



Comprehensive Annual Financial Report

for the Fiscal Year Ended June 30, 2019

School District 27J

18551 E. 160th Avenue • Brighton, CO 80601

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2019**

Prepared by:
Finance Office

School District 27J, Colorado
Comprehensive Annual Financial Report
For The Year Ended June 30, 2019

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Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Introductory Section



SCHOOL DISTRICT 27J

List of Elected and Appointed Officials June 30, 2019

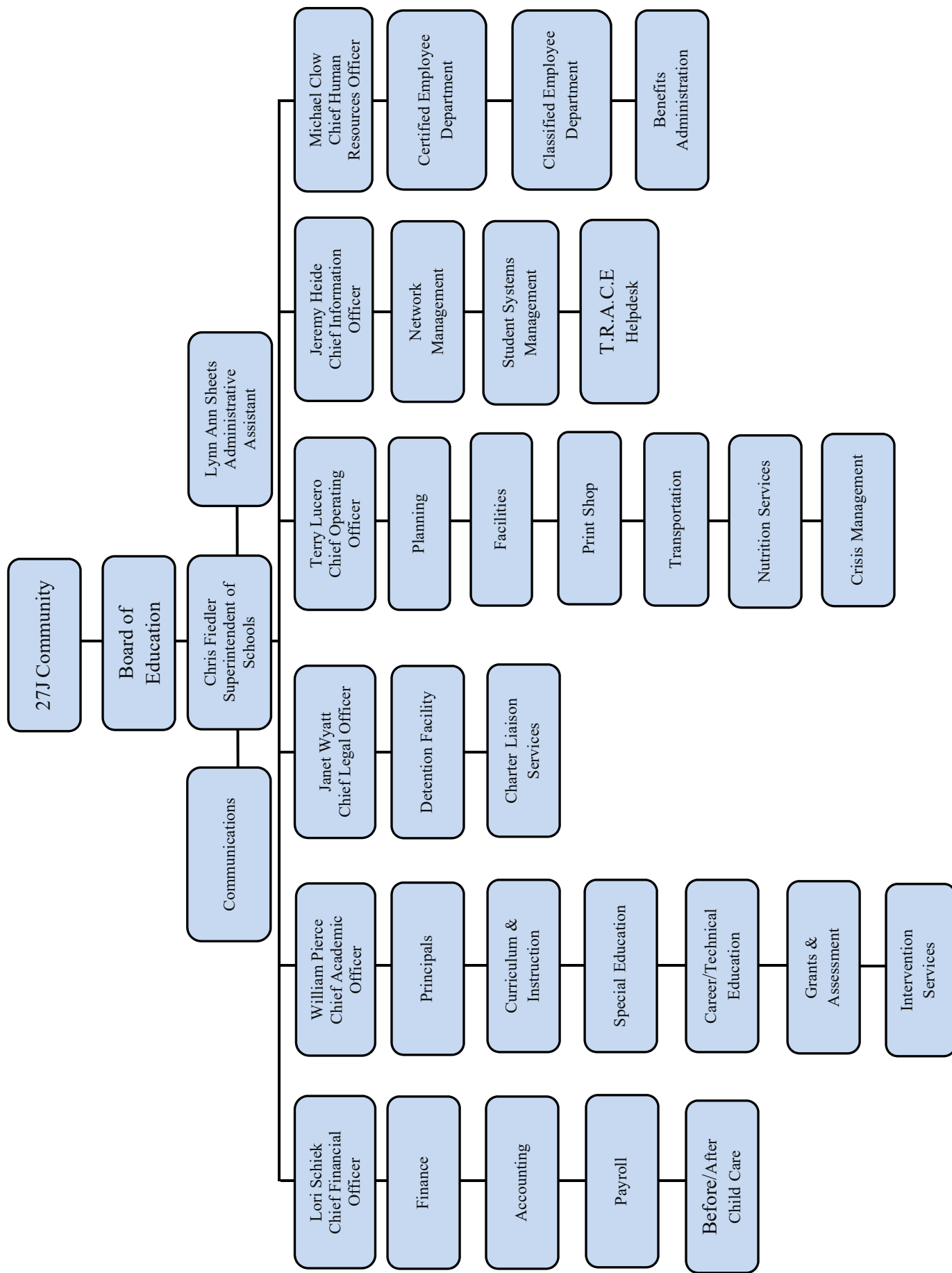
Board of Education

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Roberta Thimmig	President	2019
Gregory Piotraschke	Vice-President	2019
Kevin Kerber	Director	2021
Lloyd Worth	Director	2019
Blaine Nickeson	Director	2021
Mandy Thomas	Director	2021
Jenn Venerable	Director	2019

Executive Administrative Staff

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

School District 27J 2018-2019 Organizational Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**School District 27J
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

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18551 East 160th Avenue
Brighton, CO 80601-3295
(303) 655-2900 FAX (303) 655-2870
Chris Fiedler, Ed.D., Superintendent

BOARD OF EDUCATION

Roberta Thimmig, President
Greg Piotraschke, Vice President
Kevin Kerber, Director
Blaine Nickeson, Director
Mandy Thomas, Director
Jennifer Venerable, Director
Lloyd Worth, Director

November 22, 2019

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 Comprehensive Annual Financial Report (CAFR) is published to fulfill that requirement for the fiscal year ended June 30, 2019.

The District management assumes full responsibility for the completeness and reliability of the information contained in the CAFR, 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 CAFR 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 2018 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, 2019. 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 100,890.

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 26, 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 18,000 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, 4 middle schools, 4 high schools (3 comprehensives and 1 alternative), 1 blended learning school, and 5 charter schools.

School District 27J is financially accountable for five charter schools and one capital foundation that are legally separate entities; all financial activity of the six component units is discretely presented in the District's financial statements for the year ended June 30, 2019. The District's six 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), 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 1,800 teachers, professionals and support staff.

Overall, Colorado's economy performed better than the U.S. economy in 2018. The economic forecast provided by the Colorado Legislative Council staff states that Colorado is further along in the business cycle than the nation. The labor market, consumer spending, income, wages, housing prices, and construction activity in Colorado have all outperformed the national economy for at least a year and many of the improvements in Colorado's economy are concentrated in the Denver area.

Strong growth throughout Metro Denver's economy has helped to highlight the region as a leading area in which to live and do business. Metro Denver added 29,200 jobs in 2018 (a 1.7% increase) and dropped its unemployment rate to 2.8% compared to the national unemployment rate of 3.7%. The Adams County unemployment rate was 3.1%, down from 3.2% in 2018.

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. The number of single family housing permits issued in Brighton in 2018 was 263. Thornton issued 359, Commerce City issued 750, Adams County issued 40, and Aurora issued 10. Total permits issued in 2018 were 1422, as compared to 1156 in 2017. School District 27J is one of the few remaining areas in Metro Denver with large amounts of land for development. The population in Brighton increased by 682 from 2017 to 2019 for a total population of 40,629. The population in Thornton increased by 3,760 from 2017 to 2018 for a total population of 141,062. The population in Commerce City increased by 2,640 from 2017 to 2018 for a total population of 58,499.

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 20 percent of the total general fund revenues.

Student enrollment increased annually through fiscal year 2018-2019. Enrollment in fiscal year 2019-2020 will increase compared to the prior fiscal year 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 negative factor in the Colorado School Finance Act which has limited growth on a per pupil basis.

During the fiscal year 2018-2019 state budgeting process there was an increase to K-12 education funding with no change to the negative factor in the Colorado School Finance Act, as well as increased funding for targeted educational programs. Increased funding for education initiatives in Colorado still lies in the hands of local, not statewide, electorates. This is especially challenging because School District 27J has experienced limited success in the passage of mill levy tax increase efforts. The District's one mill levy override was passed in 2000 for a flat amount of \$750,000.

The District was successful in passing a \$248 million bond in the November 2015 election supporting building four new schools, including a third district high school, a fifth district middle school and two new elementary schools as well make renovations and expansions to existing schools and safety and security upgrades at all district schools. This is the largest single authorization in the history of the District. In fiscal year 2018 the District completed the construction of Riverdale Ridge High School, which also houses Rodger Quist Middle School, with a planned move to the completed middle school building in January of 2020. The District's 13th Elementary School is under construction with opening expected for fall of 2020.

Achievement

- Students in 27J are not meeting 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 not 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 Thinking Classroom will provide student with opportunities to interact with their learning in meaningful ways. The learning experience will be planned so that students have ownership of their own learning.

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 comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2018. This is the twenty-ninth 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 CAFR 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 CAFR 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

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Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Financial Section



Independent Auditors' Report

Board of Education
Adams/Weld School District 27J
Brighton, Colorado

Report On The Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Adams/Weld School District 27J (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Eagle Ridge Academy Charter School, Bromley East Charter School, Belle Creek Charter School, Foundation Academy Charter School, Landmark Academy Charter School or the Capital Facility Fee Foundation which represent 100% of the assets, net position and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Eagle Ridge Academy Charter School, Bromley East Charter School, Belle Creek Charter School, Foundation Academy Charter School, Landmark Academy Charter School or the Capital Facility Fee Foundation, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Bromley East Charter School, Belle Creek Charter School and the Capital Facility Fee Foundation, were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the District as of June 30, 2019 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 14 through 26, 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 91 through 98 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other 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 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; the combining component unit financial statements and schedules; and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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 the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2019 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

RubinBrown LLP

November 22, 2019

School District 27J
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the fiscal year ended June 30, 2019

As management of School District 27J, counties of Adams, Weld and Broomfield, Colorado (the School District), we offer readers of the School District's Comprehensive Annual Financial Report this narrative overview and analysis of the financial activities of the School District for the fiscal year ended June 30, 2019. 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 5-9 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 (\$342.2) million effect of GASB 68, the liabilities and deferred inflows of resources of the School District exceeded its assets and deferred outflows of resources at June 30, 2019, by \$219.2 million (net position).
- During the November 2015 election, the School District voters successfully passed an authorization for issuance of \$248 million of bonds. The bonds are funding building a new high school; Riverdale Ridge which opened in fall of 2018, a new middle school; Rodger Quist opening in January of 2020 and two new elementary schools; Reunion Elementary which opened in fall of 2017, and Elaine Padilla Elementary to open in fall of 2020. In addition, the School District will lengthen the life of existing educational facilities through repairs, maintenance and renovations.
- The net position of the School District governmental activities includes \$73.6 million net investment in capital assets; net position of \$25.3 million restricted for debt service payments, \$3.9 million required emergency reserves; and an unrestricted net position balance of negative \$(327.9) million.
- At the close of the current fiscal year, the School District's governmental funds reported combined fund balances of \$135.7 million, a decrease of \$45 million in comparison with the prior year. The decrease is due to a reduction in the restricted fund balance for capital projects. All general obligation bonds have been issued from the \$248 million bond authorized in the November 2015 election. The restricted fund balance for capital projects is the remaining funds for bond projects.
- At the end of the current fiscal year, unassigned fund balance for the General Fund is \$4.91 million or 3.4% 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 Comprehensive Annual 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 five 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 27-28 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 29-32 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 33-35 of this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside of the School District. Fiduciary funds are 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 fiduciary funds is much like that used for proprietary funds. The School District has two fiduciary funds, the private purpose trust fund, which is primarily used for scholarship activity, and the pupil activities agency fund, which is for student clubs.

The basic fiduciary fund financial statements can be found on pages 36-37 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 91 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. Due to the effect of GASB 68, the liabilities and deferred inflows of the School District exceeded its assets and deferred outflows of resources at June 30, 2019, by \$219.2 million.

The assets of the School District are classified as current assets, capital assets, net of depreciation 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 90.5% 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, early retirement payable, compensated absences payable, estimates for claims and premiums, and current debt obligations. The liquidation of current liabilities is anticipated to be either from current available resources, current assets or new resources that become available during fiscal year 2019-2020. Noncurrent liabilities such as long-term debt obligations and compensated absences will be liquidated from resources that will become available after fiscal year 2019-2020.

The School District's net position includes a \$73.6 million investment in capital assets net of accumulated depreciation 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 \$25.3 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 along with the accounting treatment in the government-wide statements of accrued salaries and benefits earned but unpaid and compensated absences payable. The \$1.1 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 is reported in the same manner as compensated absences and is \$240.9 million.

Comparative Summary of Net Position			
As of June 30, 2019			
	Governmental Activities		Total %
	2019	2018	Change 2018 to 2019
<u>Assets:</u>			
Total Current Assets	\$ 68,226,793	\$ 55,283,199	23.4%
Capital Assets net of Depreciation	385,044,453	340,267,526	13.2%
Other Non-Current Assets	83,814,161	143,668,075	-41.7%
Total Assets	537,085,407	539,218,800	-0.4%
Deferred Outflows of Resources	99,011,587	153,939,339	-35.7%
<u>Liabilities:</u>			
Total Current	26,574,550	27,564,878	-3.6%
Total Non-Current	633,491,858	911,860,965	-30.5%
Total Liabilities	660,066,408	939,425,843	-29.7%
Deferred Inflows of Resources	195,192,503	34,800,565	460.9%
<u>Net Position:</u>			
Net Investment in Capital Assets	73,633,964	71,833,108	2.5%
Restricted for:			
TABOR	3,871,715	3,471,019	11.5%
Debt Service	25,291,969	19,614,505	28.9%
Government Designated Purpose Grants	2,688,936	1,468,450	83.1%
Colorado Preschool Program	287,197	163,359	75.8%
Nutrition Service	1,794,125	2,170,604	-17.3%
Other Program Purposes	1,254,864	652,566	92.3%
Capital Projects	-	126,637,262	-100.0%
Unrestricted	(327,985,722)	(479,514,264)	-31.6%
Total Net Position	\$ (219,162,952)	\$ (253,503,391)	-13.5%

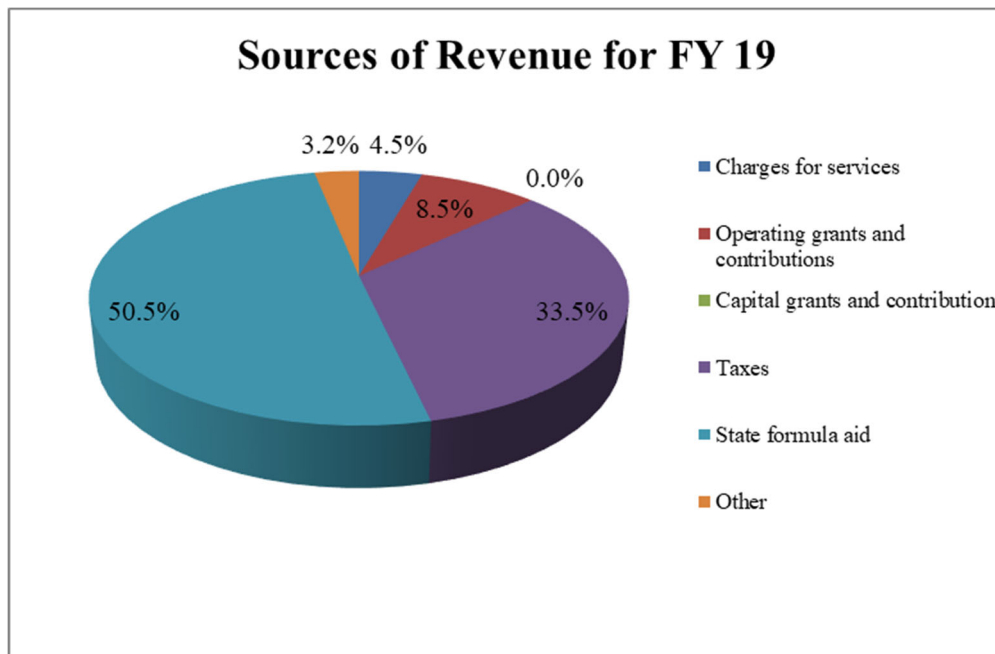
The School District's overall net position increased \$34.3 million from the prior fiscal year. Further detail for this overall increase is provided in the following sections for governmental activities. Prior year's totals are not restated when comparing to current year.

Governmental Activities

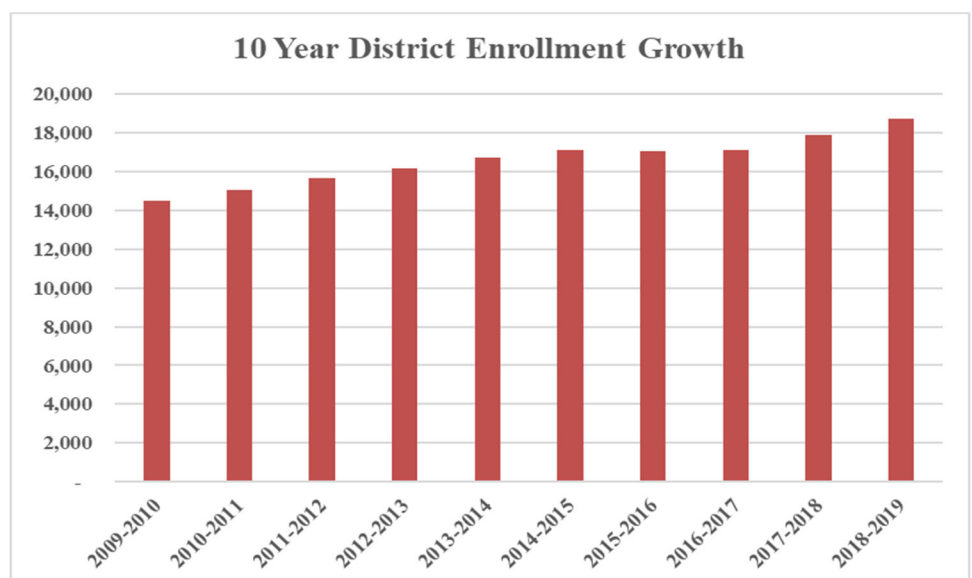
Governmental activities increased the net position of the School District by \$34.3 million.

Comparative Schedule of Changes in Net Position For the Year Ended June 30, 2019			
	Governmental Activities		Total % Change
	2019	2018	2018 to 2019
<u>Program Revenues:</u>			
Charges for Services	\$ 9,240,972	\$ 8,992,869	2.8%
Operating Grants and Contributions	17,483,480	17,404,367	0.5%
Capital Grants and Contribution	-	180,446	-100.0%
<u>General Revenues:</u>			
Local Property Taxes	63,867,785	57,905,537	10.3%
Specific Ownership Taxes	5,207,030	4,603,138	13.1%
Equalization	104,178,937	93,128,798	11.9%
Other	6,506,985	2,128,760	205.7%
Total Revenues	206,485,190	184,343,915	12.0%
<u>Expenses:</u>			
Instruction	70,769,819	123,402,197	-42.7%
Supporting Services			
Pupil Services	8,179,522	12,171,526	-32.8%
Instructional Staff	3,534,065	6,519,990	-45.8%
General Administration	1,295,331	2,865,341	-54.8%
School Administration	8,684,276	17,859,063	-51.4%
Operations and Maintenance	9,690,171	17,406,465	-44.3%
Pupil Transportation	5,234,782	10,366,327	-49.5%
Business Supporting Services	1,919,116	5,217,772	-63.2%
Central Supporting Services	10,069,084	12,000,642	-16.1%
Community Services	1,682,676	2,780,298	-39.5%
Pupil Activities	2,782,059	5,315,105	-47.7%
Charter Schools	29,957,524	27,942,884	7.2%
Debt Service - Interest	13,610,729	13,249,944	2.7%
Food Service	4,735,596	8,881,581	-46.7%
Total Expenses	172,144,751	265,979,136	-35.3%
Change in Net Position	34,340,439	(81,635,221)	-142.1%
Beginning Net Position	(253,503,391)	(171,868,170)	47.5%
Ending Net Position	\$ (219,162,952)	\$ (253,503,391)	-13.5%

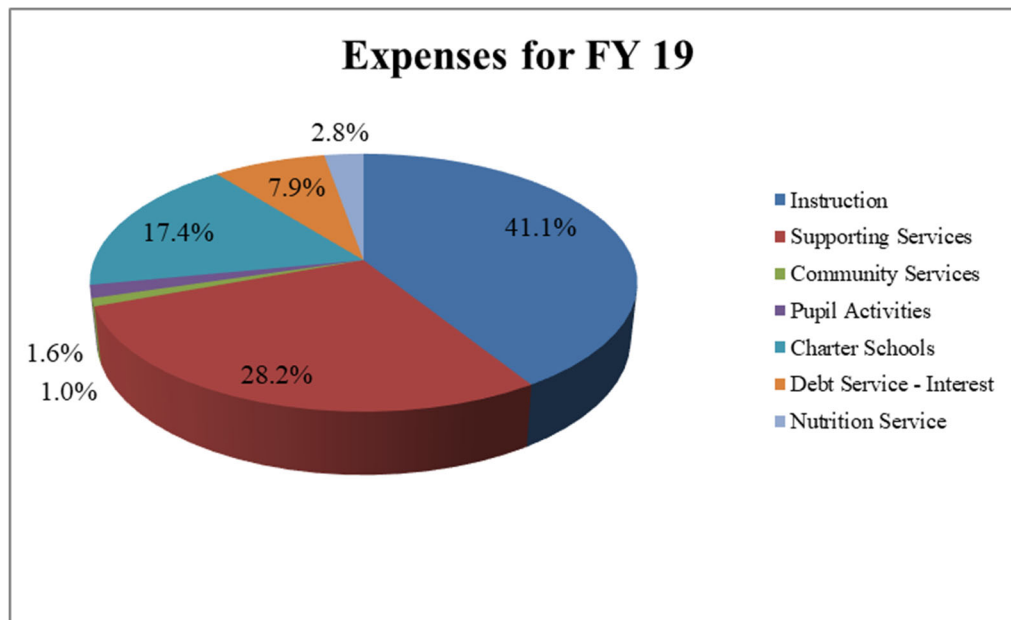
While the continued loss in funding due to the inclusion of the negative factor in the Colorado Public School Finance Act (SFA) has certainly had an impact on the School District, management has been able to limit expenses to minimize the impact on governmental activities over the long term. The SFA 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 50% of the School District's total governmental revenues, which is a decrease of 1% over the prior fiscal year. Local taxes provided 33% of governmental revenue. The \$3.04 million increase in local property taxes from the prior fiscal year is associated with an overall 10% increase in assessed valuation, primarily in Adams County. The School District levies 26.262 mills annually for the SFA. The \$11.1 million increase in equalization is due to a combination of an increase in per pupil funding in 2018-19 and a 5% increase in enrollment.



Year	Student Count	% Change
2009-2010	14,469	5.5%
2010-2011	15,063	4.1%
2011-2012	15,649	3.9%
2012-2013	16,163	3.3%
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	4.9%
2018-2019	18,733	4.8%



Government-wide expenses decreased \$(93.8) million from the prior year. Direct governmental instructional expenses make up 41% 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% of the total governmental expenses. Charter schools' governmental expenses constitute 17% of the total governmental expenses in fiscal year 2019. The remaining 14% 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.

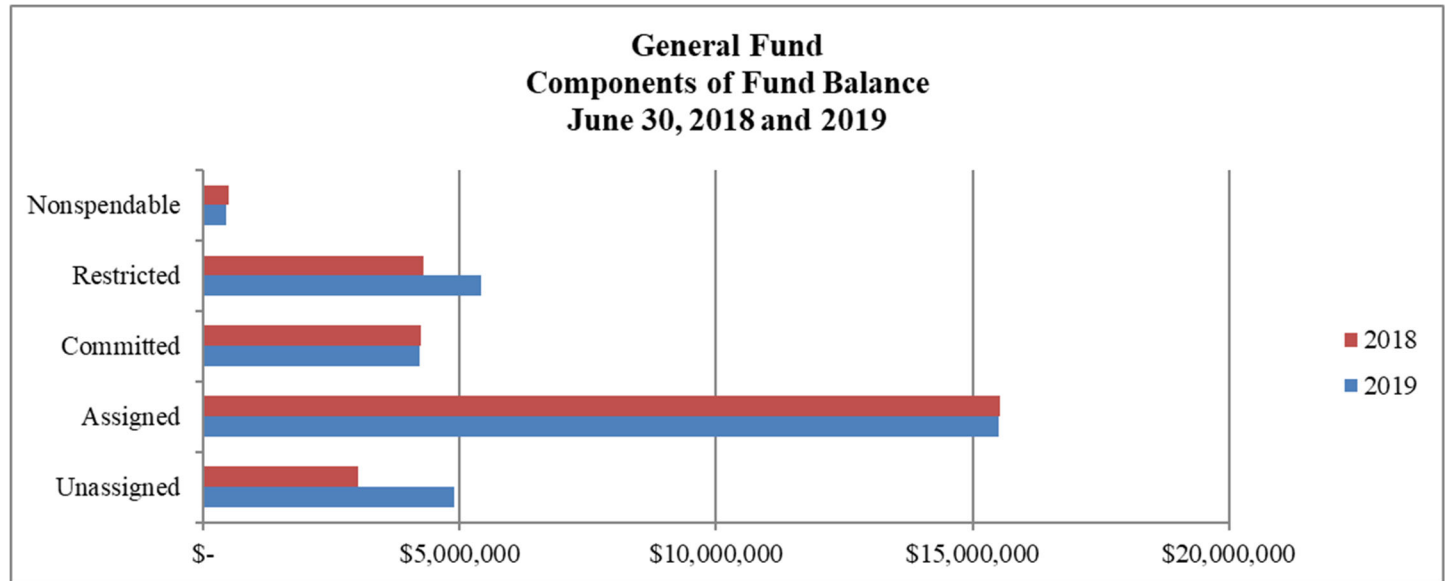
Governmental Funds

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.

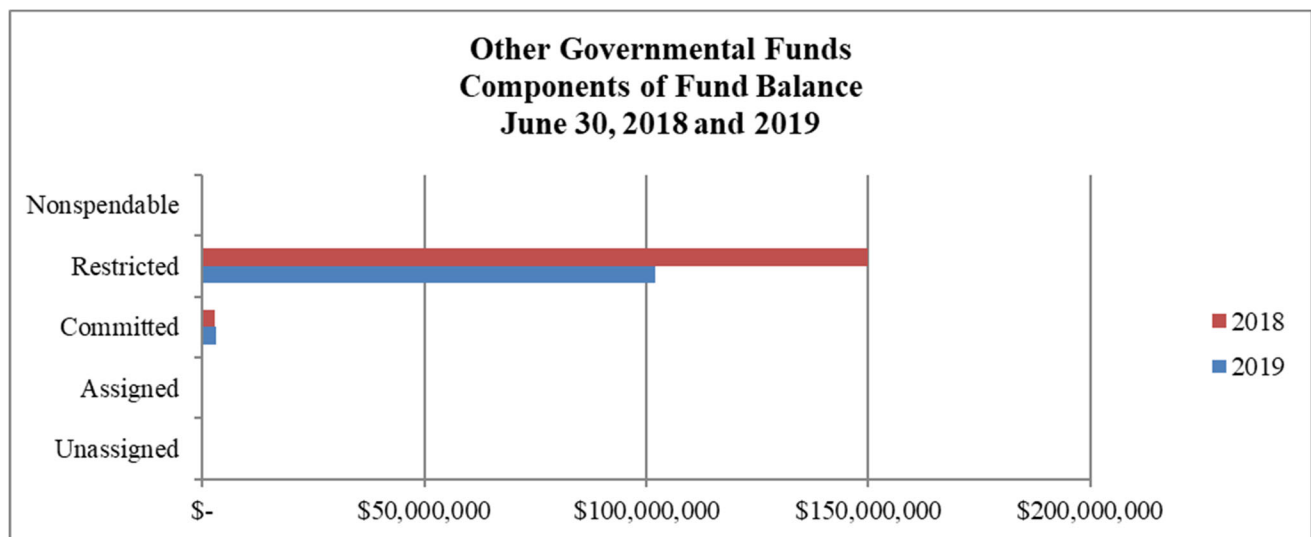
At June 30, 2019 the School District's governmental funds reported combined fund balances of \$135.7 million. This is an increase of \$45 million over fiscal year 2018. The decrease is due to a reduction in the restricted fund balance for capital projects. All general obligation bonds have been issued from the \$248 million bond authorized in the November 2015 election. The restricted fund balance for capital projects is the remaining funds for bond projects.

Of this year-end total, \$4.91 million is unassigned, indicating availability for continuing School District service requirements. Legally restricted fund balances include \$24.5 million for debt service, \$72.9 million for capital projects, \$3.9 million restricted pursuant to the TABOR Amendment and \$2.7 million for government-designated purpose grants. 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 \$3.2 million for special revenue funds, \$3.4 million for Board contingencies, \$1.0 million for capital reserve projects, \$.5 million for risk management insurance and \$.3 million for 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 \$4.91 million, while total fund balance increased \$2.9 million to \$30.5 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 4.3% of total general fund expenditures net of intergovernmental – charter schools, while total fund balance represents approximately 26.8% of that same amount.



Proprietary Funds

The School District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. In fiscal year 2019 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 it was \$0.6 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 \$1.6 million more than the final approved budget. This is primarily due to higher than projected State Equalization revenue offset by the on-behalf PERA payment revenue of \$1.96 million.

General Fund Revenue	Budget	Actual	Difference
Taxes	\$ 39,575,680	\$ 40,138,675	\$ 562,995
Intergovernmental Revenue	109,385,808	107,833,185	(1,552,623)
Pupil Activities	-	151	151
Charges for Services	792,035	792,035	-
Investment Earnings	125,000	369,699	244,699
Miscellaneous	440,461	2,828,163	2,387,702
Total	\$ 150,318,984	\$ 151,961,908	\$ 1,642,924

Expenditures – General fund expenditures were \$14.4 million less than budgeted. The fiscal year 2019 budget includes reserves to account and prepare for the new school openings; Riverdale Ridge High School in fiscal year 2019, Rodger Quist Middle School in January 2020 and Elaine Padilla Elementary School in fiscal year 2020. In addition, the District negotiated an increase to compensation of 4% which was budgeted in fiscal year 2019 to go into effect in fiscal year 2020, 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, for governmental activities as of June 30, 2019, was \$385 million. The overall increase in this net investment was \$44.8 million. Buildings, mostly the capitalized assets associated with the completion of Riverdale Ridge High School increased by over \$106 million. 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, 2019		
	Governmental Activities	
	2019	2018
Non-depreciable assets:		
Land	\$ 13,131,691	\$ 13,131,691
Water Shares	\$ 1,496,673	\$ 1,496,673
Construction in progress	\$ 49,068,809	\$ 103,897,742
Total non-depreciable	63,697,172	118,526,106
Depreciable assets:		
Buildings	390,492,118	284,034,926
Equipment	21,876,993	19,883,812
Total depreciable assets	412,369,111	303,918,738
Less accumulated depreciation	91,021,830	82,177,318
Book Value - depreciable assets	321,347,281	221,741,420
Percentage depreciated	<u>22.1%</u>	<u>27.0%</u>
Book Value - all assets	\$ 385,044,453	\$ 340,267,526

Long-term debt

At the end of the fiscal year, the School District had outstanding general obligation bonds of \$338.5 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, 2019		
	Governmental Activities	
	2019	2018
<u>Type of Debt:</u>		
General Obligation Bonds	\$ 338,520,000	\$ 346,520,000
Promissory Note	-	-
Certificates of Participation	1,720,000	1,915,000
Capital Lease Obligations	-	-
Bond Premium	48,509,916	51,627,738
Total	388,749,916	400,062,738
Early Retirement of Obligation	365,892	365,892
Compensated Absences	2,794,928	2,426,157
Total	\$ 3,160,820	\$ 2,792,049

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 nine consecutive years.

The State economy heading into the 2019-2020 fiscal year reflects an optimistic outlook for revenue. The effect of the School Finance Act for the School District is anticipated to increase per pupil funding by \$339 to \$8,194 per student. Total program funding, defined by SFA, is projected to be \$175.2 million, an increase of over \$17.8 million from the prior year (before adjustments for Budget Stabilization Factor and Charter School Institute).

The Board of Education established a course of action for 2019-2020 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's Finance Office at the Educational Services Center located at 18551 E. 160th Avenue 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, 2019

	Governmental Activities	Component Units
Assets		
Current Assets		
Cash and Investments	\$ 61,757,550	\$ 8,705,382
Deposit with Insurance Pool	464,001	-
Inventory	86,082	-
Receivables		
Accounts	1,380,009	330,098
Property Taxes	3,529,092	-
Intergovernmental	369,151	-
Grants	-	29,069
Interest on Investments	181,419	-
Deposits and Prepaids	459,489	133,514
Total Current Assets	<u>68,226,793</u>	<u>9,198,063</u>
Noncurrent Assets		
Non Depreciable Capital Assets	63,697,172	264,109
Depreciable Capital Assets, Net	321,347,281	30,239,308
Restricted Cash and Investments	83,814,161	8,329,697
Total Noncurrent Assets	<u>468,858,614</u>	<u>38,833,114</u>
Total Assets	<u>537,085,407</u>	<u>48,031,177</u>
Deferred Outflows of Resources		
Loss on Refunding	4,403,705	1,646,849
Related to OPEB	1,180,523	155,679
Related to Pensions	93,427,359	8,680,563
	<u>99,011,587</u>	<u>10,483,091</u>
Liabilities		
Current Liabilities		
Accounts Payable	5,807,788	824,788
Accrued Salary and Benefits	8,126,086	741,309
Accrued Interest Payable	1,300,127	209,835
Loan Payable	-	1,141,607
Unearned Revenue	-	101,394
Compensated Absences Payable	1,676,957	-
Early Retirement Payable	365,892	-
Claims Payable	-	747,625
COPS	200,000	-
General Obligation Bonds Payable	9,070,000	-
Deposits	33,735	-
Total Current Liabilities	<u>26,580,585</u>	<u>3,766,558</u>
Noncurrent Liabilities		
Compensated Absences Payable (net of current portion)	1,117,971	-
COPS (net of current portion)	1,520,000	-
General Obligation Bonds Payable (net of current portion)	377,959,916	32,599,665
Net OPEB Liability	12,029,468	1,393,983
Net Pension Liability	240,859,503	27,912,429
Total Noncurrent Liabilities	<u>633,486,858</u>	<u>61,906,077</u>
Total Liabilities	<u>660,067,443</u>	<u>65,672,635</u>
Deferred Inflows of Resources		
Related to OPEB	353,789	13,788
Related to Pensions	194,838,714	19,616,054
	<u>195,192,503</u>	<u>19,629,842</u>
Net Position		
Net Investment in Capital Assets	73,633,964	(1,515,735)
Restricted for		
TABOR	3,871,715	1,000,880
Debt Service	25,291,969	2,199,993
Government Designated Purpose Grants	2,688,936	-
Colorado Preschool Program	287,197	-
Other Program Purposes	1,254,864	427,000
Nutrition Service	1,794,125	-
Building Maintenance	-	197,440
Capital Projects	-	5,826,182
Unrestricted	<u>(327,985,722)</u>	<u>(34,923,969)</u>
Total Net Position	<u>\$ (219,162,952)</u>	<u>\$ (26,788,209)</u>

See accompanying notes to the basic financial statements.

School District 27J, Colorado
Statement of Activities
For The Year Ended June 30, 2019

		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
	Expenses					
Primary Government						
Governmental Activities						
Instructional Services	\$ 70,769,819	\$ -	\$ 12,757,822	\$ -	\$ (58,011,997)	\$ -
Supporting Services						
Pupil Services	8,179,522	-	-	-	(8,179,522)	-
Instructional Staff	3,534,065	-	-	-	(3,534,065)	-
General Administration	1,295,331	-	-	-	(1,295,331)	-
School Administration	8,684,276	-	-	-	(8,684,276)	-
Operations and Maintenance	9,690,171	-	-	-	(9,690,171)	-
Pupil Transportation	5,234,782	456,935	1,542,587	-	(3,235,260)	-
Business Supporting Services	1,919,116	-	-	-	(1,919,116)	-
Central Supporting Services	10,069,084	-	-	-	(10,069,084)	-
Community Services	1,682,676	3,774,561	-	-	2,091,885	-
Pupil Activities	2,782,059	2,798,243	-	-	16,184	-
Charter School Funding	29,957,524	-	-	-	(29,957,524)	-
Interest on Long-Term Debt	13,610,729	-	-	-	(13,610,729)	-
Nutrition Services	4,735,596	2,211,233	3,183,071	-	658,708	-
Total Governmental Activities	\$ 172,144,751	\$ 9,240,972	\$ 17,483,480	\$ -	\$ (145,420,299)	\$ -
Component Units						
Eagle Ridge Academy	\$ 3,699,833	\$ 178,778	\$ 297,907	\$ -	\$ -	\$ (3,223,148)
Bromley East Charter School	11,337,284	1,322,836	539,431	-	-	(9,475,017)
Belle Creek Charter School	4,425,007	89,902	304,439	-	-	(4,030,666)
Foundations Academy Charter School	6,374,361	113,404	191,876	-	-	(6,069,081)
Landmark Academy Charter School	6,347,033	110,766	213,580	-	-	(6,022,687)
Capital Facility Fee Foundation	31,357	864,364	23,622	-	-	856,629
Total Component Units	\$ 32,214,875	\$ 2,680,050	\$ 1,570,855	\$ -	\$ -	\$ (27,963,970)
					Local Property Taxes	63,867,785
					Specific Ownership Taxes	5,207,030
					Equalization	104,178,937
					Equalization - Charter Schools	-
					Mill Levy Override	-
					Capital Construction	-
					Investment Earnings	3,571,016
					Other	2,935,969
					Total General Revenues	179,760,737
					Change in Net Position	34,340,439
					Net Position Beginning of Year	(253,503,391)
					Restatement, Change in Accounting Principle	-
					Net Position, Restated	(253,503,391)
					Net Position End of Year	\$ (219,162,952)
						\$ (26,788,209)

See accompanying notes to the basic financial statements.

School District 27J, Colorado
Balance Sheet
Governmental Funds
June 30, 2019

	General	Capital Projects	Government Designated Purpose Grants	Debt Service	Nutrition Services	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and Investments	\$ 33,587,602	\$ -	\$ -	\$ 23,638,837	\$ 3,265,797	\$ 1,265,314	\$ 61,757,550
Restricted Cash and Investments	-	83,814,161	-	-	-	-	83,814,161
Deposit with Insurance Pool	464,001	-	-	-	-	-	464,001
Inventory	-	-	-	-	86,082	-	86,082
Receivables							
Accounts	92,211	-	-	-	-	41,615	133,826
Notes	-	-	-	-	-	-	-
Property Taxes	1,942,613	-	-	1,586,479	-	-	3,529,092
Intergovernmental	-	-	329,052	-	40,099	-	369,151
Interfund Receivable	4,153,016	-	2,835,334	41,331	-	2,513,930	9,543,611
Interest on Investment	-	153,598	-	27,821	-	-	181,419
Prepaid Items	436,394	-	10,478	-	-	12,617	459,489
Total Assets	\$ 40,675,837	\$ 83,967,759	\$ 3,174,864	\$ 25,294,468	\$ 3,391,978	\$ 3,833,476	\$ 160,338,382
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts and Other Current Payables	\$ 2,049,586	\$ 3,526,117	\$ 150,433	\$ 2,500	\$ 3,522	\$ 75,630	\$ 5,807,788
Accrued Salary and Benefits	7,182,620	3,410	325,015	-	84,009	531,032	8,126,086
Interfund Payable	-	7,502,509	-	-	1,424,240	-	8,926,749
Total Liabilities	9,232,206	11,032,036	475,448	2,500	1,511,771	606,662	22,860,623
Deferred Inflows of Resources							
Unavailable Property Tax Revenue	976,496	-	-	797,621	-	-	1,774,117
Fund Balances							
Nonspendable Prepaid Items	436,394	-	10,478	-	86,082	12,617	545,571
Restricted for Debt Service	-	-	-	24,494,348	-	-	24,494,348
Restricted for Capital Projects	-	72,935,722	-	-	-	-	72,935,722
Restricted for TABOR	3,871,715	-	-	-	-	-	3,871,715
Restricted for Cash-in-Lieu of Land	425,688	-	-	-	-	-	425,688
Restricted for Government Designated Purpose Grants	-	-	2,688,936	-	-	-	2,688,936
Restricted for Multi-Year Obligations	829,176	-	-	-	-	-	829,176
Restricted for Nutrition Services	-	-	-	-	1,794,125	-	1,794,125
Restricted for Colorado Preschool	287,197	-	-	-	-	-	287,197
Restricted for Pupil Activity	-	-	-	-	-	1,521,530	1,521,530
Committed for Risk Management Insurance	464,001	-	-	-	-	-	464,001
Committed for Program Purposes	327,642	-	-	-	-	-	327,642
Committed, Reported in Special Revenue Funds	-	-	-	-	-	1,692,667	1,692,667
Committed for Board Contingencies	3,418,428	-	-	-	-	-	3,418,428
Assigned for Capital Reserve Projects	1,030,239	-	-	-	-	-	1,030,239
Assigned for Career and Technical Education	319,600	-	-	-	-	-	319,600
Assigned for Subsequent Year Expenditures	14,151,600	-	-	-	-	-	14,151,600
Unassigned, Reported in General Fund	4,905,458	-	-	-	-	-	4,905,458
Total Fund Balances	30,467,138	72,935,722	2,699,414	24,494,348	1,880,207	3,226,814	135,703,643
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 40,675,840	\$ 83,967,758	\$ 3,174,862	\$ 25,294,469	\$ 3,391,978	\$ 3,833,476	\$ 160,338,383

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, 2019

Total Governmental Fund Balances		\$ 135,703,643
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	\$ 476,066,283	
Less Accumulated Depreciation	<u>(91,021,830)</u>	385,044,453
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds:		
Property Taxes		1,774,117
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.		595,586
Accrued interest on long-term debt is not reported at the fund financial reporting level, but is reported on the Statement of Net Position.		(1,300,127)
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	\$ (1,720,000)	
Bonds Payable	(338,520,000)	
Compensated Absences Payable	(2,794,928)	
Early Retirement Payable	<u>(365,892)</u>	(343,400,820)
Premiums, discounts and refunding differences are reported as expenditures in the funds but capitalized on the Statement of Net Position:		
Premium	\$ (48,509,916)	
Deferred Inflow: Loss on Refunding	<u>4,403,705</u>	(44,106,211)
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	\$ 93,427,359	
Deferred Inflow	(194,838,714)	
Net Pension Liability	<u>(240,859,503)</u>	(342,270,858)
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	\$ 1,180,523	
Deferred Inflow	(353,789)	
Net OPEB Liability	<u>(12,029,468)</u>	(11,202,734)
Net Position of Governmental Activities		<u><u>\$ (219,162,951)</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, 2019

	General	Capital Projects	Government Designated Purpose Grants	Debt Service	Nutrition Services	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 40,138,675	\$ -	\$ -	\$ 28,753,885	\$ -	\$ -	\$ 68,892,560
Intergovernmental Revenue							
Vocational Education	369,162	-	-	-	-	-	369,162
Special Education	3,285,086	-	-	-	-	-	3,285,086
Transportation	-	-	-	-	-	1,542,587	1,542,587
Federal Grants	-	-	5,508,883	-	3,075,445	-	8,584,328
State Grants	-	-	3,594,691	-	107,626	-	3,702,317
Equalization	104,178,937	-	-	-	-	-	104,178,937
Pupil Activities	151	-	-	-	-	2,798,092	2,798,243
Charges for Services	792,035	-	-	-	2,211,233	3,439,461	6,442,729
Investment Earnings	369,699	2,890,915	-	256,106	23,899	30,397	3,571,016
Miscellaneous	2,828,163	-	85,093	-	-	22,713	2,935,969
Total Revenues	151,961,908	2,890,915	9,188,667	29,009,991	5,418,203	7,833,250	206,302,934
Expenditures							
Current							
Instructional Services	66,103,961	-	5,007,253	-	-	1,327,799	72,439,013
Supporting Services							
Pupil Services	7,171,112	-	1,645,229	-	-	-	8,816,341
Instructional Staff	3,312,826	-	834,445	-	-	65	4,147,336
General Administration	1,484,702	-	-	-	-	-	1,484,702
School Administration	9,626,316	-	143,902	-	-	-	9,770,218
Operations and Maintenance	11,247,038	-	-	-	-	-	11,247,038
Pupil Transportation	83,309	-	60,061	-	-	6,174,399	6,317,769
Business Supporting Services	1,315,711	-	127,292	-	-	31,722	1,474,725
Central Supporting Services	11,362,229	-	109,511	-	-	217,827	11,689,567
Community Services	424,700	-	31,393	-	-	1,539,735	1,995,828
Nutrition Services	-	-	-	-	5,616,908	-	5,616,908
Pupil Activities	-	-	-	-	-	3,299,811	3,299,811
Capital Outlay	770,192	56,592,455	1,886	-	252,065	60,505	57,677,103
Intergovernmental - Charter Schools	29,957,524	-	-	-	-	-	29,957,524
Debt Service							
Principal Retirement	995,528	-	-	8,000,000	-	-	8,995,528
Interest	49,970	-	-	16,121,348	-	-	16,171,318
Fiscal Charges	-	-	-	8,800	-	-	8,800
Total Expenditures	143,905,118	56,592,455	7,960,972	24,130,148	5,868,973	12,651,863	251,109,529
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,056,790	(53,701,540)	1,227,695	4,879,843	(450,770)	(4,818,613)	(44,806,595)
Other Financing Sources (Uses)							
Transfers Out	(5,176,050)	-	-	-	-	-	(5,176,050)
Transfers In	-	-	3,269	-	-	5,093,496	5,096,765
Total Other Financing Sources (Uses)	(5,176,050)	-	3,269	-	-	5,093,496	(79,285)
Net Change in Fund Balances	2,880,740	(53,701,540)	1,230,964	4,879,843	(450,770)	274,883	(44,885,880)
Fund Balance Beginning of Year	27,586,398	126,637,262	1,468,450	19,614,505	2,330,977	2,951,931	180,589,523
Fund Balances End of Year	\$ 30,467,138	\$ 72,935,722	\$ 2,699,414	\$ 24,494,348	\$ 1,880,207	\$ 3,226,814	\$ 135,703,643

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, 2019

Net Changes In Fund Balances - Total Governmental Funds	\$	(44,885,880)
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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 Expense	\$ (10,056,931)		
Net Book Value of Disposed Assets	(2,163,077)		
Capital Outlay	56,996,935		44,776,927

Property tax revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		182,255
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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	\$ 8,000,000		
COPs Principal	195,000		8,195,000

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	\$ 3,117,822		
Bond Refunding	(587,353)		2,530,469

Pension expense 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.		24,064,823
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OPEB expense 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.		(228,244)
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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 2018	\$ 2,426,157		
Liability 2019	(2,794,928)		(368,771)
Accrued Interest			
Liability 2018	\$ 1,330,247		
Liability 2019	(1,300,127)		30,120

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.		43,740
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Change In Net Position Of Governmental Activities	\$	34,340,439
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See accompanying notes to the basic financial statements

School District 27J, Colorado
Statement of Net Position
Proprietary Funds
June 30, 2019

	Governmental Activities - Internal Service Funds
Assets	
Current Assets:	
Receivables:	
Interfund Receivable	\$ 629,321
Total Assets	629,321
Liabilities	
Current Liabilities:	
Accounts Payable	33,735
Total Liabilities	33,735
Total Net Position	\$ 595,586

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, 2019

	Governmental Activities - Internal Service Funds
Operating Revenues	
Dental Insurance Premiums	\$ 835,231
Print Shop	53,174
Total Operating Revenues	<u>888,405</u>
Operating Expenses	
Salaries and Benefits	76,094
Purchased Services	19,359
Materials and Supplies	32,660
Indirect Costs	4,346
Risk Management Dental	791,491
Total Operating Expenses	<u>923,950</u>
Income (Loss) from Operations	(35,545)
Other Financing Sources	
Transfers In (Out)	79,285
Change in Net Position	43,740
Net Position Beginning of Year	<u>551,846</u>
Net Position End of Year	<u><u>\$ 595,586</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, 2019

	Governmental Activities - Internal Service Funds
Cash Flows From (Used for) Operating Activities	
Cash Received from Customers	\$ 838,053
Cash Payments for Goods and Services	(132,459)
Cash Payments for Insurance Premiums and Expenses	(784,879)
Net Cash From (Used for) Operating Activities	(79,285)
Cash Flows From (Used for) Noncapital Financing Activities	
Transfers In (Out)	79,285
Net Increase (Decrease) in Cash and Cash Equivalents	-
Cash and Cash Equivalents Beginning of Year	-
Cash and Cash Equivalents End of Year	\$ -
Reconciliation of Operating Income (Loss) to Net Cash From (Used for) Operating Activities	\$ (35,544)
Adjustments:	
(Increase) Decrease in Assets:	
Accounts Receivable	119
Interfund Receivable	(50,471)
Increase (Decrease) in Liabilities:	
Accounts Payable	6,611
Net Cash From (Used for) Operating Activities	\$ (79,285)

See accompanying notes to the basic financial statements.

School District 27J, Colorado
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	Private Purpose Trust - Fiduciary Fund	Pupil Activities - Agency Fund
Assets		
Cash and Investments	\$ 42,187	\$ 1,533,378
Accounts Receivable	-	1,500
Total Assets	<u>42,187</u>	<u>1,534,878</u>
Liabilities		
Due to Other Groups	<u>16,275</u>	<u>1,534,878</u>
Total Liabilities	<u>16,275</u>	<u>1,534,878</u>
Net Position		
Held in Trust for Scholarships	<u>25,912</u>	<u>-</u>
Total Net Position	<u><u>\$ 25,912</u></u>	<u><u>\$ -</u></u>

See accompanying notes to the basic financial statements

School District 27J, Colorado
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For The Year Ended June 30, 2019

	Private Purpose Trust - Fiduciary Fund
Additions	
Investment Earnings	\$ 1,013
Change in Net Position	1,013
Net Position Beginning of Year	24,899
Net Position End of Year	\$ 25,912

See accompanying notes to the basic financial statements.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

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School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

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 six 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 for the year ended June 30, 2019.

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 for the year ended June 30, 2019.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

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 for the year ended June 30, 2019.

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 for the year ended June 30, 2019.

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 for the year ended June 30, 2019.

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) 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.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

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

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 Brighton 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. 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 and business-type activities of 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 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. These revenues are subject to externally imposed restrictions to these program uses. 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

School District 27J, Colorado
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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 and proprietary 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.

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.

Fiduciary Funds - The School District's fiduciary funds account for assets held in a trustee capacity or as an agent for individuals or private organizations. The key distinction between trust funds and agency funds is that the trust funds normally are subject to a trust agreement that affects the degree of management involvement and the length of time that the resources are held. An agency fund does not involve a formal trust agreement and the government's role is purely custodial. The School District's fiduciary funds are classified as a private purpose trust fund and an agency fund.

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Fiduciary (Private Purpose Trust) - The School District's fiduciary fund provides scholarships to students.

Agency Fund – The pupil activity agency fund records financial transactions related to school-sponsored pupil organizations and activities.

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 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

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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.

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 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).

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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. Inventories of the proprietary funds are expensed when consumed. 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 June 30, 2019, 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	25-50 years	50 Years
Equipment	5-20 years	5-20 years

At the inception of capital 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. These sections represent a consumption or acquisition of net position that applies to a future period 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. 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 position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

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.

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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. No employees received their early separation plan/long term service payment in fiscal year 2019. As of June 30, 2019, there were twelve certified employees who were eligible for future payments at a total remaining cost of \$365,892.

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 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.

1-E-10. 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. Bond premiums and discounts are recognized as liabilities.

At the governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as an "expenditure".

1-E-11. 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 current assets and current liabilities. The School District restricts those portions of fund balance which are legally segregated for a specific future use or which do not represent

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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.

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 liabilities. 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 an election of the School District 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-12. 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. For the School District, these operating revenues are sales of meals in the food service program. 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-13. 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.

School District 27J, Colorado
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1-E-14. 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 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-15. 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-16. 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.

For fiscal year ended June 30, 2019, the Transportation fund exceeded its budgeted expenditures by \$144,594.

Note 2 – Detailed Notes on All Funds

2-A. Cash and Investments

At June 30, 2019, the School District had the following cash and investments:

	District	Component Units
Cash on Hand	\$ 187,279	\$ 500
Deposits	18,877,823	4,618,575
Investments	128,082,174	12,516,611
Total	<u>\$ 147,147,276</u>	<u>\$ 17,135,686</u>
Governmental Activities	\$ 61,757,550	\$ 8,705,382
Restricted Cash and Investments	83,814,161	8,329,697
Subtotal	<u>\$ 145,571,711</u>	<u>\$ 17,035,079</u>
Fiduciary Activities	1,575,565	100,607
Total	<u>\$ 147,147,276</u>	<u>\$ 17,135,686</u>

Restricted Cash and Investments – As of June 30, 2019, the School District has restricted cash and investments of \$83,814,161 recorded in the School District's capital projects fund for that purpose.

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Cash Held in Trust – As of June 30, 2019, the School District has \$186,567 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, 2019, 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, 2019, the School District had bank deposits of \$21,793,241 collateralized, with securities held by the financial institution's agency not in the School District's name.

At June 30, 2019, component unit Eagle Ridge Academy had deposits with financial institutions with a carrying amount of \$2,281,501. The bank balances with the financial institutions were \$2,361,200 all of which was covered by federal depository insurance or collateralized under PDPA. At June 30, 2019, Bromley East Charter School had deposits with financial institutions with a carrying amount of \$913,527 collateralized with securities held by the financial institution's agent but not in the School's name. At June 30, 2019, Belle Creek Charter School had bank deposits of \$655,996 collateralized with securities held by the financial institution's agent but not in the School's name.

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 deposit policy for custodial credit risk. At June 30, 2019 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 ColoTrust external investment pool of \$26,498,697 at June 30, 2019 is valued using the NAV per share (or its equivalent) of the investments. The District's CSAFE external investment pool of \$1,322,463 is measured at amortized cost, with a rating of AAAM. The component units' external investment pools of \$7,968,340 at June 30, 2019, 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 \$1,266,447 of U.S. Agency Securities valued at a Level 2. The investments conform to C.R.S. Section 24-75-601 and therefore invest primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado depositories collateralized at 102% of market value according to the guidelines of the PDPA. The investments will conform to its permitted investments and will meet Standard & Poor's investment guidelines to achieve an AAAM rating, the highest attainable rating for a Local Government Investment Pool.

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. Level 1 inputs

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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, 2019	Level 1	Level 2	Level 3
Money Market Mutual Fund	\$ 45,171,689	\$ 45,171,689	\$ -	\$ -
Federal Agency Bond/Note	47,702,097	-	47,702,097	-
Corporate Notes	6,256,147	-	6,256,147	-
U.S. Treasury Obligation Fund	1,131,081	1,131,081	-	-
Total Investments by Fair Value Level	<u>\$ 100,261,014</u>	<u>\$ 46,302,770</u>	<u>\$ 53,958,244</u>	<u>\$ -</u>
Investments at Net Asset Value (NAV)	June 30, 2019			
ColoTrust Investment Pool	<u>\$ 26,498,697</u>			
Total Investments held at Net Asset Value (NAV)	<u>\$ 26,498,697</u>			
Investments at Amortized Cost	June 30, 2019			
CSAFE Investment Pool	<u>\$ 1,322,463</u>			
Total Investments held at Amortized Cost	<u>\$ 1,322,463</u>			
Total Investments	<u>\$ 128,082,174</u>			

As of June 30, 2019, the School District had the following investments, excluding agency. 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)	\$ 26,498,697	20.69%	AAAm	\$ 26,498,697	\$ -	\$ -
CSAFE (external investment pool)	1,322,463	1.03%	AAAm	1,322,463	-	-
Federal Agency Bond/Note	47,702,096	37.24%	AA+	-	40,942,036	6,760,060
Corporate Note	2,091,258	1.63%	AA+	-	2,091,258	-
Corporate Note	2,080,915	1.62%	AAAm	-	2,080,915	-
Corporate Note	2,083,974	1.63%	AA-	-	2,083,975	-
U.S. Treasury Obligation Fund	1,131,081	0.88%	AAAm	1,131,081	-	-
Money Market Mutual Fund	45,171,689	35.27%	AAAm	45,171,689	-	-
	<u>\$ 128,082,173</u>	<u>100.00%</u>		<u>\$ 74,123,930</u>	<u>\$ 47,198,184</u>	<u>\$ 6,760,060</u>

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At June 30, 2019, the School District's discretely presented component units' investments are as follows:

Eagle Ridge Academy	
CSAFE	<u>\$ 1,142,821</u>
Bromley East Charter School	
Colotrust	\$ 3,239,494
CSAFE	801,676
Governmental Agency	1,266,447
Money Market Fund	<u>219,588</u>
Total	<u>\$ 5,527,205</u>
Belle Creek Charter School	
CSAFE	\$ 2,731,362
Colotrust	<u>52,987</u>
Total	<u>\$ 2,784,349</u>
Capital Facility Fee Foundation	
Certificate of Deposits	<u>3,062,236</u>
Total	<u>\$ 3,062,236</u>
Total Component Units	<u>\$ 12,516,611</u>

Local Government Investment Pool - The School District has invested in the Colorado Government Liquid Asset Trust (ColoTrust), Colorado Surplus Asset Fund Trust (CSAFE) and Colorado Statewide Investment Program (CSIP). At June 30, 2019, the School District had \$26,498,697 invested in ColoTrust and \$1,322,463 invested in CSAFE. 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, 2019, 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, 2019.

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

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

significantly from Colorado State Statutes.

Belle Creek Charter had \$52,987 and \$2,731,362, respectively, invested in ColoTrust and CSAFE at June 30, 2019. The investment pools were rated AAAM by Standard & Poor's. Belle Creek Charter held restricted cash and cash equivalents of \$862,569 as required by the building loan agreement and \$90,000 for special education, as required by its charter contract with the School District.

Bromley East Charter had invested \$3,239,494 and \$801,676, respectively, invested in ColoTrust and CSAFE at June 30, 2019. The ColoTrust pool is rated AAAM by Standard and Poor's and CSAFE is rated AAAM by Standard and Poor's. Cash in the amount of \$3,172,594 is restricted for debt service.

Eagle Ridge Academy had \$1,142,821 invested in CSAFE at June 30, 2019. The pool is rated AAAM by Standard and Poor's. Cash and investments of \$1,142,821 have been restricted for debt service requirements. The restricted cash and investments are reported in the financial statements.

Foundation Academy Charter School and Landmark Academy Charter School did not have investments in marketable securities or ColoTrust and CSAFE investment pools at June 30, 2019.

2-B. Receivables

Receivables at June 30, 2019, consisted of taxes, interest, accounts (billings for user charges) and School District receivables arising from grants and fiduciary activity.

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.

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.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

2-D. Capital Assets – Capital asset activity for the year ended June 30, 2019, was as follows:

	Balance 7/1/2018	Additions	Deductions	Balance 6/30/2019
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	103,897,742	55,260,270	110,089,204	49,068,808
Total Capital Assets not being depreciated	118,526,106	55,260,270	110,089,204	63,697,172
Other Capital Assets being depreciated:				
Buildings and Improvements	284,034,926	109,597,051	3,139,859	390,492,118
Equipment	19,883,812	2,228,818	235,637	21,876,993
Total Other Capital Assets	303,918,738	111,825,869	3,375,496	412,369,111
Total Capital Assets	422,444,844	167,086,139	113,464,700	476,066,283
Accumulated Depreciation:				
Buildings and Improvements	70,943,114	8,886,899	1,022,111	78,807,902
Equipment	11,234,204	1,170,032	190,308	12,213,928
Total Accumulated Depreciation	82,177,318	10,056,931	1,212,419	91,021,830
Book Value - Depreciable Capital Assets	221,741,420	101,768,938	2,163,077	321,347,281
Governmental Activities Capital Assets, net	<u>\$ 340,267,526</u>	<u>\$ 157,029,208</u>	<u>\$ 112,252,281</u>	<u>\$ 385,044,453</u>

Governmental Activities Depreciation Expense

Instructional Services	\$ 7,684,488
Pupil Services	888,690
Instructional Staff Support Services	8,887
General Administration	8,887
School Administration	346,589
Business Supporting Services	120,263
Operation and Maintenance	87,976
Pupil Transportation	688,399
Central Supporting Services	222,753
Total Governmental Activities Depreciation Expense	<u>\$ 10,056,931</u>

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

Component Units Capital Assets	Balance 7/1/2018	Additions	Deductions	Balance 6/30/2019
Eagle Ridge Academy				
Capital Assets not being depreciated:				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Construction in Progress	-	69,989	-	69,989
Total capital assets not being depreciated	50,000	69,989	-	119,989
Capital Assets being depreciated:				
Building	9,031,412	-	-	9,031,412
Building Improvements	413,730	-	-	413,730
Land Improvements	366,771	18,248	-	385,019
Total capital assets being depreciated	9,811,913	18,248	-	9,830,161
Less Accumulated Depreciation	(1,987,207)	(243,797)	-	(2,231,004)
Book Value - Depreciable Capital Assets	7,874,706	(155,560)	-	7,719,146
Net Eagle Ridge Academy	\$ 7,874,706	\$ (155,560)	\$ -	\$ 7,719,146
Bromley East Charter School:				
Capital Assets not being depreciated:				
Land	\$ 144,120	\$ -	\$ -	\$ 144,120
Total Capital Assets not being depreciated	144,120	-	-	144,120
Capital Assets being depreciated:				
Buildings	21,589,651	-	-	21,589,651
Vehicles and Equipment	287,258	11,291	-	298,549
Building Improvements	258,128	-	-	258,128
Total Capital Assets being depreciated	22,135,037	11,291	-	22,146,328
Less Accumulated Depreciation	(3,884,117)	(473,446)	-	(4,357,563)
Book Value - Depreciable Capital Assets	18,395,040	(462,155)	-	17,932,885
Net Bromley East Charter School	\$ 18,395,040	\$ (462,155)	\$ -	\$ 17,932,885
Belle Creek Charter School:				
Capital Assets being depreciated:				
Buildings and Improvements	\$ 7,419,195	\$ -	\$ -	\$ 7,419,195
Vehicles	123,871	202,450	-	326,321
Total Capital Assets being depreciated	7,543,066	202,450	-	7,745,516
Less Accumulated Depreciation	(2,713,871)	(195,513)	-	(2,909,384)
Net Belle Creek Charter School	\$ 4,829,195	\$ 6,937	\$ -	\$ 4,836,132
Foundations Academy Charter School:				
Capital Assets being depreciated:				
Equipment	\$ 46,098	\$ -	\$ -	\$ 46,098
Less Accumulated Depreciation	(26,234)	(4,610)	-	(30,844)
Net Foundations Academy Charter School	\$ 19,864	\$ (4,610)	\$ -	\$ 15,254
Total Component Unit Capital Assets, Net	\$ 31,118,805	\$ (615,388)	\$ -	\$ 30,503,417

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

2-E. Interfund Receivables, Payables and Transfers

Interfund receivable and payable balances at June 30, 2019, 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	\$ 2,835,334	Government Designated Purpose Grant Fund	\$ -
Nonmajor Governmental Funds	2,513,931	Nonmajor Governmental Funds	-
General Fund	4,153,016	General Fund	-
Nutrition Services Fund	-	Nutrition Services Fund	1,424,240
Capital Projects Fund	-	Capital Projects Fund	7,502,509
Internal Service Fund	629,321	Internal Service Fund	-
Debt Service Fund	41,331	Debt Service Fund	-
Private Purpose Trust and Agency Fund	-	Private Purpose Trust and Agency Fund	16,275
Fiduciary Fund	-	Fiduciary Fund	1,229,909
Total	<u>\$ 10,172,933</u>		<u>\$ 10,172,933</u>

Interfund transfers for the year ended June 30, 2019, consisted of the following:

Transfers In						
	Government Designated Purpose Grants Fund	Pupil Activity Fund	Transportation Fund	Special Programs Fund	Print Shop Fund	Total
Transfers Out						
General Fund	<u>\$ 3,269</u>	<u>\$ 580,704</u>	<u>\$ 4,174,877</u>	<u>\$ 337,915</u>	<u>\$ 79,285</u>	<u>\$ 5,176,050</u>

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, all certified personnel are paid at a flat rate of .0021 of the BA-1 base salary on the Certified Salary Schedule for all temporary leave days accumulated before July 1, 2018 and .0023 of the BA-1 base salary 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

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

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 Debt

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

Certificates of Participation Series 2015— Certificates of Participation, Series 2015, dated and issued January 5, 2016, were a direct purchase non-bank qualified tax exempt obligation of \$2,290,000. The Certificates of Participation were refunded and deposited into a refunding escrow account for the purpose of defeasing the outstanding Services 2005 Certificates of Participation.

Interest on the Certificates at a rate of 2.03% is payable at each June 15 and December 15. Principal payments are payable on December 15, 2006 and each calendar year thereafter to 2026. The certificates are payable solely from annually appropriated base rentals and any purchase option price paid by the School District under the lease. Refunding the Certificates of Participation at 2.03% equates to a net present value savings of \$237,228 and a \$242,828 present value of savings from cash flow in fiscal year 2016.

The certificates may be called for redemption, in whole, from either proceeds of general obligation bonds or other debt of the School District or moneys made available to the School District from a lease-purchase financing or refinancing with respect to the leased property, at the option of the School District, on or after December 15, 2016 at the redemption price of 100%, plus accrued interest to the redemption date.

Annual debt service requirements to maturity for the Certificates of Participation, Series 2015, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2020	\$ 200,000	\$ 32,886	\$ 232,886
2021	205,000	28,775	233,775
2022	255,000	24,106	279,106
2023	255,000	18,930	273,930
2024	260,000	13,703	273,703
2025	270,000	8,323	278,323
2026	275,000	2,792	277,792
Total	<u>\$ 1,720,000</u>	<u>\$ 129,515</u>	<u>\$ 1,849,515</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.

School District 27J, Colorado
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For The Year Ended June 30, 2019

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
2020	\$ 2,430,000	\$ 887,875	\$ 3,317,875
2021	2,540,000	779,250	3,319,250
2022	2,650,000	660,125	3,310,125
2023	2,780,000	524,750	3,304,750
2024	2,915,000	382,375	3,297,375
2025	6,190,000	154,750	6,344,750
Total	<u>\$ 19,505,000</u>	<u>\$ 3,389,125</u>	<u>\$ 22,894,125</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.

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
2020	\$ 1,285,000	\$ 1,953,187	\$ 3,238,187
2021	1,310,000	1,930,450	3,240,450
2022	3,605,000	1,881,300	5,486,300
2023	3,675,000	1,753,375	5,428,375
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>\$ 43,105,000</u>	<u>\$ 11,732,062</u>	<u>\$ 54,837,062</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,

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For The Year Ended June 30, 2019

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
2020	\$ 1,845,000	\$ 7,391,125	\$ 9,236,125
2021	3,465,000	7,310,350	10,775,350
2022	-	7,275,700	7,275,700
2023	-	7,275,700	7,275,700
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	8,560,000	7,061,700	15,621,700
2030	8,990,000	6,622,950	15,612,950
2031	9,440,000	6,209,400	15,649,400
2032	9,815,000	5,824,300	15,639,300
2033	10,210,000	5,372,750	15,582,750
2034	10,720,000	4,849,500	15,569,500
2035	11,255,000	4,300,125	15,555,125
2036	11,815,000	3,723,375	15,538,375
2037	12,405,000	3,117,875	15,522,875
2038	13,030,000	2,482,000	15,512,000
2039	13,680,000	1,814,250	15,494,250
2040	14,365,000	1,113,125	15,478,125
2041	15,080,000	377,000	15,457,000
Total	\$ 154,675,000	\$ 118,499,725	\$ 273,174,725

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
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For The Year Ended June 30, 2019

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
2020	\$ 3,455,000	\$ 1,065,626	\$ 4,520,626
2021	3,590,000	924,726	4,514,726
2022	3,740,000	759,426	4,499,426
2023	3,925,000	592,176	4,517,176
2024	4,070,000	416,676	4,486,676
2025	1,155,000	286,051	1,441,051
2026	290,000	254,275	544,275
2027	295,000	247,680	542,680
2028	9,760,000	122,000	9,882,000
Total	<u>\$ 30,280,000</u>	<u>\$ 4,668,636</u>	<u>\$ 34,948,636</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
2020	\$ 55,000	\$ 84,429	\$ 139,429
2021	55,000	83,398	138,398
2022	55,000	82,243	137,243
2023	60,000	80,903	140,903
2024	60,000	79,373	139,373
2025	60,000	77,738	137,738
2026	65,000	75,972	140,972
2027	65,000	74,103	139,103
2028	2,480,000	36,575	2,516,575
Total	<u>\$ 2,955,000</u>	<u>\$ 674,734</u>	<u>\$ 3,629,734</u>

School District 27J, Colorado
Notes to the Basic Financial Statements
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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.

Annual debt service requirements to maturity for the General Obligation Bonds, Series 2017, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2020	\$ -	\$ 4,400,000	\$ 4,400,000
2021	-	4,400,000	4,400,000
2022	-	4,400,000	4,400,000
2023	-	4,400,000	4,400,000
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	2,575,000	4,335,625	6,910,625
2030	2,700,000	4,203,750	6,903,750
2031	2,835,000	4,065,375	6,900,375
2032	2,980,000	3,920,000	6,900,000
2033	3,125,000	3,767,375	6,892,375
2034	3,285,000	3,607,125	6,892,125
2035	3,450,000	3,438,750	6,888,750
2036	3,625,000	3,261,875	6,886,875
2037	3,805,000	3,076,125	6,881,125
2038	3,990,000	2,881,250	6,871,250
2039	4,190,000	2,676,750	6,866,750
2040	4,400,000	2,462,000	6,862,000
2041	4,625,000	2,236,375	6,861,375
2042	20,690,000	1,603,500	22,293,500
2043	21,725,000	543,125	22,268,125
Total	\$ 88,000,000	\$ 85,679,000	\$ 173,679,000

School District 27J, Colorado
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For The Year Ended June 30, 2019

A summary of the above bonds and certificates outstanding at June 30, 2019 follows:

Long Term Debt	Principal	Interest	Total
Certificates of Participation Series 2015	\$ 1,720,000	\$ 129,514	\$ 1,849,514
Series 2012A General Obligation Bonds	19,505,000	3,389,125	22,894,125
General Obligation Refunding Bonds Series 2014	43,105,000	11,732,061	54,837,061
General Obligation Bonds Series 2015	154,675,000	118,499,725	273,174,725
General Obligation Refunding Bonds Series 2016A	30,280,000	4,668,637	34,948,637
General Obligation Refunding Bonds Series 2016B	2,955,000	674,735	3,629,735
General Obligation Bonds Series 2017	88,000,000	85,679,000	173,679,000
Total	<u>\$ 340,240,000</u>	<u>\$ 224,772,797</u>	<u>\$ 565,012,797</u>

Defeased Debt – The School District defeased certain bonds by placing the proceeds of refunding bond issues in irrevocable escrow accounts to provide for all future debt service payments on the defeased bonds. As a result, the refunded portions of those bonds are not reported at the government-wide financial reporting level. As of June 30, 2019, there were no amounts of defeased remaining.

Component Unit Long-Term Debt

Belle Creek Charter School: On June 14, 2007, the Colorado Educational and Cultural Facilities Authority (CECFA) issued \$9,200,000 Charter School Revenue Refunding Bonds, Series 2007A, and \$100,000 Taxable Charter School Revenue Bonds, Series 2007B, to advance refund CECFA's outstanding Series 2002 Bonds. Proceeds from the Series 2002 Bonds were loaned to the Education Center under a lease agreement to construct the Charter school's building. Belle Creek Charter School is obligated under a lease agreement to make monthly lease payments to the Education Center for use of the building. The Education Center is required to make equal loan payments to the Trustee, for payment of the Series 2007 Refunding Bonds. Monthly principal and interest payments are due under the agreements, with interest accruing at rates ranging from 4.00% - 5.42%. The bonds mature in March, 2037.

Future debt service requirements are as follows for Belle Creek Charter School Refunding Bonds, Series 2007:

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2020	\$ 255,000	\$ 314,296	\$ 569,296
2021	265,000	303,459	568,459
2022	280,000	291,534	571,534
2023	290,000	278,934	568,934
2024	305,000	265,834	570,834
2025-2029	1,750,000	1,109,679	2,859,679
2030-2034	2,175,000	672,305	2,847,305
2035-2037	<u>1,565,000</u>	<u>146,843</u>	<u>1,711,843</u>
Total	<u>\$ 6,885,000</u>	<u>\$ 3,382,884</u>	<u>\$ 10,267,884</u>

School District 27J, Colorado
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Eagle Ridge Academy: Following is a summary of Eagle Ridge Academy's long-term debt transactions for the year ended June 30, 2019:

	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019	Current
Bonds Payable - Series 2016	\$ 9,420,000	\$ -	\$ 315,000	\$ 9,105,000	\$ 325,000
Premium	169,933	-	9,227	160,706	9,227
Total	<u>\$ 9,589,933</u>	<u>\$ -</u>	<u>\$ 324,227</u>	<u>\$ 9,265,706</u>	<u>\$ 334,227</u>

In November 2016, the Colorado Educational Cultural Facilities Authority (CECFA) issued \$9,720,000 Charter School Revenue Bonds dated November 1, 2016. On November 1, 2016, the Corporation entered into a mortgage and lease agreement with the Brighton Charter School to use the bond proceeds for: a) current refunding of the Authority's Charter School Revenue Bonds Series 2006 in the original aggregate principal amount of \$10,195,000, where were outstanding in the principal amount of \$9,345,000; b) constructing improvements to existing educational facilities originally financed with proceeds of the Series 2006 Bonds; c) funding a bond reserve fund; and d) paying certain costs of issuance of the Bonds. The Bonds are subject to redemption prior to maturity, at the option of the Authority, as a whole or in part in authorized denominations on November 1, 2021, and on any date thereafter, upon direction by the Corporation and upon payment of par plus accrued interest through the date of redemption. The bonds accrue interest at 4.62%. Interest payments are due semi-annually on May 1 and November 1. Principal payments are due November 1, through 2037.

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

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2020	\$ 325,000	\$ 408,866	\$ 733,866
2021	335,000	396,903	731,903
2022	350,000	384,488	734,488
2023	360,000	371,619	731,619
2024	375,000	358,297	733,297
2025-2029	2,085,000	1,562,713	3,647,713
2030-2034	2,625,000	1,003,125	3,628,125
2035-2037	<u>2,650,000</u>	<u>239,000</u>	<u>2,889,000</u>
Total	<u>\$ 9,105,000</u>	<u>\$ 4,725,011</u>	<u>\$ 13,830,011</u>

Bromley East Charter School: In September, 2015, the Colorado Educational and Cultural Facilities Authority (CECFA) issued \$19,155,000 Charter School Refunding and Improvement Revenue Bonds, Series 2015. Bond proceeds were used to refund the Charter School Revenue Refunding Bonds, Series 2005, originally loaned to CEC to refund debt issued to construct the School's education facilities, and to provide additional cash of \$9,350,000 for expansion of the facilities. The School is obligated under a lease agreement to make monthly lease payments to CEC for using the facilities. CEC is required to make equal loan payments to the trustee, for payment of the bonds. Interest accrues at 3.4% per annum, and is paid monthly. Principal payments are due annually beginning September 1, 2016, with a balloon payment of \$14,045,300 due on September 1, 2025.

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

Fiscal Year Ending 30-Jun	Principal	Interest	Total
2020	\$ 552,380	\$ 586,164	\$ 1,138,544
2021	571,160	566,904	1,138,064
2022	590,580	546,989	1,137,569
2023	610,660	526,397	1,137,057
2024	631,420	505,105	1,136,525
2025-2026	14,698,190	602,475	15,300,665
Total	<u>\$ 17,654,390</u>	<u>\$ 3,334,034</u>	<u>\$ 20,988,424</u>

Changes in Long-term Debt - Changes in the School District's long-term obligations consisted of the following for the year ended June 30, 2019:

	Outstanding 7/1/2018	Additions	Reductions	Outstanding 6/30/2019	Amounts Due in One Year
Governmental Activities:					
General Obligation Bonds	\$ 346,520,000	\$ -	\$ 8,000,000	\$ 338,520,000	\$ 9,070,000
Certificates of Participation	1,915,000	-	195,000	1,720,000	200,000
Bond Premium	51,627,738	-	3,117,822	48,509,916	-
Total	<u>\$ 400,062,738</u>	<u>\$ -</u>	<u>\$ 11,312,822</u>	<u>\$ 388,749,916</u>	<u>9,270,000</u>
Early Retirement Obligation	\$ 365,892	\$ -	\$ -	\$ 365,892	\$ 365,892
Compensated Absences Payable	2,426,157	1,900,152	1,531,381	2,794,928	1,676,957
Total	<u>\$ 2,792,049</u>	<u>\$ 1,900,152</u>	<u>\$ 1,531,381</u>	<u>\$ 3,160,820</u>	<u>\$ 2,042,849</u>

Changes in the Component Units' Long-Term Obligations consisted of the following for the year ended June 30, 2019:

	Outstanding 7/1/2018	Additions	Reductions	Outstanding 6/30/2019	Amounts Due in One Year
Governmental Activities:					
Loans Payable	\$ 9,420,000	\$ -	\$ 315,000	\$ 9,105,000	\$ 325,000
Building Loan	18,188,600	-	534,210	17,654,390	552,380
Premium	169,933	-	9,227	160,706	9,227
Total	<u>\$ 27,778,533</u>	<u>\$ -</u>	<u>\$ 858,437</u>	<u>\$ 26,920,096</u>	<u>\$ 886,607</u>
Business-Type Activities:					
Building Loan	\$ 7,130,000	\$ -	\$ 245,000	\$ 6,885,000	\$ 255,000
Discount	(68,733)	-	(4,910)	(63,823)	-
Total Business-Type Activities	<u>\$ 7,061,267</u>	<u>\$ -</u>	<u>\$ 240,090</u>	<u>\$ 6,821,177</u>	<u>\$ 255,000</u>
Total Component Units	<u>\$ 34,839,800</u>	<u>\$ -</u>	<u>\$ 1,098,527</u>	<u>\$ 33,741,273</u>	<u>\$ 1,141,607</u>

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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, 2019 are \$677,952,837 and \$346,520,000, respectively. Compensated absences, pension and OPEB obligations are generally liquidated in the General Fund.

2-H. Defined Benefit Pension Plan

The School District participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of 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.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. A brief description of some of the major changes to plan provisions required by SB 18-200 for the SCHDTF are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employer contribution rates for the SCHDTF by 0.25 percent on July 1, 2019.
- Increases employee contribution rates for the SCHDTF by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019).
- As specified in C.R.S. § 24-51-413, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SCHDTF is considered a nonemployer contribution for financial reporting purposes.
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, increases the highest average salary for employees with less than five years of service credit on December 31, 2019 and raises the retirement age for new employees.
- Member contributions, employer contributions, the direct distribution from the State, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020, and then each year thereafter, to help keep PERA on path to full funding in 30 years.

General Information about the Pension Plan

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

Benefits provided - 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.

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

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

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

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

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

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

As of December 31, 2018, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments in certain years, referred to as annual increases in the C.R.S. Pursuant to SB 18-200, there are no annual increases (AI) for 2018 and 2019 for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure will receive an annual increase, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 1.5 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 will receive the lesser of an annual increase of 1.5 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The automatic adjustment provision may raise or lower the aforementioned AI for a given year by up to one-quarter of 1 percent based on the parameters specified 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 retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

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

Contributions - Eligible employees and the School District are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* and C.R.S. § 24-51-413. Eligible employees are required to contribute 8 percent of their PERA-includable salary during the period of July 1, 2018 through June 30, 2019. The employer contribution requirements are summarized in the table below:

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	January 1, 2018 Through December 31, 2018	January 1, 2019 Through June 30, 2019
Employer Contribution Rate ¹	10.15%	10.15%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF ¹	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	5.50%	5.50%
Total Employer Contribution Rate to the SCHDTF ¹	19.13%	19.13%

¹Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

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

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 \$14,891,297 for the year ended June 30, 2019.

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, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total pension liability to December 31, 2018. The School District's proportion of the net pension liability was based the School District's contributions to the SCHDTF for the calendar year 2018 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2019, the School District reported a liability of \$240,859,503 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 District's proportionate share of net pension liability	\$240,859,503
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	\$32,934,192
Total	\$273,793,695

At December 31, 2018, the School District's proportion was 1.3602460535 percent, which was a decrease of 0.1256608202 percent from its proportion measured as of December 31, 2017.

School District 27J, Colorado
Notes to the Basic Financial Statements
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For the year ended June 30, 2019, the School District recognized pension benefit of \$9,173,523 and revenue of \$1,956,068 for support from the State as a nonemployer contributing entity. At June 30, 2019, the School District 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	\$8,170,190	\$ -
Changes of assumptions or other inputs	44,957,456	149,788,698
Net difference between projected and actual earnings on pension plan investments	32,623,423	19,495,082
Changes in proportion and differences between contributions recognized and proportionate share of contributions	117,813	25,554,934
Contributions subsequent to the measurement date	7,558,477	-
Total	\$93,427,359	\$194,838,714

\$7,558,477 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2020	\$(20,142,245)
2021	(57,935,786)
2022	(38,073,272)
2023	7,181,471
Total	\$(108,969,832)

Actuarial assumption - The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50–9.70 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	4.78 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

School District 27J, Colorado
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The revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2017 to December 31, 2018:

Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	0% through 2019 and 1.5% compounded annually, thereafter
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

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

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

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

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

The actuarial assumptions used in the December 31, 2017, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

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

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

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%

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Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non US Fixed Income – Developed	1.84%	0.60%
Emerging Market Bonds	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the current member contribution rate. 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 and effective as of the measurement date, including 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 included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State will provide an annual direct distribution of \$225 million (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.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to periods of projected benefit payments to determine the total pension liability. The discount determination does not use municipal bond rate, and therefore, the discount rate is 7.25 percent.

As of the prior measurement date, the long-term expected rate of return on plan investments of 7.25 percent and the municipal bond index rate of 3.43 percent were used in the discount rate determination resulting in a discount rate of 4.78 percent, 2.47

School District 27J, Colorado
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percent lower compared to the current measurement date.

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate - The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$306,211,654	\$240,859,503	\$186,018,027

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

Component Unit Defined Benefit Pension Plan

Bromley East Charter School

Contributions: Employer contributions recognized by the SCHDTF School were \$926,211 for the year ended June 30, 2019.

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

At June 30, 2019, the School reported a liability of \$15,067,584 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll forward the total pension liability to December 31, 2018. The School's proportion of the net pension liability was based on the School's contributions to the SCHDTF for the calendar year 2018 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2018, the School's proportion was 0.08509 percent, which was a decrease of 0.00867 percent from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the School recognized pension expense of \$671,735 and revenue of \$10,584 for support from the State as a nonemployer contributing entity. At June 30, 2019, 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	\$511,107	\$ -
Changes of assumptions or other inputs	2,812,429	9,370,418
Net difference between projected and actual earnings on pension plan investments	821,277	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	196,209
Contributions subsequent to the measurement date	463,705	-

School District 27J, Colorado
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Total	\$4,608,518	\$9,566,627
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\$463,705 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, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2020	\$(704,631)
2021	(3,141,136)
2022	(2,025,295)
2023	449,248
Total	\$(5,421,814)

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$19,155,856	\$15,067,584	\$11,636,835

Eagle Ridge Academy

Contributions: Employer contributions recognized by the SCHDTF School were \$316,781 for the year ended June 30, 2019.

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

At June 30, 2019, the School reported a liability of \$5,194,648 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll forward the total pension liability to December 31, 2018. The School's proportion of the net pension liability was based on the School's contributions to the SCHDTF for the calendar year 2018 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2018, the School's proportion was 0.02934 percent, which was a decrease of 0.00341 percent from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the School recognized pension benefit of \$296,655 and revenue of \$42,187 for support from the State as a nonemployer contributing entity. At June 30, 2019, the School reported deferred outflows of resources and deferred inflows of resources related to pensions 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	\$176,208	\$ -
Changes of assumptions or other inputs	969,604	3,230,512
Net difference between projected and actual earnings on pension plan investments	283,141	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	151,788	611,159
Contributions subsequent to the measurement date	159,436	-
Total	\$1,740,177	\$3,841,671

\$159,436 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, 2019. 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	
2020	\$(317,075)
2021	(1,248,624)
2022	(850,115)
2023	154,884
Total	\$(2,260,930)

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$6,604,106	\$5,194,648	\$4,011,875

Belle Creek Charter School

Contributions: Employer contributions recognized by the SCHDTF School were \$458,962 for the year ended June 30, 2019.

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

At June 30, 2019, the School reported a liability of \$7,650,197 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability

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was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll forward the total pension liability to December 31, 2018. The School's proportion of the net pension liability was based on the School's contributions to the SCHDTF for the calendar year 2018 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2018, the School's proportion was 0.0432042343 percent, which was a decrease of 0.0080913057 percent from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the School recognized pension expense of \$519,220 and revenue of \$5,374 for support from the State as a nonemployer contributing entity. At June 30, 2019, 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	\$259,503	\$ -
Changes of assumptions or other inputs	1,427,943	7,757,600
Net difference between projected and actual earnings on pension plan investments	416,984	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	1,450,156
Contributions subsequent to the measurement date	227,438	-
Total	\$2,331,868	\$6,207,756

\$227,438 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	
2020	\$ (858,009)
2021	(2,094,608)
2022	(1,378,807)
2023	228,098
Total	\$(4,103,326)

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

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	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$9,725,917	\$7,650,197	\$5,908,318

2-I. Defined Contribution Pension Plan

Voluntary Investment Program

Plan Description - Employees of the School District that are also members of the SCHDTF may voluntarily contribute to the Voluntary Investment Program, 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 comprehensive annual financial report for the Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of 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, 2019, program members contributed \$486,211.

2-J. Other Post-Employment Benefits

Defined Benefit Other Post Employment Benefit (OPEB) Plan

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 and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

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. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

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

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

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

PERA Benefit Structure

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

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

DPS Benefit Structure

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the School District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the School District were \$791,086 for the year ended June 30, 2019.

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

At June 30, 2019 the School District reported a liability of \$12,029,468 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2018. The School District's proportion of the net OPEB liability was based on School District contributions to the HCTF for the calendar year 2018 relative to the total contributions of participating employers to the HCTF.

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At December 31, 2018, the School District's proportion was 0.8841673544 percent, which was an increase of 0.0401836193 percent from its proportion measured as of December 31, 2017.

For the year ended June 30, 2019, the School District recognized OPEB expense of \$1,023,903. At June 30, 2019, 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	\$41,683	\$18,312
Changes of assumptions or other inputs	84,388	-
Difference between projected and actual earnings on OPEB plan investments	213,353	137,624
Changes in proportion and differences between contributions recognized and proportionate share of contributions	440,994	197,853
Contributions subsequent to the measurement date	400,105	-
Total	\$1,180,523	\$353,789

\$400,105 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, 2020. 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:	
2020	\$68,190
2021	68,190
2022	68,190
2023	116,249
2024	97,216
Thereafter	8,594
Total	\$426,629

Actuarial assumptions. The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment rate of return, net of OPEB	

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plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.00 percent
Medicare Part A premiums	3.25 percent for 2018, gradually rising to 5.00 percent in 2025

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

The actuarial assumptions used in the December 31, 2017, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA's actuary, as discussed below.

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

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$736	\$367
Kaiser Permanente Medicare Advantage HMO	602	236
Rocky Mountain Health Plans Medicare HMO	611	251
UnitedHealthcare Medicare HMO	686	213

The 2018 Medicare Part A premium is \$422 per month.

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

Medicare Plan	Cost for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	\$289
Kaiser Permanente Medicare Advantage HMO	300
Rocky Mountain Health Plans Medicare HMO	270
UnitedHealthcare Medicare HMO	400

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2017, 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

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Part A premiums.

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.25%
2023	5.00%	4.50%
2024	5.00%	4.75%
2025+	5.00%	5.00%

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

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

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

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

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

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

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

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

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2018 plan year.

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

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

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

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

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

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
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB Liability	\$11,697,287	\$12,029,468	\$12,411,535

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

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- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2018, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$13,459,927	\$12,029,468	\$10,806,559

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

Component Unit Post-Employment Benefits

Bromley East Charter School

Contributions: Employer contributions recognized by the HCTF from the School were \$49,385 for the year ended June 30, 2019.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs: At June 30, 2019, the School reported a liability of \$752,461 for its proportionate share of the net OPEB liability. At December 31, 2018, the School's proportion was 0.05531 percent, which was an increase of 0.00203 percent from its proportion measured as of December 31, 2017. For the year ended June 30, 2019, the School recognized an OPEB expense of \$77,944.

At June 30, 2019, the School reported deferred outflows of resources and deferred inflows of resources related to OPEBs 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	\$2,731	\$1,146
Changes of assumptions or other inputs	5,278	-
Net difference between projected and actual earnings on OPEB plan investments	4,327	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	65,881	-
Contributions subsequent to the measurement date	24,724	-
Total	\$102,941	\$1,146

\$24,724 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, 2020. 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:	
2020	\$14,960
2021	14,960
2022	14,958
2023	17,965
2024	14,020
Thereafter	208
Total	\$77,071

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
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB Liability	\$731,683	\$752,461	\$776,360

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

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	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$841,939	\$752,461	\$675,966

Eagle Ridge Academy

Contributions. Employer contributions recognized by the HCTF from the School were \$17,695 for the year ended June 30, 2019.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2019, the School reported a liability of \$259,441 for its proportionate share of the net OPEB liability. At December 31, 2018, the School's proportion was 0.01907 percent, which was an increase of 0.00046 percent from its proportion measured as of December 31, 2017. For the year ended June 30, 2019, the School recognized an OPEB expense of \$7,385.

At June 30, 2019, the School reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$942	\$395
Changes of assumptions or other inputs	1,820	-
Net difference between projected and actual earnings on OPEB plan investments	1,492	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	11,574	-
Contributions subsequent to the measurement date	8,501	-
Total	\$24,329	\$395

\$8,501 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, 2020. 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:	
2020	\$3,223
2021	3,223
2022	3,223
2023	4,259
2024	1,452
Thereafter	53
Total	\$15,433

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

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB Liability	\$252,277	\$259,441	\$267,681

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$290,292	\$259,441	\$233,066

Belle Creek Charter School

Contributions: Employer contributions recognized by the HCTF from the School were \$24,472 for the year ended June 30, 2019.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs: At June 30, 2019, the School reported a liability of \$382,081 for its proportionate share of the net OPEB liability. At December 31, 2018, the School's proportion was 0.0280829630 percent, which was a decrease of 0.0010629710 percent from its proportion measured as of December 31, 2017. For the year ended June 30, 2019, the School recognized an OPEB expense of \$31,550.

At June 30, 2019, the School reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$1,387	\$582
Changes of assumptions or other inputs	2,680	-
Net difference between projected and actual earnings on OPEB plan investments	2,197	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	10,018	11,665
Contributions subsequent to the measurement date	12,127	-
Total	\$28,409	\$12,247

\$12,127 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, 2019. Other amounts

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

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:	
2020	\$1,113
2021	1,113
2022	1,114
2023	2,637
2024	(1,869)
Thereafter	(73)
Total	\$4,035

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
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB Liability	\$371,530	\$382,081	\$394,216

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$427,515	\$382,081	\$343,238

2-K. Change in Accounting Principle

The District's component unit, Belle Creek Charter School implemented GASB Statement No. 84, *Fiduciary Activities*, effective July 1, 2018. As a result, net position at June 30, 2018 was restated to reflect the cumulative effect of adopting this standard.

The restatement had the following impact on previously reported balances:

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

Government-wide

Net Position, June 30, 2018 as originally stated	\$ (11,505,274)
Adoption of new accounting standard	<u>41,248</u>
Net Position, June 30, 2018, as Restated	<u><u>\$ (11,464,026)</u></u>

General Fund

Net Position, June 30, 2018 as originally stated	\$ 1,967,316
Adoption of new accounting standard	<u>41,248</u>
Net Position, June 30, 2018, as Restated	<u><u>\$ 2,008,564</u></u>

2-L. Net Position

Net investment in capital assets on the Government-wide Statement of Net Position as of June 30, 2019 is calculated as:

<u>Net investment in capital assets:</u>	<u>Governmental Activities</u>
Cost of Capital Assets	\$ 476,066,283
Less Accumulated Depreciation	<u>(91,021,830)</u>
Book Value	385,044,453
Less Capital Related Debt - Bonds	(338,520,000)
Less Capital Related Debt - Certificates of Participation	(1,720,000)
Less Bond Premiums	(48,509,916)
Add Bond Deferred Outflows of Resources	4,403,705
Add Unspent Proceeds	<u>72,935,723</u>
	<u><u>\$ 73,633,965</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 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, 2019, the District recorded an investment of \$464,001 and an additional paid in capital amount of \$157,295. The District's ending surplus share of the Pool was a net gain of \$157,295.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

Pool members and percentage shares are as follows:

<u>Adams County School Districts</u>	<u>% Shares in Pool</u>
No. 1	20.10
No. 27J	39.09
No. 50	40.81

Following is a summary of financial information for the Pool as of and for the year ended June 30, 2019:

	<u>Total</u>	<u>District's Share</u>
Assets	\$ 7,007,544	\$ 2,598,428
Liabilities	4,659,988	2,134,427
Equity	<u>\$ 2,347,556</u>	<u>\$ 464,001</u>
Revenues	\$ 3,386,203	\$ 1,323,655
Expenditures	<u>2,983,808</u>	<u>1,166,360</u>
Net Income	402,395	157,295
Surplus, Beginning	2,010,111	306,706
Additional Equity	337,445	157,295
Surplus, Ending	<u>\$ 2,347,556</u>	<u>\$ 464,001</u>

Percentage shares are as of June 30, 2019. 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.

The following schedule shows the coverage for fiscal year 2019:

	<u>School District Deductible</u>	<u>Pool's Self-Insured Retention (Per Occurrence)</u>	<u>Excess Insurance Per Occurrence</u>
Liability	\$ -	\$ 150,000	\$ 5,000,000 (auto) 10,000,000 (general)
Property	1,000	100,000	100,000,000
Workers' Compensation	-	550,000	Statutory
Errors and Omissions	10,000	150,000	10,000,000
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

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

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 \$33,735 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
2017	\$ 22,934	\$ 769,363	\$ 792,221	\$ 28,513
2018	28,513	799,495	800,884	27,124
2019	27,124	798,102	791,491	33,735

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 \$3,871,715 at June 30, 2019. This reserve is recorded as a restricted fund balance in the general fund.

Belle Creek Charter School reported an emergency reserve of \$169,500 at June 30, 2019 as a restricted fund balance in the general fund. Eagle Ridge Academy reported a reserve of \$134,738 at June 30, 2019 as a restricted fund balance in the general fund. Bromley East Charter School reported an emergency reserve of \$315,000 at June 30, 2019 as a restricted fund balance in the general fund. Landmark Academy Charter School reported an emergency reserve of \$190,411 at June 30, 2019 as a restricted fund balance in the general fund. Foundations Academy Charter School reported an emergency reserve of \$191,231 at June 30, 2019 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.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

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, 2018	\$ 253,656
Cash received through June 30, 2019	172,032
Ending balance as of June 30, 2019	<u>\$ 425,688</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, 2019, significant amounts of grant expenditures have not been audited 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.

Lease Agreements – For 2019 an operating lease agreement was extended through 2019 with Williams Scotsman for the use of the two modular units. Under terms of the agreement, the School District makes monthly rental payments. Rent expense through June 30, 2019 was \$11,932.

JPMorgan Chase Chromebooks/Chromebox/Monitors Operating Lease – An operating lease terms was entered into totaling \$409,257, with principal expense due for 36 months with an annual percentage rate of 2.48%. Annual payments began on July 18, 2017, with a principal payment of \$139,769, and end on July 18, 2019, at which time title to the computers, Chromebooks and carts passes to the School District. Scheduled future payments are shown below:

Fiscal Year Ending June 30	Principal	Interest	Total
2020	\$ 136,392	\$ 3,377	\$ 139,769
Total	<u>\$ 136,392</u>	<u>\$ 3,377</u>	<u>\$ 139,769</u>

JPMorgan Chase Chromebook Operating Lease – For 2018 an operating lease terms was entered into totaling \$1,640,468, with principal expense due for 36 months with an annual percentage rate of 2.98%. Annual payments begin on July 15, 2018 and end on July 15, 2020, at which time title to the Chromebooks passes to the School District. Scheduled future payments are shown below:

+

Fiscal Year Ending June 30	Principal	Interest	Total
2020	\$ 532,311	\$ 32,166	\$ 564,477
2021	548,158	16,318	564,476
Total	<u>\$ 1,080,469</u>	<u>\$ 48,484</u>	<u>\$ 1,128,953</u>

Litigation – The School District is involved in significant or potential litigation for the year ended June 30, 2019. The School District believes the final resolution of these matters will not have a materially adverse effect on the financial position of the District due to its defense to these matters, budgeted reserves and adequate insurance.

School District 27J, Colorado
Notes to the Basic Financial Statements
For The Year Ended June 30, 2019

Stewardship, Compliance and Accountability

Construction – The School District had multiple construction contracts during fiscal year 2019. As of June 30, 2019 a total of \$29,710,735 was committed for construction. The breakdown is as follows:

<u>Location</u>	<u>Amount</u>
Prairie View High School Addition	\$ 221,024
High School Lighting	3,840
Elementary #13	18,565,742
Safety & Security	15,125
Technology Building	2,684
District-wide Roofing	9,996
Northeast Elementary	760
Rodger Quist Middle School	10,745,736
Vikan Middle School	35,528
Overland Trail Middle School	110,300
	<u><u>\$ 29,710,735</u></u>

Investment earnings of \$2,890,915 were earned in fiscal year 2019. The total amount expended in fiscal year 2019 for capital projects was \$56,592,455.

3-E. Subsequent Events

On September 30, 2019, the District refinanced Certificates of Participation, Series 2016 and entered into new Certificates of Participation for the purchase of the Brighton Learning and Resource Center for the aggregate amount of \$4,768,183.83 at an interest rate of 2.33%.

Required Supplementary Information

School District 27J, Colorado
General Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 36,178,766	\$ 39,575,680	\$ 40,138,675	\$ 562,995
Intergovernmental Revenue:				
Vocational Education	621,110	621,110	369,162	(251,948)
Special Education	2,760,508	3,070,865	3,285,086	214,221
Transportation	-	-	-	-
Equalization	103,193,179	105,693,833	104,178,937	(1,514,896)
Operating Grants and Contributions	-	-	-	-
Pupil Activities	-	-	151	151
Charges for Service	702,026	792,035	792,035	-
Investment Earnings	100,000	125,000	369,699	244,699
Miscellaneous	364,769	440,461	2,828,163	2,387,702
Total Revenues	143,920,358	150,318,984	151,961,908	1,642,924
Expenditures				
Instructional Services	65,719,457	66,524,858	66,103,961	420,897
Supporting Services				
Pupil Services	5,783,725	6,821,773	7,171,112	(349,339)
Instructional Staff	3,776,639	3,891,270	3,312,826	578,444
General Administration	1,461,305	1,432,208	1,484,702	(52,494)
School Administration	9,196,427	9,590,869	9,626,316	(35,447)
Operations and Maintenance	10,763,365	10,863,288	11,247,038	(383,750)
Pupil Transportation	-	40,000	83,309	(43,309)
Business Supporting Services	10,595,301	12,426,292	1,315,711	11,110,581
Central Supporting Services	8,303,524	9,776,625	11,362,229	(1,585,604)
Community Services	423,731	549,731	424,700	125,031
Contingency Reserves	717,715	3,885,433	-	3,885,433
Capital Outlay	231,711	785,260	770,192	15,068
Debt Service				
Principal Retirement	1,389,843	1,876,265	995,528	880,737
Interest	50,944	50,421	49,970	451
Fiscal Charges	2,000	2,000	-	2,000
Intergovernmental				
Charter Schools	29,039,935	29,807,333	29,957,524	(150,191)
Total Expenditures	147,455,622	158,323,626	143,905,118	14,418,508
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,535,264)	(8,004,642)	8,056,790	16,061,432
Other Financing Sources (Uses)				
Transfers Out	(5,629,560)	(5,269,143)	(5,176,050)	93,093
Net Change in Fund Balance	\$ (9,164,824)	\$ (13,273,785)	2,880,740	\$ 16,154,525
Fund Balance Beginning of Year			27,586,398	
Fund Balance End of Year			\$ 30,467,138	

See the independent auditors' report.

School District 27J, Colorado
Nutrition Services Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Student Lunches	\$ 1,777,292	\$ 1,836,324	\$ 2,211,233	\$ 374,909
State Match	84,261	84,261	107,626	23,365
Federal Sources				
School Lunches	2,147,008	2,147,008	2,231,583	84,575
Breakfast Program	430,592	430,592	292,730	(137,862)
Fruit and Vegetable Program	-	-	42,119	42,119
Summer Program	106,128	106,128	63,472	(42,656)
Commodity Donations	400,000	400,000	445,541	45,541
Investment Income	7,356	15,500	23,899	8,399
Total Revenues	4,952,637	5,019,813	5,418,203	398,390
Expenditures				
Salaries	1,818,789	1,682,826	2,076,817	(393,991)
Benefits	608,715	519,635	664,445	(144,810)
Purchased Services	84,405	89,865	115,025	(25,160)
Food and Milk	1,833,727	1,902,463	2,050,215	(147,752)
General and Office Supplies	582,093	593,457	710,406	(116,949)
Capital Outlay	24,908	146,765	252,065	(105,300)
Contingency	1,598,045	2,415,779	-	2,415,779
Total Expenditures	6,550,682	7,350,790	5,868,973	1,481,817
Net Change in Fund Balance	\$ (1,598,045)	\$ (2,330,977)	(450,770)	\$ 1,880,207
Fund Balance Beginning of Year			2,330,977	
Fund Balance End of Year			\$ 1,880,207	

See the independent auditors' report.

School District 27J, Colorado
Government Designated Purpose Grants Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Intergovernmental				
Federal Grants	\$ 5,247,218	\$ 6,171,686	\$ 5,508,883	\$ (662,803)
State Grants	2,605,881	3,031,075	3,594,691	563,616
Local Grants	134,000	200,000	-	(200,000)
Miscellaneous	85,126	86,570	85,093	(1,477)
Total Revenues	8,072,225	9,489,331	9,188,667	(300,664)
Expenditures				
Current				
Instructional Services	4,930,163	5,201,125	5,007,253	193,872
Supporting Services				
Pupil Services	2,007,666	1,776,015	1,645,229	130,786
Instructional Staff	713,693	913,043	834,445	78,598
School Administration	216,960	333,280	143,902	189,378
Pupil Transportation	49,312	58,108	60,061	(1,953)
Business Supporting Services	152,049	225,667	127,292	98,375
Central Supporting Services	111,485	112,935	109,511	3,424
Community Services	22,742	28,346	31,393	(3,047)
Contingency Reserves	1,000,722	2,279,597	-	2,279,597
Capital Outlay	13,850	10,000	1,886	8,114
Total Expenditures	9,218,642	10,938,116	7,960,972	2,977,144
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,146,417)	(1,448,785)	1,227,695	2,676,480
Other Financing Sources (Uses)				
Transfers In (Out)	-	3,269	3,269	-
Net Change in Fund Balance	\$ (1,146,417)	\$ (1,445,516)	1,230,964	\$ 2,676,480
Fund Balance Beginning of Year			1,468,450	
Fund Balance End of Year			\$ 2,699,414	

See the independent auditors' report.

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

	2014	2015	2016	2017	2018
District's proportion of the Net Pension Liability (Asset)	1.51%	1.52%	1.52%	1.49%	1.36%
District's proportionate share of the Net Pension Liability (Asset)	\$ 205,030	\$ 232,267	\$ 454,010	\$ 480,489	\$ 240,860
State of Colorado's proportionate share of the Net Pension Liability (Asset) associated with the District	-	-	-	-	32,934
Total	<u>\$ 205,030</u>	<u>\$ 232,267</u>	<u>\$ 454,010</u>	<u>\$ 480,489</u>	<u>\$ 273,794</u>
Districts Covered Payroll	\$ 63,374	\$ 66,182	\$ 68,435	\$ 68,519	\$ 74,198
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%
Plan fiduciary net position as a percent of the total Pension Liability	62.84%	59.20%	43.10%	43.96%	57.01%

* 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
Contractually required contribution	\$ 10,889	\$ 11,804	\$ 12,402	\$ 13,451	\$ 14,891
Contributions in relation to the contractually required contribution	(10,889)	(11,804)	(12,402)	(13,451)	(14,891)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 64,484	\$ 65,847	\$ 67,842	\$ 71,479	\$ 77,313
Contributions as a percent of Covered Payroll	16.89%	17.93%	18.28%	18.82%	19.26%

* 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 the Districts Proportionate Share of the
Net OPEB Liability
Last 10 Calendar Years*
(Dollar amounts in thousands)

	<u>2017</u>	<u>2018</u>
District's proportion of the OPEB Liability (Asset)	0.84%	0.88%
District's proportionate share of the OPEB Liability (Asset)	\$ 10,968	\$ 12,029
District's Covered Payroll	\$ 68,519	\$ 74,198
District's proportionate share of the OPEB Liability (Asset) as a percentage of its Covered Payroll	16.01%	16.21%
Plan fiduciary net position as a percent of the total OPEB Liability	17.53%	17.03%

* 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 OPEB Contributions
Last 10 Fiscal Years*
(Dollar amounts in thousands)

	2018	2019
Contractually required contribution	\$ 721	\$ 791
Contributions in relation to the contractually required contribution	<u>(721)</u>	<u>(791)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
 District's Covered Payroll	 \$ 71,479	 \$ 77,313
Contributions as a percent of Covered Payroll	1.01%	1.02%

* 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, 2019

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

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, 2019

	Growth Impact	Pupil Activity	Transportation	Child Care / Extended Day Kindergarten	Other Special Programs	Non-Major Governmental Funds
Assets						
Cash and Investments	\$ 64,558	\$ 1,200,756	\$ -	\$ -	\$ -	\$ 1,265,314
Receivables						
Accounts	-	9,865	2,095	29,355	300	41,615
Interfund Receivable	31,286	366,030	335,008	774,364	1,007,242	2,513,930
Prepaid Items	-	12,617	-	-	-	12,617
Total Assets	<u>\$ 95,844</u>	<u>\$ 1,589,268</u>	<u>\$ 337,103</u>	<u>\$ 803,719</u>	<u>\$ 1,007,542</u>	<u>\$ 3,833,476</u>
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$ 21	\$ 67,670	\$ 2,583	\$ 320	\$ 5,036	\$ 75,630
Accrued Salary and Benefits	-	68	334,520	77,390	119,054	531,032
Total Liabilities	<u>21</u>	<u>67,738</u>	<u>337,103</u>	<u>77,710</u>	<u>124,090</u>	<u>606,662</u>
Fund Balances						
Nonspendable Prepaid Items	-	12,617	-	-	-	12,617
Restricted for Pupil Activity		1,508,913				1,508,913
Committed, Reported In						
Nonmajor Governmental Funds	95,823	-	-	726,009	883,452	1,705,284
(See Note 1-E-10)						
Total Fund Balances	<u>95,823</u>	<u>1,521,530</u>	<u>-</u>	<u>726,009</u>	<u>883,452</u>	<u>3,226,814</u>
Total Liabilities and Fund Balances	<u>\$ 95,844</u>	<u>\$ 1,589,268</u>	<u>\$ 337,103</u>	<u>\$ 803,719</u>	<u>\$ 1,007,542</u>	<u>\$ 3,833,476</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, 2019

	Growth Impact	Pupil Activity	Transportation	Child Care / Extended Day Kindergarten	Other Special Programs	Nonmajor Governmental Funds
Revenues						
Transportation Services	\$ -	\$ -	\$ 1,542,587	\$ -	\$ -	\$ 1,542,587
Pupil Activities	-	2,798,092	-	-	-	2,798,092
Investment Earnings	1,551	28,846	-	-	-	30,397
Charges for Services	-	-	456,935	1,543,168	1,439,358	3,439,461
Miscellaneous	22,713	-	-	-	-	22,713
Total Revenues	<u>24,264</u>	<u>2,826,938</u>	<u>1,999,522</u>	<u>1,543,168</u>	<u>1,439,358</u>	<u>7,833,250</u>
Expenditures						
Instructional Services	-	-	-	5,823	1,321,976	1,327,799
Business Supporting Services	31,722	-	-	-	-	31,722
Transportation Services	-	-	6,174,399	-	-	6,174,399
Instructional Staff	-	-	-	-	65	65
Community Services	-	-	-	1,539,735	-	1,539,735
Central Supporting Services	-	-	-	-	217,827	217,827
Pupil Activities	-	3,098,076	-	-	201,735	3,299,811
Capital Outlay	-	17,270	-	-	43,235	60,505
Total Expenditures	<u>31,722</u>	<u>3,115,346</u>	<u>6,174,399</u>	<u>1,545,558</u>	<u>1,784,838</u>	<u>12,651,863</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,458)	(288,408)	(4,174,877)	(2,390)	(345,480)	(4,818,613)
Other Financing Sources (Uses)						
Transfers In (Out)	-	580,704	4,174,877	-	337,915	5,093,496
Net Change in Fund Balances	(7,458)	292,296	-	(2,390)	(7,565)	274,883
Fund Balances Beginning of Year	103,281	1,229,234	-	728,399	891,017	2,951,931
Net Position End of Year	<u>\$ 95,823</u>	<u>\$ 1,521,530</u>	<u>\$ -</u>	<u>\$ 726,009</u>	<u>\$ 883,452</u>	<u>\$ 3,226,814</u>

See the independent auditors' report.

School District 27J, Colorado
Growth Impact Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Investment Earnings	\$ 400	\$ 400	\$ 1,551	\$ 1,151
Miscellaneous	35,600	22,713	22,713	-
Total Revenues	<u>36,000</u>	<u>23,113</u>	<u>24,264</u>	<u>1,151</u>
Expenditures				
Supporting Services	27,705	32,705	31,722	983
Contingency	125,295	93,689	-	93,689
Total Expenditures	<u>153,000</u>	<u>126,394</u>	<u>31,722</u>	<u>94,672</u>
Net Change in Fund Balance	<u>\$ (117,000)</u>	<u>\$ (103,281)</u>	(7,458)	<u>\$ 95,823</u>
Fund Balance Beginning of Year			<u>103,281</u>	
Fund Balance End of Year			<u>\$ 95,823</u>	

See the independent auditors' report.

School District 27J, Colorado
Pupil Activity Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Pupil Activities	\$ 4,100,622	\$ 2,406,184	\$ 2,798,092	\$ 391,908
Investment Earnings	8,333	-	28,846	28,846
Total Revenues	<u>4,108,955</u>	<u>2,406,184</u>	<u>2,826,938</u>	<u>420,754</u>
Expenditures				
Pupil Activities	5,846,406	4,196,572	3,098,076	1,098,496
Capital Outlay	-	10,700	17,270	(6,570)
Total Expenditures	<u>5,846,406</u>	<u>4,207,272</u>	<u>3,115,346</u>	<u>1,091,926</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,737,451)	(1,801,088)	(288,408)	1,512,680
Other Financing Sources (Uses)				
Transfers In (Out)	<u>580,704</u>	<u>580,704</u>	<u>580,704</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (1,156,747)</u>	<u>\$ (1,220,384)</u>	292,296	<u>\$ 1,512,680</u>
Fund Balance Beginning of Year			<u>1,229,234</u>	
Fund Balance End of Year			<u>\$ 1,521,530</u>	

See the independent auditors' report.

School District 27J, Colorado
Transportation Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Pupil Transportation	\$ 1,500,438	\$ 1,506,756	\$ 1,542,587	\$ 35,831
Charges for Services	265,000	266,700	456,935	190,235
Total Revenues	<u>1,765,438</u>	<u>1,773,456</u>	<u>1,999,522</u>	<u>226,066</u>
Expenditures				
Pupil Transportation	<u>6,462,787</u>	<u>6,029,805</u>	<u>6,174,399</u>	<u>(144,594)</u>
Total Expenditures	<u>6,462,787</u>	<u>6,029,805</u>	<u>6,174,399</u>	<u>(144,594)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,697,349)	(4,256,349)	(4,174,877)	81,472
Other Financing Sources (Uses)				
Transfers In (Out)	<u>4,697,349</u>	<u>4,256,349</u>	<u>4,174,877</u>	<u>(81,472)</u>
Net Change in Fund Balance	<u>\$ -</u>	<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
Other Special Programs Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Charges for Services	\$ 1,536,141	\$ 1,568,616	\$ 1,439,358	\$ (129,258)
Total Revenues	<u>1,536,141</u>	<u>1,568,616</u>	<u>1,439,358</u>	<u>(129,258)</u>
Expenditures				
Current				
Instructional Services	1,381,093	1,341,774	1,321,976	19,798
Supporting Services				
Pupil Services	162,478	166,859	201,735	(34,876)
Instructional Staff	3,641	4,631	65	4,566
Central Supporting Services	298,067	276,482	217,827	58,655
Contingency Reserves	699,646	996,516	-	996,516
Capital Outlay	-	40,243	43,235	(2,992)
Total Expenditures	<u>2,544,925</u>	<u>2,826,505</u>	<u>1,784,838</u>	<u>1,041,667</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,008,784)	(1,257,889)	(345,480)	912,409
Other Financing Sources (Uses)				
Transfers In (Out)	<u>269,874</u>	<u>343,936</u>	<u>337,915</u>	<u>(6,021)</u>
Net Change in Fund Balance	<u>\$ (738,910)</u>	<u>\$ (913,953)</u>	<u>(7,565)</u>	<u>\$ 906,388</u>
Fund Balance Beginning of Year			<u>891,017</u>	
Fund Balance End of Year			<u>\$ 883,452</u>	

See the independent auditors' report.

School District 27J, Colorado
Child Care/Extended Day Kindergarten
Budgetary Comparison Schedule
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Charges for Services	\$ 1,527,073	\$ 1,527,073	\$ 1,543,168	\$ 16,095
Total Revenues	<u>1,527,073</u>	<u>1,527,073</u>	<u>1,543,168</u>	<u>16,095</u>
Expenditures				
Current				
Instructional Services	1,343	1,343	5,823	(4,480)
Supporting Services				
Business Supporting Services	87,792	87,792	-	87,792
Community Services	<u>2,167,206</u>	<u>2,166,337</u>	<u>1,539,735</u>	<u>626,602</u>
Total Expenditures	<u>2,256,341</u>	<u>2,255,472</u>	<u>1,545,558</u>	<u>709,914</u>
Net Change in Fund Balance	<u>\$ (729,268)</u>	<u>\$ (728,399)</u>	<u>(2,390)</u>	<u>\$ 726,009</u>
Fund Balance Beginning of Year			<u>728,399</u>	
Fund Balance End of Year			<u>\$ 726,009</u>	

See the independent auditors' report.

School District 27J, Colorado
Capital Projects Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Investment Earnings	\$ 1,000,000	\$ 900,000	\$ 2,890,915	\$ 1,990,915
Total Revenues	<u>1,000,000</u>	<u>900,000</u>	<u>2,890,915</u>	<u>1,990,915</u>
 Expenditures				
Capital Outlay	<u>-</u>	<u>127,537,263</u>	<u>56,592,455</u>	<u>70,944,808</u>
Total Expenditures	<u>-</u>	<u>127,537,263</u>	<u>56,592,455</u>	<u>70,944,808</u>
Net Change in Fund Balance	<u>\$ 1,000,000</u>	<u>\$ (126,637,263)</u>	<u>(53,701,540)</u>	<u>\$ 72,935,723</u>
Fund Balance Beginning of Year			<u>126,637,262</u>	
Fund Balance End of Year			<u>\$ 72,935,722</u>	

See the independent auditors' report.

School District 27J, Colorado
Debt Service Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Property taxes	\$ 25,964,443	\$ 28,534,759	\$ 28,753,885	\$ 219,126
Investment Earnings	50,000	50,000	256,106	206,106
Total Revenues	26,014,443	28,584,759	29,009,991	425,232
Expenditures				
Debt Service				
Principal Retirement	7,981,480	8,000,000	8,000,000	-
Interest	16,139,868	16,121,348	16,121,348	-
Fiscal Charges	21,000	21,000	8,800	12,200
Contingency Reserves	20,503,479	24,056,915	-	24,056,915
Total Expenditures	44,645,827	48,199,263	24,130,148	24,069,115
Net Change in Fund Balance	\$ (18,631,384)	\$ (19,614,504)	4,879,843	\$ 24,494,347
Fund Balance Beginning of Year			19,614,505	
Fund Balance End of Year			\$ 24,494,348	

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.

Fiduciary Funds

Fiduciary Funds - The School District's fiduciary funds provides scholarships to students and is classified as a private purpose trust fund and an agency fund providing school-sponsored pupil organizations and student activities.

School District 27J, Colorado
Combining Statement of Net Position
Internal Service Funds
June 30, 2019

	<u>Print Shop</u>	<u>Risk Management</u>	<u>Governmental Activities - Internal Service Funds</u>
Assets			
Receivables			
Interfund Receivable	\$ -	\$ 629,321	\$ 629,321
Total Assets	<u>-</u>	<u>629,321</u>	<u>629,321</u>
 Liabilities and Fund Balances			
Liabilities			
Accounts Payable	<u>-</u>	<u>33,735</u>	<u>33,735</u>
Total Liabilities	<u>-</u>	<u>33,735</u>	<u>33,735</u>
 Net Position	<u><u>\$ -</u></u>	<u><u>\$ 595,586</u></u>	<u><u>\$ 595,586</u></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, 2019

	Print Shop	Risk Management	Governmental Activities - Internal Service Funds
Operating Revenues			
Dental Insurance Premiums	\$ -	\$ 835,231	\$ 835,231
Print Shop	53,174	-	53,174
Total Operating Revenues	53,174	835,231	888,405
Operating Expenses			
Salaries and Benefits	76,094	-	76,094
Purchased Services	19,359	-	19,359
Materials and Supplies	32,660	-	32,660
Indirect Costs	4,346	-	4,346
Risk Management Dental	-	791,491	791,491
Total Operating Expenses	132,459	791,491	923,950
Income (Loss) from Operations	(79,285)	43,740	(35,545)
Transfers In (Out)	79,285	-	79,285
Change in Net Position	-	43,740	43,740
Net Position Beginning of Year	-	551,846	551,846
Net Position End of Year	\$ -	\$ 595,586	\$ 595,586

See the independent auditors' report.

School District 27J, Colorado
Combining Statement of Cash Flows
Internal Service Funds
For The Year Ended June 30, 2019

	<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	\$ 53,174	\$ 784,879	\$ 838,053
Cash Payments for Goods and Services	(132,459)	-	(132,459)
Cash Payments for Insurance Premiums and Expenses	-	(784,879)	(784,879)
	<u>-</u>	<u>(784,879)</u>	<u>(784,879)</u>
Net Cash From (Used for) Operating Activities	(79,285)	-	(79,285)
Cash Flows From (Used for) Noncapital Financing Activities			
Transfers	79,285	-	79,285
	<u>79,285</u>	<u>-</u>	<u>79,285</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)	\$ (79,285)	\$ 43,741	\$ (35,544)
(Increase) Decrease in Assets:			
Accounts Receivable	-	119	119
Interfund Receivable	-	(50,471)	(50,471)
Increase (Decrease) in Liabilities:			
Accounts Payable	-	6,611	6,611
	<u>-</u>	<u>6,611</u>	<u>6,611</u>
Net Cash From (Used for) Operating Activities	<u>\$ (79,285)</u>	<u>\$ -</u>	<u>\$ (79,285)</u>

See the independent auditors' report.

School District 27J, Colorado
Print Shop Fund
Budgetary Comparison Schedule
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Charges for Services	\$ 89,000	\$ 89,000	\$ 53,174	\$ (35,826)
Total Revenues	<u>89,000</u>	<u>89,000</u>	<u>53,174</u>	<u>(35,826)</u>
Expenses				
Current:				
Business Supporting Services	<u>170,633</u>	<u>173,885</u>	<u>132,459</u>	<u>41,426</u>
Total Expenses	<u>170,633</u>	<u>173,885</u>	<u>132,459</u>	<u>41,426</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	(81,633)	(84,885)	(79,285)	5,600
Other Financing Sources (Uses)				
Transfers In (Out)	<u>81,633</u>	<u>84,885</u>	<u>79,285</u>	<u>(5,600)</u>
Change in Net Position	<u>-</u>	<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, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Dental Insurance Premiums	\$ 864,000	\$ 864,000	\$ 835,231	\$ (28,769)
Total Revenues	864,000	864,000	835,231	(28,769)
Expenses				
Dental Insurance Claims	842,400	842,400	791,491	50,909
Contingency	541,500	573,446	-	573,446
Total Expenses	1,383,900	1,415,846	791,491	624,355
Change in Net Position	<u>\$ (519,900)</u>	<u>\$ (551,846)</u>	43,740	<u>\$ 595,586</u>
Net Position Beginning of Year			<u>551,846</u>	
Net Position End of Year			<u>\$ 595,586</u>	

See the independent auditors' report.

School District 27J, Colorado
Schedule of Changes in Net Position - Budget to Actual
Fiduciary Funds - Private-Purpose Trust Fund
For The Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Additions				
Investment Earnings	\$ 520	\$ 520	\$ 1,013	\$ 493
Total Additions	520	520	1,013	493
Deductions				
Support Services	25,270	25,419	-	25,419
Total Deductions	25,270	25,419	-	25,419
Change in Net Position	<u>\$ (24,750)</u>	<u>\$ (24,899)</u>	1,013	<u>\$ 25,912</u>
Net Position Beginning of Year			<u>24,899</u>	
Net Position End of Year			<u>\$ 25,912</u>	

See the independent auditors' report.

School District 27J, Colorado
Statement of Changes in Fiduciary Assets and Liabilities
Fiduciary Funds - Agency Fund
For The Year Ended June 30, 2019

	Balance			Balance
	June 30, 2018	Additions	Deletions	June 30, 2019
Assets				
Cash and Investments	\$ 274,466	\$ 1,560,112	\$ 299,700	\$ 1,534,878
Total Assets	<u>\$ 274,466</u>	<u>\$ 1,560,112</u>	<u>\$ 299,700</u>	<u>\$ 1,534,878</u>
 Liabilities				
Due to Others	\$ 274,466	\$ 1,560,112	\$ 299,700	\$ 1,534,878
Total Liabilities	<u>\$ 274,466</u>	<u>\$ 1,560,112</u>	<u>\$ 299,700</u>	<u>\$ 1,534,878</u>

See the independent auditors' report.

Component Units

The component units consist of a foundation and five charter schools: Capital Facility Fee Foundation, Bromley East Charter School, Belle Creek Charter School, Landmark Academy Charter School, Foundations Academy Charter 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
Component Units
Combining Statement of Net Position
June 30, 2019

	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	Total Component Units
Assets							
Cash and Investments	\$ 185,180	\$ 3,168,031	\$ 2,282,024	\$ 2,487,776	\$ 306,080	\$ 276,291	\$ 8,705,382
Restricted Cash and Investments	3,062,236	3,172,594	1,142,298	952,569	-	-	8,329,697
Accounts Receivable	7,587	128,615	74,050	67,844	-	52,002	330,098
Grants Receivable	-	-	-	-	29,069	-	29,069
Prepaid Expenses	-	54,212	1,531	75,271	-	-	131,014
Deposits	-	1,500	-	1,000	-	-	2,500
Capital Assets, Not Being Depreciated	-	144,120	119,989	-	-	-	264,109
Leasehold and Building Improvements	-	21,589,651	9,830,161	7,621,645	-	-	39,041,457
Vehicles	-	556,677	-	101,481	-	-	658,158
Equipment	-	-	-	22,390	46,098	-	68,488
Less Accumulated Depreciation	-	(4,357,563)	(2,231,004)	(2,909,384)	(30,844)	-	(9,528,795)
Total Assets	3,255,003	24,457,837	11,219,049	8,420,592	350,403	328,293	48,031,177
Deferred Outflows of Resources							
Related to Pensions	-	4,608,518	1,740,177	2,331,868	-	-	8,680,563
Related to OPEB	-	102,941	24,329	28,409	-	-	155,679
Cost of Refunding	-	838,615	-	808,234	-	-	1,646,849
Total Deferred Outflows of Resources	-	5,550,074	1,764,506	3,168,511	-	-	10,483,091
Liabilities							
Accounts Payable	208	420,453	80,862	323,265	-	-	824,788
Accrued Salaries and Benefits	-	434,371	99,653	207,285	-	-	741,309
Claims Payable	-	575,758	62,173	-	37,072	72,622	747,625
Unearned Revenue	-	1,161	-	-	66,155	34,078	101,394
Accrued Interest Payable	-	50,021	68,144	91,670	-	-	209,835
Noncurrent Liabilities							
Due within one year	-	552,380	334,227	255,000	-	-	1,141,607
Due in more than one year	-	17,102,010	8,931,479	6,566,176	-	-	32,599,665
Net Pension Liability	-	15,067,584	5,194,648	7,650,197	-	-	27,912,429
Net OPEB Liability	-	752,461	259,441	382,081	-	-	1,393,983
Total Liabilities	208	34,956,199	15,030,627	15,475,674	103,227	106,700	65,672,635
Deferred Inflows of Resources							
Related to Pensions	-	9,566,627	3,841,671	6,207,756	-	-	19,616,054
Related to OPEB	-	1,146	395	12,247	-	-	13,788
Total Deferred Inflows of Resources	-	9,567,773	3,842,066	6,220,003	-	-	19,629,842
Net Position							
Net Investment in Capital Assets	-	1,117,110	(1,546,560)	(1,101,539)	15,254	-	(1,515,735)
Restricted for							
Capital Projects	3,254,795	2,571,387	-	-	-	-	5,826,182
Other Program Purposes	-	337,000	-	90,000	-	-	427,000
Building Maintenance	-	-	101,778	95,662	-	-	197,440
Emergencies	-	315,000	134,738	169,500	191,231	190,411	1,000,880
Debt Service	-	552,380	972,376	675,237	-	-	2,199,993
Unrestricted	-	(19,408,938)	(5,551,470)	(10,035,434)	40,691	31,182	(34,923,969)
Total Net Position	\$ 3,254,795	\$ (14,516,061)	\$ (5,889,138)	\$ (10,106,574)	\$ 247,176	\$ 221,593	\$ (26,788,209)

See the independent auditors' report.

School District 27J, Colorado
Component Units
Combining Statement of Activities
For The Year Ended June 30, 2019

	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	Total Component Units
Revenues							
Intergovernmental Revenue:							
Per Pupil Operating Revenue	\$ -	\$ 9,352,724	\$ 4,109,019	\$ 5,098,164	\$ 5,682,053	\$ 5,566,623	\$ 29,808,583
Mill Levy Override	-	47,833	20,714	20,457	29,853	30,067	148,924
Capital Construction	-	358,028	157,130	195,057	217,282	212,869	1,140,366
Investment Earnings	100,258	185,127	22,794	61,707	-	-	369,886
Charges for Services	864,364	1,322,836	178,778	89,902	113,404	110,766	2,680,050
Operating Grants and Contributions	23,622	539,431	297,907	304,439	191,876	213,580	1,570,855
Capital Grants and Contributions	-	-	-	-	-	-	-
Other	-	104,723	9,204	12,733	148,450	226,618	501,728
Total Revenues	988,244	11,910,702	4,795,546	5,782,459	6,382,918	6,360,523	36,220,392
Expenditures							
Current							
Instruction	-	5,728,019	1,723,835	1,736,941	2,567,162	2,760,242	14,516,199
Support Services	31,357	4,431,514	1,549,070	2,100,750	3,796,689	3,583,886	15,493,266
Education Center	-	1,177,751	-	587,316	-	-	1,765,067
Interest on Long-term Debt	-	-	426,928	-	-	-	426,928
Depreciation	-	-	-	-	4,610	-	4,610
Business-Type Activities	-	-	-	-	5,900	2,905	8,805
Total Expenditures	31,357	11,337,284	3,699,833	4,425,007	6,374,361	6,347,033	32,214,875
Change in Net Position	956,887	573,418	1,095,713	1,357,452	8,557	13,490	4,005,517
Fund Balances Beginning of Year	2,297,908	(15,089,479)	(6,984,851)	(11,505,274)	238,619	208,103	(30,834,974)
Restatement	-	-	-	41,248	-	-	41,248
Fund Balance, Restated	2,297,908	(15,089,479)	(6,984,851)	(11,464,026)	238,619	208,103	(30,793,726)
Net Position End of Year	\$ 3,254,795	\$ (14,516,061)	\$ (5,889,138)	\$ (10,106,574)	\$ 247,176	\$ 221,593	\$ (26,788,209)

See the independent auditors' report.

Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Statistical Section



School District 27J, Colorado
Statistical Section

This part of the School District's comprehensive annual 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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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)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net Investment in Capital Assets	\$ 44,758,012	\$ 38,645,785	\$ 48,083,168	\$ 51,929,200	\$ 54,911,193	\$ 58,348,901	\$ 77,351,838	\$ 159,173,513	\$ 71,833,108	\$ 73,633,965
Restricted	13,937,175	22,249,080	19,407,505	16,203,020	18,017,412	21,188,694	21,880,142	118,644,734	154,177,765	35,188,806
Unrestricted	7,906,169	11,641,451	12,106,805	16,435,788	14,138,367	(176,032,876)	(190,921,679)	(438,798,723)	(479,514,264)	(327,985,722)
Total Governmental Activities Net Position	\$ 66,601,356	\$ 72,536,316	\$ 79,597,478	\$ 84,568,008	\$ 87,066,972	\$ (96,495,281)	\$ (91,689,699)	\$ (160,980,476)	\$ (253,503,391)	\$ (219,162,951)
Business-Type Activities										
Net Investment in Capital Assets	\$ 169,378	\$ 146,261	\$ 126,867	\$ 153,740	\$ 127,249	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,292,318	1,216,899	1,076,674	983,681	1,546,913	-	-	-	-	-
Total Business-Type Activities Net Position	\$ 1,461,696	\$ 1,363,160	\$ 1,203,541	\$ 1,137,421	\$ 1,674,162	\$ -	\$ -	\$ -	\$ -	\$ -
Primary Governmental										
Net Investment in Capital Assets	\$ 44,927,390	\$ 38,792,046	\$ 48,210,035	\$ 52,082,940	\$ 55,038,442	\$ 58,348,901	\$ 77,351,838	\$ 159,173,513	\$ 71,833,108	\$ 73,633,965
Restricted	13,937,175	22,249,080	19,407,505	16,203,020	18,017,412	21,188,694	21,880,142	118,644,734	154,177,765	35,188,806
Unrestricted	9,198,487	12,858,350	13,183,479	17,419,469	15,685,280	(176,032,876)	(190,921,679)	(438,798,723)	(479,514,264)	(327,985,722)
Total Primary Governmental Net Position	\$ 68,063,052	\$ 73,899,476	\$ 80,801,019	\$ 85,705,429	\$ 88,741,134	\$ (96,495,281)	\$ (91,689,699)	\$ (160,980,476)	\$ (253,503,391)	\$ (219,162,951)

School District 27J

School District 271, Colorado
Changes in Net Position
Last Ten Fiscal Years
(Unaudited)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenditures:										
Instruction	\$ 58,505,091	\$ 58,283,462	\$ 52,281,942	\$ 56,534,016	\$ 58,078,995	\$ 69,819,034	\$ 70,958,267	\$ 110,287,101	\$ 123,402,162	\$ 70,769,819
Supporting Services										
Pupil Services	5,931,702	5,954,687	5,727,129	5,695,910	6,040,052	7,160,322	7,598,750	11,089,858	12,171,523	8,179,522
Instructional Staff	2,974,897	2,289,136	2,398,258	2,702,021	3,188,517	4,195,210	4,388,517	6,674,199	6,519,988	3,534,065
General Administration	1,225,790	1,138,125	1,010,678	1,126,195	1,247,085	1,422,035	1,253,592	2,270,773	2,865,341	1,295,331
School Administration	7,072,636	6,311,175	6,120,805	6,768,955	7,529,507	8,656,067	7,420,284	14,657,259	17,859,057	8,684,276
Operations and Maintenance	8,174,673	8,119,576	8,214,894	8,608,872	9,358,202	10,210,360	9,186,136	15,854,736	17,406,459	9,690,171
Pupil Transportation	4,291,929	4,756,441	4,425,409	4,783,685	5,436,870	5,491,876	5,907,425	10,366,324	10,366,324	5,234,381
Business Supporting Services	1,929,783	1,701,482	1,544,282	1,707,378	1,463,254	2,058,803	2,077,563	3,870,464	5,217,770	1,919,116
Central Supporting Services	3,931,487	4,085,525	3,937,387	3,985,709	5,389,693	6,538,379	7,096,785	14,171,480	12,000,638	10,069,084
Community Services	1,880,468	1,712,629	1,457,395	2,802,651	1,919,695	1,196,170	1,372,391	2,311,704	2,780,297	1,682,676
Pupil Activities	3,035,073	3,262,241	2,819,923	3,146,673	3,604,522	3,497,619	3,449,901	5,057,738	5,315,104	2,782,059
Charter Schools	15,465,132	17,573,744	19,037,798	20,339,699	21,654,836	23,613,579	25,076,862	26,799,848	27,942,884	29,957,524
Debt Service - Interest	8,153,857	7,850,584	6,901,656	6,871,192	7,696,768	6,085,213	11,136,192	9,628,044	13,249,944	13,610,729
Nutrition Services	4,306,182	4,327,381	4,316,876	4,778,745	5,447,599	5,367,753	5,582,380	8,140,985	8,881,578	4,735,596
Total Governmental Activities	126,878,700	127,366,188	120,194,432	129,851,701	138,055,595	155,312,420	162,504,818	239,809,212	265,979,069	172,144,750
Business-Type Activities:										
Nutrition Services	4,306,182	4,327,381	4,316,876	4,778,745	5,447,599	-	-	-	-	-
Total - Primary Government	\$ 131,184,882	\$ 131,693,569	\$ 124,511,308	\$ 134,630,446	\$ 143,503,194	\$ 155,312,420	\$ 162,504,818	\$ 239,809,212	\$ 265,979,069	\$ 172,144,750
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Community Services	\$ 1,543,545	\$ 1,334,399	\$ 1,274,739	\$ 2,589,011	\$ 1,508,692	\$ 3,144,026	\$ 3,035,051	\$ 3,234,404	\$ 4,174,475	\$ 3,774,561
Pupil Transportation	-	-	-	-	-	378,079	439,717	355,583	379,171	456,935
Nutrition Service	-	-	-	-	-	1,831,219	1,897,852	2,040,437	2,076,630	2,211,233
Pupil Activities	2,853,993	3,083,493	2,221,891	2,918,456	3,075,202	2,885,360	2,628,234	2,971,610	2,362,593	2,798,243
Operating Grants and Contributions:										
Instruction	8,195,839	12,969,834	7,673,493	8,270,645	7,707,759	10,633,518	10,920,832	11,821,675	12,294,332	12,757,822
Pupil Transportation	934,775	1,191,287	1,428,170	1,520,293	1,605,012	1,353,453	1,425,769	1,462,467	1,503,981	1,542,587
Nutrition Service	-	-	-	-	-	3,334,974	3,398,582	3,499,441	3,606,054	3,183,071
Capital Grants and Contributions:										
Instruction	621,641	1,964,178	160,499	340,039	123,881	3,000	135,498	137,020	180,446	-
Operations and Maintenance	42,600	-	-	-	-	-	-	-	-	-
Total Governmental Activities	14,192,393	20,543,191	12,758,792	15,638,444	14,020,546	23,563,629	23,881,535	25,522,637	26,577,682	26,724,452
Business-Type Activities:										
Charges for Services:										
Nutrition Service	1,436,845	1,575,143	1,553,246	1,659,755	2,613,055	-	-	-	-	-
Operating Grants and Contributions:										
Nutrition Service	2,469,719	2,653,702	2,961,483	3,118,990	3,263,944	-	-	-	-	-
Capital Grants and Contributions:										
Nutrition Service	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	3,906,564	4,228,845	4,514,729	4,778,745	5,876,999	-	-	-	-	-
Total - Primary Government	\$ 18,098,957	\$ 24,772,036	\$ 17,273,521	\$ 20,417,189	\$ 19,897,545	\$ 23,563,629	\$ 23,881,535	\$ 25,522,637	\$ 26,577,682	\$ 26,724,452
Net (Expense)/Revenue										
Governmental Activities	\$ (108,380,125)	\$ (102,495,616)	\$ (103,118,764)	\$ (109,434,512)	\$ 118,587,450	\$ (131,748,785)	\$ (138,623,283)	\$ (214,286,575)	\$ (239,401,387)	\$ (145,420,298)
Business-Type Activities	399,618	98,536	(197,853)	66,120	(429,400)	-	-	-	-	-
Total - Primary Government	\$ (107,980,507)	\$ (102,397,080)	\$ (103,316,617)	\$ (109,368,392)	\$ 118,158,050	\$ (131,748,785)	\$ (138,623,283)	\$ (214,286,575)	\$ (239,401,387)	\$ (145,420,298)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes:										
General Purposes	\$ 24,530,429	\$ 24,225,084	\$ 23,379,529	\$ 24,220,246	\$ 25,634,454	\$ 25,763,791	\$ 32,062,244	\$ 31,838,574	\$ 36,520,581	\$ 40,320,930
Debt Service	14,711,894	14,378,674	14,330,300	15,608,518	15,189,593	17,450,842	22,468,773	21,894,389	25,988,094	28,753,885
Equalization	70,306,824	67,327,287	70,412,540	72,854,971	78,593,963	87,575,528	86,853,890	89,855,162	93,128,798	104,178,937
Earnings on Investments	207,969	89,598	48,838	171,515	22,949	(233,272)	839,319	774,056	1,302,123	3,571,016
Miscellaneous	2,404,536	2,409,933	1,651,247	1,549,792	2,191,310	674,989	1,204,638	633,617	826,637	2,935,969
Total Governmental Activities	112,161,652	108,430,576	109,822,454	114,405,042	121,632,269	131,231,878	143,428,864	144,995,798	157,766,233	179,760,737
Change in Net Position										
Governmental Activities	3,377,085	5,934,960	6,703,690	4,970,530	3,044,819	(516,907)	4,805,581	(69,290,777)	(81,635,154)	34,340,439
Business-Type Activities	(399,618)	(98,536)	197,853	(66,120)	429,400	-	-	-	-	-
Business-Type Transfers	-	-	(357,472)	-	-	-	-	-	-	-
Total - Primary Government	\$ 2,977,467	\$ 5,836,424	\$ 6,544,071	\$ 4,904,410	\$ 3,474,219	\$ (516,907)	\$ 4,805,581	\$ (69,290,777)	\$ (81,635,154)	\$ 34,340,439

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Restricted	\$ 541,950	\$ 3,180,775	\$ 5,298,917	\$ 3,947,577	\$ 4,003,552	\$ 2,967,123	\$ 2,792,537	\$ 3,960,316	\$ 4,593,650	\$ 5,413,776
Nonspendable Prepaid Item	-	-	31,209	8,930	633,455	19,087	58,104	427,015	497,287	436,394
Committed	-	2,153,544	2,153,544	2,503,657	3,156,594	3,772,824	3,787,365	3,953,555	3,943,973	4,210,070
Assigned	-	1,121,059	797,269	5,581,111	3,781,597	3,977,837	7,290,445	9,770,708	15,540,555	15,501,439
Unassigned	3,464,188	6,559,483	10,759,350	6,927,619	5,567,028	6,519,050	7,096,553	4,083,556	3,010,933	4,905,458
Total General Fund	4,006,138	13,014,861	19,040,289	18,968,894	17,142,226	17,255,921	21,025,004	22,195,150	27,586,398	30,467,137
All Other Governmental Funds										
Restricted	20,612,357	18,962,386	12,837,134	12,485,506	13,865,957	17,166,032	189,122,487	113,626,251	148,422,371	100,745,725
Nonspendable Prepaid Item	-	-	-	-	-	-	175	88,413	160,373	109,177
Restricted for Government Designated Purpose Grants	-	1,837,000	1,489,423	639,549	623,264	1,055,539	1,289,831	1,058,167	1,468,450	2,688,938
Committed, reported in:										
Special Revenue Funds	3,331,544	1,541,255	1,615,129	2,317,270	1,924,689	3,854,314	4,106,885	3,163,794	2,951,931	1,692,667
Total All Other Governmental Funds	23,943,901	22,340,641	15,941,686	15,442,325	16,413,910	22,075,885	194,519,378	117,936,625	153,003,125	105,236,507
Total Fund Balances of Governmental Funds	\$ 27,950,039	\$ 35,355,502	\$ 34,981,975	\$ 34,411,219	\$ 33,556,136	\$ 39,331,806	\$ 215,544,382	\$ 140,131,775	\$ 180,589,523	\$ 135,703,644

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 271, Colorado
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
Taxes	\$ 39,569,230	\$ 38,331,394	\$ 38,136,936	\$ 39,370,670	\$ 40,830,227	\$ 43,389,958	\$ 54,164,431	\$ 53,688,850	\$ 62,481,629	\$ 68,892,560
Intergovernmental ¹	79,437,438	81,488,408	78,086,033	82,285,591	88,803,250	102,897,473	102,895,315	106,638,745	110,533,165	121,662,417
Local Grants	621,641	1,964,178	160,499	340,039	123,881	340,000	135,498	137,020	180,446	-
Pupil Activities	2,853,993	3,083,493	4,150,370	2,957,393	3,075,202	2,885,360	2,628,234	2,971,610	2,362,588	2,798,243
Charges for Services	1,543,545	1,334,399	1,274,739	2,949,329	2,183,005	5,353,324	5,372,621	5,630,424	6,630,276	6,442,729
Investment Earnings	207,969	89,598	48,838	171,515	22,949	(233,272)	839,319	774,056	1,302,123	3,571,016
Miscellaneous	2,404,537	2,409,933	1,651,247	1,549,792	620,482	696,571	1,204,638	633,617	826,637	2,935,969
Total Revenues	126,638,333	128,701,403	123,308,682	129,624,329	135,658,996	154,992,414	167,240,056	170,474,322	184,316,864	206,302,934
Expenditures:										
Instruction	53,903,484	48,678,629	47,882,445	51,651,793	55,385,700	60,542,859	62,319,644	62,958,047	65,894,018	72,439,013
Supporting services:										
Pupil Services	5,495,141	5,460,322	5,232,927	5,185,598	5,528,005	6,178,769	6,366,083	6,450,116	6,795,199	8,816,341
Instructional Staff	2,959,640	2,272,183	2,381,305	2,685,068	3,121,900	3,944,667	3,934,136	4,110,103	3,974,651	4,147,336
General Administration	1,110,757	1,061,277	968,575	1,076,842	1,182,540	1,232,049	1,241,070	1,183,243	1,349,171	1,484,702
School Administration	6,328,515	5,768,379	5,757,566	6,377,121	7,041,755	7,433,569	7,617,701	7,856,803	8,571,660	9,770,218
Operations and Maintenance	8,477,569	8,040,818	8,134,904	8,537,890	9,121,361	9,185,014	8,874,127	9,183,388	9,417,714	11,247,038
Pupil Transportation	3,901,229	4,353,368	4,076,863	4,326,254	4,972,783	5,061,879	5,272,481	5,575,251	6,188,685	6,317,769
Business Supporting Services	1,561,839	1,439,748	1,370,725	1,518,711	1,378,520	1,418,944	1,311,402	1,791,758	2,665,058	1,474,725
Central Supporting Services	3,749,941	3,901,346	3,767,128	3,825,928	5,177,907	5,938,717	6,239,025	8,802,844	7,357,378	11,689,567
Community Services	1,880,468	1,712,629	1,457,395	2,802,651	1,919,694	1,117,737	1,242,672	1,451,274	1,713,220	1,995,828
Pupil Activities	3,035,073	3,262,241	2,819,923	3,146,673	3,604,522	3,268,280	5,054,729	5,123,872	5,472,832	3,299,811
Nutrition Services	-	-	-	-	-	5,023,969	3,123,814	3,183,300	3,275,169	5,616,908
Capital Outlay	7,644,453	2,608,805	8,781,545	3,332,261	1,801,101	2,993,528	14,862,348	79,545,320	72,515,618	57,677,103
Charter Schools	15,465,132	17,573,744	19,037,798	20,339,699	21,654,836	23,613,578	25,076,862	26,799,848	27,942,884	29,957,524
School District 271 Debt Service ²	-	-	-	-	-	-	-	-	-	-
Principal	7,440,329	7,108,287	7,210,790	14,914,690	8,132,392	8,819,026	12,359,049	10,227,368	10,499,663	8,995,528
Interest	8,326,555	8,047,386	7,087,158	7,242,931	6,812,108	6,470,104	10,456,280	10,772,996	15,255,996	16,171,318
Administrative Fees	4,250	6,779	5,251	8,195	5,734	6,975	92,136	27,036	8,150	8,800
Payment to Escrow	-	-	-	-	-	-	-	-	-	-
Bond Insurance Costs	-	-	-	9,750	-	144,500	952,239	-	-	-
Advance Refunding	-	-	275,092	-	-	-	-	139,504	573,212	-
Total Expenditures	131,284,375	121,295,941	126,247,390	136,982,055	136,840,859	152,394,164	176,395,798	245,182,071	249,470,278	251,109,529
Percentage of Debt Service Expenditures to Non-Capital Expenditures	12.5%	12.6%	0.0%	0.0%	16.5%	11.0%	10.3%	12.4%	13.9%	13.0%
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,646,022)	7,405,462	(2,738,708)	(7,357,726)	(1,181,863)	2,598,250	(9,155,742)	(74,707,749)	(65,153,414)	(44,806,595)
Other Financing Sources (Uses)										
Other Financing Sources (Uses)										
Issuance of Bonds	-	-	32,855,000	6,730,000	-	49,530,000	160,000,000	36,610,000	88,000,000	-
Premium on Bond Issuance	-	-	5,280,148	-	-	8,101,220	25,353,909	3,494,045	17,638,825	-
Discount on COPS	-	-	-	-	-	-	-	-	-	-
Payment to COPS Escrow	-	-	-	-	-	-	(2,250,000)	(40,734,842)	-	-
Payment to Bond Escrow	-	-	(37,860,056)	(7,367,463)	-	(57,265,849)	2,290,000	-	-	-
Issuance of COPS	-	-	-	-	-	-	-	-	-	-
Capital Lease Proceeds	1,137,795	-	1,886,359	113,418	471,680	1,242,125	-	-	-	-
Sale of Capital Assets	379,400	-	-	-	-	-	-	-	-	-
Land Contribution Proceeds	42,600	-	-	-	-	-	-	-	-	-
Transfers In	2,137,350	288,875	5,533,678	3,609,603	3,928,521	3,562,338	3,629,212	4,374,453	4,864,120	5,096,765
Transfers Out	(2,137,350)	(288,875)	(5,176,206)	(3,609,603)	(4,004,177)	(3,569,572)	(3,654,804)	(4,448,515)	(4,911,787)	(5,176,050)
Total Other Financing Sources (Uses)	1,559,795	-	2,518,923	(524,045)	396,024	1,600,262	185,368,317	(704,859)	105,611,158	(79,285)
Net Change in Fund Balances	\$ (3,086,227)	\$ 7,405,462	\$ (219,785)	\$ (7,881,771)	\$ (785,839)	\$ 4,198,512	\$ 176,212,576	\$ (75,412,608)	\$ 40,457,744	\$ (44,885,880)

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)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Local Sources										
Taxes	\$ 39,569,230	\$ 38,331,394	\$ 38,136,956	\$ 39,370,670	\$ 40,830,227	\$ 43,389,958	\$ 54,164,431	\$ 53,688,850	\$ 62,481,629	68,892,560
Grants	621,641	1,964,178	160,499	340,039	123,881	3,000	135,498	137,020	180,446	-
Interest	207,969	89,598	48,838	171,515	22,949	(233,272)	839,319	774,056	1,302,123	3,571,016
Pupil Activities	2,853,993	3,083,493	2,722,200	2,957,393	3,075,202	2,885,360	2,628,234	2,971,610	2,362,588	2,798,243
Charges for Services	1,543,545	1,334,399	1,274,739	2,949,329	2,183,005	5,353,324	5,372,621	5,630,424	6,630,276	6,442,729
Miscellaneous	2,404,537	2,409,933	1,651,247	1,549,792	620,482	696,571	1,204,638	633,617	826,637	2,935,969
Total Local Sources	47,200,915	47,212,995	43,994,479	47,338,738	46,855,746	52,094,941	64,344,741	63,835,577	73,783,699	84,640,517
State Sources										
Equalization	70,306,824	67,327,287	70,412,540	72,854,971	78,593,963	87,575,528	86,853,890	89,855,162	93,128,798	104,178,937
Vocational Education	606,514	633,100	457,146	499,745	621,111	587,100	516,935	441,373	274,956	369,162
Transportation	934,775	1,191,287	1,428,170	1,159,975	1,225,752	1,353,453	1,425,769	1,462,467	1,503,981	1,542,587
Special Education	2,052,101	2,103,579	2,189,703	2,262,225	2,599,278	2,684,981	2,927,817	3,095,008	3,108,885	3,285,086
Grants	757,827	861,752	707,546	1,098,995	1,274,289	2,598,557	3,428,724	3,433,004	3,364,590	3,702,317
Total State Sources	74,658,041	72,117,005	75,195,105	77,875,911	84,314,393	94,799,619	95,153,135	98,287,014	101,381,210	113,078,089
Federal Sources										
Grants	4,779,397	9,371,403	4,319,098	4,409,680	4,488,857	8,097,854	7,742,179	8,351,731	9,151,955	8,584,328
Total Revenues by Source	\$ 126,638,353	\$ 128,701,403	\$ 123,508,682	\$ 129,624,329	\$ 135,658,996	\$ 154,992,414	\$ 167,240,056	\$ 170,474,322	\$ 184,316,864	\$ 206,302,934

Note - 2012 Transportation revenue moved from General Fund to Special Revenue Fund

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Instruction	\$ 53,903,484	\$ 48,678,629	\$ 47,882,445	\$ 51,651,793	\$ 55,385,700	\$ 60,542,859	\$ 62,319,644	\$ 62,958,047	\$ 65,894,018	\$ 72,439,013
Pupil Services	5,495,141	5,460,322	5,232,927	5,185,598	5,528,005	6,178,769	6,366,083	6,450,116	6,795,199	8,816,341
Instructional Staff	2,959,640	2,272,183	2,381,305	2,685,068	3,121,900	3,944,667	3,934,136	4,110,103	3,974,651	4,147,336
General Administration	1,110,757	1,061,277	968,575	1,076,842	1,182,540	1,232,049	1,241,070	1,183,243	1,349,171	1,484,702
School Administration	6,328,515	5,768,379	5,757,566	6,377,121	7,041,755	7,433,569	7,617,701	7,856,803	8,571,660	9,770,218
Operations and Maintenance	8,477,569	8,040,818	8,134,904	8,537,890	9,121,361	9,185,014	8,874,127	9,183,388	9,417,714	11,247,038
Pupil Transportation	3,901,229	4,353,368	4,076,863	4,326,254	4,972,783	5,061,879	5,272,481	5,575,251	6,188,685	6,317,769
Central Supporting Services	5,311,780	5,341,094	5,137,853	5,344,639	6,556,429	7,357,661	7,550,427	10,594,602	10,022,436	13,164,292
Community Services	1,880,468	1,712,629	1,457,395	2,802,651	1,919,694	1,117,737	1,242,672	1,451,274	1,713,220	1,995,828
Nutrition Services	-	-	-	-	-	5,023,969	5,054,729	5,123,872	5,472,832	5,616,908
Pupil Activities	3,035,073	3,262,241	2,819,923	3,146,673	3,604,522	3,268,280	3,123,814	3,183,300	3,275,169	3,299,811
Capital Outlay	7,644,453	2,608,805	8,781,545	3,332,261	1,801,100	2,993,528	14,862,348	79,545,320	72,515,618	57,677,103
Charter Schools	15,465,132	17,573,744	19,037,798	20,339,699	21,654,836	23,613,578	25,076,862	26,799,848	27,942,884	29,957,524
Debt Services:										
Principal	7,440,329	7,108,287	7,210,790	7,789,690	8,132,392	8,819,026	12,359,049	10,227,368	10,499,663	8,995,528
Interest and Fiscal Charges	8,330,805	8,054,165	7,092,409	7,008,663	6,812,108	6,477,079	10,456,280	10,772,996	15,255,996	16,171,318
Bond Issuance Costs	-	-	275,092	9,750	5,734	144,500	952,239	166,540	573,212	-
Advance Refunding	-	-	-	-	-	-	92,136	-	8,150	8,800
Total Expenditures by Function	<u>\$ 131,284,375</u>	<u>\$ 121,295,941</u>	<u>\$ 126,247,390</u>	<u>\$ 129,614,592</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>

School District 271, 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
2009/2010	452,112,290	98,181,610	112,173,930	56,438,240	5,294,450	64,974,250	8,557,680	6,270,110	4,265,170	808,267,730	45.215	6,778,134,057	11.92%
2010/2011	460,364,110	98,744,640	117,378,900	24,744,360	4,597,560	57,516,450	8,733,240	6,163,826	2,783,720	781,026,806	45.284	6,832,444,892	11.43%
2011/2012	447,667,730	96,851,400	124,917,140	36,407,990	5,043,360	48,680,090	8,722,800	6,155,215	3,012,250	777,457,975	45.703	6,640,373,366	11.71%
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	6,829,414,724	11.83%
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	6,877,310,990	12.03%
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	45.629	7,071,554,244	11.87%
2015/2016	568,802,860	130,837,590	160,875,080	75,121,460	7,106,070	49,614,270	11,365,230	10,969,350	2,923,990	1,017,615,900	47.628	8,529,320,999	11.93%
2016/2017	594,006,650	128,428,570	161,934,530	32,478,880	7,082,330	42,524,940	25,666,750	10,727,170	3,076,000	1,005,925,820	49.359	8,812,153,952	11.42%
2017/2018	731,336,890	130,169,750	177,900,570	27,910,920	6,745,690	74,963,820	25,270,180	10,168,070	2,225,840	1,186,691,730	49.164	11,670,590,079	10.17%
2018/2019	772,022,700	141,240,320	185,438,990	82,299,400	7,539,290	77,144,780	24,985,080	10,564,040	1,886,680	1,303,121,280	49.164	10,965,880,624	11.88%

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
2009	7.96%	29.00%	87.50%	2009
2010	7.96%	29.00%	87.50%	2010
2011	7.96%	29.00%	87.50%	2011
2012	7.96%	29.00%	87.50%	2012
2013	7.96%	29.00%	87.50%	2013
2014	7.96%	29.00%	87.50%	2014
2015	7.96%	29.00%	87.50%	2015
2016	7.96%	29.00%	87.50%	2016
2017	7.20%	29.00%	87.50%	2017
2018	7.20%	29.00%	87.50%	2018

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
2008/2009	36,082,688	35,599,972	98.66%	117,738	35,717,710	98.99%
2009/2010	36,601,597	36,450,467	99.59%	114,802	36,565,269	99.90%
2010/2011	35,694,935	35,451,518	99.32%	78,828	35,530,346	99.54%
2011/2012	35,474,631	35,582,083	100.30%	98,303	35,680,386	100.58%
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%

Notes: County treasurer's fees of 0.25% have not been deducted from these amounts. Abateements 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 modified accrual accounting, delinquent taxes are recorded in the year collected, not the year assessed.

SOURCE: Adams, Broomfield and Weld Counties Treasurer's Offices reports.

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	
2009/2010	779,829,870	15,440	28,422,420	808,267,730	1.3%
2010/2011	756,033,520	13,386	24,979,900	781,026,806	-3.4%
2011/2012	753,613,410	10,655	23,833,910	777,457,975	-0.5%
2012/2013	775,126,010	11,476	32,519,876	807,657,362	3.9%
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	1,174,720,104	18.3%
2018/2019	1,202,126,530	783	89,058,249	1,291,185,562	9.9%

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 year 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
1989-1990	15.00
1991-1992	14.34
1993-1994	12.86
1995-1996	10.36
1997-2000	9.74
2001-2002	9.15
2003-2015	7.96
2016-2017	7.20
2018	7.15

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		
2009/2010	26.262	0.094	0.928	27.284	18.000	45.284
2010/2011	26.262	0.186	0.960	27.408	18.295	45.703
2011/2012	26.262	0.077	0.965	27.304	18.325	45.629
2012/2013	26.262	0.433	0.929	27.624	18.005	45.629
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	0.18	0.581	27.023	22.069	49.092

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	2018		2009	
	Assessed Valuation	Percent of District's Assessed Valuation	Assessed Valuation	Percent of District's Assessed Valuation
Aurora Convention Center Hotel LLC	\$ 119,708,070	10.19%		
Public Service Co of Colorado (Xcel)	22,523,160	1.92%	\$ 8,019,510	0.99%
United Power Inc Property	17,933,150	1.53%	13,292,370	1.64%
Ward Petroleum Corporation	16,200,110	1.38%		
TLM Division of STC	12,977,080	1.10%		
Tri State Gen and Transm Assoc	12,334,970	1.05%	10,687,310	1.32%
Lennar Colorado LLC	9,784,210	0.83%		
EFP Investments LLC	7,775,000	0.66%		
Starboard Platform Brighton JV LLC	7,693,650	0.65%		
Great Western Oil and Gas	7,424,670	0.63%		
Brighton Community Hospital Assoc			20,690,860	2.56%
D and M Division of STC			12,250,850	1.52%
Texas American Resources			11,166,790	1.38%
Prairie Center Retail One LLC			8,080,860	1.00%
Brighton Lease Management LLC			7,685,000	0.95%
Merit Energy Company			7,313,170	0.90%
Kerr-McGee Oil and Gas Onshore LP			677,730	0.84%
Total	<u>\$ 234,354,070</u>	<u>19.95%</u>	<u>\$ 99,864,450</u>	<u>13.10%</u>

NOTES: The 2018 Principal taxpayers assessed valuation amounts are as of December 31, 2018, 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)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
School District No. 27J	27.284	27.408	27.304	27.304	27.267	27.416	27.290	27.290	27.095	27.095
General Fund	18.000	18.295	18.325	18.325	18.362	20.212	22.069	22.069	22.069	22.069
Bond Redemption Fund	122.000	45.703	45.629	45.629	45.629	47.628	49.359	49.359	49.164	49.164
Total School District No. 27J										
Adams County	26.824	26.883	26.806	26.903	26.815	27.042	26.817	27.055	26.929	26.864
City of Brighton	6.650	6.650	6.650	6.650	6.650	6.650	6.650	6.650	6.650	6.650
City of Commerce City	123.000	3.206	3.280	3.269	3.280	3.280	3.280	3.128	3.160	3.280
City of Thornton	124.000	10.210	10.210	10.597	10.210	10.210	10.210	10.210	10.210	10.210
Belle Creek Metro #1	125.000	73.900	74.900	74.900	74.900	74.900	74.900	74.900	62.500	64.500
Bennett Fire Protection District No. 7	126.000	8.907	8.907	8.907	8.907	8.907	8.907	9.063	13.041	13.012
Box Elder Water and Sanitation District	127.000	36.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000
Brighton Area Fire Protection District No. 6	128.000	11.795	11.795	11.795	11.795	11.795	11.795	11.795	11.795	11.795
Brighton Crossing #4 FKA Bromley Park #4	44.000	44.000	50.000	50.000	52.000	52.000	52.000	52.000	62.270	62.270
Bromley Park #2	71.025	71.025	81.025	86.025	86.025	86.025	86.025	86.025	86.025	86.025
Bromley Park #3	55.000	54.932	54.932	54.932	54.932	54.932	54.932	54.932	60.622	60.622
Bromley Park #5	129.000	25.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000
Bromley Park #6	130.000	18.000	18.000	18.000	18.000	18.000	26.000	35.000	35.000	35.000
Buffalo Ridge	131.000	42.827	42.827	42.827	42.827	42.827	42.827	42.827	46.860	46.860
Central Colorado Water Conservation District	132.000	0.425	0.392	1.856	1.887	1.737	1.533	2.004	1.800	1.540
Central Colorado Ground Water Management	133.000	1.339	1.319	1.291	1.301	1.309	1.272	1.580	1.583	2.739
Commerce City GID	134.000	27.000	27.000	27.000	27.000	27.000	27.000	27.000	10.000	10.000
Fronterra Village	49.000	53.500	58.500	58.500	60.750	60.750	54.000	53.000	40.000	40.000
Fronterra Village #2	57.475	59.475	59.475	59.475	59.475	59.475	59.475	58.521	13.337	63.334
Great Rock Water and Sanitation District	35.000	42.500	45.500	45.500	46.840	46.840	46.840	46.840	51.417	51.532
Hazeltine Heights Water and Sanitation District	135.000	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	137.000	3.559	3.178	3.171	3.360	3.360	2.852	2.852	2.852	2.852
Lost Creek Water Management District	138.000	0.906	0.964	0.897	0.935	0.918	0.787	0.862	0.813	0.945
North Metro Fire District	11.307	11.225	11.176	11.375	11.246	14.403	14.213	14.810	14.710	14.730
North Metro Fire District Pension Fund	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	1.000
North Metro Fire District Bonds	1.400	1.400	1.400	1.400	1.400	1.400	1.400	1.400	1.400	1.400
North Range Metro #1	139.000	69.400	69.400	73.400	77.400	79.870	79.870	79.875	88.305	88.305
Prairie Center Metro #1	140.000	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	60.000
Prairie Center Metro #5	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	55.277	55.277
Rangeview Library FKA Adams County Library	3.659	3.659	3.659	3.659	3.659	3.659	3.659	3.659	3.669	3.666
Riverdale Dunes #1	38.000	38.000	43.650	75.650	79.684	79.620	64.062	64.039	56.683	57.763
Sable-Altura Fire District No. 11	141.000	21.000	21.000	21.000	21.000	21.000	17.000	17.264	17.000	17.000
South Adams Fire District No. 4	142.000	4.300	4.300	4.300	9.900	9.900	9.900	9.900	9.900	14.750
S. Adams Water and Sanitation District	143.000	3.102	3.102	3.102	3.102	3.102	3.102	3.102	2.701	2.714
Southeast Weld County Fire District No. 5	144.000	5.764	5.764	5.764	5.764	5.880	7.896	1.765	7.775	10.265
Todd Creek Farms #2	145.000	11.000	11.000	11.000	11.000	11.000	11.000	8.800	-	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	10.000
Urban Drainage and Flood Control District	0.508	0.523	0.566	0.599	0.608	0.632	0.553	0.559	0.500	0.726
Urban Drainage and Flood Control District South Platte	0.061	0.053	0.057	0.058	0.064	0.068	0.058	0.061	0.057	0.094
Wright Farms Metropolitan District	20.000	20.000	20.000	20.000	20.000	20.000	18.000	18.000	16.000	15.000

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, 2015, the latest date for which information is available. The year is the levy year.

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

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	Bond Premium	Gross Bonded Debt					
2010	69,622	27,508	781,026,806	6,778,134,057	3,230,000	-	952,078	7,847,480	169,920,000	11,492,174	158,427,826	2.34%	N/A	2,613
2011	71,581	20,348	781,026,806	6,832,444,892	3,080,000	-	390,790	7,297,953	163,525,000	11,578,516	151,946,484	2.22%	10.43%	2,435
2012	84,695	25,790	777,457,975	6,640,373,366	2,925,000	-	1,886,359	10,647,169	156,260,000	12,286,520	143,973,480	2.17%	6.59%	2,027
2013	86,406	27,158	807,657,362	6,829,414,724	2,765,000	416,771	1,410,087	9,630,248	148,825,000	12,221,506	136,603,494	2.00%	5.82%	1,887
2014	89,302	26,431	827,221,900	6,877,310,990	2,600,000	333,417	1,157,729	8,826,767	141,665,000	13,575,545	128,089,455	1.86%	5.43%	1,731
2015	92,508	27,794	839,441,919	7,071,554,244	2,430,000	250,063	1,289,182	12,903,208	131,160,000	16,963,688	114,196,312	1.61%	4.44%	1,600
2016	96,878	29,362	1,017,615,900	8,529,320,999	2,290,000	166,709	414,014	36,510,671	279,945,000	17,797,774	262,147,226	3.07%	9.22%	3,296
2017	97,292	35,041	993,233,062	8,812,153,952	2,105,000	83,355	73	36,957,079	268,440,000	18,631,383	249,808,617	2.83%	7.33%	3,161
2018	100,890	35,291	1,174,720,104	11,671,890,869	1,915,000	-	-	51,627,738	346,520,000	19,614,505	326,905,495	2.80%	9.18%	3,965
2019	104,664	34,765	1,291,185,562	10,965,880,624	1,720,000	-	-	48,509,916	338,520,000	24,494,347	314,025,653	2.86%	8.63%	3,714

SOURCE: Estimated District Population is based on numbers provided by Claritas, Inc. 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
2010	6,155,000	8,135,140	14,290,140	99,359,671	14.38%
2011	6,395,000	7,897,332	14,292,332	93,851,637	15.23%
2012	6,655,000	7,232,388	13,887,388	94,811,867	14.65%
2013	7,040,000	6,886,042	13,926,042	101,473,624	13.72%
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%

School District 271, Colorado
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)

Computation of Maximum Debt Allowed:

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Taxable Assessed Valuation	\$ 808,267,730	\$ 781,026,806	\$ 777,457,975	\$ 807,657,362	\$ 827,221,900	\$ 839,441,919	\$ 1,017,615,900	\$ 993,233,062	\$ 1,174,718,227	\$ 1,291,185,562
Plus: Tax Increment Financing Dist Property	22,148,100	33,401,494	46,304,825	40,281,444	37,923,233	35,105,261	34,208,083	34,440,858	48,916,453	157,720,886
Total Assessed Valuation	830,415,830	814,428,300	823,762,800	847,938,806	865,145,133	874,547,180	1,051,823,983	1,027,673,920	1,223,634,680	1,448,906,448
Legal Debt Limit Percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Legal Debt Limit	\$ 207,603,958	\$ 203,607,075	\$ 205,940,700	\$ 211,984,702	\$ 216,286,283	\$ 218,636,795	\$ 262,955,996	\$ 256,918,480	\$ 305,908,670	\$ 362,226,612

Amount of Debt Outstanding

General Obligation Bonds Payable	\$ 169,920,000	\$ 163,525,000	\$ 156,260,000	\$ 148,825,000	\$ 141,665,000	\$ 131,160,000	\$ 279,945,000	\$ 268,440,000	\$ 346,520,000	\$ 338,520,000
Certificates of Participation	3,230,000	3,080,000	2,925,000	2,765,000	2,600,000	2,430,000	2,290,000	2,105,000	1,915,000	1,720,000
Capital Leases	952,078	390,790	1,886,359	1,410,087	1,157,729	1,289,182	414,087	73	-	-
Promissory Note	-	-	-	416,771	333,417	250,063	166,709	85,438	-	-
Bond Premium	784,780	7,297,953	10,647,169	9,630,248	8,826,767	12,903,208	36,510,671	36,957,079	51,627,738	48,509,916
Unused Legal Debt Margin	\$ 32,717,100	\$ 29,313,332	\$ 34,222,172	\$ 48,937,596	\$ 61,703,370	\$ 70,604,342	\$ (56,370,471)	\$ (50,669,110)	\$ (94,154,068)	\$ (26,523,304)

Fiscal Year 2019 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	\$ 1,448,906,448	\$ 10,965,880,624
Debt Limit Percentage**	25%	6%
Legal debt limit	362,226,612	657,952,837
Amount of debt applicable to debt limit:	388,749,916	338,520,000
Total bonded debt as of June 30, 2018		
Legal debt margin	\$ (26,523,304)	\$ 319,432,837

** 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 271 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
Airways Business Center Metropolitan District	\$ 387,233	100.00	\$ 387,233
Aspen Hills Metropolitan District	1,065,000	100.00	1,065,000
Belle Creek Metropolitan District	6,532,000	100.00	6,532,000
BNC Metropolitan District #1	18,338,482	100.00	18,338,482
BNC Metropolitan District #2	7,551,312	100.00	7,551,312
Brighton Crossing Metropolitan District	-	-	-
Bromley Park Metropolitan District #3	23,415,511	100.00	23,415,511
Buffalo Ridge Metropolitan District	-	-	-
Buffalo Run Mesa Metropolitan District	688,500	100.00	688,500
Central Colorado Ground Water Subdistrict	-	-	-
Commerce City North Infrastructure GID	78,965,000	100.00	78,965,000
Eagle Shadow Metropolitan District #1	-	-	-
Fronterra Village Metropolitan District	11,543,307	100.00	11,543,307
Great Rock Water and Sanitation District	6,625,000	100.00	6,625,000
Hazeltine Heights Water and Sanitation	287,488	100.00	287,488
Heritage Todd Creek Metro District	36,277,175	100.00	36,277,175
Hi-Land Acres Water and Sanitation District	129,079	100.00	129,079
Larkridge Metropolitan District #1	12,515,000	10.83	1,355,375
North Range Metropolitan District #1	35,560,000	100.00	35,560,000
North Range Village Metropolitan District	6,885,000	100.00	6,885,000
North Range Metropolitan District #2	30,965,000	100.00	30,965,000
Potomac Farms Metropolitan District	5,225,000	100.00	5,225,000
Riverdale Dunes Metropolitan District	2,565,000	100.00	2,565,000
Riverdale Peaks II Metropolitan District	3,059,215	100.00	3,059,215
Todd Creek Farms Metropolitan District #2	-	-	-
Well Augmentation Subdistrict of the Central	-	-	-
Central Colorado Well Augmentation	13,572,368	6.20	841,487
Subtotal Overlapping Debt	302,151,670		278,261,163
Direct Debt of School District 27J	400,062,738	94.87	379,539,520
Total Direct & Overlapping Debt	<u>\$ 702,214,408</u>		<u>\$ 657,800,683</u>

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

- (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	2019		2010	
		Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Adams County	Government	1,923	25%	1,892	19.32%
BakerHughes AKA BJ Service USA	Gas & Oil	390	5%		
City of Brighton	Government	502	7%	735	7.51%
King Soopers	Retail	320	4%		
O'Neal Flat Rolled Metals	Steel Metal Processing				
Platte Valley Medical	Healthcare	626	8%	733	7.49%
School District 27J	Education	1,726	22%	1,431	14.62%
Super Wal-Mart	Retail	277	4%	385 #	3.93%
Transwest	Semi Truck Sales	270	4%		
United Power	Utility			163	1.66%
Vestas	Manufacturing	# 1,500	20%		
American Pride Co-op	Retail				
Brighton Care Center	Health Care				
Haliburton Energy Services	Oil Services				
Home Depot	Retail				
Intertape	Manufacturing				
K-Mart Distribution Center	Distribution Center			196	2.00%
Leed Fabrication Services Inc	Steel Service Center				
Lowe's Home Improvement	Retail				
Metalwest	Manufacturing				
Petrocco Farms	Agriculture			300	3.06%
Sakata Farms	Agriculture				
Super Target	Retail	140	2%	170	1.74%
Tagawa Greenhouse	Agriculture				
Valley Bank & Trust	Financial Institue				
17th Judicial District	Government			170	1.74%
Total		<u>7,674</u>	<u>100%</u>	<u>6,175</u>	<u>63.07%</u>

NOTES: The principal employers current data is as of December 31, 2017, the latest date for which information is available.

SOURCE: [http://www.brightonedc.org/live-and-work/Ana Canada-Assistant Finance Director](http://www.brightonedc.org/live-and-work/Ana%20Canada-Assistant%20Finance%20Director)

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
2010	608,759	181,888	790,647	1,512,360	52.28%
2011	678,217	160,613	838,830	1,528,011	54.90%
2012	773,222	194,085	967,307	1,610,893	60.05%
2013	807,506	170,161	977,667	1,564,014	62.51%
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%

SOURCE: School District 27J Nutrition Services/Shannon Bonino

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

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Instructional Support Services	992.444	919.545	968.945	986.670	1,055.090	1,007.544	1,066.441	1,130.900	1,127.226	1,003.360
Pupil Services	78.105	81.368	69.388	79.278	76.985	73.639	86.650	118.830	129.398	120.400
Instructional Staff	38.561	23.580	28.838	25.930	30.400	33.066	33.135	33.430	45.957	39.630
General Administration	7.070	6.570	9.850	6.100	7.600	7.350	7.975	8.750	7.980	7.830
School Administration	106.301	106.094	111.577	116.000	111.835	99.027	100.475	118.190	114.630	117.960
Operations and Maintenance	108.938	93.600	99.919	98.470	88.800	100.550	96.450	105.500	119.800	126.300
Pupil Transportation	85.691	85.500	85.313	84.060	102.630	96.317	99.125	122.313	118.960	120.930
Business Supporting Services	14.750	12.000	12.000	11.250	11.770	15.070	15.900	13.625	20.743	14.500
Central Supporting Services	28.525	23.410	25.300	27.600	31.850	44.845	38.300	43.738	46.610	46.610
Nutrition Services	59.748	68.623	64.527	63.150	84.600	77.487	71.175	77.570	76.405	83.390
Enterprise Operations	24.325	34.616	28.065	20.560	20.000	48.250	18.838	28.031	38.600	41.270
Community Services	11.033	9.033	4.700	5.300	9.000	8.800	9.000	1.000	1.800	1.800
Facilities Acquisition/Construction	3.650	2.400	5.050	1.000	1.000	1.000	6.075	11.040	13.768	12.680
Pupil Activities	1.000	1.000	1.000	1.000	1.000	-	-	-	-	-
Total	1,560.139	1,467.339	1,514.471	1,526.368	1,632.560	1,612.945	1,649.539	1,812.916	1,861.877	1,736.660

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>
2009/2010	14,469	755.52	19.15
2010/2011	15,089	718.10	21.01
2011/2012	15,671	767.20	20.43
2012/2013	16,184	743.40	21.77
2013/2014	16,586	792.43	20.93
2014/2015	17,103	827.35	20.67
2015/2016	17,043	815.39	20.90
2016/2017	17,115	817.62	20.93
2017/2018	17,882	785.78	22.76
2018/2019	18,658	828.93	22.51

SOURCE: Colorado Department of Education Statistical Reports

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
2009/2010	\$33,519-\$67,356	\$37,882-\$80,664	\$45,668-\$82,879	303	410	26
2010-2011	\$33,519-\$67,356	\$37,882-\$80,664	\$45,668-\$82,879	252	384	27
2011/2012	\$33,519-\$67,356	\$37,882-\$80,666	\$45,668-\$82,881	261	375	24
2012/2013	\$33,519-\$67,356	\$37,882-\$80,666	\$45,668-\$82,881	242	427	32
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-\$70,144.61	\$40,767-\$83,762	\$49,278-\$86,026	244	299	46

Average Salary School District 27J

2009/2010	\$52,153
2010/2011	\$52,637
2011/2012	\$50,247
2012/2013	\$51,920
2013/2014	\$53,059
2014/2015	\$53,338
2015/2016	\$53,601
2016/2017	\$53,173
2017/2018	\$54,319
2019/2020	\$56,785

SOURCE: School District Records

School District 27J, Colorado
School Building Information
June 30, 2019
(Unaudited)

	Enrollment for the 2018/19 School Year	Recommended Capacity ¹	Capacity Used in 2018/19	Years Constructed/ Renovated ²
Brantner (K-5)	590	792	74.49%	2017
Henderson (PK-5)	318	606	52.48%	1969/2016/2018
North (PK-5)	266	491	54.18%	1998
Northeast (PK-6)	516	784	65.82%	1973/1999/2018
Pennock (K-5)	581	875	66.40%	2003
Second Creek (PK-5)	591	889	66.48%	2003
South (K-5)	449	607	73.97%	1969/2000
Southeast (K-6)	440	767	57.37%	1963/1995/2018
Thimmig PK-5)	580	889	65.24%	2002
Turnberry (PK-5)	684	861	79.44%	2008
Westridge (PK-5)	671	889	75.48%	2007
Reunion (PK-5)	576	695	82.88%	2017
Headstart	22			
BLARC	53	60	88.33%	
Total Elementary Schools	6,337	9,205	68.84%	
MIDDLE SCHOOLS (6-8)				
Vikan	609	740	82.30%	1961/2002/2018
Overland Trail	621	665	93.38%	1984/2000/2005/2018
Prairie View Middle School	609	825	73.82%	2008
Stuart Middle School	768	825	93.09%	2009
Total Middle Schools	2,607	3,055	85.34%	
HIGH SCHOOL (9-12)				
Brighton High School	1,815	1,771	102.48%	1953/1992/1975
Prairie View High School	1,909	1,901	100.42%	1982/2005/2017
Riverdale Ridge High School (Includes Quist MS)	1,211	1,756	68.96%	2006
Brighton Heritage Academy	145	395	36.71%	2018
Bridge Academy	64	Included in BHA		1926/1955/1970/2002/2017
Total for High School	5,144	5,923	86.85%	
Total in District Buildings (PK-12)	14,088	18,183	77.48%	
Charters (Not In District Buildings)	3,951	4,061	97.29%	
27J Preschool at the BLARC	63	67	94.03%	
BOLT Academy at the BLARC	61	4,040	1.51%	
Total not in District Buildings (PK-12)	4,075	8,168	49.89%	

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 or purchase for 20 elementary school sites, 2 middle school sites and 2 high school sites totaling over 365 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 149 vehicles, of which 119 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 2009	Oct 1 2010	Oct 1 2011	Oct 1 2012	Oct 1 2013	Oct 1 2014	Oct 1 2015	Oct 1 2016	Oct 1 2017	Oct 1 2018	Ten Year Average Class Size
Colo. Preschool Proj.	339.0	333.0	337.0	319.0	393.0	353.0	325.0	288.5	467.0	519.0	367.4
Special Ed. Preschool	218.0	228.0	217.0	175.0	162.0	175.0	185.0	199.0	211.0	189.0	195.9
K	1,303.0	1,361.0	1,355.0	1,356.0	1,323.0	1,328.0	1,308.0	1,235.0	1,369.0	1,389.0	1,332.7
1	1,318.0	1,369.0	1,415.0	1,399.0	1,414.0	1,408.0	1,329.0	1,355.0	1,302.0	1,406.0	1,371.5
2	1,253.0	1,333.0	1,352.0	1,440.0	1,398.0	1,448.0	1,412.0	1,338.0	1,395.0	1,348.0	1,371.7
3	1,219.0	1,286.0	1,307.0	1,336.0	1,449.0	1,425.0	1,434.0	1,420.0	1,406.0	1,431.0	1,371.3
4	1,171.0	1,221.0	1,298.0	1,288.0	1,337.0	1,422.0	1,396.0	1,450.0	1,469.0	1,478.0	1,353.0
5	1,141.0	1,190.0	1,216.0	1,304.0	1,318.0	1,331.0	1,431.0	1,405.0	1,474.0	1,490.0	1,330.0
6	1,093.0	1,152.0	1,207.0	1,191.0	1,301.0	1,318.0	1,262.0	1,355.0	1,408.0	1,536.0	1,282.3
7	996.0	1,087.0	1,142.0	1,191.0	1,196.0	1,296.0	1,261.0	1,260.0	1,395.0	1,465.0	1,228.9
8	981.0	974.0	1,098.0	1,143.0	1,225.0	1,178.0	1,253.0	1,272.0	1,282.0	1,443.0	1,184.9
9	1,131.0	1,151.0	1,017.0	1,131.0	1,183.0	1,220.0	1,149.0	1,226.0	1,299.0	1,378.0	1,188.5
10	846.0	966.0	1,038.0	995.0	1,114.0	1,162.0	1,155.0	1,136.0	1,239.0	1,327.0	1,097.8
11	758.0	714.0	931.0	952.0	922.0	1,071.0	1,095.0	1,098.0	1,106.0	1,222.0	986.9
12	702.0	698.0	719.0	943.0	963.0	968.0	1,075.0	1,086.0	1,127.0	1,178.0	945.9
Ungraded	-	-	-	-	-	-	-	-	-	-	-
Total Enrollment	14,469.0	15,063.0	15,649.0	16,163.0	16,698.0	17,103.0	17,070.0	17,123.5	17,949.0	18,799.0	16,608.7
Adjustments to calculate Funded Pupil Count											
CPP (.5 FTE)	(167.0)	(159.5)	(156.0)	(158.5)	(193.5)	(176.5)	(161.0)	(167.0)	(167.0)	(233.5)	(174.0)
Spec Ed Preschool (.5 FTE)	(109.0)	(114.0)	(108.5)	(87.5)	(81.0)	(87.5)	(92.5)	(99.5)	(99.5)	(105.5)	(98.5)
Kindergarten (.5 FTE)	(650.0)	(680.5)	(677.5)	(675.5)	(661.0)	(664.0)	(652.5)	(617.5)	(617.5)	(684.5)	(658.1)
Full Day Kinder Factor .08	104.0	108.9	108.4	108.1	109.8	106.1	104.6	98.8	98.8	109.0	105.7
Part-Time Students (.5 FTE)	(9.5)	(3.0)	(4.0)	(9.0)	(15.5)	(23.0)	(25.0)	(10.0)	(10.0)	(9.0)	(11.8)
Out-of-District Students	-	-	-	-	-	-	-	-	-	40.0	4.0
Non-Eligible Students	(57.0)	(67.0)	(70.0)	(62.0)	(57.0)	(57.0)	(131.0)	(128.0)	(128.0)	(108.0)	(86.5)
Other Students	60.0	80.5	80.5	74.0	78.5	78.5	218.5	280.4	280.4	148.8	138.0
Total FPC	(828.5)	(14,228.4)	(14,821.9)	(15,352.6)	(15,878.3)	(16,279.6)	(16,331.1)	(16,480.7)	(17,306.2)	(17,956.3)	14,380.7

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. Marykay was able to provide the

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

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Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Compliance Section



**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
Adams/Weld School District 27J
Brighton, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Adams/Weld School District 27J (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 22, 2019. Our report includes a reference to other auditors who audited the financial statements of the Eagle Ridge Academy Charter School, Bromley East Charter School, Belle Creek Charter School, Foundation Academy Charter School, Landmark Academy Charter School and the Capital Facility Fee Foundation, 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 Bromley East Charter School, Belle Creek Charter School and the Capital Facility Fee Foundation were not audited in accordance with *Government Auditing Standards*.

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) to determine the 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 over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance And Other Matters

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

Purpose Of This Report

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

RubinBrown LLP

November 22, 2019

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

Board of Education
Adams/Weld School District 27J
Brighton, Colorado

Report On Compliance For Each Major Federal Program

We have audited the Adams/Weld School District 27J's (the District) compliance with the types of compliance requirements described 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, 2019. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (the Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion On Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report On Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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, we do not express an opinion on the effectiveness of the District's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

This report is intended solely for the information and use of those charged with governance, others within the entity and federal awarding agencies. Accordingly, this report is not intended to be, and should not be, used by anyone other than those specific parties.

RubinBrown LLP

November 22, 2019

ADAMS/WELD SCHOOL DISTRICT 27J
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2019

Section I - Summary Of Audit Results

Financial Statements

Type of auditors' report issued:		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 programs:		
Material weakness(es) identified?	_____ yes	_____✓_____ no
Significant deficiency(ies) identified?	_____ yes	_____✓_____ none reported
Type of auditors' report issued on compliance for major 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 Programs

CFDA No.	Name Of Federal Program Or Cluster
----------	------------------------------------

84.010	Title I, Part A
--------	-----------------

84.027, 84.173	IDEA Cluster
----------------	--------------

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
--	-----------

Auditee qualified as low-risk auditee?	_____ yes	_____✓_____ no
--	-----------	----------------

ADAMS/WELD SCHOOL DISTRICT 27J

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*CONTINUED*)
For The Year Ended June 30, 2019

Section II - Financial Statement Findings

There were no findings relating to the District's financial statements for the year ended June 30, 2019.

Section III - Federal Award Findings And Questioned Costs

There were no federal award findings or questioned costs for the year ended June 30, 2019.

SCHOOL DISTRICT 27J, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FINAL 6/30/2019

	Grant Number	Federal CFDA Number	Federal Expenditures	Expenditures to Subrecipients
<i>US Department of Agriculture:</i>				
<u>Child Nutrition Cluster</u>				
Passed through State Department of Education:				
School Breakfast Program (4553)	4553	10.553	\$ 292,728	\$ -
National School Lunch Program (4555)	4555	10.555	2,231,583	-
Summer Food Service Program for Children (4559)	4559	10.559	63,472	-
Passed through Colorado Department of Human Services:				
Food Donation (4555)	4555	10.555	445,541	-
Total Child Nutrition Cluster			<u>3,033,324</u>	<u>-</u>
Passed through the Colorado Department of Education:				
Fresh Fruits and Vegetables Program (4582)	4582	10.582	42,118	-
Total US Department of Agriculture			<u>3,075,442</u>	<u>-</u>
 <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	2,531,608	-
Title VIB - Handicapped / IDEA - Preschool (4173)	4173	84.173	24,637	-
Total Special Education Cluster			<u>2,556,245</u>	<u>-</u>
Title I, Part A (4010)	4010	84.010	856,551	-
Title IIA - Teacher Quality (4367)	4367	84.367	255,038	-
Title III - English Language (4365)	4365	84.365	154,097	-
Title IV Part A- Student Support (4424)	4424	84.424	13,405	-
Passed through Colorado Community College System/MEP Youth Advocate Aurora				
Carl Perkins (4048)	4048	84.048	85,093	-
Total US Department of Education			<u>3,920,429</u>	<u>-</u>
 Total Federal Assistance			<u>\$ 6,995,871</u>	<u>\$ -</u>

SCHOOL DISTRICT 27J, COLORADO

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2019

NOTE 1: **Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Brighton 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: **Non-Cash Assistance**

Commodities donated to the School District by the U.S. Department of Agriculture (USDA) are valued based on the June 2012 USDA's Donated Commodity Price List and by values provided by the USDA. The commodities are recognized as revenue and expenses when received. Commodity donations of \$445,541 were recorded as a federal source of school lunch revenue in the Food Service Fund. Commodity donations of \$445,541 were recorded as food and milk expenses in the Food Service Fund.

NOTE 3: **Indirect Costs**

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

See schedule of expenditures of federal awards



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Chris Fiedler, Ed.D., Superintendent

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS For The Year Ended June 30, 2019

There were no prior audit findings for the year ended June 30, 2019.



Colorado Department of Education
Auditors Integrity Report

District: 0040 - School District 27J

Fiscal Year 2018-19

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	26,445,279	111,462,353	108,519,336	29,388,296
18 Risk Mgmt Sub-Fund of General Fund	977,756	1,405,091	1,591,205	791,642
19 Colorado Preschool Program Fund	163,359	3,960,887	3,837,048	287,197
Sub- Total	27,586,394	116,828,331	113,947,590	30,467,135
11 Charter School Fund	10,204,592	35,276,461	34,040,845	11,440,208
20,26-29 Special Revenue Fund	1,722,696	3,344,705	3,362,117	1,705,284
06 Supplemental Cap Const, Tech, Main, Fund	0	0	0	0
21 Food Service Spec Revenue Fund	2,330,977	5,418,199	5,868,970	1,880,206
22 Govt Designated-Purpose Grants Fund	1,466,483	8,991,383	7,960,972	2,496,893
23 Pupil Activity Special Revenue Fund	1,229,235	3,407,143	3,114,848	1,521,530
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	6,174,399	6,174,399	0
31 Bond Redemption Fund	19,614,504	29,009,990	24,130,148	24,494,347
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	126,637,263	2,890,915	56,592,455	72,935,723
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	190,792,145	211,341,526	255,192,344	146,941,326
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	551,846	0	-43,740	595,586
60,65-69 Other Internal Service Funds	0	132,459	132,459	0
Totals	551,846	132,459	88,719	595,586
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	24,899	1,013	0	25,912
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	225,616	378,455	299,703	304,368
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	2,297,908	988,243	31,356	3,254,795
Totals	2,548,423	1,367,711	331,059	3,585,075
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.

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Department of Finance
School District 27J

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