	46.860	47.083	46.973	47.085	48.394
Central Colorado Water Conservation District	1.737	1.533	2.004	1.800	1.540	1.286	1.156	1.404	1.068
Central Colorado Ground Water Management	1.309	1.272	1.580	1.583	2.739	2.279	2.151	2.189	1.582
Commerce City Commercial GID	27.000	27.000	27.000	10.000	10.000	10.000	15.000	15.000	27.000
Fronterra Village	60.750	54.000	53.000	40.000	40.000	40.000	30.177	31.591	32.225
Fronterra Village #2	59.475	59.475	58.521	13.337	63.334	46.000	38.153	37.140	38.127
Great Rock Water and Sanitation District	46.840	46.840	46.840	51.417	51.532	47.000	47.000	47.000	48.268
Hazeltine Heights Water and Sanitation District	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500
Hi-Land Acres Water and Sanitation District	3.360	2.852	2.852	2.852	2.852	2.852	2.852	2.852	2.852
Lost Creek Water Management District	0.918	0.787	0.862	0.813	0.945	0.945	0.945	0.945	0.945
North Metro Fire District	14.403	14.213	14.810	14.710	14.730	14.674	14.812	14.681	14.738
North Metro Fire District Bonds	1.400	1.400	1.400	1.400	1.400	1.400	1.400	1.400	1.400
North Range Metro #1	79.870	79.870	79.875	88.305	88.305	88.305	88.306	88.306	98.419
Prairie Center Metro #1	60.000	60.000	60.000	60.000	60.000	60.000	60.000	60.000	60.000
Prairie Center Metro #4	60.000	60.000	60.000	60.000	60.000	60.000	60.000	60.000	60.000
Prairie Center Metro #5	50.000	50.000	50.000	55.277	55.277	55.663	55.663	55.663	58.190
Rangeview Library FKA Adams County Library	3.659	3.659	3.659	3.669	3.666	3.677	3.670	3.689	3.615
Riverdale Dunes #1	79.620	64.062	64.039	56.683	57.763	41.395	41.278	42.175	42.641
Sable-Altura Fire District No. 11	21.000	17.000	17.264	17.000	17.000	16.760	16.752	14.992	12.638
South Adams Fire District No. 4	9.900	9.900	9.900	9.900	14.750	14.750	14.750	14.750	14.750
S. Adams Water and Sanitation District	3.102	3.102	3.102	2.701	2.714	2.449	2.490	2.277	2.424
Southeast Weld County Fire District No. 5	5.880	7.896	1.765	7.775	10.265	10.277	10.270	10.957	10.293
Todd Creek Farms #2	11.000	11.000	8.800	0.000	-	0.000	0.000	0.000	0.000
Todd Creek Village Parks and Rec.	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
Urban Drainage and Flood Control District	0.632	0.553	0.559	0.500	0.726	0.900	0.900	0.900	0.900
Urban Drainage and Flood Control District South Platte	0.068	0.058	0.061	0.057	0.094	0.097	0.100	0.100	0.100
Wright Farms Metropolitan District	20.000	18.000	18.000	16.000	15.000	13.000	13.000	12.500	12.500

NOTES: Overlapping governments may or may not have overlapped the District for the entire ten years shown. Totals are not shown since individual properties are not subject to all levies. Overlapping governments which do not have a property tax are not shown. Numbers shown represent the mill levy, amount assessed per \$1,000. The above figures are as of December 31, 2021, the latest date for which information is available. The year is the levy year.

SOURCE: Adams County Assessor - Abstract of Assessment and Tax Levies.

School District 27J, Colorado
Ratio of Net Bonded Debt to Actual Value
and Total Outstanding Debt per Capita
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Estimated District Population	Estimated Personal Income	Assessed Value	Actual Value	Governmental Activities						Debt Service Funds Available	Net Bonded Debt	Net Bonded Debt to Actual Value	Percentage of Personal Income	Total Outstanding Debt Per Capita
					Certificates of Participation	Promissory Note	Capital Leases	SBITA	Bond Premium	Gross Bonded Debt					
2014	89,302	26,431	827,221,900	7,024,260,308	2,600,000	333,417	1,157,729	-	8,826,767	141,665,000	13,575,545	128,089,455	1.82%	6.18%	1,632
2015	92,508	27,794	839,441,919	7,208,531,447	2,430,000	250,063	1,289,182	-	12,903,208	131,160,000	16,963,688	114,196,312	1.58%	5.26%	1,461
2016	96,878	29,362	1,017,602,217	8,677,921,133	2,290,000	166,709	414,014	-	36,510,671	279,945,000	17,797,774	262,147,226	3.02%	9.94%	2,919
2017	97,292	35,041	993,233,062	8,926,146,307	2,105,000	83,355	73	-	36,957,079	268,440,000	18,631,383	249,808,617	2.80%	7.94%	2,782
2018	100,890	35,291	1,174,718,227	11,829,920,949	1,915,000	-	-	-	51,627,738	346,520,000	19,614,505	326,905,495	2.76%	9.79%	3,454
2019	104,664	34,765	1,291,185,562	12,908,291,458	1,720,000	-	-	-	48,509,916	338,520,000	24,494,347	314,025,653	2.43%	9.35%	3,251
2020	107,223	37,360	1,707,154,026	15,408,874,954	4,394,603	-	-	-	45,387,908	329,450,000	35,876,609	293,573,391	1.91%	8.33%	3,114
2021	110,764	42,984	2,063,372,875	16,513,588,786	4,070,152	-	-	-	42,281,702	318,490,000	55,381,483	263,108,517	1.59%	6.77%	2,912
2022	110,227	41,539	2,014,317,326	18,919,929,213	3,772,272	-	180,708	-	66,413,074	581,355,000	73,122,783	508,232,217	2.69%	12.78%	5,310
2023	97,393	45,916	2,076,379,121	20,367,357,674	3,467,452	-	22,822	467,708	62,172,142	552,745,000	74,287,490	478,457,510	2.35%	12.44%	5,716

SOURCE: Demographic data shown in this section was gathered from the Neaustar/Element One report and is deemed reliable but is not guaranteed. Population information for the School District is generally not available until the United States decennial census has been published.

School District 27J, Colorado
Ratio of Annual Debt Service Expenditures for General
Obligation Bonded Debt to Total General Fund Expenditures
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Principal	Interest and Other Expenditures	Total Debt Service	Total General Fund Expenditures and Transfer	Ratio of Debt Service to Total General Fund Expenditures and Transfer
2014	7,160,000	6,675,554	13,835,554	109,830,764	12.60%
2015	7,455,000	6,131,072	16,963,688	115,713,520	14.66%
2016	11,215,000	10,419,688	21,634,688	122,179,349	17.71%
2017	9,545,000	10,884,982	20,429,982	125,312,457	16.30%
2018	9,920,000	15,198,018	25,118,018	129,271,562	19.43%
2019	8,000,000	16,130,148	24,130,148	149,081,168	16.19%
2020	9,070,000	15,788,541	24,858,541	164,394,083	15.12%
2021	10,960,000	15,434,438	26,394,438	164,732,702	16.02%
2022	10,050,000	17,059,112	27,109,112	178,457,113	15.19%
2023	28,610,000	25,933,552	54,543,552	221,918,948	24.58%

School District 27J, Colorado
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)

Computation of Maximum Debt Allowed:

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Taxable Assessed Valuation	\$ 827,221,900	\$ 839,441,919	\$ 1,017,615,900	\$ 993,233,062	\$ 1,174,718,227	\$ 1,291,185,562	\$ 1,707,154,026	\$ 2,063,372,875	\$ 2,014,317,326	\$ 2,433,624,931
Plus: Tax Increment Financing Dist Property	37,923,233	35,105,261	34,208,083	34,440,858	48,916,453	157,720,886	252,834,167	257,115,465	203,254,884	202,264,889
Total Assessed Valuation	865,145,133	874,547,180	1,051,823,983	1,027,673,920	1,223,634,680	1,448,906,448	1,959,988,193	2,320,488,340	2,217,572,210	2,635,889,820
Legal Debt Limit Percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Legal Debt Limit	\$ 216,286,283	\$ 218,636,795	\$ 262,955,996	\$ 256,918,480	\$ 305,908,670	\$ 362,226,612	\$ 489,997,048	\$ 580,122,085	\$ 554,393,053	\$ 658,972,455

Amount of Debt Outstanding

General Obligation Bonds Payable	\$ 141,665,000	\$ 131,160,000	\$ 279,945,000	\$ 268,440,000	\$ 346,520,000	\$ 338,520,000	\$ 329,450,000	\$ 318,490,000	\$ 581,355,000	\$ 552,745,000
Certificates of Participation	2,600,000	2,430,000	2,290,000	2,105,000	1,915,000	1,720,000	4,394,603	4,070,152	3,772,272	3,467,452
Promissory Note	333,417	250,063	166,709	85,438	-	-	-	-	-	-
Capital Leases	1,157,729	1,289,182	414,087	73	-	-	-	-	180,708	22,822
Subscription Based IT Arrangements	-	-	-	-	-	-	-	-	-	467,708
Bond Premium	8,826,767	12,903,208	36,510,671	36,957,079	51,627,738	48,509,916	45,392,094	42,281,702	66,408,888	62,172,142
Unused Legal Debt Margir	<u>\$ 61,703,370</u>	<u>\$ 70,604,342</u>	<u>\$ (56,370,471)</u>	<u>\$ (50,669,110)</u>	<u>\$ (94,154,068)</u>	<u>\$ (26,523,304)</u>	<u>\$ 110,760,351</u>	<u>\$ 215,280,231</u>	<u>\$ (97,323,815)</u>	<u>\$ 40,097,331</u>

Fiscal Year 2023 Calculation

Under the Colorado Public School Finance Act of 1994, per Colorado Revised Statute 22-42-104, the limitation on bonded indebtedness is the greater of 20 percent ** of assessed value or 6 percent of actual value.

	Assessed Value	Actual Value
Assessed or Estimated Actual Value	\$ 2,635,889,820	\$ 20,367,357,674
Debt Limit Percentage**	25%	6%
Legal debt limit	658,972,455	1,222,041,460
Amount of debt applicable to debt limit	618,875,124	552,745,000
Total bonded debt as of June 30, 2022		
Legal debt margin	<u>\$ 40,097,331</u>	<u>\$ 669,296,460</u>

** Per section 1.3, in years of high growth as defined in the statute, the debt limit can be raised to 25%.

SOURCE: Assessed Valuations are per certifications received from the Adams, Broomfield and Weld County Assessors' Offices. Total Bonded Debt is per the School District 27J audited financial statements.

School District 27J, Colorado
Estimated Overlapping General Obligation Debt
(Unaudited)

Overlapping Entity	Outstanding General Obligation Debt	Net Outstanding General Obligation Debt Chargeable to Properties within the District	
		Percent	Amount
BNC Metropolitan District #1	10,464,380	100.00	10,464,380
BNC Metropolitan District #2	21,517,222	100.00	21,517,222
Brighton Crossing Metropolitan District #4	31,228,002	99.99	31,225,894
Brigthon Crossing Metropolitan District #6	43,570,000	100.00	43,570,000
Brighton Town Of	24,520,204	100.00	24,520,204
Brighton Urban Renewal (BURA)	-	-	-
Bromley Park Metropolitan District #2	-	-	-
Buffalo Ridge Metropolitan District	41,618,000	100.00	41,618,000
Buffalo Run Mesa Metropolitan District	5,540,000	100.00	5,540,000
Central Colorado Groundwater Mgmnt	26,490,192	11.92	3,157,631
Central Colorado Water Conservation	40,367,616	25.90	10,455,213
Central Colorado Well Augmentation	16,956,055	14.99	2,541,713
Fronterra Village Metropolitan District	14,938,621	100.00	14,938,621
Great Rock Water and Sanitation District	-	-	-
Greater Brighton Fire	-	-	-
Hazeltine Heights Water and Sanitation	249,322	100.00	249,322
Heritage Todd Creek Metro District	27,042,175	100.00	27,042,175
North Range Village Metropolitan District	6,365,000	100.00	6,365,000
Potomac Farms Metropolitan District	6,496,000	100.00	6,496,000
Riverdale Dunes Metropolitan District	2,140,000	100.00	2,140,000
Riverdale Peaks II Metropolitan District	3,065,000	100.00	3,065,000
RTD	3,222,791,000	8.13	261,944,585
West Adams Conservation	54,373,793	47.38	25,762,303
Subtotal Overlapping Debt	3,599,732,582		542,613,262
Direct Debt of School District 27J	618,380,408	100.00	618,380,408
Total Direct & Overlapping Debt	<u>\$ 4,218,112,990</u>		<u>\$ 1,160,993,670</u>

SOURCE: Adams, Broomfield and Weld County Assessor's Offices.

- (1) Overlapping governments without general obligation debt are not shown.
- (2) The percentage of each entity's outstanding debt chargeable to the School District is calculated by comparing the assessed valuation of the portion overlapping the School District to the total assessed valuation of the overlapping entity. To the extent the School District's assessed valuation changes disproportionately with the assessed valuation of the overlapping entities, the percentage of debt for which property owners within the School District are responsible will also change.

School District 27J, Colorado
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

Employer	Industry	2013		2022	
		Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Adams County	Government	1,913	31%	2,757	36.08%
School District 27J	Education	1,633	26%	2,036	26.65%
Platte Valley Medical	Healthcare	605	10%	727	9.51%
Vestas	Manufacturing	430	7%	424	5.55%
City of Brighton	Government	484	8%	344	4.50%
King Soopers	Retail	-	0%	343	4.49%
Super Wal-Mart	Retail	292	5%	329	4.31%
Transwest	Semi Truck Sales	-	0%	248	3.25%
Super Target	Retail	174	3%	221	2.89%
Wells Precast	Manufacturing	-	0%	212	2.77%
O'Neal Flat Rolled Metals	Sheet Metal Processing	-	0%	-	0.00%
BakerHughes AKA BJ Service USA	Gas & Oil	352	6%	-	0.00%
K-Mart Distribution Center	Distribution Center	161	3%	-	0.00%
Sakata Farms	Agriculture	194	3%	-	0.00%
Total		<u>6,238</u>	<u>100%</u>	<u>7,641</u>	<u>100.00%</u>

NOTES: The principal employers current data is as of December 31, 2022, the latest date for which information is available.

SOURCE: City of Brighton 2021 CAFR

School District 27J, Colorado
Percentage of Free and Reduced Meals
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Free Meals	Reduced Meals	Total Free and Reduced	Total Meals	Percent of Free and Reduced Meals
2014	816,531	182,601	999,132	1,611,977	61.98%
2015	779,747	332,720	1,112,467	1,728,308	64.37%
2016	755,671	164,009	919,680	1,526,986	60.23%
2017	737,988	179,037	917,025	1,568,621	58.46%
2018	718,348	203,025	921,373	1,587,949	58.02%
2019	592,029	157,455	749,484	1,397,066	53.65%
2020	495,343	128,885	624,228	1,151,690	54.20%
2021	1,260,845	984	1,261,829	1,267,526	99.55%
2022	446,791	95,183	541,974	1,922,937	28.18% *
2023	663,465	149,096	812,561	1,541,895	52.70%

SOURCE: School District 27J Nutrition Services

*Note - Meals were "free" to all students in FY22. However we did track the applications we received according to free and reduced eligibility status. Also note, because they were free, many families did not process their applications so the F/R percentages are low as compared to prior years.

School District 27J, Colorado
Full-time Equivalent School District Employees by Function
Last Ten Year
(Unaudited)

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instructional	1,055.090	1,007.544	1,066.441	1,130.900	1,127.226	1,003.360	1,188.306	1,080.219	1,181.620	1,208.400
Support Services										
Pupil Services	76.985	73.639	86.650	118.830	129.398	120.400	126.383	133.900	142.850	148.190
Instructional Staff	30.400	33.066	33.135	33.430	45.957	39.630	42.980	56.675	52.975	58.250
General Administration	7.600	7.350	7.975	8.750	7.980	7.830	6.625	7.625	7.250	9.250
School Administration	111.835	99.027	100.475	118.190	114.630	117.960	124.948	128.955	128.453	132.660
Operations and Maintenance	88.800	100.550	96.450	105.500	119.800	126.300	134.150	132.550	139.950	19.000
Pupil Transportation	102.630	96.317	99.125	122.313	118.960	120.930	122.700	126.875	121.663	153.500
Business Supporting Services	11.770	15.070	15.900	13.625	20.743	14.500	15.000	15.000	15.500	116.025
Central Supporting Services	31.850	44.845	38.300	43.738	46.610	46.610	50.881	49.056	51.056	55.056
Nutrition Services	84.600	77.487	71.175	77.570	76.405	83.390	79.975	81.025	88.475	1.075
Enterprise Operations	20.000	48.250	18.838	28.031	38.600	41.270	31.750	29.300	31.319	84.663
Community Services	9.000	8.800	9.000	1.000	1.800	1.800	0.800	1.075	1.075	32.100
Facilities Acquisition/Construction	1.000	1.000	6.075	11.040	13.768	12.680	11.675	11.325	15.150	14.250
Pupil Activities	1.000	-	-	-	-	-	-	-	-	-
Total		1,612.945	1,649.539	1,812.916	1,861.877	1,736.660	1,936.172	1,853.580	1,977.336	2,032.419

NOTES: FTE's include all employees paid from all funds.

SOURCE: School District records

School District 27J, Colorado
Teacher/Student Ratio
Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>Pupil Membership</u>	<u>Teacher FTE</u>	<u>Pupil/Teacher Ratio</u>
2013/2014	16,698	792.43	21.07
2014/2015	17,103	827.35	20.67
2015/2016	17,042	815.39	20.90
2016/2017	17,116	817.62	20.93
2017/2018	17,883	785.78	22.76
2018/2019	18,712	828.93	22.57
2019/2020	19,248	895.10	21.50
2020/2021	19,188	970.00	19.78
2021/2022	20,338	1,027.00	19.80
2021/2022	22,687	1,149.20	19.74

SOURCE: Colorado Department of Education Statistical Reports (includes Charter Schools)

School District 27J, Colorado
Teacher Salaries and Education
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Salary Ranges			# of Teachers in Each Range		
	Bachelor's Degree	Master's Degree	PHD	Bachelor's Degree	Master's Degree	PHD
2013/2014	\$33,686-\$67,692	\$38,072-\$81,067	\$45,896-\$83,293	231	446	30
2014/2015	\$33,686-\$67,692	\$38,072-\$81,067	\$45,896-\$83,293	238	468	37
2015/2016	\$33,686-\$67,692	\$38,072-\$81,067	\$45,896-\$83,293	238	468	37
2016/2017	\$33,686-\$67,692	\$38,072-\$81,067	\$45,896-\$83,293	242	475	43
2017/2018	\$33,686-\$67,692	\$38,072-\$81,067	\$45,896-\$83,293	241	511	43
2018/2019	\$37,500-\$70,142	\$40,767-\$83,762	\$49,278-\$86,026	244	499	46
2019/2020	\$40,400-\$73,383	\$43,700-\$87,275	\$52,294-\$89,584	306	504	20
2020/2021	\$40,525-\$73,610	\$43,835-\$87,544	\$52,456-\$89,861	308	613	49
2021/2022	\$40,525-\$74,285	\$43,835-\$88,220	\$52,456-\$90,537	298	676	53
2022/2023	\$43,078-\$78,966	\$46,597-\$93,788	\$55,760-\$96,241	279	641	48

Avg. Salary SD27J

2012/2013	\$51,920
2013/2014	\$53,059
2014/2015	\$53,338
2015/2016	\$53,601
2016/2017	\$53,173
2017/2018	\$54,319
2018/2019	\$56,785
2019/2020	\$53,063
2020/2021	\$57,443
2021/2022	\$57,443
2022/2023	\$57,500

SOURCE: School District Records

School District 27J, Colorado
School Building Information
June 30, 2022
(Unaudited)

	Enrollment for the 2021/22 School Year	Recommended Capacity ¹	Capacity Used in 2021/22	Years Constructed/ Renovated ²
Brantner (K-5)	700	748	93.58%	2012/2019
Henderson (PK-5)	387	644	60.09%	1969/2016/2018
North (PK-5)	0	0	0.00%	1998
Northeast (PK-6)	507	789	64.26%	1973/1999/2018
Pennock (K-5)	619	853	72.57%	2003
Second Creek (PK-5)	673	839	80.21%	2003
South (K-5)	377	563	66.96%	1969/2000
Southeast (K-6)	527	708	74.44%	1963/1995/2018
Southlawn (K-6)	456	709	64.32%	2023
Thimmig PK-5)	529	869	60.87%	2002
Turnberry (PK-5)	770	874	88.10%	2008
West Ridge (PK-5)	838	878	95.44%	2007
Reunion (PK-5)	792	784	101.02%	2017
Padilla (PK-5)	564	684	82.46%	2021
Total Elementary Schools	7,739	9,942	77.84%	
MIDDLE SCHOOLS (6-8)				
Vikan	564	731	77.15%	1961/2002/2018
Overland Trail	539	718	75.07%	1984/2000/2005/2018
Quist Middle School	914	1,025	89.17%	2018
Prairie View Middle School	655	825	79.39%	2008
Stuart Middle School	778	825	94.30%	2009
Total Middle Schools	3,450	4,124	83.66%	
HIGH SCHOOL (9-12)				
Brighton High School	1,360	1,763	77.14%	1953/1992/1975
Prairie View High School	1,375	1,901	72.33%	1982/2005/2017
Riverdale Ridge High School (Includes Quist MS)	1,179	1,712	68.87%	2006/2021
Innovations & Options	121	357	33.89%	2018
Total for High School	4,035	5,733	70.38%	1926/1955/1970/2002/2017
27J Preschool at the BLARC	0	110	0.00%	2019
Total in District Buildings (PK-12)	15,224	19,909	76.47%	
Charters (Not In District Buildings)	3,918	4,393	89.19%	
Total not in District Buildings (PK-12)	3,918	4,393	89.19%	

1 Recommended capacity equals the maximum class size and includes modular classroom space and preschool classes.

2 Includes initial year of construction and years of major additions and renovations.

NOTES: The above figures do not take into consideration half-time students and various methods of utilizing classrooms at the secondary level. This table demonstrates that for the current school year, the School District's schools are very close to capacity.

Acquisition of school sites can be the most difficult part of acquiring additional student space. Based on long-term projections of growth, the School District has aggressively pursued acquiring school sites. The School District has obtained land by dedication from developers for purchase for 11 elementary school sites, 4 middle school sites and 2 high school sites totaling over 289 acres. The School District is in the process of obtaining additional school sites through land dedication.

In addition to the school buildings and their contents, the School District owns or leases the following facilities and properties: the District Training Center, the District Educational Services Center, a technology building & annex, a facilities building, utility/storage buildings, an indoor swimming pool, and 156 vehicles, of which 128 are buses or multi-passenger vans.

SOURCE: School District Records

School District 27J, Colorado
Enrollment and Funded Pupil Count by Grade
Last Ten Fiscal Years
(Unaudited)

Grade	Oct 1 2013	Oct 1 2014	Oct 1 2015	Oct 1 2016	Oct 1 2017	Oct 1 2018	Oct 1 2019	Oct 1 2020	Oct 1 2021	Oct 1 2022	Ten Year Average Class Size
Colo. Preschool Proj.	393.0	353.0	297.0	280.5	401.0	454.0	482.5	297.5	507.0	520.0	398.6
Special Ed. Preschool	162.0	175.0	185.0	199.0	211.0	232.0	233.5	233.5	219.0	301.0	215.1
K	1,323.0	1,328.0	1,308.0	1,235.0	1,369.0	1,386.0	1,409.0	1,372.0	1,399.0	1,543.0	1,367.2
1	1,414.0	1,408.0	1,329.0	1,355.0	1,302.0	1,406.0	1,429.0	1,406.0	1,513.0	1,574.0	1,413.6
2	1,398.0	1,448.0	1,412.0	1,338.0	1,395.0	1,346.0	1,429.0	1,426.0	1,464.0	1,623.0	1,427.9
3	1,449.0	1,425.0	1,434.0	1,420.0	1,406.0	1,428.0	1,390.0	1,423.0	1,516.0	1,591.0	1,448.2
4	1,337.0	1,422.0	1,396.0	1,450.0	1,469.0	1,478.0	1,471.0	1,419.0	1,545.0	1,653.0	1,464.0
5	1,318.0	1,331.0	1,431.0	1,405.0	1,474.0	1,486.0	1,530.0	1,475.0	1,456.0	1,662.0	1,456.8
6	1,301.0	1,318.0	1,262.0	1,355.0	1,408.0	1,534.0	1,561.0	1,523.0	1,551.0	1,604.0	1,441.7
7	1,196.0	1,296.0	1,261.0	1,260.0	1,395.0	1,462.0	1,570.0	1,571.0	1,583.0	1,782.0	1,437.6
8	1,225.0	1,178.0	1,253.0	1,272.0	1,282.0	1,439.0	1,456.0	1,570.0	1,614.0	1,765.0	1,405.4
9	1,183.0	1,220.0	1,149.0	1,226.0	1,299.0	1,363.0	1,475.0	1,477.0	1,674.0	1,950.0	1,401.6
10	1,114.0	1,162.0	1,155.0	1,136.0	1,239.0	1,313.0	1,363.0	1,428.0	1,490.0	1,894.0	1,329.4
11	922.0	1,071.0	1,095.0	1,098.0	1,106.0	1,212.0	1,260.0	1,311.0	1,434.0	1,619.0	1,212.8
12	963.0	968.0	1,075.0	1,086.0	1,127.0	1,173.0	1,189.0	1,256.0	1,373.0	1,606.0	1,181.6
Ungraded	-	-	-	-	-	-	-	-	-	-	-
Total Enrollment (Pupil Membership)	16,698.0	17,103.0	17,042.0	17,115.5	17,883.0	18,712.0	19,248.0	19,188.0	20,338.0	22,687.0	18,601.5
Adjustments to calculate Funded Pupil Count											
CPP (.5 FTE)	(193.5)	(176.5)	(161.0)	(167.0)	(167.0)	(200.5)	(233.0)	(148.8)	(231.5)	(241.0)	(192.0)
Spec Ed Preschool (.5 FTE)	(81.0)	(87.5)	(92.5)	(99.5)	(99.5)	(189.0)	(111.5)	(116.8)	(120.0)	(150.5)	(114.8)
Kindergarten (.5 FTE)	(661.0)	(664.0)	(652.5)	(617.5)	(617.5)	(558.5)	-	-	-	-	(377.1)
Full Day Kinder Factor .08	109.8	106.1	104.6	98.8	98.8	89.4	-	-	-	-	60.8
Part-Time Students (.5 FTE)	(15.5)	(23.0)	(25.0)	(10.0)	(10.0)	(8.5)	(6.0)	(6.0)	-	-	(10.4)
Out-of-District Students	-	-	-	-	-	3.0	4.0	4.0	-	-	1.1
Non-Eligible Students	(57.0)	(57.0)	(131.0)	(128.0)	(128.0)	(171.0)	(185.0)	(185.0)	(177.0)	(161.0)	(138.0)
Other Students	78.5	78.5	218.5	280.4	280.4	158.1	114.0	114.0	35.0	47.5	140.5
Total Funded Pupil Count	<u>15,878.3</u>	<u>16,279.6</u>	<u>16,303.1</u>	<u>16,472.7</u>	<u>17,240.2</u>	<u>17,835.0</u>	<u>18,830.5</u>	<u>18,849.5</u>	<u>19,844.5</u>	<u>22,182.0</u>	<u>17,971.5</u>

NOTES: FPC is the District's funded pupil count as defined by the Colorado School Finance Act. Full day Kinder Factor additional funding began in 2008. Beginning in FY19-20, Kindergarten was funded at a 1.0 FTE.

SOURCE: Colorado Department of Education pupil membership by county, district and grade report.

Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Compliance Section



**Independent Auditors' Report On Compliance
For Each Major Federal Program, Report
On Internal Control Over Compliance And
Report On The Schedule Of Expenditures
Of Federal Awards Required By The Uniform Guidance**

Board of Education
School District 27J
Brighton, Colorado

Report On Compliance For Each Major Federal Program

Opinion On Each Major Federal Program

We have audited School District 27J (the District) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget's OMB Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis For Opinion On Each Major Federal Program

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

We are required to be independent of the District and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities Of Management For Compliance

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

Auditors' Responsibilities For The Audit Of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report On Internal Control Over Compliance

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

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

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

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

RubinBrown LLP

January 18, 2024

SCHOOL DISTRICT 27J, COLORADO
FINAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA)
AS OF June 30, 2023

	Grant Number	Federal ALN	Federal Expenditures	Expenditures to Subrecipients
<i>US Department of Agriculture:</i>				
Child Nutrition Cluster				
Passed through State Department of Education:				
National School Lunch Program (4555)	4555	10.555	\$ 3,521,159	\$ -
Seamless Summer Option Lunch/Snack (5555)	5555	10.555	1,888,101	-
Supply Chain Assistance (6555)	6555	10.555	424,942	-
Passed through Colorado Department of Human Services:				
Food Donation (4555)	4555	10.555	806,887	-
Subtotal National School Lunch ALN 10.555:			6,641,089	-
Passed through State Department of Education:				
Summer Food Service Program for Children (4559)	4559	10.559	54,081	-
Seamless Summer Option Breakfast (4553)	4553	10.553	363,902	-
Total Child Nutrition Cluster			7,059,072	-
Passed through the Colorado Department of Education:				
Pandemic Electronic Benefits Transfer (4649)	4649	10.649	5,950	-
Total US Department of Agriculture			7,065,022	-
<i>US Treasury Department</i>				
Passed through Adams County, Colorado				
Covid-19 - State and Local Fiscal Recovery Funds	7127	21.027	944,315	-
Total US Treasury Department			944,315	-
<i>US Department of Education:</i>				
Passed through State Department of Education:				
Special Education Cluster				
Title VIB - Handicapped / IDEA - Part B (4027)	4027	84.027	2,859,480	-
Special Education: Grants to States IDEA Part B: Charter Schools (6027)	6027	84.027	797,545	-
Subtotal ALN 84.027:			3,657,025	-
Title VIB - Handicapped / IDEA - Preschool (4173)	4173	84.173	37,999	-
Individuals with Disabilities Education Act (IDEA): Special Education: Preschool Grants	6173	84.173	55,631	-
Subtotal ALN 84.173:			93,630	-
Total Special Education Cluster			3,750,655	-
Title I, Part A (4010)	4010	84.010	1,349,645	-
Title IIA - Teacher Quality (4367)	4367	84.367	281,294	-
Title III - English Language (4365)	4365	84.365	227,964	-
Title IV Part A- Student Support (4424)	4424	84.424	89,036	-
Covid-19 - Elementary and Secondary School Emergency Relief (4420)	4420	84.425D	814,834	-
Covid-19 - Elementary and Secondary School Emergency Relief (4414)	4414	84.425U	3,312,445	-
Covid-19 - Supplemental ARP ESSER III (4418)	4418	84.425U	83,131	-
Covid-19 - ESSER III ARPA - State Set-Aside EASI	4434	84.425U	45,567	-
Covid-19 - ARP ESSER Mentor Program	4436	84.425U	116,350	-
Covid-19 - American Rescue Plan - Homeless Children and Youth (8425)	8425	84.425W	37,924	-
Covid-19 - American Rescue Plan - Homeless Children and Youth II (8426)	8426	84.425W	40,006	-
Subtotal Emergency Relief Funds ALN 84.425:			4,450,257	-
Every Student Succeeds Act (5282)	5282	84.282	396,095	-
Passed through Colorado Community College System/MEP Youth Advocate Aurora				
Carl Perkins (4048)	4048	84.048	102,564	-
Total US Department of Education			10,647,510	-
<i>US Department of Health and Human Services:</i>				
Passed through State Department of Education:				
Child Care Development Fund Cluster				
Covid-19 - Child Care Stabilization (7575)	7575	93.575	896,981	-
Capacity Building Grant - Preschool	8575	93.575	7,752	-
Total US Department of Health and Human Services			904,733	-
Total Federal Assistance			\$ 19,561,580	\$ -

SCHOOL DISTRICT 27J, COLORADO

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2023

NOTE 1: Basis of Presentation and Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the School District 27J, Colorado and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts reported in, or used in the preparation of, the basic financial statements.

NOTE 2: Indirect Costs

The District has not elected to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance, section 414.

**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
School District 27J
Brighton, 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, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of School District 27J (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 18, 2024. Our report includes a reference to other auditors who audited the financial statements of the Capital Facility Fee Foundation, Bromley East Charter School, Eagle Ridge Academy Charter School, Belle Creek Charter School, Foundation Academy Charter School, Landmark Academy Charter School and STEAD Charter School, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Capital Facility Fee Foundation, Bromley East Charter School, Belle Creek Charter School and STEAD Charter School were not audited in accordance with *Government Auditing Standards*.

Report On 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

Report On 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*.

District's Response To Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the response.

Purpose Of This Report

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

RubinBrown LLP

January 18, 2024

SCHOOL DISTRICT 27J

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For The Year Ended June 30, 2023

Section I - Summary Of Auditors' Results

Financial Statements

Type of report the auditor issued on whether
the financial statements audited were
prepared in accordance with accounting
principles generally accepted in the United
States of America:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

☒ yes

☐ no

Significant deficiency(ies) identified?

☐ yes

☒ none reported

Noncompliance material to financial
statements noted?

☐ yes

☒ no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?

☐ yes

☒ no

Significant deficiency(ies) identified?

☐ yes

☒ none reported

Type of auditors' report issued on compliance
for major federal programs:

Unmodified

Any audit findings disclosed that are
required to be reported in accordance with
2 CFR 200.516(a)?

☐ yes

☒ no

Identification of major federal programs:

Assistance Listing No.

Name Of Federal Program Or Cluster

10.553, 10.555, 10.559
84.425

Child Nutrition Cluster
COVID-19 - Elementary and Secondary School
Emergency Relief

21.027

COVID-19 - State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between
Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☒ yes

☐ no

SCHOOL DISTRICT 27J

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)* For The Year Ended December 31, 2023

Section II - Financial Statement Findings

Finding 2023-001 - Construction Retainage Payable Review And Reconciliation

Material Weakness

Criteria Or Specific Requirement: The District is responsible for establishing and implementing a system of internal accounting control that will prevent or detect and correct errors in a timely manner related to financial reporting, including those around the accounts payable process and construction invoices.

Condition: There were four construction payment applications where work was performed during the fiscal year but had no related retainage accrual recorded during the year-end close process.

Context: The four construction payment applications included \$3,607,412 of construction retainage amounts that were not recorded out of a total of \$122,486,925 that the District incurred in construction in process expenditures.

Effect: Without proper controls and review of the year-end accrual process related to accounts payable, errors may go undetected by management and not be corrected in a timely manner.

Cause: The District has developed an internal control framework. While the District has implemented some of the processes, turnover at key positions related to the capital asset process allowed for the retainage amounts on the payment applications to be missed.

Identification As A Repeat Finding: No

Recommendation: We recommend that the District strengthen the processes within the internal control framework surrounding the review of construction payment applications to determine that all amounts, including retainage are properly recorded during the year-end close process.

Views Of Responsible Officials And Planned Corrective Action: The District agrees with the finding and has put together a correction action plan for the finding. See corrective action plan included in this report.

SCHOOL DISTRICT 27J

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)* **For The Year Ended December 31, 2023**

Section III - Federal Award Findings And Questioned Costs

There were no federal award findings or questioned costs for the year ended June 30, 2023.



27J Schools

Superintendent Dr. Chris Fiedler, Ed.D
18551 E. 160th Avenue, Brighton, CO 80601

27J Schools Board of Education

Tom Green, President
Mandy Thomas, Vice President
Melinda Carbajal, Director
Ashley Conn Director
Annie Jensen, Director
Starr Trujillo, Director
Rachel Wilhelm, Director

CORRECTIVE ACTION PLAN For The Year Ended June 30, 2023

Finding 2023-001 – Construction Retainage Payable Review and Reconciliation

Personnel Responsible for Corrective Action: Stacey Yoshimoto, Finance Director, Finance Department

Anticipated Completion Date: June 30, 2024

Corrective Action Plan: The District Finance Department will continue to develop processes within the internal framework surrounding the year-end close process to ensure payment applications for work performed during the fiscal year are accrued at year end. Specific to Construction Retainage Payable review and reconciliation, the District Finance Department will provide on-going training and implementation for the accrual process during year end. The approval, review and reconciliation of this process will also be documented in the internal control framework for the District's year end processes so if staff turnover occurs, there will be documents to reference.



27J Schools

Superintendent Dr. Chris Fiedler, Ed.D
18551 E. 160th Avenue, Brighton, CO 80601

27J Schools Board of Education

Greg Piotraschke, President
Blaine Nickeson, Vice President
Tom Green, Director
Kevin Kerber, Director
Mandy Thomas, Director
Mary Vigil, Director
Lloyd Worth, Director

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS For The Year Ended June 30, 2023

There were no prior audit findings for the year ended June 30, 2023.



Colorado Department of Education

Auditors Integrity Report

District: 0040 - School District 27J

Fiscal Year 2022-23

Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	31,280,384	176,063,043	153,550,511	53,792,916
18 Risk Mgmt Sub-Fund of General Fund	2,905,136	1,593,183	2,878,683	1,619,636
19 Colorado Preschool Program Fund	311,092	2,540,063	2,023,702	827,453
Sub- Total	34,496,612	180,196,290	158,452,896	56,240,005
11 Charter School Fund	12,057,497	75,670,248	70,719,542	17,008,203
20,26-29 Special Revenue Fund	4,271,186	3,544,678	2,425,629	5,390,235
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	2,271,169	10,420,879	7,594,437	5,097,611
22 Govt Designated-Purpose Grants Fund	1,012,717	18,773,181	19,136,202	649,697
23 Pupil Activity Special Revenue Fund	2,973,603	4,456,771	3,950,412	3,479,961
25 Transportation Fund	0	8,022,204	8,022,204	0
31 Bond Redemption Fund	73,122,783	55,716,360	54,551,652	74,287,490
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	297,983,012	6,128,113	124,677,859	179,433,267
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0	0
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	428,188,579	362,928,722	449,530,832	341,586,470
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	681,388	0	-48,140	729,528
60,65-69 Other Internal Service Funds	0	128,774	128,774	0
Totals	681,388	128,774	80,634	729,528
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	26,798	1,732	0	28,530
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	4,004,686	811,177	245,736	4,570,128
Totals	4,031,484	812,908	245,736	4,598,657

FINAL

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



Department of Finance
School District 27J

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