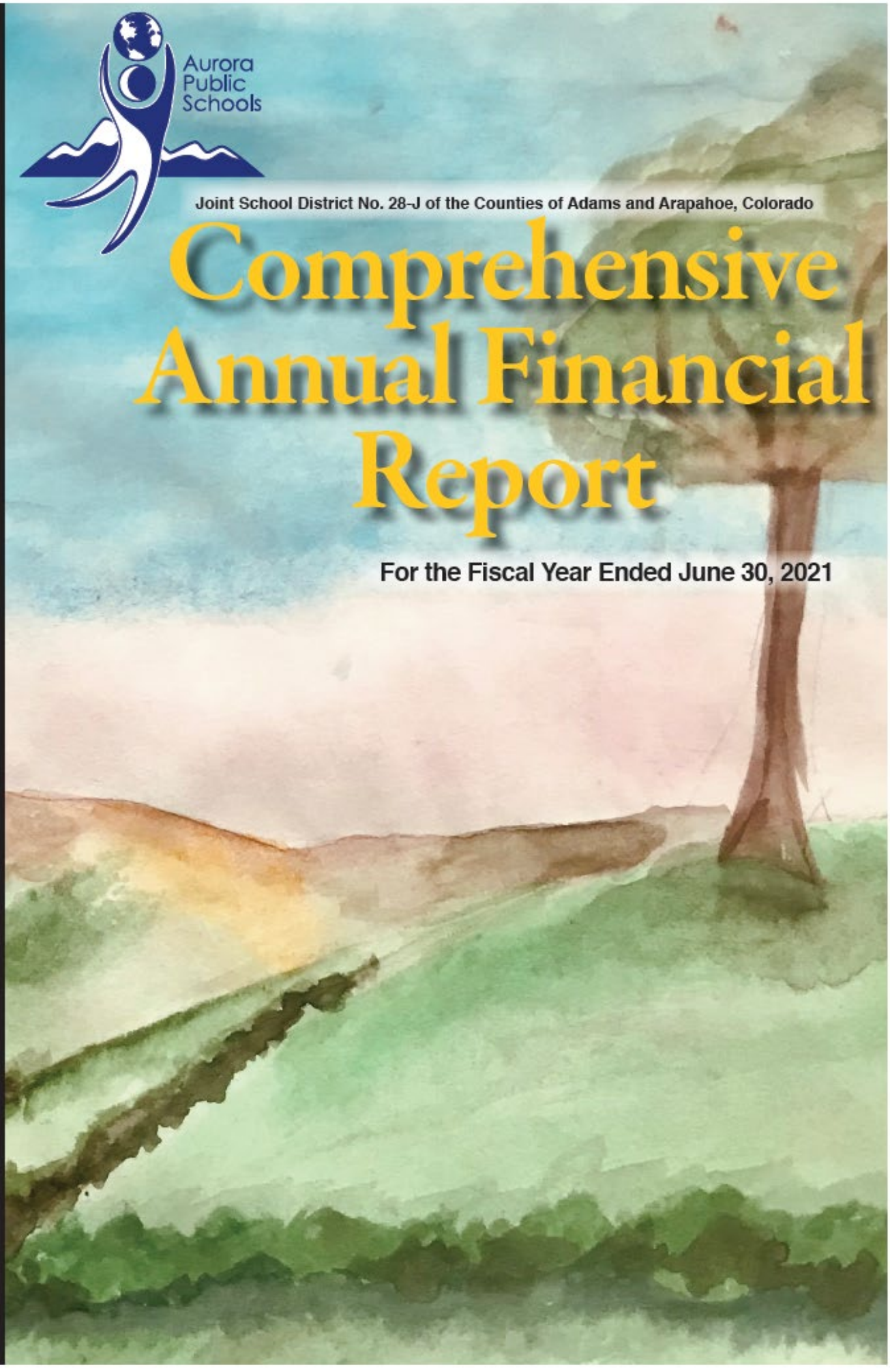
2020-21

Aurora Public Schools

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2021



AURORA PUBLIC SCHOOLS
15701 E. First Avenue, Suite 106
Aurora, Colorado 80011

Joint School District No. 28-J
of the Counties of Adams and Arapahoe, Colorado

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2021

BOARD OF EDUCATION

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Nichelle Ortiz, Director

Stephanie Mason, Director

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Superintendent

D. Rico Munn

Prepared by

Division of Finance

Cover Page Artwork by

Tatum Jones, 8th Grade (2020-2021 School Year), Aurora Frontier P-8

JOINT SCHOOL DISTRICT No. 28-J OF THE
COUNTIES OF ADAMS AND ARAPAHOE, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2021

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INTRODUCTORY SECTION

Governing Board of Education - Function and Composition

Clockwise from top left:
Vicki Reinhard, Stephanie Mason, Nichelle Ortiz, Marques Ivey, J.D., Board President Kyla Armstrong-Romero, Ph.D., Debra E. Gerkin, Superintendent D. Rico Munn, and Kevin Cox

The district is governed by a seven-member board of education. Directors are elected at successive biennial elections by registered voters residing in the district. Current directors serve staggered four-year terms of office. The board holds regular meetings on the third Tuesday of each month. Special meetings are held as needed. Directors elect board officers following each election. Members of the board of education receive no compensation for their services to the district. Among its duties, the board is empowered to:

- Employ all personnel required to maintain the operations and carry out the education programs of the district
- Determine and pay personnel compensatory wages
- Establish enrollment boundaries for each school's geographic area
- Determine educational programs to be provided by the district

Aurora
Public
Schools

Aurora Public Schools

Division of Finance
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November 3, 2021

To the Members of the Board of Education:

The Comprehensive Annual Financial Report for Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado, is hereby presented to the Board of Education and stakeholders of Aurora Public Schools. This report for fiscal year ended June 30, 2021, was prepared by the Division of Finance and includes the audit opinion of the independent auditors, BKD, LLP, who conducted the annual audit of the financial statements in accordance with generally accepted auditing standards and in compliance with state statutes.

BKD, LLP, certified public accountants, issued an unmodified (clean) opinion on the financial statements of the district for the fiscal year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

Management assumes full responsibility for the completeness and reliability of all the information presented in this report. The district's financial services department prepares this report, which contains management's representations concerning the finances of the district. To the best of our knowledge and belief, the enclosed data are accurate in all material respects, and reported in a manner to present fairly, the financial position and activities of the district's various funds. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities are included.

Management's discussion and analysis (MD&A) follows the independent auditor's 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 the District

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado, (Aurora Public Schools or APS), is a political subdivision of the state of Colorado with an independent governing Board of Education. The original school district was established in 1885 and was created in its current configuration in 1962. APS is one of the largest and most diverse school districts in Colorado. The district serves nearly 40,000 students representing families with longstanding connections to the community and families who come from more than 130 countries. The APS community is rich in culture, assets, and opportunity.

The district is located in Aurora, Colorado, a city on the eastern border of Denver, Colorado, and covers nearly 160 square miles. APS provides a full range of educational programs to a funded enrollment of 38,551 students, as authorized by Colorado state statutes. The district is an independent school district that is a public corporation duly organized and existing under the constitution and laws of the state of Colorado.

During 2020-21, the district consists of four child development centers, 27 elementary schools, seven combination elementary and middle schools, six middle schools, one combination grades

6-12 school, six high schools, one technical college, one home school support program, one gifted and talented combination elementary and middle school, and 10 charter schools. In school year 2020-21, 2,377 teachers were employed by the district.

In addition to regular education, student offerings include special education, vocational education at the technical college, pre-school, gifted and talented, English language acquisition and International Baccalaureate programs.

The transportation department travels over 1.45 million miles annually, transporting over 7,980 general education students and over 865 special needs students to and from school each day. The district operates 56 general education buses and 20 special needs buses to deliver daily transportation services. In total, 145 buses and 24 Multi-Function School Activity Buses (MFSAB) are available to cover routes and support over an average of 3,200 field and activity trips per school year.

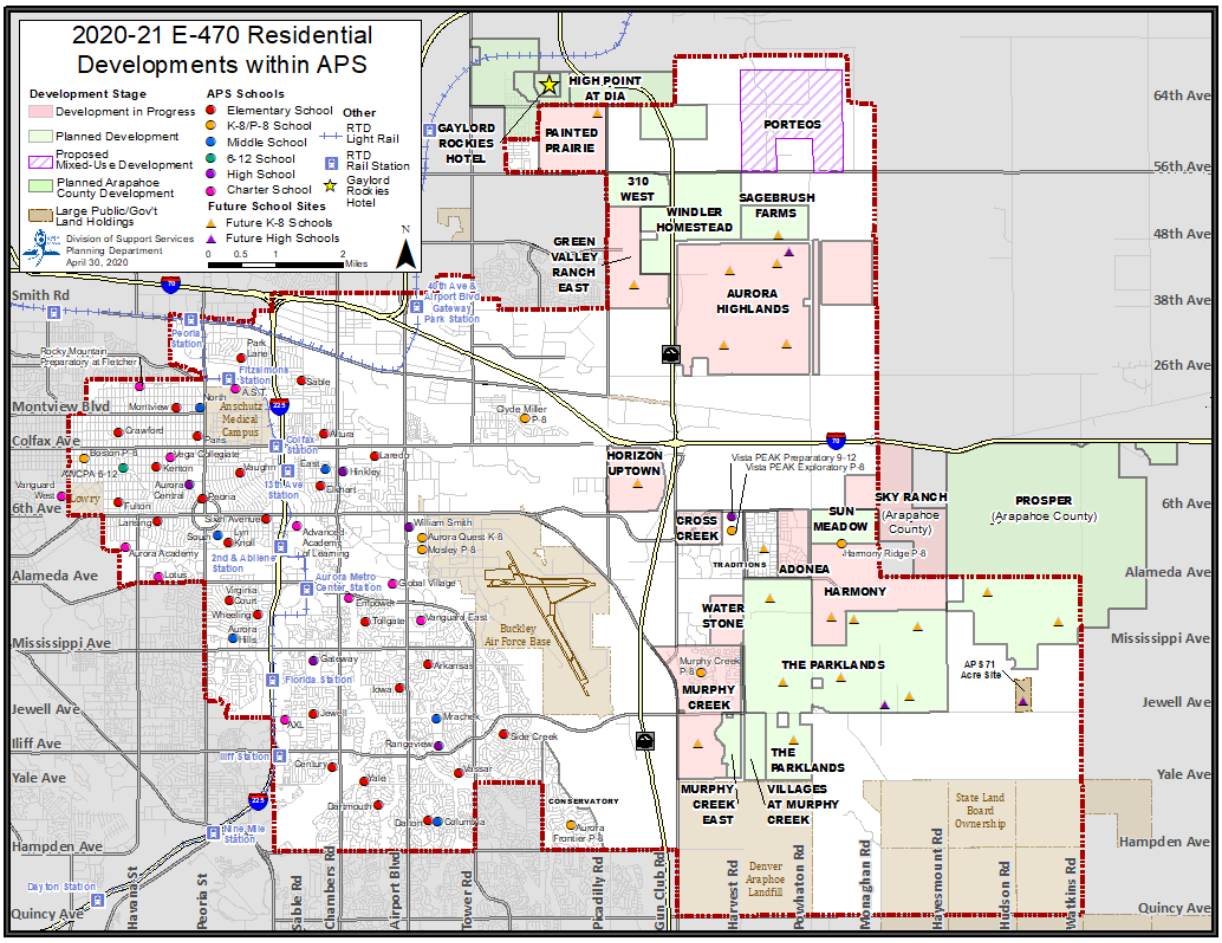
A seven-member Board of Education governs the district. Each board member is elected by the public and serves a four-year term. The Board of Education is required by state statute to adopt annual budgets that represent a complete financial plan for the ensuing fiscal year. § 22-44-110(4), C.R.S. The Board of Education must adopt a resolution specifying appropriations for each governmental fund. Pursuant to these requirements, the district uses a detailed programmatic and line item budget for planning expenditures. The district maintains numerous budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the Board of Education. Activities of all funds are included in the district's financial plan. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level. Quarterly financial reports are prepared for each fund and distributed to the board and district administrators. While allowing minor deviations from budgets at the line item level, department and program-level budget areas stay within their total appropriations ensured by continuing management control of expenditures. Budget-to-actual comparison reports are available online to all program directors and department supervisors. These reports highlight budgetary variances and significant line-item deviations are discussed with appropriate supervisory administrators. This report includes all district funds and 11 component units: the Aurora Public Schools Foundation and 10 charter schools. The 10 charter schools are: Academy of Advanced Learning, Aurora Academy, Aurora Science and Tech. of Denver School of Science and Technology, Inc., AXL Charter School, Empower Community High School, Global Village Academy, Lotus School for Excellence, Rocky Mountain Preparatory School at Fletcher, Vanguard Classical School, and Vega Collegiate Academy.

Economy

The district is located almost entirely within the city of Aurora and other portions are located in unincorporated Adams and Arapahoe counties. With over 386,000 residents, Aurora is the 54th largest city in the nation and the third largest in the state of Colorado. Over 188,000 of residents aged 16 and above are employed. The city of Aurora covers 160 square miles. Approximately 12,320 businesses employ over 188,000 people. City demographics indicate that 38.5 percent are college graduates. Median household income is $62,541, and the median age is 34.4. Most of Aurora’s new residential development continues to take place in southeast and northeast Aurora along the E-470 tollway, shown on the map on the next page, providing a major north-south thoroughfare in the center of the district. Approximately 55 percent of the area within the district boundaries is not developed. The Painted Prairie, Green Valley Ranch East and Horizon

Uptown are examples of mixed-use developments currently operating or planned along the E-470 corridor.

The map below shows the geographic locations of residential developments, Buckley Space Force Base and E-470 located within the borders of Aurora Public Schools.



Map provided by: Aurora Public Schools Planning Department

The Anschutz Medical Campus and Fitzsimons Innovation Community consists of one square mile undergoing a significant transformation in the heart of Aurora and the school district. The site, with almost 25,000 employees, is home to the University of Colorado Anschutz Medical Campus, UCHealth University of Colorado Hospital, Children's Hospital Colorado, U.S. Department of Veterans Affairs Rocky Mountain Regional VA Medical Center and several other centers for health care, biomedical research and workforce development. The Anschutz/Fitzsimons site currently generates about $7 billion in economic impact and is expected to employ approximately 45,000 people when fully developed. The site includes residential, hotel and retail spaces.

Buckley Space Force Base significantly contributes to the economic development in the city and attracts core aerospace-related industries. The base is home to Buckley Garison that is responsible for the operational mission of the Space Delta 4 Missile Warning Delta (DEL 4). DEL 4 provides strategic and theater missile warnings and provides tipping and cueing to missile defense forces, battlespace awareness, and technical intelligence. Buckley is home to more than 83 other tenants representing every branch of service and components – Active Duty, National

Guard and Reserve as well as the Aerospace Data Facility – Colorado. The base has an annual economic impact of nearly $1 billion to the region. Raytheon is the city's second largest private employer with more than 2,430 employees (Northrop Grumman has 750 and Lockheed Martin has 600). Lockheed Martin and The Boeing Company all have major operations in the city of Aurora.

In March 2020, the World Health Organization declared COVID-19 a pandemic. The COVID-19 pandemic and resulting disruptions have caused significant economic uncertainty and volatility in financial markets, economy, business and communities. The disruptions included closure of schools and implementing remote learning with APS providing remote learning for the first few months of the school year 2020-2021. By May 2021 COVID-19 vaccines in the US became available to the general public for those who are over 12 years of age and restrictions began to be lifted. Management believes that the district is taking appropriate actions to mitigate the negative impact. However, the full impact of the COVID-19 pandemic is unknown and may continue to impact various aspects of the district operations including creating significant shortfall for school funding.

Long-Term Financial Planning

The fund balance in the General Fund is a measure of the ability of the district's finances to sustain operations in the event of a financial downturn. Fund balance increased by $33.2 million, from $147.3 million to $180.5 million. Total fund balance in the General Fund is 34 percent of total ordinary General Fund revenues (excluding other financing sources), which includes fund balances that are restricted (e.g., three percent TABOR emergency reserve), assigned for identified needs (e.g., the Board's cash fund emergency reserve) and unassigned fund balances to cover contingencies caused by unpredictable revenues and potentially volatile expenditures.

Looking to the future, Colorado's K-12 funding remains uncertain. Long-term estimates of state funding for K-12 education will be predicated on sustained economic growth within the state that is sufficient to cover inflation and student growth, while at the same time being able to meet other resource demands such as Medicaid, social programs, prisons, roads and higher education.

Outstanding general obligation debt including accreted interest as of June 30, 2021, is $399.2 million. During 2020-21, $32.4 million from the district's bond program authorized in 2016 was expended to renovate existing schools. Approximately 88 percent of the district's 65 schools (and 88 percent of school buildings) are over 20 years old and roughly 47 percent (and 47 percent of school buildings) are over 40 years old. Every school will benefit from various projects funded from the 2016 bond program.

Financial Policies

The district's system of internal controls is designed to provide reasonable, but not absolute, assurance that assets are adequately safeguarded, transactions are accurately recorded and expenditures are properly authorized. Those controls also assure the reliability of financial records for preparing financial statements and maintaining the accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from that control. The evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework.

The district's accounting and budgeting systems are integrated, which facilitates budgetary control. Also, the systems include integrity checks and balances which help assure only valid transactions become permanent records. The district's existing systems of budgetary and accounting controls

are designed to provide reasonable assurance that error or irregularities of a material nature are prevented or are detected within a reasonable period. We believe that the district's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The district's internal control structure is subject to periodic review by management and independent external auditors.

The District Accountability Advisory Committee, comprised of parents, staff and community members, reviews the district's budget annually at its public budget hearings in May.

Colorado Public School Finance

School funding in Colorado is primarily generated by the School Finance Act with per pupil revenues distributed to districts based upon a finance formula. This formula is designed to equalize school funding across districts for variations in local property values and student needs. However, revenue shortfalls at the state level caused by economic recessions continued to stress school district budgets in 2020-21. Statewide, Colorado school district funding was reduced by $1.059 million through the application of the budget stabilization factor. During 2020-21, the district received $8,593 per pupil, $423 less per pupil than the prior year.

Considering declining funded student enrollments, the district prepares budgets that use conservative revenue assumptions. These assumptions include decline in state per pupil revenue and modest estimates of district funded pupil count.

For fiscal year 2021-22, the district's per pupil funding is budgeted to increase by $707, from $8,593 to $9,300. Considering the per pupil count decrease, the 2021-22 budget projected a decrease in funded pupil count of 961, resulting in an estimated increase in total pupil funding of $18.1 million. The increase in per pupil funding does not restore state funding to the level that would have occurred if the state could fully fund the school finance formula.

The Public School Finance Act of 1994 provides state funding for charter schools authorized by the local Board of Education. Funding flows from the state, through the district, and then to the charter schools. Charter schools receive per pupil funding, a proportionate share of local mill levy override funding, state capital construction funding and federal start-up funds, if applicable. The district had 10 charter schools operating in 2020-21: Academy of Advanced Learning, Aurora Academy, Aurora Science and Tech. of Denver School of Science and Technology, Inc., AXL Charter School, Empower Community High School, Global Village Academy, Lotus School for Excellence, Rocky Mountain Preparatory School at Fletcher, Vanguard Classical School and Vega Collegiate Academy.

Local Property Tax Support

Property taxes collected during the 2020-21 fiscal year were based on assessed valuations which increased by 5 percent in 2020-21 over the prior year.

The mill levy programs approved by APS voters in 1990, 2008, 2012 and 2018 provide funding for instruction-related programs that support student achievement. For example, mill levy dollars fund increased instruction in math, science and literacy, classroom technology and full-day kindergarten at most APS schools. Other examples of how APS mill levy funds benefit students include:

- Providing after-school tutoring and extended day learning opportunities for students who benefit from additional literacy and math support

- Expanding staff and training dedicated to student mental health
- Increasing pay to recruit and retain high quality teachers
- Expanding after-school learning programs for K-5 elementary students
- Adding and providing seat belts on buses
- Supporting school choice by providing mill levy funds to charter schools based on student enrollment

Major Initiatives

APS' previous strategic plan, *APS 2020,* provided a foundation for change and momentum that APS has seen including helping APS move off of the district accountability clock for the 2017-18 school year. Graduation rates have seen significant increases over the last six school years, making significant progress to close the gap with the state average and eliminating the graduation gap between students who are white, Hispanic, and African American/Black.

In 2021, APS launched *APS 2026: Faces of the Future,* a new strategic plan that builds on the momentum, opportunity and impact that resulted from APS' previous strategic plan, *APS 2020. APS 2026* is also informed by the community's priorities, which are focused on early literacy, equity, and postsecondary workforce readiness. These priorities, as well as the community's values, were adopted by the APS Board of Education in 2021. *APS 2026: Faces of the Future* serves as the district's plan to guide everything we do to achieve our vision that: Every student shapes a successful future. *APS 2026* includes four strategic goals to ensure that we achieve our vision. Every student will have:

- Goal 1: A Plan for their Future
- Goal 2: A Set of Skills to Implement Their Plan
- Goal 3: Credentials that Open Doors
- Goal 4: A Community of Support

Like school districts across the state and country, APS finds itself continuing to build on the prior success, while navigating new challenges with the disruption of learning due to the COVID-19 pandemic. APS is also focused on responding to the impacts that the COVID-19 pandemic has had on our students, community and staff since March 2020. In response to *Lessons Learned from the COVID-19 Pandemic,* APS will implement the *APS Resiliency and Recovery Plan*, with financial support from the American Rescue Plan ESSER funds and prioritization of other district funds. APS' *Resiliency and Recovery Plan* will focus on closing the opportunity and resource divides created or exacerbated by the COVID-19 global pandemic by using one-time resources in a way that builds sustainable capacity to implement our strategic plan, meet the APS Board of Education directed Results (student outcomes), and fulfill APS' mission. This will include focusing on responding to student learning loss—the continued social and academic progress that students would have made in absence of the disruption to student learning; supporting ongoing infrastructure needs and those elevated by the pandemic, and supporting system and capacity building for meeting student needs.

In addition to the *APS 2026* and *Resiliency and Recovery*, APS is implementing a new comprehensive, long-term education and facilities plan called *Blueprint APS*. The *Blueprint APS* considers the decline in enrollment for the district over the past several years that is particularly affecting schools in the western part of the district and anticipated growth in housing developments on the eastern part of the district. In June 2018, APS began engaging the community to get input on the future of APS and what they wanted for their children. With direction from the community and the APS Board of Education, APS is implementing its *Blueprint APS*

Framework. The *Blueprint APS Framework* includes shifting neighborhood schools to boundary schools, implementation of regions with specialties aligned to community assets, and more district-run schools for families to choose, such as magnet schools. For APS, this will mean changes to align with *Blueprint APS* and the changes the community is experiencing, including repurposing of existing schools and building of new schools. APS has begun implementation of several components of the *Blueprint APS Framework*, with identification of regional specializations for all seven regions; plans moving forward to build two new P-8 school buildings in two regions; plans to repurpose two schools into magnet schools, one focused on arts and one on entrepreneurship and invention; and implementation of a 6-12 new magnet program within an existing comprehensive high school. The magnet schools and programs will open for the 2022-23 school year.

APS is also continuing implementation of key activities to support the health and safety of our students as a result of the passage of APS' 2018 Mill Levy Override. The ballot measure included funding to support: expanding staff and training dedicated to student mental health; increasing pay to recruit and retain high quality teachers; expanding after-school learning programs for K-5 elementary students; and adding and providing seat belts on buses. This work has been instrumental in APS being able to respond in real time to the behavioral health and childcare needs of our students and families during the COVID-19 pandemic.

APS, like every other school district in the nation, does not have unlimited time or resources. This reality demands that we be focused, creative, and above all else, strategic. Our students, families and community deserve better schools and higher achievement. This belief fuels our work. It also drives a deep sense of urgency to be ready, to be flexible and to maximize the talent needed to improve outcomes across the district so that every student shapes a successful future.

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 the district for its comprehensive annual financial report for the fiscal year ended June 30, 2020. This was the 37th consecutive year that the district received this prestigious award. In order to receive a certificate of achievement, the district must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to generally accepted accounting principles and applicable legal requirements. This report must satisfy accounting principles generally accepted in the United States of America and applicable legal requirements.

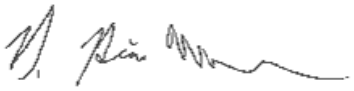
In addition, the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to Aurora Public Schools for its comprehensive annual financial report for fiscal year ended June 30, 2020. This was the 3rd consecutive year that the district received this prestigious award. This certificate is awarded to government units that publish an easy-to-read and well-organized comprehensive annual financial report whose content conforms to the program's standards. This report satisfy accounting principles generally accepted in the United States of America and applicable legal requirements.

Certificates from both ASBO and GFOA are valid for a period of one year only. We believe that our current report continues to meet the certificate of achievement programs' requirements and we are submitting it to both ASBO and GFOA for review and certification.

The publishing of this document would not have been possible without many hours of work put forth by the district's accounting department. In addition, the district appreciates its independent auditors, BKD, LLP, for their professional assistance in preparation of this report. Furthermore,

we would like to express our appreciation to the district's planning and transportation departments, city of Aurora, Adams and Arapahoe counties and other governmental agencies that provided supplemental information used in the preparation of this report. Finally, supplemental information from the Internet home pages of several agencies, organizations and city and state governments was accessed during the compilation of this report. Garnering this information via the Internet was an efficient method to acquire relevant data for our report.

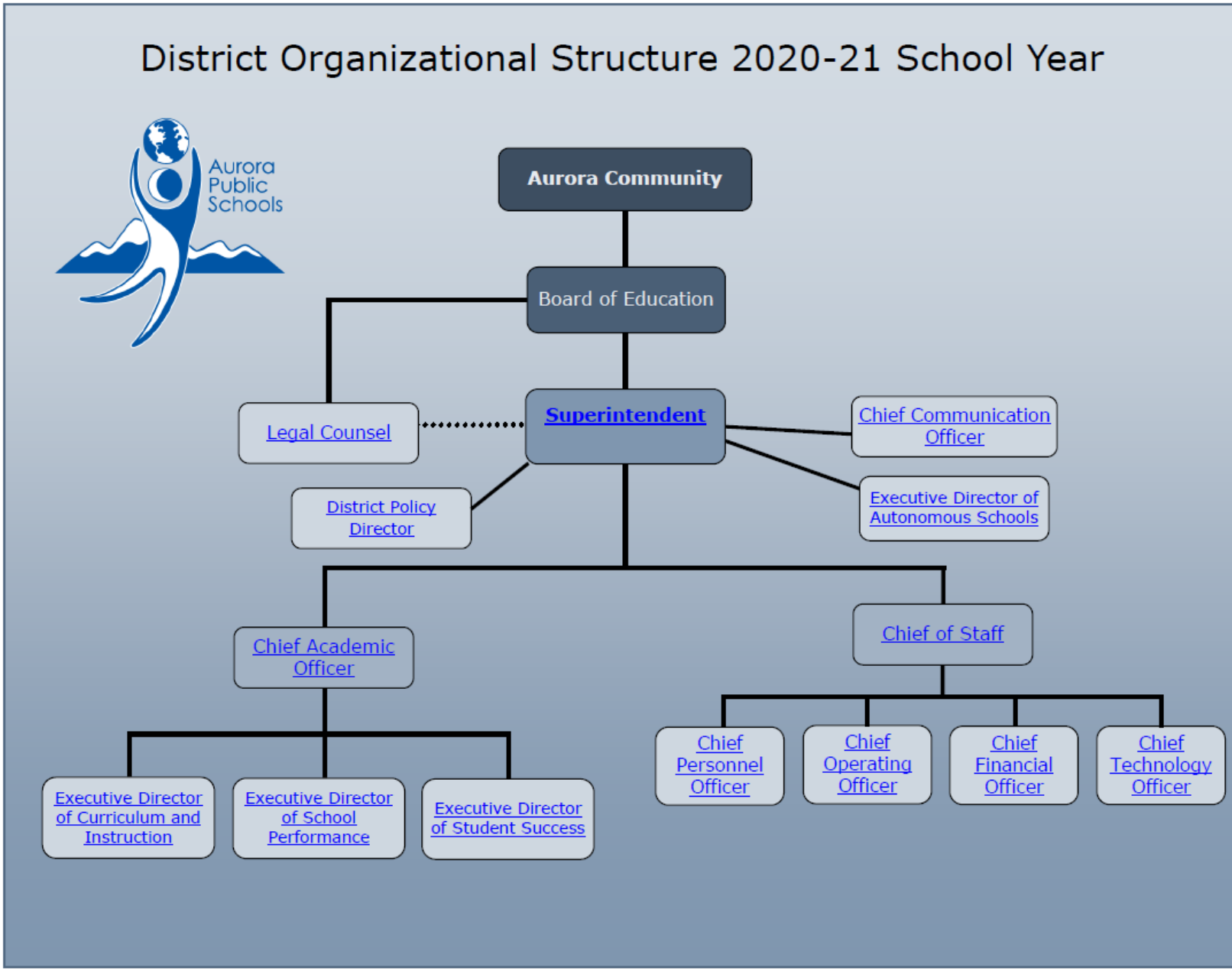
Respectfully submitted,



D. Rico Munn
Superintendent of Schools

Brett Johnson
Chief Financial Officer

District Organizational Structure 2020-21 School Year



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Joint School District No. 28J
of the Counties of Adams and Arapahoe
Colorado

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

The Certificate of Excellence in Financial Reporting is presented to

Joint School District No 28J of the Counties of Adams and Araphahoe, Colorado

for its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2020.

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

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

W. Edward Chabal
President

David J. Lewis
Executive Director

Aurora
Public
Schools

FINANCIAL SECTION

BKD
CPAs & Advisors

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Independent Auditor's Report

Board of Education
Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Aurora, 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 Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado, as of and for the year ended June 30, 2021, 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Aurora Academy, Global Village Academy, Academy of Advanced Learning, Lotus School for Excellence, Vanguard Classical School, AXL Academy, Rocky Mountain Preparatory School, Vega Collegiate Academy and Empower Community High School all of which are included as discretely presented component units, which represent 96.95% of total assets and 90.10% of total revenues of the aggregate discretely presented component units as of and for the year ended June 30, 2021. Those statements were audited by other auditors whose reports have been furnished to us and our opinion on the aggregate discretely presented component units, insofar as it relates to the amounts included for Aurora Academy, Global Village Academy, Academy of Advanced Learning, Lotus School for Excellence, Vanguard Classical School, AXL Academy, Rocky Mountain Preparatory School, Vega Collegiate Academy, and Empower Community High School, 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 Aurora Public Schools Foundation, AXL Academy, Vanguard Classical School, Vega Collegiate Academy and Empower Community High School

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included in the financial statements of the aggregate discretely presented component units, 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 auditor's 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 the 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, 2021, and the respective changes in financial position, 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, budgetary and pension and other postemployment benefits information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 accompanying supplementary information as listed in the table of contents, including the schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as well as other information including the introductory and statistical sections, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was 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 reports of other auditors, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information as defined above, has 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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BKD, LLP

Denver, Colorado
November 3, 2021

Aurora
Public
Schools

Management's Discussion and Analysis
(Unaudited)

The management of Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado, offers to readers this discussion and analysis of the district's financial performance for the year ended June 30, 2021. This discussion and analysis focuses on the primary government and does not include its discretely presented component units. We encourage readers to consider the information presented here in conjunction with the transmittal letter, basic financial statements, notes to the basic financial statements, the required supplementary information, supplementary information and the statistical section to further enhance their understanding of APS's financial performance.

Financial Highlights

On the statement of net position, assets and deferred outflows of resources were less than the district's liabilities and deferred inflows of resources, resulting in a net position deficit of $461.0 million. Total assets increased by $4.6 million, deferred outflows of resources increased by $189.6 million, total liabilities increased by $57.3 million and deferred inflows of resources decreased by $129.4 million.

On the statement of activities, general revenues totaling $499.0 million accounted for 73.3 percent of all revenues of the primary government. Program revenues provided $181.8 million, or 26.7 percent of all revenues, directly supporting the functions and programs of the primary government. Total expenses increased from $396.3 million in 2019-20 to $414.7 million in 2020-21.

The outstanding liability for general obligation bonds payable, including accreted interest and principal, decreased by $32.0 million due to the net of scheduled principal payments and the additions of accreted interest, leaving $399.2 million in principal and accreted interest payments outstanding.

Governmental funds reported combined ending fund balances of $363.8 million, an increase of $39.5 million from the prior year. Unassigned fund balance of $24.6 million in the General Fund is available for district use. Nonspendable fund balance for prepaid items totaled $7.4 million; fund balances restricted for statutory requirements and committed for contractual agreements totaled $192.9 million; fund balance amounts assigned by district management for various operations and contingencies totaled $138.8 million. Federal grants totaling $130.4 million were received by the district and increased from $46.0 million, contributing to the increase in fund balance year over year.

The COVID-19 pandemic and resulting disruptions have caused significant economic uncertainty and volatility in financial markets, U.S. economy and local economy. It is expected that the disruptions will create significant shortfall for school funding for the next several years.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the district's basic financial statements. This annual report consists of a series of financial statements and notes to those statements organized so the reader can understand the district as a whole. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to basic financial statements. This report also includes a section of required supplementary information and a section of supplementary information intended to furnish additional detail to support the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the district's finances using accounting methods similar to those used by 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 information about all of the district's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

The statement of activities shows how the government's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities when the event occurs, regardless of the timing of when cash is received or paid. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected property taxes and earned but unused leave).

Fund Financial Statements

The fund financial statements focus on the district's major funds and provide more detailed information about the district. 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 district has two kinds of funds: governmental funds and fiduciary funds.

Governmental Funds

Most of the district's activities are reported in governmental funds, which focus on how money flows into and out of those funds. The balances left at year-end are available for spending in future periods. The governmental fund statements provide a detailed, short-term view on the financial resources that can be spent in the near future on the district's programs.

The focus of governmental funds is narrower than that of the government-wide financial statements, so it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions.

Because there are differences between governmental activities (shown in the statement of net position and the statement of activities previously discussed) and governmental funds, two reconciliations are provided in the financial statements. The major differences between the financial reporting on governmental activities and governmental funds relate to the district's long-term liabilities and acquisition of capital assets. The district maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Bond Redemption, Grants, Nutrition Services, Building and Capital Reserve, all of which are considered to be major funds. Data for the other four governmental funds (Athletic, Medicaid, Pickens Post-Secondary and Pupil Activity) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements included in this report.

Fiduciary Fund

The district operates one fiduciary fund, the Health Trust Fund. The district is the fiduciary for assets that belong to others. The district is responsible for ensuring that the assets reported in the Health Trust Fund are used only for their intended purposes. Additions to the Health Trust Fund are employer and employee contributions for the operations of the self-funded health insurance program. These assets cannot be used to finance district operations and are not included in the government-wide financial statements.

Notes to Basic Financial Statements

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information and Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also includes required supplementary information containing the district's budgetary schedules for the district's General Fund, Grants Fund, and Nutrition Services Fund, as well as pension information as required by GASB 68 and OPEB information as required by GASB 75. Other supplementary information, including financial statements and budgetary comparisons for the district's other governmental funds, and financial statements for the district's fiduciary funds and component units, follows the required supplementary information. Legal compliance information for budgetary requirements and the Auditor's Integrity Report is included in other supplementary information.

Government-wide Financial Analysis

Governmental Activities

As of June 30, 2021, assets were not sufficient to fund liabilities. The sole reason for liabilities exceeding assets is due to amounts related to the PERA pension and OPEB. As required by GASB 68, the district recorded a noncurrent liability of $795.6 million for its net pension liability. APS has no legal obligation to fund this shortfall nor does it have any ability to affect funding, benefits or annual required contribution decisions made by PERA. The district also recorded a noncurrent liability of $28.9 million as required by GASB 75 for net OPEB liability. Deferred outflows of resources related to the pension plan and OPEB increased by $193.4 million, due to the difference between projected and actual earnings on investments, change in assumptions and change in proportionate share of contributions. Deferred inflows of resources related to the pension plan and OPEB decreased by $129.4 million, due to the difference between projected and actual earnings on investments, change in assumptions and change in proportionate share of contributions. Overall, the district's total net position improved from a deficit of $727.3 million to a deficit of $461.0 million. See footnotes 1, 10 and 11 in Notes to the Financial Statements for additional information on GASB 68 and GASB 75.

A significant portion of the district's assets are its investments in capital assets, such as land, buildings, vehicles and equipment. The value of capital assets, including nondepreciable and depreciable assets, net of depreciation, increased by $1.7 million, from $492.4 million to $494.1 million. The change is due to new assets of $24.4 million offset by depreciation of $22.7 million. The new assets include construction in progress of $20.8 million, which is a result of the district using proceeds from the general obligation bonds approved by voters in November 2016.

Noncurrent assets consisting of cash, cash equivalents and investments that are restricted for capital construction and renovations of schools and support buildings, bond debt service and charter school agreements totaled $169.0 million, a decrease of $3.9 million over the previous year. This decrease is due to capital spending of restricted cash offset by increased property tax receipts for bond debt service, proceeds from issuance of bonds and restricted investment income receipts.

Current assets increased by $6.8 million primarily due to increase in receivables from federal grants. Current liabilities decreased by $35.0 million primarily due to decrease in unearned revenue due to grant revenue earned during the fiscal year. Noncurrent liabilities increased by $92.4 million primarily due to the change in net pension liability.

The district's restricted net position includes seven categories: 1) Colorado Preschool Program funds, § 22-28-101, C.R.S., 2) a TABOR emergency reserve mandated by the Article X, Section 20, of the Colorado constitution, 3) Medicaid grant funds restricted for the improvement of student achievement, 4) student fees charged for instructional programs, restricted by § 22-32-117(2)(c), C.R.S, 5) funds restricted for charter school agreements, 6) funds for long-term debt service generated by bond redemption property taxes, and 7) funds restricted for nutrition services. In accordance with the TABOR emergency reserve mandate, the primary government and its component units reserved 3.0 percent of applicable expenditures, totaling $10.7 million.

The district's net position for governmental activities increased by $266.3 million. Expenses for governmental activities increased by $18.4 million mainly due to the increase in salaries and benefits. Property tax revenue increased by $12.8 million in 2020-21 due to increased net assessed valuation of property located within the district. The state's budget balancing factor, the budget stabilization factor, increased from the prior year. In 2020-21, the district's total per-pupil funding was reduced by 12.77 percent, or $49.7 million, compared to a reduction of 7.0 percent, or $27.7 million in the prior year due to the budget stabilization factor. The budget stabilization factor continues to have an adverse impact on the district's budget; state funding has not been restored to the level that would have occurred if the state could fully fund the state's school finance formula. If sufficient state revenues were available, the district would receive $9,851 per pupil, compared to $8,593 per pupil actually received in 2020-21.

The net expenses of governmental activities after program revenues are applied was $232.8 million in 2020-21 and $308.3 million in 2019-20. General revenues, such as property taxes and school finance act revenue, fund these net expenses.

Net Position

The table below provides a summary of the district's net position for June 30, 2021. Comparative data for June 30, 2020, is also presented. The following condensed financial information was derived from the government-wide statements of net position for the periods indicated.

Comparative Condensed Summary of Net Position

	Primary Government			
	Governmental Activities			
	June 30, 2021	June 30, 2020	Increase (Decrease)	% Change from prior year
Current assets	$ 256,250,753	$ 249,407,960	$ 6,842,793	2.7%
Noncurrent assets, excluding capital assets	168,997,611	172,910,950	(3,913,339)	-2.3%
Capital assets, net	494,117,243	492,439,420	1,677,823	0.3%
Total assets	919,365,607	914,758,330	4,607,277	0.5%
Deferred outflows of resources	311,397,565	121,766,901	189,630,664	155.7%
Current liabilities	98,453,313	133,516,521	(35,063,208)	-26.3%
Noncurrent liabilities outstanding	1,240,087,097	1,147,692,976	92,394,121	8.1%
Total liabilities	1,338,540,410	1,281,209,497	57,330,913	4.5%
Deferred inflows of resources	353,260,786	482,651,904	(129,391,118)	-26.8%
Net investment in capital assets	117,415,039	103,888,391	13,526,648	13.0%
Restricted	145,580,575	121,774,324	23,806,251	19.5%
Unrestricted (deficit)	(724,033,638)	(952,998,885)	228,965,247	-24.0%
Total net position (deficit)	$ (461,038,024)	$ (727,336,170)	$ 266,298,146	-36.6%

The following condensed financial information was derived from the government-wide statements of activities and reflects how the district's net position changed from June 30, 2020 to June 30, 2021.

Comparative Summary of Activities and Changes in Net Position

Comparative Summary of Activities and Changes in Net Position

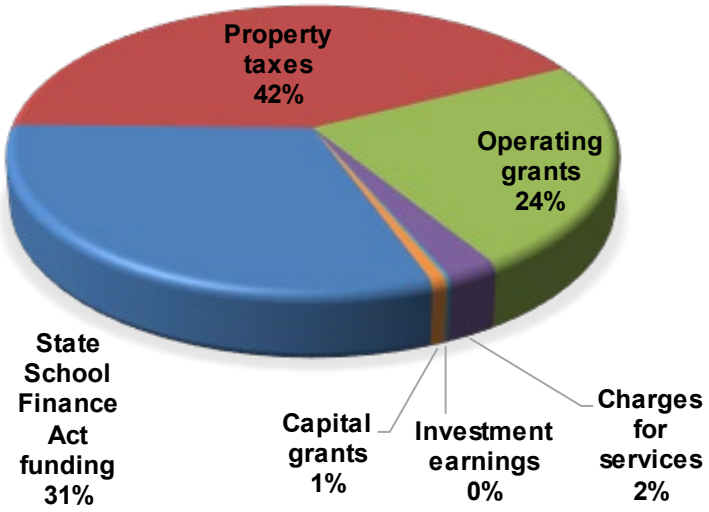
	Primary Government			
	Governmental Activities			
REVENUES	Year Ended June 30, 2021	Year Ended June 30, 2020	Increase (Decrease)	% Change from prior year
Program revenues:				
Charges for services	$ 16,564,181	$ 20,551,401	$ (3,987,220)	-19.4%
Operating grants & contributions	160,437,356	65,875,346	94,562,010	143.5%
Capital grants & contributions	4,881,784	1,567,907	3,313,877	211.4%
General revenues:				
Property taxes	287,173,369	274,402,739	12,770,630	4.7%
State School Finance Act	210,519,931	239,175,271	(28,655,340)	-12.0%
Other	1,377,336	6,014,603	(4,637,267)	-77.1%
Total revenues	680,953,957	607,587,267	73,366,690	
EXPENSES				
Instruction	167,588,694	174,053,652	(6,464,958)	-3.7%
Pupil support	37,050,748	39,750,922	(2,700,174)	-6.8%
Instructional staff support	20,561,462	20,930,308	(368,846)	-1.8%
General administration	11,937,057	6,627,896	5,309,161	80.1%
School administration	22,197,244	25,882,420	(3,685,176)	-14.2%
Business administration	3,478,744	3,726,169	(247,425)	-6.6%
Operations & maintenance	33,472,822	32,156,705	1,316,117	4.1%
Transportation	10,229,664	9,345,685	883,979	9.5%
Personnel/data/risk management	19,358,742	14,513,560	4,845,182	33.4%
Other support services	48,631,501	31,697,881	16,933,620	53.4%
Food service operations	20,696,760	18,008,490	2,688,270	14.9%
Interest on long-term debt	19,452,373	19,565,840	(113,467)	-0.6%
Total expenses	414,655,811	396,259,528	18,396,283	4.6%
Change in net position	266,298,146	211,327,739	54,970,407	26.0%
Net position (deficit) - beginning of year	(727,336,170)	(940,684,893)	213,348,723	-22.7%
Restatement for change in accounting principle	-	2,020,984	(2,020,984)	-100.0%
Net position (deficit) as restated - beginning of year	(727,336,170)	(938,663,909)	211,327,739	-22.5%
Net position (deficit) - end of year	$ (461,038,024)	$ (727,336,170)	$ 266,298,146	-36.6%

Most revenues to Colorado's school districts are provided through the Public School Finance Act of 1994 (as amended). The district's adjusted total program funding for 2020-21 was $331.2 million based on a funded pupil count of 38,551 and per pupil total program funding of $8,593, compared to total program funding of $356.9 million based on a funded pupil count of 39,586 and per pupil total program funding of $9,016 for 2019-20. Of the $331.2 million adjusted funding, $210.5 million was funded through state equalization and the remainder through a combination of local property and specific ownership taxes compared to $239.2 million funded through state equalization in 2019-20. The district distributes per pupil total program funding to its charters as state funding is received.

The primary government, which excludes charters, generated $210.5 million in School Finance Act, unrestricted monies, for 2020-21 compared with $239.2 million in 2019-20. General revenues also included property tax revenues of $287.2 million in 2020-21 compared to $274.4 million in 2019-20. Total property tax revenues include School Finance Act mills, Mill Levy Override Election mills, Tax Abatement mills and Bond Redemption Fund mills. The increase in property tax revenues is due to the mill levy overrides and increased assessed property value. Total expenses for the primary government in 2020-21 were $414.7 million compared to $396.3 million in 2019-20. As discussed previously, the primary reason for the increase in expenses was due to increase in salary and benefits to employees.

The following chart illustrates the district's revenues by source.

Revenues by Source - Primary Government
Year Ended June 30, 2021



Analysis of the School District's Funds

The focus of the district's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Unassigned fund balance may serve as a useful measure of the net resources available for spending. The governmental funds use the modified accrual basis of accounting. The fund financial statements provide detailed information about the district's most significant funds and summarize less significant funds into one column. The district uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

Governmental funds had total revenues and other financing sources of $711.0 million and expenditures including other financing uses of $671.4 million. As of the end of the current fiscal

year, the district's ten governmental funds reported combined ending fund balances of $363.8 million, an increase of $39.5 million.

The Building Fund is used to account for construction projects financed by the sale of general obligation bonds. The fund recorded an ending fund balance of $34.7 million, a decrease of $19.8 million from the prior year. This is the result of spending a portion of the proceeds that Aurora voters approved in November 2016. Of the $300 million approved general obligation bonds, $200 million and $26.5 million were sold in January 2017 and December 2019, respectively.

The Bond Redemption Fund had a fund balance increase of $20.8 million due to property tax and other revenues in excess of required payments on outstanding debt. The Nutrition Services Fund had an increase of $5.0 million in fund balance from operations primarily due to Federal grant revenues and other financing source. Finally, the Capital Reserve Fund had an increase in fund balance of $0.9 million due to other financing sources and revenue in excess of expenditures.

The Colorado constitution requires a TABOR emergency reserve of 3.0 percent of expenditures, with certain federal and local expenditures excluded from this requirement. On the district's Balance Sheet for Governmental Funds, the required amount of $10.7 million is shown as fund balance restricted for TABOR emergency reserve. The General Fund's unassigned fund balance is $25.4 million, which provides a measure of the district's net resources available for spending at the end of the fiscal year. In general, unassigned fund balances are necessary to cover contingencies caused by unpredictable revenues and potentially volatile expenditures. The district's board of education established a policy in November 2003, and revised it in April 2017, that requires a minimum total fund balance of 5.0 percent of revenue using the TABOR calculation.

Revenues and Other Financing Sources
Governmental Funds

	Year Ended June 30, 2021	Year Ended June 30, 2020	Increase (Decrease)	% Change from prior year
Local:				
Property and specific ownership taxes	$ 287,602,205	$ 271,689,227	$ 15,912,978	5.9%
Other	32,909,827	34,994,888	(2,085,061)	-6.0%
State	223,372,468	250,199,333	(26,826,865)	-10.7%
Federal	136,661,897	51,687,957	84,973,940	164.4%
Subtotal	680,546,397	608,571,405	71,974,992	11.8%
Other financing sources	30,425,206	43,365,197	(12,939,991)	-29.8%
Total	$ 710,971,603	$ 651,936,602	$ 59,035,001	9.1%

Property tax revenue increased by $15.9 million compared to last year. The increase is due to increases in net assessed valuations on the real property located within the district. Specific ownership tax revenue, taxes paid annually on motor vehicles, increased from $17.3 million to $17.7 million, or 2.0 percent, in 2020-21.

Expenditures and Other Financing Uses
Governmental Funds

	Year Ended			
	June 30, 2021	June 30, 2020	Increase (Decrease)	% Change from prior year
Instruction	$ 260,329,744	$ 231,164,129	$ 29,165,615	12.6%
Pupil support	62,141,361	57,906,194	4,235,167	7.3%
Instructional staff support	32,873,855	30,714,217	2,159,638	7.0%
General administration	14,387,236	8,481,315	5,905,921	69.6%
School administration	38,851,188	37,029,025	1,822,163	4.9%
Business administration	5,531,441	5,460,609	70,832	1.3%
Operations and maintenance	38,599,563	37,258,429	1,341,134	3.6%
Transportation	14,431,018	14,080,077	350,941	2.5%
Personnel/data/risk management	24,424,242	19,138,589	5,285,653	27.6%
Other support services	27,535,663	23,121,107	4,414,556	19.1%
Food service operations	21,463,580	18,378,137	3,085,443	16.8%
Payment to bond escrow agent	-	-	-	0.0%
Facilities acquisition/improvement	46,705,577	85,239,640	(38,534,063)	-45.2%
Debt service	55,963,575	51,280,256	4,683,319	9.1%
Subtotal	643,238,043	619,251,724	23,986,319	3.9%
Other financing uses	28,184,635	8,363,812	19,820,823	237.0%
Total	$ 671,422,678	$ 627,615,536	$ 43,807,142	7.0%

Governmental fund expenditures increased by 7.0 percent mainly due to increase in salaries and benefits including these areas:

- Instruction costs increased by $29.2 million.
- General administration costs increased by $5.9 million.

The majority of the district's governmental expenditures, 60.8 percent, are directed to the delivery of student instruction, providing additional student and staff supports, student nutrition and transportation. These programs increased expenditures by $39.0 million compared to 2019-20 and are accounted for in the instruction, pupil support, instructional staff support, food service operations and transportation programs. The district's administrative expenditures increased year over year by $12.2 million and are 13.4 percent of total costs. These programs are accounted for in the general administration, school administration, business administration and other support services. Other support services expenditures decreased by $27.2 million primarily due less bond funded projects.

General Fund Budgetary Highlights

General Fund – Original budget compared to final budget

Differences between the original budget and the final budget are included in the January 2021 budget appropriations as approved by the Board of education. Changes to the budget take into consideration the availability of revenues from certifying the mill levy, finalizing the pupil count and receiving updated estimates on state funding. The general fund revenue budget increased due to expected increases in assessed valuations, vehicle registration taxes and interest earnings. The beginning fund balance available to the district also increased as discussed in the district's 2019-20 Comprehensive Annual Financial Report. The increase in overall available resources did not increase the district's budgeted expenditures, instead the increase allowed the district to continue to plan for unforeseen events.

General Fund – Budget to Actual Analysis

General fund revenues exceeded budget by $56.0 million. State revenues exceeded budget by $7.1 million due to increases in state share (i.e., the state's share of the district's per pupil total program funding) and state special education and state grants. General fund federal revenue exceeded budget by $40.3 million as certain federal grants were originally budgeted in the grants fund. Other local revenue exceeded budget by $6.2 million that included indirect cost revenues allowed by grants, building rentals and sale of real properties. Charges for services to charter schools increased by $1.9 million because of higher district special education and district support.

Excluding appropriated reserves, recurring expenditures were in line with the budget. Contingencies are budgeted as the actual programmatic investments are not always known during the budgeting process. This year, with the assistance of federal funds, significant additional investments were made in instruction, operations and maintenance, and information technology. Instructional expenditures, including special education services, special programs, pre-school, after school programming, school administration, pupil support, instructional staff support, and instructional technology exceeded budget by $15.9 million. Excluding indirect cost recoveries, general administration expenditures were less than budget by $0.6 million. The indirect cost recoveries, $6.1 million, offset the increase in revenue discussed above. Other division level expenditures including finance, operations, transportation, and human resources were less than budget by $5.6 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 fund expenditures. Actual expenditures of the General Fund including other financing uses amounted to $492.3 million. Unassigned fund balance represents 5.2 percent of actual expenditures while total fund balance represents 40.2 percent of budget-based expenditures. A significant portion of fund balance is assigned for specific purposes because of the mill levy and APS Blueprint set-asides, instructional carryover and textbook adoption, school finance formula funding set-aside, and materials for new schools. These funds are assigned to these purposes and contingent upon appropriations will be spent on the designations listed. Additionally, assignments are made to mitigate future risks related to exceptional student services, insurance risks, and a reserve for the impending change in the district's School Finance Act formula that will reduce the funded pupil count from a five-year average closer to the actual pupil count for the current year. As the district's enrollment continues to stabilize, the formula to calculate funded pupil count will change resulting in a funded pupil count of approximately 1,500 fewer pupils. This change will result in a decrease in per-pupil funding to the district of $13.2 million.

Capital Assets and Debt Administration

Capital Assets

Net of depreciation, the district's capital assets as of June 30, 2021, totaled $494.1 million, which is invested in land, buildings, equipment, software and construction-in-progress. Depreciation charges this year totaled $22.7 million.

Capital Assets
(Net of Depreciation)

	Primary Government Governmental Activities		Increase	% Change from prior
	June 30, 2021	June 30, 2020	(Decrease)	year
Land	$ 25,303,576	$ 25,303,576	$ -	0.0%
Buildings & improvements	301,160,599	312,599,217	(11,438,618)	-3.7%
Equipment, software & vehicles	12,386,634	12,485,361	(98,727)	-0.8%
Subtotal	338,850,809	350,388,154	(11,537,345)	-3.3%
Construction-in-progress	155,266,434	142,051,267	13,215,167	9.3%
Total	$ 494,117,243	$ 492,439,421	$ 1,677,822	0.3%

The most significant impact on capital assets this year was the additions made to construction-in-progress due to the start of renovations and improvements to school buildings and other facilities funded by the sale of general obligation bonds in January 2017 and December 2019. Additions to construction in progress totaled $20.8 million. For more information on the district capital assets, refer to Note 5 Capital Assets in the Notes to the Financial Statements.

Long-Term Debt

Long-term debt principal, accreted interest and premiums on general obligation debt totaled $427.2 million in general obligations bonds, with $36.9 million due in one year. Certificates of participation, capital leases and proceeds from financing for land purchase totaled $14.0 million, with $1.7 million due in one year. For more information on the district's long-term debt, refer to Note 6 Noncurrent Liabilities in the Notes to the Financial Statements.

Outstanding Debt as of June 30, 2021

	Primary Government Governmental Activities		Increase	% Change from
	June 30, 2021	June 30, 2020	(Decrease)	prior year
General obligation bonds	$ 399,204,985	$ 431,317,408	$ (32,112,423)	-7.4%
Premiums/(discounts)	27,971,280	35,227,307	(7,256,027)	-20.6%
Certificates of participation	7,575,000	7,575,000	-	0.0%
Capital lease	5,549,571	4,135,386	1,414,185	34.2%
Proceeds from financing for land purchase	905,286	905,286	-	0.0%
Total	$ 441,206,122	$ 479,160,387	$ (37,954,265)	-7.9%

Moody's and Fitch have awarded an Aa2 and an AA- rating, respectively, to the district.

Economic Factors and Fiscal Year 2021-22 Budget

Each year, Aurora Public Schools prepares a budget plan with a focus on utilizing available resources to best support educational success. The budget plan encompasses instruction at each school, transportation, food services, maintenance, administration and more.

The district follows a multi-step budget development process that involves receiving input on values and priorities from staff, parents and community members. District leadership prepares a budget plan that balances priorities of the community with federal, state and local regulations, desired academic outcomes, student safety and fiscal responsibility. The budget plan for 2021-

2022 supports the educational commitments of student learning, professional practice and collective responsibility.

In 2010-11, the Colorado General Assembly implemented a budget stabilization factor for total per-pupil program funding. For 2021-22, the budget stabilization factor is estimated to reduce funding available to public education by $571.2 million statewide. In 2021-22, the district's total program funding will be reduced by 6.7 percent, or $27.0 million. The budget stabilization factor continues to have an adverse impact on the district's budget; state funding has not been restored to the level that would have occurred if the state could fully fund the school finance formula. If sufficient revenue were available in Colorado's General Fund, the district would receive $10,352 per pupil, compared to the projected amount of $9,300.

Additionally, COVID-19 pandemic and resulting disruptions have caused significant economic uncertainty and volatility in financial markets, U.S. economy and local economy. It is expected that the disruptions will create significant shortfall for school funding for the next several years.

As with any plan, the 2021-2022 budget is based upon key assumptions. These range from changes in enrollment and per pupil revenue amounts to assessed valuations and staffing ratios. Assumptions upon which the 2021-2022 budget are based include:

- State per-pupil revenue: $9,300
- Total mill levy override revenues: $121.6 million
- Decrease in enrollment, excluding district charter schools and preschool: 907 students, a decrease of 3.0%.
- Net assessed value of property within APS boundaries: $3.8 billion
- Property tax collection rate: 98.5 percent

Given continuing economic forecast uncertainties confronting the nation and Colorado, district leadership will continue to work closely with employee groups and members of the community to create options that maintain the financial health of Aurora Public Schools while continuing our progress in raising student achievement.

Contacting the District's Financial Management

This financial report is designed to provide the district's citizens, taxpayers, parents, investors and creditors with a general overview of the district's finances and to demonstrate the district's accountability for the money it receives. If you have questions about this report or need additional information, contact the Division of Finance, Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado (dba Aurora Public Schools), 15701 East First Avenue, Suite 106, Aurora, Colorado, 80011, or visit our website at www.aurorak12.org.

Aurora
Public
Schools

Basic Financial Statements

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado
Statement of Net Position
June 30, 2021

	Primary Government Governmental Activities	Component Units Charter Schools
ASSETS		
Current assets:		
Cash and cash equivalents	$ 174,533,864	$ 28,798,706
Due from other governments	-	371,080
Receivables (net of allowance for uncollectibles)	72,922,067	4,276,931
Inventories	1,320,642	-
Prepaid and deposit items	7,474,180	603,318
Total current assets	256,250,753	34,050,035
Noncurrent assets:		
Restricted: cash, cash equivalents and investments	168,997,611	7,541,555
Nondepreciable capital assets	180,570,010	5,805,938
Depreciable capital assets	313,547,233	77,800,057
Total noncurrent assets	663,114,854	91,147,550
Total assets	919,365,607	125,197,585
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on bond refunding	5,309,202	-
Items related to pension plan	301,492,489	47,148,191
Items related to OPEB	4,595,874	1,389,992
Total deferred outflows of resources	311,397,565	48,538,183
LIABILITIES		
Current liabilities:		
Accounts payable and other current liabilities	13,344,567	2,541,893
Accrued salaries and benefits	25,896,729	2,817,602
Liability claims and premiums	1,105,970	-
Intergovernmental payable	2,289,226	453,375
Unearned revenue	14,005,622	332,974
Accrued interest payable	1,647,168	1,015,088
Noncurrent liabilities, due within one year:		
General obligation bonds	36,860,783	-
Compensated absences	1,591,346	-
Notes, leases and mortgages payable	1,711,902	9,125,940
Total current liabilities	98,453,313	16,286,872
Noncurrent liabilities, due beyond one year:		
Notes, leases and mortgages payable	4,742,955	78,931,190
General obligation bonds	390,315,482	-
Certificates of participation	7,575,000	-
Net pension liability	795,638,277	92,150,832
Net OPEB liability	28,911,987	3,306,014
Compensated absences	12,903,396	-
Total noncurrent liabilities	1,240,087,097	174,388,036
Total liabilities	1,338,540,410	190,674,908
DEFERRED INFLOWS OF RESOURCES		
Items related to pension plan	342,413,875	37,855,678
Items related to OPEB	10,846,911	1,105,789
Total deferred inflows of resources	353,260,786	38,961,467
NET POSITION		
Net investment in capital assets	117,415,039	2,072,957
Restricted for:		
Colorado Preschool Program	651,230	-
TABOR emergency reserve	10,740,246	2,361,922
Medicaid	9,580,619	-
Student fees	8,384,265	-
Charter school agreements	1,056,105	-
Debt service	103,251,594	-
Nutrition services	11,916,516	-
Other	-	126,835
Unrestricted (deficit)	(724,033,638)	(60,462,321)
Total net position (deficit)	$ (461,038,024)	$ (55,900,607)

The notes to the basic financial statements are an integral part of this statement.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Statement of Financial Position – Aurora Public Schools Foundation
June 30, 2021

ASSETS		
Cash and cash equivalents	$	1,900,184
Investments		234,178
Other receivables		123,600
Total current assets	$	2,257,962
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	$	34,781
Other accrued liabilities and payables		70,767
Total liabilities		105,548
Net Assets:		
Without donor restrictions		433,238
With donor restrictions		
Perpetual in nature		100,000
Purpose restricted		1,619,176
Total net assets		2,152,414
Total liabilities and net assets	$	2,257,962

The notes to the basic financial statements are an integral part of this statement.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Statement of Activities
For the Fiscal Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position: Primary Government Governmental Activities	Net (Expenses) Revenue and Changes in Net Position: Component Units Charter Schools
Primary government:						
Governmental activities:						
Instruction	$ 167,588,694	5,844,519	$ 126,648,819	$ -	$ (35,095,356)	$ -
Pupil support	37,050,748	-	7,453,100	-	(29,597,648)	-
Instructional staff support	20,561,462	-	1,246,624	-	(19,314,838)	-
General administration	11,937,057	-	5,508	-	(11,931,549)	-
School administration	22,197,244	-	6,750	-	(22,190,494)	-
Business administration	3,478,744	-	-	-	(3,478,744)	-
Operations and maintenance	33,472,822	1,114,273	22,500	-	(32,336,049)	-
Transportation	10,229,664	-	-	-	(10,229,664)	-
Personnel/data services/risk management	19,358,742	-	-	-	(19,358,742)	-
Other support services	48,631,501	9,556,233	-	4,881,784	(34,193,484)	-
Food service operations	20,696,760	49,156	25,054,055	-	4,406,451	-
Interest on long-term debt	19,452,373	-	-	-	(19,452,373)	-
Total governmental activities	414,655,811	16,564,181	160,437,356	4,881,784	(232,772,490)	-
Component units:						
Charter schools	$ 77,019,773	$ 1,101,469	$ 12,597,508	$ 3,904,385	-	(59,416,411)
	General revenues:					
	Property taxes, levied for general use				211,628,818	-
	Property taxes, levied for debt service				75,544,551	-
	School Finance Act, unrestricted				210,519,931	51,622,570
	Net earnings on investments				1,377,336	71,654
	Grants and contributions not restricted to programs				-	1,308,606
	Other - component units				-	21,540,889
	Total general revenues				499,070,636	74,543,719
	Change in net position				266,298,146	15,127,308
	Net position (deficit) as previously reported - July 1, 2020				(727,336,170)	(69,978,113)
	Restatement for correction of an error				-	(1,049,802)
	Net position (deficit) as restated - July 1, 2020				(727,336,170)	(71,027,915)
	Net position (deficit) - June 30, 2021				$ (461,038,024)	$ (55,900,607)

The notes to the basic financial statements are an integral part of this statement.

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado
Statement of Activities – Aurora Public Schools Foundation
For the Fiscal Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains and other support:			
Contributions – general	$ 257,531	$3,408,488	$ 3,666,019
Pass-through fee income	6,875	-	6,875
Special events revenue	176,500	72,000	248,500
Less special events direct expenses	(20,436)	-	(20,436)
Investment income, net	852	36,071	36,923
Net assets released from restrictions	2,765,331	(2,765,331)	-
Total revenues, gains and other support	3,186,653	751,228	3,937,881
Expenses:			
Program services:			
College and career centers	235,167	-	235,167
Scholarships	61,148	-	61,148
Special projects	1,699,236	-	1,699,236
Food crisis relief	743,881	-	743,881
Total program services	2,739,432	-	2,739,432
Support services:			
General and administrative	206,799	-	206,799
Fundraising	117,805	-	117,805
Total expenses	3,064,036	-	3,064,036
Change in net assets	122,617	751,228	873,845
Net assets, beginning of the year	310,621	967,948	1,278,569
Net assets, end of the year	$ 433,238	$1,719,176	$ 2,152,414

The notes to the basic financial statements are an integral part of this statement.

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado
Balance Sheet – Governmental Funds
June 30, 2021

	General	Debt Service: Bond Redemption	Special Revenue: Grants	Special Revenue: Nutrition Services
ASSETS				
Assets:				
Cash and cash equivalents	$ 144,955,609	$ -	$ -	$ 8,008,318
Deposits	32,226	-	-	-
Receivables (net of allowance for uncollectibles):				
Property taxes	11,695,277	3,583,057	-	-
Grants	38,795,387	-	7,328,416	3,494,933
Interfund receivable	5,202,853	-	-	-
Other	6,792,826	-	-	84,943
Prepaid items	7,140,952	-	-	142,532
Inventories	-	-	-	1,320,642
Restricted: Cash, cash equivalents and investments	1,384,969	100,639,124	-	-
Total assets	$ 216,000,099	$ 104,222,181	$ 7,328,416	$ 13,051,368
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 4,265,871	$ -	$ 407,199	$ 320,816
Intergovernmental payable	2,289,226	-	-	-
Retainages payable	6,364	-	-	-
Interfund payable	-	-	5,202,853	-
Accrued compensation	23,901,975	-	1,037,041	560,627
Unearned revenue - grants	10,600	-	681,323	-
Unearned revenue - other	450	-	-	110,877
Future claims liability	1,105,970	-	-	-
Compensated absences	555,487	-	-	-
Total liabilities	32,135,943	-	7,328,416	992,320
Deferred inflows of resources:				
Unavailable fund resources	3,328,484	970,587	-	-
Fund balances:				
Nonspendable - Prepaid items	7,140,952	-	-	142,532
Restricted for:				
Colorado Preschool Program	651,230	-	-	-
TABOR emergency reserve	10,740,246	-	-	-
Medicaid	-	-	-	-
Student fees	-	-	-	-
Charter school agreements	1,056,105	-	-	-
Debt service	-	103,251,594	-	-
Capital projects	-	-	-	-
Nutrition services	-	-	-	11,916,516
Committed for - Contractual agreement	200,000	-	-	-
Assigned to:				
APS blueprint, mill levy and recovery plan	45,000,000	-	-	-
Leadership priorities	16,000,000			
Athletic activity	-	-	-	-
Pupil activity	-	-	-	-
Exceptional student services	7,500,000	-	-	-
Future land purchases and development	1,875,000	-	-	-
Instructional carryover	440,000	-	-	-
Instructional textbook adoption	8,739,166	-	-	-
New school curriculum and supplies	3,600,000	-	-	-
Risk related activity	13,550,000	-	-	-
Fiscal management	7,160,164	-	-	-
Two-year set-aside and SFA averaging reserves	32,305,326	-	-	-
Unassigned	24,577,483	-	-	-
Total fund balances	180,535,672	103,251,594	-	12,059,048
Total liabilities, deferred inflows and fund balances	$ 216,000,099	$ 104,222,181	$ 7,328,416	$ 13,051,368

The notes to the basic financial statements are an integral part of this statement.

Capital Projects			
Building	Capital Reserve	Other Governmental	Total Governmental
$ -	$ -	$ 21,569,937	$ 174,533,864
-	-	-	32,226
-	-	-	15,278,334
-	-	-	49,618,736
-	-	-	5,202,853
-	1,128,601	18,627	8,024,997
20,600	3,913	133,958	7,441,955
-	-	-	1,320,642
53,762,259	13,211,259	-	168,997,611
$ 53,782,859	$ 14,343,773	$ 21,722,522	$ 430,451,218
$ 6,099,120	$ 704,493	$ 491,609	$ 12,289,108
-	-	-	2,289,226
969,447	5,741	73,898	1,055,450
-	-	-	5,202,853
1,401	-	395,685	25,896,729
12,053,970	1,147,502	-	13,893,395
-	-	900	112,227
-	-	-	1,105,970
-	-	-	555,487
19,123,938	1,857,736	962,092	62,400,445
-	-	-	4,299,071
20,600	3,913	133,958	7,441,955
-	-	-	651,230
-	-	-	10,740,246
-	-	9,580,619	9,580,619
-	-	8,384,265	8,384,265
-	-	-	1,056,105
-	-	-	103,251,594
34,638,321	12,482,124	-	47,120,445
-	-	-	11,916,516
-	-	-	200,000
-	-	-	45,000,000
			16,000,000
-	-	112,399	112,399
-	-	2,549,189	2,549,189
-	-	-	7,500,000
-	-	-	1,875,000
-	-	-	440,000
-	-	-	8,739,166
-	-	-	3,600,000
-	-	-	13,550,000
-	-	-	7,160,164
-	-	-	32,305,326
-	-	-	24,577,483
34,658,921	12,486,037	20,760,430	363,751,702
$ 53,782,859	$ 14,343,773	$ 21,722,522	$ 430,451,218

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position
June 30, 2021

Total fund balances for governmental funds		$ 363,751,702
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		494,117,243
Deferred losses on debt refundings are not recognized in the fund statements but are deferred outflows of resources in the government-wide financial statements.		5,309,202
Noncurrent liabilities related to debt applicable to the district's governmental activities are not reported in the fund statements. However, these items are reported in the statement of net position.		(441,206,122)
Certain deferred inflows related to unavailable fund resources do not provide current financial resources and the revenues are not recognized on the fund financial statements but are recognized on the government-wide financial statements.		4,299,071
Certain long-term activities related to the district's pension plan are not		
Deferred outflows of resources	$ 301,492,489	
Deferred inflows of resources	(342,413,875)	
Net pension liability	(795,638,277)	
Total pension effects		(836,559,663)
Certain long-term activities related to the district's OPEB plan are not reported in the governmental funds as they are not available in the current period, do not provide financial resources to the district, or are not due and payable in the current period. Those long-term activities include:		
Deferred outflows of resources	4,595,874	
Deferred inflows of resources	(10,846,911)	
Net OPEB liability	(28,911,987)	
Total OPEB effects		(35,163,024)
The current operating resources measurement focus in the governmental fund statements does not require the recognition of accrued interest payable for long-term debt. This amount represents the amount of interest payable accrued in the government-wide financial statements for long-term debt for general obligation debt.		(1,647,168)
Compensated absences are included in the fund statements to the extent they are due and payable and the remainder are only included in the government-wide statement of net position.		(13,939,265)
Total net position (deficit) of governmental activities		$ (461,038,024)

The notes to the basic financial statements are an integral part of this statement.

Aurora
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Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Fund
For the Fiscal Year Ended June 30, 2021

		Debt Service	Special Revenue	
	General	Bond Redemption	Grants	Nutrition Services
REVENUES				
Local:				
Property taxes	$ 194,391,323	$ 75,544,551	$ -	$ -
Specific ownership	17,666,331	-	-	-
Pupil activities	-	-	-	-
Tuition	277,118	-	-	-
Gifts and grants	12,083	-	716,891	46,299
Charges for services	8,783,327	-	-	893,494
Other	10,284,449	-	-	-
Cash in lieu of land dedication	-	-	-	-
Rental of buildings	1,083,107	-	-	-
Net earnings on investments	1,203,724	108,307	-	5,963
State:				
State equalization	187,866,846	-	-	-
Vocational education	1,336,601	-	-	-
Special education	9,724,497	-	-	-
Grants	4,811,456	-	3,032,757	211,342
Transportation	1,929,817	-	-	-
English Language Proficiency Act	6,887,281	-	-	-
READ Act	2,391,376	-	-	-
Gifted and talented	383,514	-	-	-
Federal grants	76,511,883	-	29,118,384	24,796,415
Medicaid reimbursements	-	-	-	-
Total revenues	525,544,733	75,652,858	32,868,032	25,953,513
EXPENDITURES				
Current:				
Instruction	235,392,187	-	17,956,507	-
Pupil support	50,416,688	-	7,562,946	-
Instructional staff support	27,530,702	-	4,277,865	-
General administration	12,761,097	9,025	1,498,728	-
School administration	38,160,030	-	226,054	-
Business administration	5,266,732	-	-	-
Operations and maintenance	37,701,070	-	22,500	-
Transportation services	9,464,323	-	-	-
Personnel/data/risk management	23,178,490	-	350,107	-
Other support services	26,202,511	-	923,325	-
Food service operations	-	-	50,000	21,413,580
Facilities acquisition and improvements	5,510,550	-	-	-
Debt service:				
Principal	-	35,209,963	-	-
Interest	-	19,666,783	-	-
Total expenditures	471,584,380	54,885,771	32,868,032	21,413,580
Excess (deficiency) of revenues over (under) expenditures	53,960,353	20,767,087	-	4,539,933
OTHER FINANCING SOURCES (USES)				
Issuance of capital lease	-	-	-	-
Transfers in:				
General fund	-	-	-	424,211
Capital Reserve Fund	-	-	-	-
Transfers out:				
Nutrition Services Fund	(424,211)	-	-	-
Capital Reserve Fund	(16,250,000)	-	-	-
Nonmajor governmental funds	(4,010,424)	-	-	-
Total other financing sources (uses)	(20,684,635)	-	-	424,211
Net change in fund balances	33,275,718	20,767,087	-	4,964,144
Fund balances - July 1, 2020	147,259,954	82,484,507	-	7,094,904
Fund balances - June 30, 2021	$ 180,535,672	$ 103,251,594	$ -	$ 12,059,048

The notes to the basic financial statements are an integral part of this statement.

Capital Projects			
Building	Capital Reserve	Other Governmental	Total Governmental
$ -	$ -	$ -	$ 269,935,874
-	-	-	17,666,331
-	-	1,376,804	1,376,804
-	-	4,096,156	4,373,274
1,123,500	-	19,725	1,918,498
-	-	-	9,676,821
-	218,931	280,676	10,784,056
-	2,306,372	-	2,306,372
-	-	13,559	1,096,666
45,142	14,200	-	1,377,336
-	-	-	187,866,846
-	-	-	1,336,601
-	-	-	9,724,497
4,775,831	21,150	-	12,852,536
-	-	-	1,929,817
-	-	-	6,887,281
-	-	-	2,391,376
-	-	-	383,514
-	-	2,890	130,429,572
-	-	6,232,325	6,232,325
5,944,473	2,560,653	12,022,135	680,546,397
-	-	6,981,050	260,329,744
-	-	4,161,727	62,141,361
-	-	1,065,288	32,873,855
-	25,192	93,194	14,387,236
-	-	465,104	38,851,188
-	15,327	249,382	5,531,441
-	875,993	-	38,599,563
-	3,968,198	998,497	14,431,018
829,095	66,150	400	24,424,242
-	-	409,827	27,535,663
-	-	-	21,463,580
32,417,093	6,573,365	2,204,569	46,705,577
-	792,522	-	36,002,485
-	294,307	-	19,961,090
33,246,188	12,611,054	16,629,038	643,238,043
(27,301,715)	(10,050,401)	(4,606,903)	37,308,354
-	2,240,571	-	2,240,571
-	16,250,000	4,010,424	20,684,635
7,500,000	-	-	7,500,000
-	-	-	(424,211)
-	(7,500,000)	-	(23,750,000)
-	-	-	(4,010,424)
7,500,000	10,990,571	4,010,424	2,240,571
(19,801,715)	940,170	(596,479)	39,548,925
54,460,636	11,545,867	21,356,909	324,202,777
$ 34,658,921	$ 12,486,037	$ 20,760,430	$ 363,751,702

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2021

Net changes in fund balances - total governmental funds		$ 39,548,925
Amounts reported for governmental activities in the statement of activities are different because:		
Repayment of long-term debt is an expenditure in the governmental funds but reduces the liability in the statement of net position.		36,002,485
Governmental funds report the effect of bond issuances, premiums, discounts, and deferred gain (loss) on refunding issued as an other financing source (use). However, in the statement of activities, the funds associated with the issuances are recorded as long-term liabilities and amounts associated with premiums, discounts, and deferred gain (loss) on refunding are allocated over the life of the debt and netted with interest expense. Also, in the statement of activities interest is accreted on the capital appreciation bonds, but is not reported in the governmental funds.		
Issuance of capital lease	$ (2,240,571)	
Accreted interest on capital appreciation bonds	(3,097,540)	
Amortization of bond discount/premium and deferred loss on refunding	3,476,295	
		(1,861,816)
Unavailable revenue does not provide current financial resources on the governmental fund financial statements, but this change in unavailable revenue from year to year is recognized on the government-wide financial statements.		407,564
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period and also includes asset retirement activity and non-cash capital contributions, which is reported differently between the fund and government-wide financial statements.		
Capital outlays	$ 24,438,013	
Depreciation expense	(22,740,397)	
Asset retirement activity	(19,794)	
Total capital outlay reported as expenditures		1,677,822
A portion of the expense or expense offset related to pension (pension expense credit of $189,313,704) and OPEB (OPEB expense credit of $2,352,546) recorded in the statement of activities does not require use of current financial resources and therefore is not reported as an expenditure in the governmental funds.		191,666,250
The current operating resources measurement focus in the governmental fund statements does not require the recognition of accrued interest payable for long-term debt. This amount represents the change in amount of interest payable accrued in the government-wide statements for long-term debt for general obligation debt ($1,647,168) from the previous year's balance ($1,777,130).		129,962
A portion of the change in compensated absences is not recognized as an expenditure in the fund financial statements but is recognized in the statement of activities.		(1,273,046)
Change in net position of governmental activities.		$ 266,298,146

The notes to the basic financial statements are an integral part of this statement.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Statement of Fiduciary Net Position
Fiduciary Fund – Health Trust Fund
June 30, 2021

	Health Trust
ASSETS	
Cash and cash equivalents	$ 2,160,647
Total assets	$ 2,160,647
LIABILITIES	
Accounts payable	$ 38,142
Total liabilities	38,142
NET POSITION	
Net position restricted and held in trust for employee benefits	2,122,505
Total net position and liabilities	$ 2,160,647

The notes to the basic financial statements are an integral part of this statement.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Statement of Changes in Fiduciary Net Position
Fiduciary Fund – Health Trust Fund
For the Fiscal Year Ended June 30, 2021

	Health Trust
ADDITIONS	
Contributions:	
Employer contributions	$ 1,156,631
Employee contributions	1,576,593
Total contributions	2,733,224
Investment activity:	
Investment expense	(593)
Net investment loss	(593)
Total additions, net	2,732,631
DEDUCTIONS	
Benefits	2,214,492
Administrative expense	145,492
Total deductions	2,359,984
Change in net position	372,647
Total net position, July 1, 2020	1,749,858
Total net position, June 30, 2021	$ 2,122,505

The notes to the basic financial statements are an integral part of this statement.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado, have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). In addition, the district conforms to the Colorado Financial Policies and Procedures Handbook as required by Colorado statutes. A summary of the significant accounting policies applied in the preparation of the basic financial statements is described below.

Reporting Entity

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado, is a political subdivision and corporate body of the state of Colorado. The public elects a seven-member board of education, which has the authority to make decisions, the power to designate management, the ability to significantly influence operations, and the primary accountability for fiscal matters. The board members are elected for four-year terms. The district superintendent serves as the executive officer of the board. The superintendent does not maintain any voting privileges.

The district receives local, state, and federal funding and must comply with regulations established by all of these entities. The district is not included as a component unit in any other governmental reporting entity. In accordance with accounting principles generally accepted in the United States of America, these financial statements present all funds of the district and its component units.

Discretely Presented Component Units – Charter Schools

In 1993, the Colorado state legislature enacted the Charter School Act, § 22-30.5-101 *et seq*., C.R.S., which permits the district to contract with individuals and organizations for the operation of charter schools within the district. A charter school operates as a public school within the district and is accountable to the school district's local board of education for purposes of ensuring compliance with applicable laws and charter provisions. The charter schools have separate governing boards but a financial benefit/burden relationship exists as the district provides the majority of their funding, and their exclusion would render the district's financial statements incomplete. Charter schools are considered discretely presented component units for external financial reporting purposes. The district considers each of the component units to be nonmajor component units because none of the schools individually has a financial relationship with the district that is significant to require separate reporting within the basic financial statements. Combining schedules are included within the supplementary section of this comprehensive annual financial report.

Each charter school prepares its own separately issued financial statements. These statements can be obtained by sending a request to:

School Name	Address	
Academy of Advanced Learning	441 Sable Blvd.	Aurora, CO 80011
Aurora Academy	10251 E. First Ave.	Aurora, CO 80010
Aurora Science and Technology of Denver School of Science and Technology, Inc.	3401 Quebec St., Suite 2000 Denver, CO 80207	
Empower Community High School	450 S. Chambers Rd.	Aurora, CO 80017
AXL Charter School	14100 E. Jewell Ave.	Aurora, CO 80012
Global Village Academy	16401E Alameda Pl.	Aurora, CO 80017

Lotus School for Excellence	11001 E. Alameda Ave.	Aurora, CO 80012
Rocky Mountain Preparatory School at Fletcher	10455 E. 25th Ave.	Aurora, CO 80010
Vanguard Classical Schools	801 Yosemite St.	Aurora, CO 80230
Vega Collegiate Academy	1345 Macon St.	Aurora, CO 80010

Discretely Presented Component Unit – Aurora Public Schools Foundation
The Aurora Public Schools Foundation was incorporated in 1987 as a non-profit organization. The foundation is a community-based advocate for quality public education for students within the district. Programs administered by the foundation provide a financial benefit to the district in the form of grants, scholarships and special projects which support innovative classroom initiatives and enhance the educational opportunities of district students and staff. In addition, donations to the foundation support various educational programs within the district. Even though the foundation is a separate legal entity and the district is not financially accountable for the foundation, the foundation's financial statements are included as part of the district's financial reporting entity because of the nature and significance of the relationship between the primary government and the foundation. The foundation solicits donations and manages those funds for the benefit of the students and district.

Complete financial statements for this component unit may be obtained from Aurora Public Schools Foundation administrative offices located at 15701 E. First Avenue, Suite 206, Aurora, Colorado 80011.

Government-wide and Fund Financial Statements
The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues. The primary government is reported separately from the discretely presented component units for which the primary government is financially accountable.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation
The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash

flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. When both restricted and unrestricted resources are available for use, it is the district's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental funds account for the district's general governmental activities and use the flow of current financial resources measurement focus. This measurement focus means that only current assets and current liabilities are included in these balance sheets. The reported fund balances are considered a measure of available spendable resources. Governmental fund operating statements show increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they present a summary of sources and uses of available spendable resources during the reporting period.

All governmental funds use the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become measurable and available. Measurable means the amount of the transaction can be determined, while available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenues susceptible to accrual include property taxes and payments from the state for equalization funding, special education and vocational education reimbursements. Other revenues susceptible to accrual include tuition payments received from other school districts and rental receipts for building usage that occurred in the fiscal year but were paid after year-end. The district considers these other revenues available if they are collected within 60 days after year-end. Grant revenues are recognized if they are collected within a one year period after the expenditures occur. Other local receipts are not susceptible to accrual since they are generally not measurable until received. The district considers all property tax revenues available if they are collected within 60 days after year-end. In addition, under the modified accrual basis of accounting, expenditures are recorded when the liability is incurred with two exceptions. These exceptions include (1) interest on general long-term obligations which is recognized when due, and (2) compensated absences such as accrued unused vacation pay and paid leave which are recognized when the obligations are expected to be liquidated when matured.

Governmental Funds

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

The Bond Redemption Fund is the government's debt service fund. It accounts for the accumulation of resources to pay general long-term debt principal, interest, and related costs. Because of its large cash balance, the Bond Redemption Fund is presented as a major fund on the governmental statements.

The Grants Fund is classified as a major special revenue fund and is used to account for revenues and expenditures related to federal, state and local grants. Special revenue funds are used to account for proceeds of special revenue sources that are legally or otherwise restricted to expenditures for specified purposes. Revenue restrictions in this fund are imposed by the grantor for the specific purposes of the grant.

The Nutrition Services Fund is classified as a major special revenue fund and is used to account for revenues and expenditures related to providing students with healthy and nutritious meals. Special revenue funds are used to account for proceeds that are legally or otherwise restricted to

expenditures for specified purposes. Revenues in the Nutrition Services Fund are primarily from federal, state, and local sources specifically for school cafeteria operations. The fund balance of Nutrition Services operations is restricted for that fund's use only.

The Building Fund is a capital projects fund and accounts for construction and renovation projects funded by the sale of general obligation bonds.

The Capital Reserve Fund is a capital projects fund and accounts for ongoing capital outlay needs of the district such as equipment purchases and debt repayments.

Fiduciary Fund
The Health Trust Fund is an other employee benefit trust fiduciary fund, was created on July 1, 2010, and is used to account for the district's self-insured dental insurance program and the employee-funded medical flexible spending accounts. Both employee and employer dental premiums fund dental claims that are processed through the dental insurance carrier. Medical flexible spending accounts are processed by a third-party administrator. The Health Trust Fund reports assets held by the district in a fiduciary capacity for employees and therefore cannot be used to support the government's own programs. The fund uses the economic resources measurement focus and the accrual basis of accounting.

Major and Nonmajor Funds
The district reports the following major funds.

Fund Group	District Fund Name	Fund Type
Governmental Funds	General Fund	General
	Bond Redemption Fund	Debt Service
	Grants Fund	Special Revenue
	Nutrition Services Fund	Special Revenue
	Building Fund	Capital Projects
	Capital Reserve Fund	Capital Projects

Additionally, the district reports four nonmajor government funds and one fiduciary fund.

Fund Group	District Fund Name	Fund Type
Governmental Funds	Athletic Fund	Special Revenue
	Medicaid Funds	Special Revenue
	Pickens Post-Secondary Fund	Special Revenue
	Pupil Activity	Special Revenue
Fiduciary Fund	Health Trust	Trust-Other Employee Benefits

Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity

Cash and Investments
As mandated by § 22-45-103, C.R.S., the district maintains deposits for the Bond Redemption Fund in a third-party custodial bank. In order to maximize interest earnings, all other funds' cash deposits are maintained in a cash and investment pool.

The district maintains accountability for each fund's equity in pooled cash and investments. Interest earnings for combined deposits are generally distributed based on monthly cash balances.

All pooled cash investments are considered cash equivalents for accounting purposes. Investments are carried at fair value based on current market quotations.

The district is required to deposit funds in eligible public depositories as defined by § 11-10.5-104, C.R.S. The eligible depository is required to pledge collateral having a market value that exceeds 102 percent of uninsured aggregate public deposits to the Colorado Division of Banking. Eligible collateral types include obligations of the United States, the state of Colorado, local Colorado governments, and obligations secured by first lien mortgages on real property located in the state. The collateral is not held in the name of the district but is part of a collateral pool. The district's bank deposits are entirely covered by federal depository insurance or collateralized in accordance with the statute.

The district maintains deposits in the Colorado Local Government Liquid Asset Trust (COLOTRUST), an investment trust established by state statute for local governments in Colorado to pool surplus funds for investment purposes. COLOTRUST operates similarly to demand deposit accounts where each share is equal to one dollar. COLOTRUST invests in U.S. Treasury securities, written repurchase agreements, certain approved obligations of agencies of the U.S. government and commercial paper rated in the highest rating category. The district considers COLOTRUST funds, U.S. government securities and certificates of deposit with an original maturity of three months or less to be cash equivalents. Investments are reported at fair value (generally based on quoted market prices) except for the position in local government investment pools.

It is the policy of the district to invest public funds in a manner which will provide the highest investment return with the maximum security, meet the daily cash flow demands of the district, and conform to all federal, state and local statutes governing the investment of public funds. This policy applies to the investment of all financial assets and all funds of the district over which it exercises financial control. Investment activities are governed by § 24-75-601, C.R.S.

Interfund Transactions

Transactions between funds that are representative of lending or borrowing arrangements result in interfund balances. Balances representing the current portion of interfund loans are reported as due to/from other funds, while advances to/from other funds represent the noncurrent portion of interfund loans. Another type of interfund transaction is a transfer, which occurs when resources of one fund are transferred to another fund. For the fiscal year ended June 30, 2021, the district reported both interfund transfers and current interfund loans.

Receivables and Payables

Property taxes are levied on December 15 and are payable in full by April 30, or in two equal installments due February 28 and June 15. Taxes are considered past due on June 15. Personal property taxes that remain unpaid as of October 1 will be subject to distraint, seizure and sale to satisfy taxes due. Adams and Arapahoe counties bill and collect property taxes for all taxing entities in the counties. Property tax receipts collected by the counties on behalf of the district are remitted to the district in the subsequent month. A fee of 0.25 percent on General Fund collections is retained by both counties as compensation for collecting the taxes and is reflected as an expenditure in the General Fund.

In the governmental statements, which use the modified accrual basis of accounting, property taxes are reported as receivables and deferred inflows of resources when taxes are levied. Taxes

received within 60 days after year-end are reported as revenue and as county treasurers' receivables. In the government-wide financial statements, which use the full accrual basis of accounting, property taxes are recognized as revenue for the full levy amount in the period for which they are levied. All property tax receivables are shown net of an allowance for doubtful accounts, calculated as 1.06 percent of the year's total levy amount.

For federal and state grants and entitlements, a receivable is established when related expenditures exceed receipts, and revenue is recognized to the extent of related expenditures when eligibility requirements are met. Grant revenues are recognized if they are collected within a one year period after the expenditures occur.

Unearned Revenue – Grants and Other

Unearned federal grant, state grant and entitlement revenues are established when receipts exceed expenditures and all eligibility requirements have not been met. Other unearned revenues included community use rentals, tuition and fees received in advance, but not earned.

Inventories

Inventories consist of expendable supplies held for consumption. Expenditures for supplies are recorded upon the release of these items to various schools and departments. Inventories for governmental activities are stated at cost as determined by the weighted average cost method. Expenses for food items are recorded when used. Inventories for food items are stated at cost as determined by the first-in, first-out method. Inventory balance at year end relates to Nutrition Services with the amount included with Nutrition Services' restricted fund balance as it is restricted for that fund's use only.

Prepayments

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The district records prepaid items using the consumption method. Fund equity is classified as nonspendable for the prepayments.

Capital Assets

The primary government considers capital equipment and vehicles to be those items having a useful life greater than one year and having an original item value greater than $5,000. Capital renovations are considered to be those items that significantly enhance the value of previously existing assets and have a project value greater than $25,000. In addition, capital improvements are those items that add new functionality to existing assets and have a project value greater than $10,000. All capital assets are recorded at either original cost or an estimated historical cost in the case of assets for which actual cost was not determinable. Intangible assets, such as purchased software licenses or internally generated software applications having a cost or development value of $5,000 or more, are capitalized and amortized over a three- to fifteen-year period. Donated assets have been recorded at acquisition value on the date of receipt. Expenditures that significantly enhance the value of an asset whether land, building, or equipment

are capitalized according to the district's policies. However, expenditures for repairs, maintenance and expendable supplies are not capitalized.

Capital assets of the district are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	40
Buildings and site improvements/renovations	10-20
Vehicles	7-12
Equipment	5-12
Intangible assets-software and software development	3-15

Each component unit has established its own capital asset policy and method of depreciation. Please refer to the financial statements of the component units for more information.

Deferred Outflows/Inflows of Resources

A deferred inflow of resources is an acquisition of net position by the district that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net position by the district that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

Under the modified accrual basis of accounting, revenues and other fund financial resources are recognized in the period in which they become both measurable and available. Assets recorded in the fund financial statements for which the revenues are not available are reported as deferred inflows of resources.

Deferred outflows of resources of the entity consist of a deferred charge on refunding, pension items and OPEB items in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Refer to Notes 10 and 11 for information on deferred outflows of resources and deferred inflows of resources related to pension items and OPEB items, respectively.

Accrued Compensation

Salaries and benefits of certain contractually employed personnel are paid over a 12-month period (for example, from August to July) for both the district and its charter school component units, but are earned during a school year of approximately 10 months.

Compensated Absences – Accumulated Unused Paid Leave and Vacation Pay

District policy allows employees to accumulate unused paid leave and vacation pay to specified limits. Upon retirement or termination of employment, employees with at least 10 years of service are entitled to be paid for a portion of their accumulated unused paid leave in excess of 30 days. Unused vacation leave is expected to be used in the year in which it was earned but may be accumulated and carried over to specified limits. Unused vacation is paid in full to specified limits upon an employee's retirement or termination of employment.

In the governmental funds, which use the modified accrual basis of accounting, only the amounts due at the end of the fiscal year are accrued as current-year expenditures. These amounts are shown as fund liabilities. The General Fund is used to liquidate the compensated absences liabilities of the governmental funds.

In the government-wide financial statements, the district has estimated a portion of the total unused vacation pay and paid leave liability as due within one year with the remainder of the liability recorded as a long-term liability.

Noncurrent Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. Bond premiums and discounts are recognized as other financing sources and uses, respectively. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

For financial reporting purposes, the district follows the requirements of Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*; which states under certain circumstances for capital leases, the present value of future minimum lease payments should be shown as a liability and related assets should be capitalized in the basic financial statements. Capital leases held by the district have been renewed annually, and title to the related property has been acquired pursuant to the lease.

General obligation bonds are serviced from property taxes and other revenues of the Bond Redemption Debt Service Fund. Refunded bonds are serviced by irrevocable refunding escrow accounts established at the time of refunding.

Accumulated unused vacation and paid leave for governmental funds are serviced from the General Fund.

The district has no legal obligation to fund the balance of the net pension liability recorded in the government-wide financial statements. Annual contributions to the pension plan are made from the fund in which an employee is paid.

Fund Balances and Net Position

Fund balances are the excess of assets plus deferred outflows of resources minus liabilities and deferred inflows of resources and are shown only in the governmental funds statements. Governmental funds balances are classified into five categories: restricted, committed, assigned, unassigned or nonspendable. Fund balance is reported as restricted when constraints placed on the use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Assets that are required by outside sources to be used for a specific purpose are shown on the balance sheet as restricted assets. Any formal action, ordinance or resolution, of the board of education, the highest level of decision making authority, which places constraints on the use of funds to a specific purpose is categorized as committed fund balance. Actions to remove the

constraints, regardless if they were imposed by an ordinance or a resolution, would require the same level of difficulty needed to place constraints on the use of funds to a specific purpose. Fund balance is reported as assigned when the board or board designee intends to use the funds for a specific purpose. Under the board's adopted policy, only the board of education, superintendent, or the chief financial officer may assign amounts for specific purposes. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Unassigned fund balance is the residual classification for the General Fund and represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes and may only be reported in the General Fund.

The district does not have a policy for its use of unrestricted fund balance amounts, but considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balances could be used. When both restricted and unrestricted resources are available for use, it is the district's policy to use restricted resources first, and then use unrestricted resources as they are needed.

Net position is the excess of assets minus liabilities and is shown in the government-wide and fiduciary fund financial statements. Net position includes the following three classifications: (a) net investment in capital assets which consists of capital assets, net of accumulated depreciation, and reduced by the outstanding amount of debt which was issued to acquire or construct the capital assets, (b) restricted net position report amounts legally segregated for a specific future use, and (c) remaining net position is reported as unrestricted.

On-Behalf Payments

U.S. GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of Colorado makes direct on-behalf payments for retirement benefits to Colorado PERA. Beginning on July 1, 2018, the State of Colorado is required to make a payment to PERA each year equal to $225 million. PERA allocates the contribution to the trust funds of the State, School, Denver Public Schools, and Judicial Division Trust Funds of PERA, as proportionate to the annual payroll of each division. This annual payment is required on July 1st of each year thereafter until there are no unfunded actuarial accrued liabilities of any division of PERA that receives the direct distribution. Due to House Bill 20-1379, signed by Governor Polis on June 29, 2020, the annual payment for fiscal year ended June 30, 2021 was suspended and there was no on-behalf payment for 2020-21.

Estimates

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

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Encumbrances

Outstanding encumbrances represent a commitment for the estimated amount of expenditures, which could ultimately result from the fulfillment of uncompleted purchase orders and contracts.

Encumbrances lapse at the end of each fiscal year. Lapsed encumbrances are then reviewed by department supervisors to determine which will remain canceled and which will be reinstated and paid from the subsequent year's appropriations. Encumbrances are not considered expenditures until an actual liability is incurred.

Legal Compliance – Article X, Section 20 of the Colorado Constitution (the 1992 Taxpayers' Bill of Rights Amendment)

To comply with the Taxpayer Bill of Rights (TABOR) amendment, the district has budgeted and continues to report an emergency reserve. Recognition of this year's reserve of $10,740,246 is shown as restricted fund balance in the General Fund. The emergency reserve cannot be used for adverse economic conditions, revenue shortfalls, or district salary or fringe benefit increases. If at any time the board of education expends any money from the district emergency reserve, the board is required to restore the reserve to 3.0 percent of the amount budgeted to the General Fund as follows:

- If the board of education expends money from the district emergency reserve in a single fiscal year, the board shall restore the reserve within 36 months of the first draw of the money from the reserve, and
- If the board of education expends money from the district emergency reserve in two consecutive fiscal years, the board shall restore the reserve by the end of the fiscal year following the second fiscal year in which the board expended money from the reserve. The following table summarizes the calculation of this year's 3.0 percent emergency reserve mandated by the TABOR amendment, as recorded, for the district.

TABOR Fund Balance Reserve for Emergencies		
Qualifying revenues, all district funds		$ 682,786,966
Less excludable amounts:		
Federal Sources	$ 136,661,896	
Override Funding	108,052,184	
Gifts	1,255,169	
Property Sales	916,085	
Voter approved debt issuance	2,240,571	
Bond Redemption	75,652,858	
Total excludable amounts		324,778,763
Revenues subject to TABOR		358,008,203
TABOR reserve percentage		3%
Amount reserved for emergencies - district		10,740,246
Total amount reserved for emergencies		$ 10,740,246

Another restriction within the TABOR amendment addresses long-term or multi-year leases. District management carefully considers any such arrangements to prevent any noncompliance with this amendment. Since passage of the TABOR amendment, long-term agreements are structured through escrow arrangements and annual agreements. The amendment is subject to judicial interpretation; however, district management believes it is in compliance with these limitations.

In the November 2001 general election, voters approved an exemption from TABOR revenue and spending limitations for the district.

Minimum Fund Balance/Cash Fund Emergency Policy

As designated in district policy, DA-Fiscal Management Goals/Priority Objectives, the superintendent is required to maintain a minimum General Fund or cash fund emergency reserve of 5.0 percent of current year General Fund revenues less the 3.0 percent restricted amount required by the TABOR. The policy does not specify the circumstances under which these funds can be used or the method of repayment, if the funds are used. For the current fiscal year, the 5.0 percent reserve total for the district is $17,900,410 presented as the district's TABOR and fiscal management of $10,740,246 and $7,160,164 respectively. The fiscal management amount of $7,160,164 is shown as an assigned fund balance on the Balance Sheet for Governmental Funds.

Subsequent Year Expenditures

Budgets for each subsequent fiscal year are approved by the board of education. Some governmental funds have budgeted expenditures in excess of budgeted revenues; it is the intent of the district to utilize the ending fund balances from the prior fiscal year to provide for the excess expenditures. Of significance is the Building Fund and the Capital Reserve fund. The Building Fund is funded by the sale of general obligation bonds in 2010, 2017 and 2019. The Capital Reserve Fund is a capital projects fund and accounts for ongoing capital outlay needs of the district such as equipment purchases and debt repayments. These funds are included in restricted fund balances that are restricted specifically for capital projects, debt repayments and improvements of district facilities. Also, the Bond Redemption Fund has appropriated all of its fund balance for the purpose of scheduled payments of bond principal and interest.

NOTE 3: DEPOSITS AND INVESTMENTS

Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments as of June 30, 2021, are classified in the financial statements as follows.

	Primary Government	Fiduciary Fund	Total
Cash and cash equivalents	$ 174,533,864	$ -	$ 174,533,864
Restricted: Cash, cash equivalents and investments	168,997,611	-	168,997,611
Fiduciary fund	-	2,160,647	2,160,647
Total	$ 343,531,475	$ 2,160,647	$ 345,692,122

Unspent proceeds of the 2017 and 2019 general obligation bonds in the Building Fund and the cash balances in the Bond Redemption Fund are restricted cash on the basic financial statements.

Deposits and Cash with Fiscal Agent

The Colorado General Assembly passed the Public Deposit Protection Act (the PDPA) in 1975. The purpose of the PDPA is to protect all public funds held on deposit in financial institutions. In the event eligible banks or savings and loan institutions default, statutes provide for the expedited

repayment of public deposits not covered by the Federal Deposit Insurance Corporation. The district has no custodial credit risk because all deposits are insured by the Federal Deposit Insurance Corporation or are held in PDPA-eligible institutions. The district's cash deposits had a carrying amount of $26,666,235 and a corresponding bank balance of $31,972,525. Of the bank balance, $31,722,525 was uninsured but collateralized in accordance with provisions of the PDPA.

Cash with fiscal agent is deposits held by an outside custodian in the district's name. Due to grant requirements whereby funds are disbursed after the custodian approves the expenditures, these funds are restricted.

Reconciliation of Deposits to Cash, Cash Equivalents and Investments
Primary Government and Fiduciary Fund

Description	Carrying Amount	Bank Balance
Checking, money market and trust accounts	$ 26,666,235	$ 31,972,525
Cash with fiscal agent	32,873,716	-
Cash on hand	16,050	-
Total	$ 59,556,001	$ 31,972,525

Investments

During the year, the district investments comprised of fixed income accounts and COLOTRUST and are rated at least AA+ by Standard & Poor's. The district's investment policy requires all investments to comply with federal, state and local statutes governing the investment of public funds. As of June 30, 2021, the district investments of $286,136,121 are invested in COLOTRUST.

Investments are subject to many different types of risk, including credit risk, custodial credit risk, concentration of credit risk, interest rate risk and foreign currency risk. The district's fixed income investments and COLOTRUST are highly rated by Standard & Poor's, an indication of low credit risk. The district has no foreign currency risk. Concentration of credit risk exists when 5.0 percent or more of the primary government's total investments is concentrated in any one issuer. When investments are concentrated in one issuer, a heightened potential for loss exists. The district has no concentration of credit risk. In general, investments issued or guaranteed by the U.S. government and other pooled investments are excluded from the concentration of credit risk.

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. The district does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

At June 30, 2021, the District's investment balances and maturities, in years for those investments subject to interest rate risk were as follows:

		Investment Maturities (in years)	
Asset	**Value**	**Less Than 1**	**1 - 5**
ColoTrust Plus+ (external investment pool)	$ 286,136,121	$ 286,136,121	$ -
Total	$ 286,136,121	$ 286,136,121	$ -

Overall credit risk is the chance that an issuer of an investment will not fulfill its obligations. To minimize overall credit risk, state law and district policies require that the district limit its

investments to issuers, which have received one of the three highest rating categories by one, or more nationally recognized organizations that rate such issuers. Presented below is the actual rating at year-end for each investment type.

		Standard & Poor's Rating	
Asset	**Value**	**AAAm**	**Not Rated**
ColoTrust Plus+ (external investment pool)	$ 286,136,121	$ 286,136,121	$ -
Total investments	$ 286,136,121	$ 286,136,121	$ -

Investment in Local Government Investment Pool

At June 30, 2021, the district holds investments at COLOTRUST in the amount of $286,136,121 which are measured at net asset value. The district utilizes one local government investment pool when a high degree of liquidity is prudent. COLOTRUST is a local government investment pool with a stable net asset value (NAV) and its NAV is measured at fair value per share. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST operates similarly to a money market fund and each share is equal in value to $1.00, although not guaranteed. Investment objectives and strategies focus on safety, liquidity, transparency, and competitive yields through investment in a diversified portfolio of short-term marketable securities. COLOTRUST may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of the U.S. government agencies and highly rated commercial paper. A designated custodial bank serves as a custodian for COLOTRUST's portfolio pursuant to a custodian agreement. The custodian acts as a safekeeping agent for COLOTRUST's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by COLOTRUST. COLOTRUST does not have any limitations or restrictions on participant withdrawals.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

At June 30, 2021, the district has the following recurring fair value measurements:

	Fair Value Measurements			
Asset	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Investments by fair value level	$ -	$ -	$ -	$ -
ColoTrust (external investment pool)	286,136,121			
Total investments	$ 286,136,121			

NOTE 4: RECEIVABLES, PAYABLES AND INTERFUND TRANSACTIONS

Receivables

Receivables for the district's individual major and nonmajor governmental funds, including allowances for uncollectible accounts and interfund receivables, are as follows:

	Governmental Funds							
	General	Bond Redemption	Grants	Nutrition Services	Building	Capital Reserve	Nonmajor Governmental	Total Governmental Funds
Receivables:								
Property taxes, paid within 60 days of year-end	$ 9,203,193	$ 2,612,470	$ -	$ -	$ -	$ -	$ -	$ 11,815,663
Reimbursements for federal and state grants	38,795,387	-	7,328,416	3,494,933	-	-	-	49,618,736
Property taxes, due within one year	4,572,667	1,781,195	-	-	-	-	-	6,353,862
Interfund	5,202,853	-	-	-	-	-	-	5,202,853
Other	6,792,826	-	-	84,943	-	1,128,601	18,627	8,024,997
Gross receivables	64,566,926	4,393,665	7,328,416	3,579,876	-	1,128,601	18,627	81,016,111
Less allowance for uncollectibles	(2,080,583)	(810,608)	-	-	-	-	-	(2,891,191)
Net total receivables	$ 62,486,343	$ 3,583,057	$ 7,328,416	$ 3,579,876	$ -	$ 1,128,601	$ 18,627	$ 78,124,920

Balances due to/from other funds are presented as interfund receivable and payable amounts on the balance sheet for governmental funds. Many federal and state grants operate on a reimbursement basis, causing the need for a short-term loan from the General Fund. Balance due to the General Fund from the Grants Fund at June 30, 2021 was $5,202,853.

Interfund Transactions

Transfers are used to move unrestricted revenues from the fund that collects them to specific programs accounted for in other funds in accordance with budget authorizations. The General Fund transferred money to the Nutrition Services Fund, Athletic Fund, Pickens Post-Secondary Fund, and Pupil Activity Fund to provide subsidies for operations and transfer revenues related to programs offered by those specific funds. The General Fund transferred money to the Capital Reserve Fund to meet current and future capital needs while the Capital Reserve Fund

transferred money to the building fund for construction needs. Transfers processed during the fiscal year ended June 30, 2021, were as follows:

	Transfers in:						
Transfers out:	Nutrition Services Fund	Building Fund	Capital Reserve Fund	Athletic Fund	Pickens Post-Secondary	Pupil Activity Fund	Total
General Fund	$ 424,211	$ -	$ 16,250,000	$ 3,573,840	$ 376,584	$ 60,000	$ 20,684,635
Capital Reserve Fund	-	7,500,000		-		-	7,500,000
Total	$ 424,211	$ 7,500,000	$ 16,250,000	$ 3,573,840	$ 376,584	$ 60,000	$ 28,184,635

NOTE 5: CAPITAL ASSETS

A summary of the changes in capital assets during the fiscal year ended June 30, 2021, follows:

	Balance July 1, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 25,303,576	$ -	$ -	$ -	$ 25,303,576
Construction in progress	141,409,188	20,810,256	-	(7,595,089)	154,624,355
Construction in progress - intangible assets	642,079	-	-	-	642,079
Total capital assets, not being depreciated	167,354,843	20,810,256	-	(7,595,089)	180,570,010
Capital assets, being depreciated:					
Buildings and site improvements	684,965,418	-	-	7,595,089	$ 692,560,507
Machinery, equipment and vehicles	36,540,303	3,627,757	(1,852,577)	-	38,315,483
Intangible assets - software	6,757,129	-	-	-	6,757,129
Total capital assets, being depreciated	728,262,850	3,627,757	(1,852,577)	7,595,089	737,633,119
Less accumulated depreciation for:					
Building and site improvements	(372,366,201)	(19,033,707)	-	-	$ (391,399,908)
Machinery, equipment and vehicles	(25,414,695)	(3,017,576)	1,832,783	-	(26,599,488)
Intangible assets - software	(5,397,376)	(689,114)	-	-	(6,086,490)
Total accumulated depreciation	(403,178,272)	(22,740,397)	1,832,783	-	(424,085,886)
Total capital assets, being depreciated, net	325,084,578	(19,112,640)	(19,794)	7,595,089	313,547,233
Governmental activities capital assets, net	$ 492,439,421	$ 1,697,616	$ (19,794)	$ -	$ 494,117,243

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

Governmental activities:	
Instruction	$ 13,760,952
Instructional staff support	335,487
General administration	269,849
Business administration	265,861
Operations and maintenance	5,237,674
Transportation	1,829,003
Personnel/data services/risk management	869,819
Food service operations	171,752
Total depreciation expense - governmental activities	$ 22,740,397

NOTE 6: NONCURRENT LIABILITIES

General Obligation Bonds

The district issues bonds to finance construction, renovation, and repair of schools and support site facilities. When market and interest rates are favorable, the district may refinance outstanding debt with new debt to reduce interest payments or restructure the debt service requirement of the Bond Redemption Fund. The bonds are serviced from property tax revenues. As of June 30, 2021, total general obligation bonds outstanding are $389,186,136, total unamortized premium is $27,971,280, and total accreted interest is $10,018,849.

Management of the district believes it has complied with all significant financial bond covenants regarding its original bond issues and refunding bond issues. In general, bond covenants for each of the following issues include:

- The district will not take any action or omit to take any action that jeopardizes the federal and state tax-free status of the bonds or bond coupons to the bondholder.
- The district will provide annual financial information to each bond repository.
- The district will prepare and file an annual budget and annual financial report with the appropriate state agency.
- The district will comply with the continuing disclosure certificate, which will be executed by the officers of the district in connection with the delivery of the bonds.

General Obligation Bonds

A description of each issue follows.

- In May 2010, the 2010 Series Refunding Bonds were issued with a total face value of $101,460,000. As of June 30, 2021, outstanding principal balance for the 2010 Series Refunding Bonds was $15,615,000. Maturity dates began December 1, 2010, and will continue through December 1, 2022. Interest rates range from 4.0 percent to 5.0 percent. Remaining annual payments for principal and interest range from $693,600 to $15,335,575.

- On September 15, 2010, the district issued $38,000,000 in the 2010B Series General Obligation Bonds – Direct Pay Build America Bonds. Current outstanding balance is $27,610,000. These bonds began maturing on December 1, 2012, with the final principal payment due on December 1, 2028. The interest rate ranges from 3.930 percent to 5.312 percent. Remaining annual payments for principal and interest range from $2,377,101 to $10,534,144.

- On December 22, 2010, the district issued $37,315,000 in the 2010D Series General Obligation Bonds – Direct Pay Build America Bonds. Current outstanding balance is $23,570,000. These bonds began maturing on December 1, 2014, with the final principal payment due on December 1, 2028. The interest rate ranges from 4.536 percent to 6.045 percent. Remaining annual payments for principal and interest range from $3,631,205 to $3,883,948.

- In February 2012, the 2012 Series Refunding Bonds were issued with a total face value of $149,535,000. Concurrently, the district issued capital appreciation bonds with an original principal amount of $385,000. The capital appreciation bonds will accrete interest

over the term of 10 years to the maturity date of December 1, 2022, to the redeemable amount of $17,250,000. Total current outstanding principal balance for both types of bonds is $137,140,000. Maturity dates began December 1, 2012, and will continue through December 1, 2028. Interest rates range from 3.0 percent to 5.0 percent. Remaining annual payments for principal and interest range from $11,745,675 to $27,458,625. As of June 30, 2021, accreted interest for the capital appreciation bonds was $10,018,849.

- In January 2017, the district issued $200,000,000 in the 2017A General Obligation Bonds. Current outstanding balance is $159,730,000. These bonds began maturing on December 1, 2017, with the final principal payment due on December 1, 2036. The interest rate is 5.0 percent. Remaining annual payments for principal and interest range from $1,025,000 to $40,400,750.

- In January 2017, the district issued $3,665,000 in the 2017B General Obligation Refunding Bonds. The final payment, including interest, was made on December 1, 2020 in the amount of $3,756,625.

- In December 2019, the district issued $26,521,099 in the 2019 General Obligation Bonds. Current outstanding balance is $25,521,136. These bonds begin maturing on December 1, 2020, with the final principal payment due on December 1, 2039. The interest rate is 2.952 percent. Remaining annual payments for principal and interest range from $1,748,731 to $1,759,100.

Certificates of Participation

On June 25, 2020, the district sold certificates of participation (COP) with a par value of $7,575,000. The proceeds from the COPs are being used to build a new 6-12 school in the district. The outstanding amount due on the COP is collateralized by related future rental income and the property that the funds are being used to construct. The COP matures on December 1, 2029 and bears interest at a per annum fixed rate of 2.77 percent. Annual lease principal and interest payments range from $195,839 to $1,193,070. The first interest payment was made on December 1, 2020.

Capital Leases

The Board of Education approved a master lease purchase agreement for the purpose of financing the costs of acquiring approximately 80 buses and support vehicles for school purposes and other essential need equipment in an amount not to exceed $12.0 million over approximately a five year period. The titles to the leased assets are held by the lessor and they will not be released until the leases are fully repaid.

On September 1, 2016, the district financed 14 buses and 36 support vehicles in the amount of $2,411,380 with an interest rate of 1.726 percent per year to be repaid over the next 10 years. Assets in the amount of $2,279,022 were capitalized in fiscal year 2017 into machinery and equipment and had related amortization of $1,448,643 as of June 30, 2021.

On September 11, 2017, the district financed 16 buses and 7 support vehicles in the amount of $1,931,000 with an interest rate of 2.098 percent per year to be repaid over the next 10 years. Assets in the amount of $1,907,221 were capitalized into machinery and equipment and had related amortization of $1,011,222 as of June 30, 2021.

On June 21, 2018, the district financed 18 buses and 3 support vehicles in the amount of $1,837,761 with an interest rate of 3.414 percent per year to be repaid over the next 10 years. Assets in the amount of $1,612,410 were capitalized into machinery and equipment and have related amortization of $621,130 as of June 30, 2021.

On January 26, 2021, the district financed 16 buses and 3 support vehicles in the amount of $2,240,571 with an interest rate of 1.670 percent per year to be repaid over the next 10 years. Assets in the amount of $2,240,571 were capitalized and have related amortization of $83,218 as of June 30, 2021.

Debt Financing for Land Purchase

On February 20, 2020, the district purchased land for the building of a future school. The purchase price was $4,750,245 with an initial payment made at closing of $3,844,959 and an additional $905,286 due to the seller in the future in the form of cash-in-lieu payments received. This financing has no interest due or maturity date. The timing of these future payments are unknown, as cash-in-lieu payments yet to be received by the district depend on the timing of development of certain residential units as per the purchase agreement. The $905,286 debt financing for the land purchase is reflected as non-current liabilities due within a year.

Compensated Absences

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the district has recorded the accrued liability for compensated absences in the accompanying basic financial statements. The subsequent table summarizes total liabilities and current year activity for compensated absences. Per GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, the amount of $555,487 recorded in the General Fund in the governmental statements represents the mature portion of total compensated absences liabilities.

Changes in Noncurrent Liabilities

Noncurrent liability activity for the year ended June 30, 2021, was as follows:

Issues:	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Amount Due Within One Year
2010 Series refunding bonds	$ 29,845,000	$ -	$ 14,230,000	$ 15,615,000	$ 14,935,000
2010B Build America Bonds	28,980,000	-	1,370,000	27,610,000	1,415,000
2010D Build America Bonds	25,805,000	-	2,235,000	23,570,000	2,345,000
2012 Refunding bonds	138,480,000	-	1,340,000	137,140,000	5,315,000
2017A General obligation bonds	171,100,000	-	11,370,000	159,730,000	11,830,000
2017B Series refunding bonds	3,665,000	-	3,665,000	-	-
2019 Matching money bonds	26,521,099	-	999,963	25,521,136	1,020,783
2012 Refunding bonds accreted interest	6,921,309	3,097,540	-	10,018,849	-
Subtotal general obligation debt	431,317,408	3,097,540	35,209,963	399,204,985	36,860,783
Premiums/(discounts) on GO debt	35,227,307	-	7,256,027	27,971,280	-
Subtotal general obligation debt, net	466,544,715	3,097,540	42,465,990	427,176,265	36,860,783
2020 Certificates of participation	7,575,000	-	-	7,575,000	-
Subtotal COPs	7,575,000	-	-	7,575,000	-
Capital Leases	4,135,386	2,240,571	826,386	5,549,571	806,616
Subtotal capital lease	4,135,386	2,240,571	826,386	5,549,571	806,616
Debt financing for land purchase	905,286	-	-	905,286	905,286
Subtotal debt for land purchase	905,286	-	-	905,286	905,286
Total debt outstanding	479,160,387	5,338,111	43,292,376	441,206,122	38,572,685
Compensated absences:					
Unpaid vacation	6,044,353	1,617,661	809,978	6,852,036	784,398
Unpaid sick leave	7,118,393	1,413,120	888,807	7,642,706	806,948
Total compensated absences	13,162,746	3,030,781	1,698,785	14,494,742	1,591,346
Total changes in noncurrent liabilities	$ 492,323,133	$ 8,368,892	$ 44,991,161	$ 455,700,864	$ 40,164,031

Computation of Legal Debt Margin

Pursuant to state law, a school district has a limit of bonded indebtedness of the greater of 20 percent of its valuation for taxable property as it exists on the December 10 prior to the date of issuance or 6.0 percent of its statutory actual valuation of the taxable property in the district as of the December 10 prior to the date of issuance. Additionally, the limit on bonded indebtedness is increased to 25 percent of its valuation for taxable property of the district if such district qualifies as a “high growth” district. In the November 2016 Election, voters approved the use of the higher 6.0 percent limit. The debt limit is only applicable at the time of issuance of bonds. Refunding bonds may be issued notwithstanding the debt limit because they are issued at a lower interest rate and would save the district money.

The percentages and amounts used in the following calculation are based on the December 2020 actual valuation and the June 30, 2021 outstanding general obligation bonds payable.

Debt Limit Factors	Actual Valuation	Percentage of Actual Valuation
Valuation - Adams County	$ 7,080,614,107	
Valuation - Arapahoe County	20,805,410,696	
Total valuation	27,886,024,803	
Apply percentage	6.0%	
Legal debt limit	1,673,161,488	6.0%
Less general obligation bonds payable	399,204,985	1.4%
Debt margin	$ 1,273,956,503	4.6%

Summary of Debt Service Requirements to Maturity

The following schedules reflects the debt service requirements of the district's long-term debt. The long-term debt is included in the governmental activities, as of June 30, 2021:

Date	General Obligation Debt	Total Interest	Total
2022	$ 36,860,783	$ 17,938,753	$ 54,799,536
2023	36,985,917	16,564,143	53,550,060
2024	39,681,940	15,100,176	54,782,116
2025	41,658,879	13,125,816	54,784,695
2026	29,756,761	11,478,091	41,234,852
2027-2031	137,517,023	35,748,345	173,265,368
2032-2036	75,987,501	5,334,311	81,321,812
2037-2041	7,602,331	421,888	8,024,219
Total	406,051,135	$ 115,711,523	$ 521,762,658
Unaccreted interest on 2012 bonds	(6,846,150)		
Total outstanding principal	$ 399,204,985		

Date	Certificates of Participation	Total Interest	Total
2022	-	209,828	209,828
2023	-	209,828	209,828
2024	995,000	196,047	1,191,047
2025	1,025,000	168,070	1,193,070
2026	1,050,000	139,331	1,189,331
2027-2031	4,505,000	253,938	4,758,938
Total	$ 7,575,000	$ 1,177,042	$ 8,752,042

Date	Capital Lease	Total Interest	Total
2022	806,616	118,239	924,855
2023	824,051	100,804	924,855
2024	841,899	82,956	924,855
2025	860,173	64,682	924,855
2026	878,882	45,973	924,855
2027-2031	1,337,950	50,321	1,388,270
Total	$ 5,549,571	$ 462,975	$ 6,012,545

NOTE 7: SHORT-TERM DEBT

In order to meet short-term General Fund cash flow needs, the district participates in the state of Colorado Interest-Free Loan Program. There was no draw request during 2020-21.

NOTE 8: RISK MANAGEMENT

The district is exposed to various risks of loss such as theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by a combination of risk retention programs, purchased insurance coverages from independent carriers, and by participating in two risk pools. Property and casualty losses, claims and purchased insurance protection are accounted for in the district's General Fund. Settled claims from these risks have not exceeded commercial coverage for each of the past three fiscal years. Some insurance coverage has had additional exclusions in the policies making the district's risk retention slightly higher.

The Colorado Governmental Immunity Act provides protection against several types of claims and establishes damage limits for claims for those that are not protected. The limits through 2021 are $387,000 per injury and $1,093,000 per occurrence.

Self-insurance Programs and Purchased Insurance Coverages

The district self-insures the first $50,000 of each property loss/claim and purchases insurance for any additional property loss/claim up to $1,000,000,000. For any loss caused by wind or hail, the deductible is 3% of the value of property damaged. The district purchases other insurance policies for crime, cyber, fiduciary, foreign travel, pollution, boiler & machinery and student professional liability with varying deductibles and limits.

Workers' Compensation

In 1986, the district joined other Colorado school districts to form the Joint School Districts' Workers' Compensation Self-Insurance Pool (JSD) with the purpose to control costs related to workers' compensation incidents. JSD is managed by an independent manager chosen by the pool's board of directors. Board membership consists of one member from each of four participating school districts. Each member's initial contribution and subsequent share of expenses and contributions is based on JSD's and respective member's payroll, projected losses, standard premiums, experience modifications, and other variable expenses as estimated by JSD management and approved by the JSD board. The district's share of expenses is reported in the district's basic financial statements. JSD has no current or long-term debt. Each member of JSD is responsible for the first $100,000 of each loss. Losses between $100,000 and $550,000 are shared between the member districts and losses in excess of $550,000 are reinsured for up to statutory limits. This pool is audited each year by Clifton Larson Allen LLP. Actuarial services are performed by Willis Towers Watson. Requests for JSD financial statements can be sent to Beecher Carlson, 8000 E. Maplewood Avenue, Suite 350, Greenwood Village, Colorado 80111.

Liability

The district self-insures the first $150,000 of each liability loss/claim and purchases insurance for the next $10,000,000 of each loss/claim. General liability, auto liability and errors and omissions coverage is purchased through the Excess-of-Loss Self Insurance Pool (ELSIP), a public entity risk pool. ELSIP is managed by an independent manager chosen by ELSIP's board of directors. The board is comprised of one member from each of three participating districts. Each member's

initial and subsequent share of expenses is determined by its student enrollment, as approved by the board. This pool is audited each year by Clifton Larson Allen LLP. Provision for estimated insurance claims incurred but not reported includes components for each type of coverage in effect (see Note 9.) Requests for ELSIP financial statements can be sent to Arrowhead General Insurance Agency, Inc. 8000 E. Maplewood Avenue, Suite 350, Greenwood Village, CO 80111.

NOTE 9: COMMITMENTS AND CONTINGENCIES

Grants

The district has received several federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead grantor agencies to request reimbursement for disallowed expenditures. District management believes disallowances, if any, would not materially affect the overall financial position or results of operations of the district.

Litigation

Certain lawsuits are presently pending against the district. The district and its legal counsel believe that any liability resulting from such lawsuits would not materially affect the overall financial position or results of operations of the district.

Insurance Claims

Liabilities for retained risk claims are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities for claims incurred but not reported are estimated by applying industry-published loss development standards to current outstanding claims. In addition, incurred claims in the table below include loss amounts that develop into actual payments within the 60-day accrual period. Actual payments can vary from the original estimated amount. Changes in the balances of claims liabilities during the past two fiscal years are as follows:

	June 30, 2021	June 30, 2020
Unpaid claims, beginning of the year	$ 1,353,813	$ 1,337,220
Incurred claims, including changes in IBNR	109,246	351,793
Claim payments	(357,089)	(335,200)
Unpaid claims, end of year	$ 1,105,970	$ 1,353,813

COVID-19 Pandemic

In March 2020, the World Health Organization declared COVID-19 a pandemic. The COVID-19 pandemic and resulting disruptions have caused significant economic uncertainty and volatility in financial markets, economy, business and communities. The disruptions included closure of schools and implementing remote learning with APS providing remote learning for the first few months of the school year 2020-2021. By May 2021 COVID-19 vaccines in the US became available to the general public for those who are over 12 years of age and restrictions began to be lifted. Management believes that the district is taking appropriate actions to mitigate the negative impact. However, the full impact of the COVID-19 pandemic is unknown and may continue to impact various aspects of the district operations including creating significant shortfall for school funding.

Construction Commitments

As of June 30, 2021, the district had various commitments for the acquisition and construction of capital projects. Resources in the Building and Capital Reserve Capital Projects Funds are restricted for construction commitments. The following table provides a detail of significant commitments:

Project Description	Project to Date Expenditures	Commitments at June 30, 2021
ESC 1 Windows, ESC 1 & 2 Renewal	$ 2,548,236	$ 23,810
Technology Equipment Renewal	7,242,931	58,257
IT Infrastructure Upgrades	2,198,557	10,751
District Building Renewal Admin	297,934	3,294
Districtwide Improvements - Safety	4,953,534	479,869
New P-8 School	35,167,776	8,608
New Stapleton 6-12 School	24,045,940	514,677
New Post-Secondary Building	7,510,607	15,000
Century Building Renewal	77,278	17,827
Dartmouth Building Renewal	93,551	18,012
Fletcher Building Renewal	11,062	10,575
Laredo Roof Repairs & Renewal	1,079,364	1,072
Lyn Knoll Replacement School	284,063	2,700,481
Paris ECE Addition, Turf Field & Renewal	42,083	5,902
Sixth Ave Building Renewal	72,377	2,206
Tollgate Building Renewal	31,047	30
Vassar HVAC Repairs & Renewal	3,222,920	65,154
Virginia Court Whole Building Remodel	8,498,327	3,550,605
Aurora Hills MS Building Renewal	72,252	14,227
East MS Whole Building Remodel	14,755,098	15,427
AWCPA Classroom Add., Roof Repairs, Renewal	109,755	609,338
ACHS Mechanical Repairs, Addition & Renewal	7,461,140	302,535
CDC Meadowood Building Renewal	24,000	11,492
Early Beginnings Building Renewal	1,985	4,596
Facilities Addition & Renewal	776,699	1,015
Warehouse Building Renewal	212,964	11,372
New P-8 - Aurora Highlands	271,675	1,285,300
Total	$ 121,063,151	$ 9,741,434

NOTE 10: DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies - Pension

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

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. SB 18-200 makes changes to certain benefit provisions. Most of these changes were in effect as of June 30, 2021.

General Information about the Pension Plan

Plan description. Eligible employees of the district are provided with pensions through SCHDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (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 (CAFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2020. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the Denver Public Schools (DPS) benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical

Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in C.R.S. § 24-51-413.

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

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

Contributions provisions as of June 30, 2021. Eligible employee, the district and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401 et seq. and § 24-51-413. Eligible employees are required to contribute 10.00 percent of their PERA-includable salary during the period of July 1, 2020 through June 30, 2021. Employer contribution requirements are summarized in the table below:

	July 1, 2020 to June 30, 2021
Employer Contribution Rate[1]	10.90%
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%
Amount apportioned to the SCHDTF	9.88%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 [1]	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 [1]	5.50%
Total Employer Contribution Rate to the SCHDTF[1]	19.88%

[1]Contribution rates for the SCHDTF 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. House Bill (HB) 20-1379 suspended the $225 million (actual dollars) direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the district is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the district were $58,802,255 for the year ended June 30, 2021.

Pension Liabilities, Pension Expense, 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, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total pension liability to December 31, 2020. The district proportion of the net pension liability was based on the district contributions to the SCHDTF for the calendar year 2020 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

Due to the aforementioned suspension of the July 1, 2020, direct distribution payment, the nonemployer contributing entity's proportion is zero percent. Pursuant to C.R.S. § 24-51-414, the direct distribution payment from the State of Colorado is to recommence annually starting on July 1, 2021. For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation.

At June 30, 2021, the district reported a liability of $795,638,277 for its proportionate share of the net pension liability.

At December 31, 2020, the districts proportion was 5.263 percent, which was an increase of 0.839 percent from its proportionate share measured as of December 31, 2019.

For the year ended June 30, 2021, the district recognized its own portion of pension expense credit of $130,511,449.

At June 30, 2021, the 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	$ 43,716,367	$ -
Changes of assumptions or other inputs	76,537,931	133,740,061
Net difference between projected and actual earnings on pension plan investments	-	175,138,086
Changes in proportion and differences between contributions recognized and proportionate share of contributions	151,172,954	33,535,728
Contributions subsequent to the measurement date	30,065,237	-
Total	$ 301,492,489	$ 342,413,875

The $30,065,237 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 ending June 30, 2021. Other amounts reported as deferred outflows

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

For the Fiscal Year Ending June 30,	Amount
2022	$ (106,199,030)
2023	70,367,252
2024	(7,525,833)
2025	(27,629,012)
	$ (70,986,623)

Actuarial assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost methods, actuarial assumptions and other inputs:

Actuarial Assumptions:	
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	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07; and DPS benefit structure (automatic)[1]	1.25 percent compounded annually
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)[1]	Finance by the Annual Increase Reserve

[1] Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit

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.

Post-retirement non-disabled mortality assumptions 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 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.

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

The actuarial assumptions used in the December 31, 2019, 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's Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total pension liability from December 31, 2019, to December 31, 2020.

2020 Experience Analysis:	
Actuarial cost method	Entry Age
Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.40 - 11.00 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount Rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07; and DPS benefit structure (automatic)[1]	1.25 percent compounded annually
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)[1]	Finance by the Annual Increase Reserve

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

Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience. Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience. The pre-retirement mortality assumptions were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

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

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

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

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

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

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

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

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

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives. The Opportunity Fund's name changed to Alternatives, effective January 1, 2020	6.00%	4.70%
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 percent.

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan

members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. HB 20-1379 suspended the $225 million (actual dollars) direct distribution payable on July 1, 2020, for the State‘s 2020-21 fiscal year.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of the districts 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	$ 1,085,315,774	$ 795,638,277	$ 554,241,468

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.

NOTE 11: DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLAN

Summary of Significant Accounting Policies - Defined Benefit Other Post Employment Benefit (OPEB)

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

General Information about the OPEB Plan

Plan description. Eligible employees of the district 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 (annual report) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in 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 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.

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the district is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the district were $3,017,047 for the year ended June 30, 2021.

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

At June 30, 2021, the district reported a liability of $28,911,987 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The district's proportion of the net OPEB liability was based on the district's contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

At December 31, 2020, the district's proportion was 3.04 percent, which was an increase of 0.15 percent from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the district recognized OPEB expense of $664,501. At June 30, 2021, the district reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 76,736	$ 6,356,240
Changes of assumptions or other inputs	216,028	1,772,859
Net difference between projected and actual earnings on OPEB plan investments	-	1,181,368
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,760,508	1,536,444
Contributions subsequent to the measurement date	1,542,602	-
Total	$ 4,595,874	$ 10,846,911

The amount of $1,542,602 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 ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Fiscal Year Ending June 30,	Amount
2022	$ (2,130,078)
2023	(1,964,802)
2024	(1,839,080)
2025	(1,417,542)
2026	(416,489)
Thereafter	(25,648)
	$ (7,793,639)

Actuarial assumptions. The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial Assumptions:	
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 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	8.10 percent in 2020, gradually decreasing to 4.50 percent in 2029
Medicare Part A premiums	3.50 percent for 2020, gradually increasing to 4.50 percent in 2029

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2019, valuation, the

following monthly costs/premiums (actual dollars) are assumed for 2020 for the PERA Benefit Structure:

	Initial Costs for Members without Medicare Part A		
Medicare Plan	Monthly Costs	Monthly Premium	Monthly Cost Adjusted to Age 65
Medicare Advantage/Self-Insured Prescription	$ 588	$ 227	$550
Kaiser Permanente Medicare Advantage HMO	621	232	586

The 2020 Medicare Part A premium is $458 (actual dollars) per month. All costs are subject to the health care cost trend rates, as discussed below.

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2019, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2020	8.10%	3.50%
2021	6.40%	3.75%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	4.00%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions used in the December 31, 2019 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below were 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.

Post-retirement non-disabled 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.

Post-retirement non-disabled 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.

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

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the period January 1, 2012, through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period of January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total OPEB liability from December 31, 2019, to December 31, 2020.

Experience Analysis:	
Actuarial cost method	Entry Age
Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.40 - 11.00 percent

The long-term rate of return, net of OPEB plan investment expenses, including price inflation and discount rate assumptions were 7.25 percent.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

Mortality assumptions used in the roll forward calculations for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the roll forward calculation for the HCTF, using a headcount-weighted basis.

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

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

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

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

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

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

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

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

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

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

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

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

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

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

The mortality tables described above are generational mortality tables on a head-count weighted basis.

The following health care costs assumptions were updated and used in the roll forward calculation 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 2020 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

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

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives. The Opportunity Fund's name changed to Alternatives, effective January 1, 2020	6.00%	4.70%
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 percent.

Sensitivity of the 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 lower or one percentage higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$ 28,164,713	$ 28,911,987	$ 29,781,910

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2020, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.

Based on the above assumptions and methods, the HCTF's FNP 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 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	$ 33,119,206	$ 28,911,987	$ 25,317,252

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.

NOTE 12: DEFINED CONTRIBUTION PLANS & DEFERRED COMPENSATION PLAN

Voluntary Investment Program

Plan Description – Employees of the 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 401(k) 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. The district does not match contributions made by participants of the plan. Employees are immediately vested in their own contributions, employer contributions, if any, and investment earnings. For the year ended June 30, 2021, program members contributed $1,671,620.

Deferred Compensation Plan

Plan Description – Employees may participate in the state of Colorado's 457(b) eligible deferred compensation benefit plan. Plan participation is voluntary and contributions are separate from others made to PERA. The plan uses a third-party administrator, and all costs of administration and funding are borne by the plan participants. The plan is subject to the Colorado State Deferred Compensation Program, as defined in §24-10-102, C.R.S., and its governing board. The state's governing board has full authority to make changes to the plan. PERA issues a publicly available comprehensive annual financial report for the 457 plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The deferred compensation plan is funded by voluntary member contributions up to the maximum limit set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. The district does not match contributions made by participants of the plan. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2021, program members contributed $909,211.

403(b) Defined Contribution Plan

In addition, employees may contribute to a tax-sheltered annuity in accordance with plan and district policies and regulations, an Internal Revenue Code 403(b) defined contribution plan. The plan is held for the benefits of the participants and beneficiaries and all investments are participant-directed. The 403(b) plan is funded by voluntary member contributions up to the maximum limit set by the Internal Revenue Service. The district does not match contributions made by participants of the plan. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2021, program members contributed $2,193,127.

NOTE 13: RELATED-PARTY TRANSACTIONS

The district provides administrative and other services to its ten charter schools, shown as discretely presented component units. The amount of charges for services, in accordance with governing state statutes, for the fiscal year ended June 30, 2021 was $8,014,872 which have been recorded in the district's financial statements.

NOTE 14: RESTATEMENTS FOR CHARTER SCHOOLS

The aggregate discretely presented component unit financial statements reflect restatements for Academy of Advanced Learning (AAL) and Global Village Academy - Aurora (GVA).

AAL identified misstatements within their fiscal year 2020's government-wide financial statements related to additional amount in their proportionate share of PERA net pension liability. AAL net deficit as previously reported on July 1, 2020 was $6,745,897. Due to the correction of an error for the additional net pension liability, the amount of $632,577 was recognized as additional deficit and the net deficit as restated for AAL as of July 1, 2020 was $7,378,474, which has been reported as an adjustment to the beginning net position of the discretely presented components units.

GVA identified a misstatement within their fiscal year 2020's government-wide financial statements related to accounts receivable, accounts payable and accrued salaries and benefits. GVA net deficit as previously reported on July 1, 2020 was $16,427,162. Due to the correction to restate the beginning balances, the amount of $417,225 was recognized as additional deficit and the net deficit as restated for GVA as of July 1, 2020 was $16,844,387, which has been reported as an adjustment to the beginning net position of the discretely presented components units.

NOTE 15: NEW GASB PRONOUNCEMENTS FOR FUTURE IMPLEMENTATION

GASB Statement No. 87, *Leases,* issued June 2017, establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the district must report the (1) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the

underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The Statement provides exceptions from the single-approach for short-term leases, financial purchases, leases of assets that are investments, and certain regulated leases. This Statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties.

The issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, provides additional time to comply with numerous recent GASB pronouncements as a result of the COVID-19 pandemic. GASB Statement No. 95 postponed the effective date of the GASB Statement No. 87 by 18 months, as such the district will adopt GASB Statement No. 87 effective July 1, 2021.

NOTE 16: SUBSEQUENT EVENT

On July 27, 2021, the district issued General Obligation Bonds, Series 2021A, in the aggregate principal amount of $73,475,000 and General Obligation Refunding Bonds, Series 2021B, in the aggregate principal amount of $47,620,000. The interest rate on the bonds is 5.0% and the final maturity date is December 1, 2029.

Annual principal and interest payments for the General Obligation Refunding Bonds Series 2021B are due starting from December 1, 2021 to December 1, 2024 range from $11,240,000 to $12,390,000. Annual principal and interest payments for General Obligation Bonds Series 2021A are due starting from December 1, 2025 to December 1, 2029 range from $5,005,000 to $34,530,000.

Required Supplementary Information

This section presents the budgetary comparison schedules for the General Fund and the Grants and Nutrition Services Funds, the major special revenue funds. It also includes schedules regarding the district's proportionate share of PERA's net pension liability and their annual contributions.

Budgetary Comparisons

General Fund

All activities of the district are reported in the General Fund unless there is a legal or contractual requirement to use another fund. Most instructional and administrative expenditures are processed through the General Fund. Primary revenue sources are local property taxes and state aid.

Grants Fund

This fund is used to account for revenues and expenditures related to federal, state and local grants.

Nutrition Services Fund

Nutrition Services operates the school lunch and breakfast programs and serves nutritious meals to district students and adults. In addition, summer meal programs, after school snack programs, nutrition education, in-service programs and emergency feeding sites are offered.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Local:				
Property taxes	$ 185,199,256	$ 193,467,941	$ 194,391,323	$ 923,382
Specific ownership	15,000,000	17,500,000	17,666,331	166,331
Tuition	171,500	248,500	277,118	28,618
Net earnings on investments	1,885,000	1,263,500	1,203,724	(59,776)
Rental of buildings	1,761,125	1,761,125	1,083,107	(678,018)
Gifts and grants	5,000	10,200	12,083	1,883
Charges for services	9,047,600	6,858,955	8,783,327	1,924,372
Other	5,003,260	4,053,964	10,284,449	6,230,485
State sources:				
State equalization	189,705,080	185,602,510	187,866,846	2,264,336
Vocational education	1,556,000	1,556,000	1,336,601	(219,399)
Grants	-	-	4,811,456	4,811,456
Special education	9,717,000	9,566,779	9,724,497	157,718
English Language Proficiency Act	6,836,000	6,887,281	6,887,281	-
Transportation	1,821,000	1,830,524	1,929,817	99,293
READ Act	2,384,876	2,391,376	2,391,376	-
Gifted and talented	381,000	383,514	383,514	-
Federal grants	100,000	36,236,382	76,511,883	40,275,501
Total revenues	430,573,697	469,618,551	525,544,733	55,926,182
EXPENDITURES				
Current:				
Instruction	212,854,340	218,906,773	235,392,187	(16,485,414)
Pupil support	49,515,222	49,876,145	50,416,688	(540,543)
Instructional staff support	27,692,288	29,457,924	27,530,702	1,927,222
General administration	6,991,977	7,253,529	12,761,097	(5,507,568)
School administration	34,596,044	42,222,067	38,160,030	4,062,037
Business administration	6,315,349	6,614,724	5,266,732	1,347,992
Operations and maintenance	35,402,371	35,660,686	37,701,070	(2,040,384)
Transportation services	10,912,130	11,143,722	9,464,323	1,679,399
Personnel/data/risk management	21,180,361	20,091,683	23,178,490	(3,086,807)
Other support services	22,622,410	27,113,839	26,202,511	911,328
Facilities acquisition and improvements	676,952	676,952	5,510,550	(4,833,598)
Contingencies and appropriated reserves	130,893,055	155,108,092	-	155,108,092
Total expenditures	559,652,499	604,126,136	471,584,380	132,541,756
Excess (deficiency) of revenues over (under) expenditures	(129,078,802)	(134,507,585)	53,960,353	188,467,938
OTHER FINANCING SOURCES (USES)				
Transfers out	(12,610,899)	(12,752,369)	(20,684,635)	(7,932,266)
Total other financing sources (uses)	(12,610,899)	(12,752,369)	(20,684,635)	(7,932,266)
Net change in fund balance	$ (141,689,701)	$ (147,259,954)	33,275,718	$ 180,535,672
Fund balance - July 1, 2020			147,259,954	
Fund balance - June 30, 2021			$ 180,535,672	

The notes to the required supplementary information are an integral part of this statement.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Fund – Grants Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Local:				
Gifts and grants	$ 4,473,719	$ 3,627,364	$ 716,891	$ (2,910,473)
State:				
State grants	3,031,537	3,173,830	3,032,757	(141,073)
Federal grants	63,488,748	73,338,885	29,118,384	(44,220,501)
Total revenues	70,994,004	80,140,079	32,868,032	(47,272,047)
EXPENDITURES				
Current:				
Instruction	14,015,631	21,876,260	17,956,507	3,919,753
Pupil support	7,184,488	9,011,669	7,562,946	1,448,723
Instructional staff support	7,521,957	7,117,011	4,277,865	2,839,146
General administration	2,389,332	1,181,034	1,498,728	(317,694)
School administration	69,759	214,948	226,054	(11,106)
Business administration	-	-	-	-
Operations and maintenance	310,094	77,500	22,500	55,000
Transportation services	3,000	13,500	-	13,500
Personnel/data/risk management	479,540	558,591	350,107	208,484
Other support services	1,319,599	1,380,766	923,325	457,441
Food service operations	-	-	50,000	(50,000)
Facilities acquisition and improvements	-	-	-	-
Contingencies	37,700,604	38,708,800	-	38,708,800
Total expenditures	70,994,004	80,140,079	32,868,032	47,272,047
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Net change in fund balance	$ -	$ -	-	$ -
Fund balance - July 1, 2020			-	
Fund balance - June 30, 2021			$ -	

The notes to the required supplementary information are an integral part of this statement.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Fund – Nutrition Services Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Local:				
Charges for services	$ 1,675,000	$ 1,675,000	$ 893,494	$ (781,506)
Gifts and grants	-	46,000	46,299	299
Earnings on investments	-	6,400	5,963	(437)
Other	-	-	-	-
State:				
State grants	317,000	317,000	211,342	(105,658)
Federal grants	15,556,514	15,556,514	24,796,415	9,239,901
Total revenues	17,548,514	17,600,914	25,953,513	8,352,599
EXPENDITURES				
Current:				
Food service operations	20,310,176	25,195,818	21,413,580	3,782,238
Total expenditures	20,310,176	25,195,818	21,413,580	3,782,238
Excess (deficiency) of revenues over (under) expenditures	(2,761,662)	(7,594,904)	4,539,933	12,134,837
OTHER FINANCING SOURCES				
Transfers in	500,000	500,000	424,211	(75,789)
Total other financing sources	500,000	500,000	424,211	(75,789)
Net change in fund balance	$ (2,261,662)	$ (7,094,904)	4,964,144	$ 12,059,048
Fund balance - July 1, 2020			7,094,904	
Fund balance - June 30, 2021			$ 12,059,048	

The notes to the required supplementary information are an integral part of this statement.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of the District's Proportionate Share of the Net Pension Liability
PERA – School Division Trust Fund
For the Year Ended December 31, 2020

	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	5.263%	4.424%	4.259%	5.070%	5.378%	5.383%	5.243%
District's proportionate share of the net pension liability	$ 795,638,277	$ 660,924,055	$ 754,076,588	$ 1,639,450,659	$ 1,601,209,456	$ 823,387,622	$ 710,633,013
State's proportionate share of the net pension liability	-	83,829,810	103,109,501	-	-	-	-
Total	$ 795,638,277	$ 744,753,865	$ 857,186,089	$ 1,639,450,659	$ 1,601,209,456	$ 823,387,622	$ 710,633,013
District's covered payroll	$ 281,367,527	$ 259,915,969	$ 234,119,925	$ 233,872,275	$ 241,369,031	$ 234,613,404	$ 219,654,425
District's proportionate share of the net pension liability as a percentage of its covered payroll	282.78%	254.28%	322.00%	701.00%	663.39%	350.96%	323.52%
Plan fiduciary net position as a percentage of the total pension liability	66.99%	64.52%	57.01%	43.96%	43.13%	59.16%	62.84%

Note 1: Information above is presented as of the measurement date.
Note 2: Information is not currently available for years prior to 2014; additional years will be displayed as they become available.
Note 3: The notes to the required supplementary information are an integral part of this statement.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of the District's Pension Contributions
PERA – School Division Trust Fund
For the Fiscal Year Ended June 30, 2021

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 58,802,255	$ 52,623,554	$ 46,667,818	$ 43,185,850	$ 44,036,255	$ 42,960,962	$ 38,200,248
Contributions in relation to the contractually required contribution	(58,802,255)	(52,623,554)	(46,667,818)	(43,185,850)	(44,036,255)	(42,960,962)	(38,200,248)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 295,788,912	$ 271,535,443	$ 243,951,629	$ 228,710,727	$ 239,566,489	$ 242,250,288	$ 226,217,490
Contributions as a percentage of covered payroll	19.88%	19.38%	19.13%	18.88%	18.38%	17.73%	16.89%

Note 1: Information above is presented as of the district's fiscal year.
Note 2: Information is not currently available for years prior to 2015; additional years will be displayed as they become available.
Note 3: The notes to the required supplementary information are an integral part of this statement.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of the District's Proportionate Share of the Net OPEB Liability
Health Care Trust
For the Year Ended December 31, 2020

	2020	2019	2018	2017
District's proportion of the net OPEB liability	3.043%	2.891%	2.768%	2.881%
District's proportionate share of the net OPEB liability	$ 28,911,987	$ 32,490,947	$ 37,661,634	$ 37,438,154
District's covered payroll	$ 281,367,527	$ 259,915,969	$ 234,119,925	$ 233,872,275
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	10.28%	12.50%	16.09%	16.01%
Plan fiduciary net position as a percentage of the total OPEB liability	32.78%	24.49%	17.03%	17.50%

Note 1: Information above is presented as of the measurement date.
Note 2: Information is not currently available for years prior to 2017; additional years will be displayed as they become available.
Note 3: The notes to the required supplementary information are an integral part of this statement.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of the District's OPEB Contributions
Health Care Trust Fund
For the Fiscal Year Ended June 30, 2021

	2021	2020	2019	2018
Statutorily required contribution	$ 3,017,047	$ 2,769,661	$ 2,488,307	$ 2,332,850
Contributions in relation to the statutorily required contribution	(3,017,047)	(2,769,661)	(2,488,307)	(2,332,850)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 295,788,912	$ 271,535,443	$ 243,951,629	$ 228,710,727
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%

Note 1: Information above is presented as of the district's fiscal year.

Note 2: Information is not currently available for years prior to 2018; additional years will be displayed as they become available.
Note 3: The notes to the required supplementary information are an integral part of this statement.

NOTE 1: BUDGETARY INFORMATION

The district follows these procedures in establishing the budgetary data reflected in the financial statements.

i. Per state statute (§ 22-44-105, C.R.S.), legally adopted budgets are required for all funds. During May, the superintendent of schools submits to the board of education a proposed budget for the fiscal year commencing the following July. Budgets include estimated expenditures and the means of financing them.
ii. Public hearings are conducted by the board of education to obtain taxpayer comments.
iii. Prior to June 30th, the budget is adopted by formal resolution of the board of education, and the district issues a separate budget document.
iv. Authorizations to transfer budgeted amounts between Colorado Department of Education defined function groups or budget transfers, which change the total fund appropriation, must be approved by the board of education. The superintendent of schools must approve all other line item budget transfers. Actual expenditures and operating transfers out may not legally exceed appropriations at the individual fund level. Budgetary control is maintained at the supervisory department level.
v. Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
vi. Budget amounts reported in the accompanying financial statements are as originally adopted and as amended by the board of education throughout the year.
vii. Appropriations for all funds lapse at fiscal year-end.

NOTE 2: SIGNIFICANT CHANGES AFFECTING TRENDS IN ACTUARIAL INFORMATION

Changes of assumptions or other inputs since the December 31, 2019 actuarial valuation are as follows:

Defined Benefit Pension plan:

- The price inflation assumption was lowered from 2.40 percent to 2.30 percent.
- The wage inflation assumption was lowered from 3.5 percent to 3.00 percent.
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses from 4.85 percent per year, net of investment expenses.
- Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.
- Rate of termination/withdrawal, retirement and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the School and DPS Divisions was changed to PubT-2010 Healthy Retiree Table, adjusted as follows:
    - Males: 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
    - Females: 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

- The post-retirement non-disabled beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:
    - Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
    - Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019
- The disabled mortality assumption for the Division Trust Funds was based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

Defined Benefit Other Post-Employment Benefits (OPEB) Pension plan:

- The price inflation assumption was lowered from 2.40 percent to 2.30 percent.
- The wage inflation assumption was lowered from 3.5 percent to 3.00 percent.
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses from 4.85 percent per year, net of investment expenses.
- Rate of termination/withdrawal, retirement and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumptions were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:
    - Males: 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
    - Females: 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The post-retirement non-disabled beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:
    - Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
    - Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019
- The disabled mortality assumption for the Division Trust Funds was based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a head-count weighted basis.

SUPPLEMENTARY INFORMATION

This section presents the major and nonmajor fund financial statements. These statements show a more detailed look at the funds.

Major Governmental Funds

Bond Redemption Fund

This fund is used to account for property tax revenues and expenditures related to general long-term debt principal, interest, and related costs.

Building Fund

This fund is used to account for expenditures related to major construction, repair, or remodel of district sites. Funding for these projects was provided by the sale of the 2010, 2017 and 2019 General Obligation Bonds.

Capital Reserve Fund

This fund is used to account for the transfers from the General Fund and other revenue sources allocated or earned in this fund. Associated expenditures are for the ongoing capital needs of the district, such as reserve for debt payments, technology, capital projects, deferred maintenance, heating, ventilation and air conditioning (HVAC) projects, vehicles and roofing projects.

Nonmajor Governmental Funds

Athletic Fund

This fund is used to account for activities of the middle school intramural program and high school interscholastic athletic program. Financing is provided through a general fund subsidy and user fees.

Medicaid Fund

In 1997, the Colorado Legislature enacted legislation authorizing school district to receive and encumber Medicaid reimbursements. This fund is used to account for Medicaid reimbursements which support local school health and related services. Funding also is intended to increase access to preventative and primary care services for low-income, under-insured and uninsured school aged children.

Pickens Post-Secondary Fund

This fund is used to account for the tuition-based activities of the Pickens Post-Secondary Fund. Pickens Technical College provides vocational programs offered for post-secondary credit under the standards established by the state board for community college and occupational education.

Pupil Activity Fund

This fund is used to record financial transactions related to school-sponsored pupil organizations and activities. These activities are self-supporting and do not receive direct or indirect district support. Beginning July 1, 2019, per guidance from GASB No. 84, *Fiduciary Activities*, this fund is now reported as a special revenue fund rather than a fiduciary fund.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Debt Service Fund – Bond Redemption Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Local:				
Property taxes	$ 73,869,015	$ 75,372,728	$ 75,544,551	$ 171,823
Earnings on investments	830,000	130,000	108,307	(21,693)
Total revenues	74,699,015	75,502,728	75,652,858	150,130
EXPENDITURES				
Current:				
General administration	10,750	11,500	9,025	2,475
Debt service:				
Principal	34,210,000	35,209,963	35,209,963	-
Interest	18,898,639	19,666,783	19,666,783	-
Contingency	105,299,286	103,098,989	-	103,098,989
Total expenditures	158,418,675	157,987,235	54,885,771	103,101,464
Excess (deficiency) of revenues over (under) expenditures	(83,719,660)	(82,484,507)	20,767,087	103,251,594
Net change in fund balance	$ (83,719,660)	$ (82,484,507)	20,767,087	$ 103,251,594
Fund balance - July 1, 2020			82,484,507	
Fund balance - June 30, 2021			$ 103,251,594	

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Capital Projects Fund – Building Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Local:				
Gifts and grants	$ 750,000	$ 998,500	$ 1,123,500	$ 125,000
Earnings on investments	500,000	38,200	45,142	6,942
State:				
State Grants	-	115,612	4,775,831	4,660,219
Total revenues	1,250,000	1,152,312	5,944,473	4,792,161
EXPENDITURES				
Current:				
Business administration	60,000	60,000	-	60,000
Personnel/data/risk management	904,496	904,496	829,095	75,401
Facilities acquisition and improvements	72,089,338	62,148,452	32,417,093	29,731,359
Debt service:				
Interest	199,919	-	-	-
Total expenditures	73,253,753	63,112,948	33,246,188	29,866,760
Excess (deficiency) of revenues over (under) expenditures	(72,003,753)	(61,960,636)	(27,301,715)	34,658,921
OTHER FINANCING SOURCES				
Transfers in	199,919	7,500,000	7,500,000	-
Net change in fund balance	$ (71,803,834)	$ (54,460,636)	(19,801,715)	$ 34,658,921
Fund balance - July 1, 2020			54,460,636	
Fund balance - June 30, 2021			$ 34,658,921	

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Capital Projects Fund – Capital Reserve Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Local:				
Earnings on investments	$ 45,000	$ 34,800	$ 14,200	$ (20,600)
Cash in lieu of land dedication	1,000,000	500,000	2,306,372	1,806,372
Gifts and grants	-	1,168,652	-	(1,168,652)
Other	30,000	100,000	218,931	118,931
State:				
State grants	-	-	21,150	21,150
Total revenues	1,075,000	1,803,452	2,560,653	757,201
EXPENDITURES				
Current:				
General administration	-	6,000	25,192	(19,192)
Business administration	-	-	15,327	(15,327)
Operations and maintenance	8,050,949	3,290,278	875,993	2,414,285
Personnel/data/risk management	-	32,000	66,150	(34,150)
Transportation services	-	2,462,833	3,968,198	(1,505,365)
Facilities acquisition and improvements	3,104,040	8,832,692	6,573,365	2,259,327
Debt:				
Principal	585,266	830,855	792,522	38,333
Interest	98,468	385,232	294,307	90,925
Total expenditures	11,838,723	15,839,890	12,611,054	3,228,836
Excess (deficiency) of revenues over (under) expenditures	(10,763,723)	(14,036,438)	(10,050,401)	3,986,037
OTHER FINANCING SOURCES				
Debt:				
Proceeds from issuance of COP	-	2,240,571	2,240,571	-
Transfers in	7,750,000	7,750,000	16,250,000	8,500,000
Transfers out	-	(7,500,000)	(7,500,000)	-
Total other financing sources	7,750,000	2,490,571	10,990,571	8,500,000
Net change in fund balance	$ (3,013,723)	$ (11,545,867)	940,170	$ 12,486,037
Fund balance - July 1, 2020			11,545,867	
Fund balance - June 30, 2021			$ 12,486,037	

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Combining Balance Sheet – Nonmajor Governmental Funds
June 30, 2021

	Special Revenue				
	Athletic	Medicaid	Pickens Post-Secondary	Pupil Activity	Total Nonmajor Governmental Funds
ASSETS					
Cash and cash equivalents	$ 171,126	$ 9,756,809	$ 9,102,077	$ 2,539,925	$ 21,569,937
Receivables - other	1,870	-	-	16,757	18,627
Prepaid items	58,731	25,449	49,778	-	133,958
Total assets	$ 231,727	$ 9,782,258	$ 9,151,855	$ 2,556,682	$ 21,722,522
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 14,424	$ 13,934	$ 457,060	$ 6,191	$ 491,609
Retainages payable	-	-	73,898	-	73,898
Accrued compensation	46,173	162,256	185,954	1,302	395,685
Unearned revenue	-	-	900	-	900
Total liabilities	60,597	176,190	717,812	7,493	962,092
Fund balances:					
Nonspendable:					
Prepaid items	58,731	25,449	49,778	-	133,958
Restricted for:					
Medicaid	-	9,580,619	-	-	9,580,619
Student fees	-	-	8,384,265	-	8,384,265
Assigned to:					
Athletic activity	112,399	-	-	-	112,399
Pupil activity	-	-	-	2,549,189	2,549,189
Total fund balances	171,130	9,606,068	8,434,043	2,549,189	20,760,430
Total liabilities and fund balances	$ 231,727	$ 9,782,258	$ 9,151,855	$ 2,556,682	$ 21,722,522

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2021

	Special Revenue				
	Athletic	Medicaid	Pickens Post-Secondary	Pupil Activity	Total Nonmajor Governmental Funds
REVENUES					
Local:					
Pupil activities	$ 123,447	$ -	$ 595,107	$ 658,250	$ 1,376,804
Tuition	38,680	-	4,057,476	-	4,096,156
Activity fees	-	-	-	-	-
Gifts and grants	-	-	19,725	-	19,725
Charges for services	-	-	-	-	-
Rental of Buildings	12,679	-	880	-	13,559
Other	14,560	-	266,116	-	280,676
Federal grants	-	-	-	2,890	2,890
Medicaid reimbursements	-	6,232,325	-	-	6,232,325
Total revenues	189,366	6,232,325	4,939,304	661,140	12,022,135
EXPENDITURES					
Current:					
Instruction	3,296,171	-	3,131,676	553,203	6,981,050
Pupil support	122,897	4,000,391	13,296	25,143	4,161,727
Instructional staff support	492,149	-	569,935	3,204	1,065,288
General administration	93,105	-	89	-	93,194
School administration	-	-	465,104	-	465,104
Business administration	-	-	249,304	78	249,382
Operations and maintenance	-	-	-	-	-
Transportation services	-	998,497	-	-	998,497
Personnel/Data/Risk Management	-	-	-	400	400
Other support services	43,089	-	366,738	-	409,827
Facilities acquisition and improvements	-	-	2,204,569	-	2,204,569
Total expenditures	4,047,411	4,998,888	7,000,711	582,028	16,629,038
Excess (deficiency) of revenues over (under) expenditures	(3,858,045)	1,233,437	(2,061,407)	79,112	(4,606,903)
OTHER FINANCING SOURCES					
Transfers in:					
General fund	3,573,840	-	376,584	60,000	4,010,424
Building Fund	-	-	-	-	-
Total other financing sources	3,573,840	-	376,584	60,000	4,010,424
Net change in fund balances	(284,205)	1,233,437	(1,684,823)	139,112	(596,479)
Fund balances - July 1, 2020	455,335	8,372,631	10,118,866	2,410,077	21,356,909
Fund balances - June 30, 2021	$ 171,130	$ 9,606,068	$ 8,434,043	$ 2,549,189	$ 20,760,430

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Special Revenue Fund – Athletic Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Local:				
Pupil activities	$ 374,600	$ 374,600	$ 123,447	$ (251,153)
Tuition	61,120	61,120	38,680	(22,440)
Activity fees	-	-	-	-
Gifts and grants	-	-	-	-
Charges for services	-	-	-	-
Rental of Buildings	20,500	20,500	12,679	(7,821)
Other	27,000	27,000	14,560	(12,440)
Total revenues	483,220	483,220	189,366	(293,854)
EXPENDITURES				
Current:				
Instruction	3,296,547	3,796,752	3,296,171	500,581
Pupil support	140,354	140,354	122,897	17,457
Instructional staff support	339,879	339,879	492,149	(152,270)
General administration	90,185	90,185	93,105	(2,920)
Other support services	145,224	145,224	43,089	102,135
Total expenditures	4,012,189	4,512,394	4,047,411	464,983
Excess (deficiency) of revenues over (under) expenditures	(3,528,969)	(4,029,174)	(3,858,045)	171,129
OTHER FINANCING SOURCES				
Transfers in:				
General fund	3,528,969	3,573,840	3,573,840	-
Total other financing sources	3,528,969	3,573,840	3,573,840	-
Net change in fund balance	$ -	$ (455,334)	(284,205)	$ 171,129
Fund balance - July 1, 2020			455,335	
Fund balance - June 30, 2021			$ 171,130	

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Special Revenue Fund – Medicaid Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Medicaid reimbursements	$ 5,000,000	$ 5,000,000	$ 6,232,325	$ 1,232,325
Total revenues	5,000,000	5,000,000	6,232,325	1,232,325
EXPENDITURES				
Current:				
Pupil support	11,871,669	12,288,642	4,000,391	8,288,251
Transportation services	1,082,788	1,083,989	998,497	85,492
Total expenditures	12,954,457	13,372,631	4,998,888	8,373,743
Excess (deficiency) of revenues over (under) expenditures	(7,954,457)	(8,372,631)	1,233,437	9,606,068
Net change in fund balance	$ (7,954,457)	$ (8,372,631)	1,233,437	$ 9,606,068
Fund balance - July 1, 2020			8,372,631	
Fund balance - June 30, 2021			$ 9,606,068	

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Special Revenue Fund – Pickens Post-Secondary Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Local:				
Pupil activities	$ 440,000	$ 440,000	$ 595,107	$ 155,107
Tuition	4,550,000	4,550,000	4,057,476	(492,524)
Gifts and grants	-	-	19,725	19,725
Charges for services	23,300	60,000	-	(60,000)
Rental of Buildings	-	-	880	880
Other	219,000	182,300	266,116	83,816
Total revenues	5,232,300	5,232,300	4,939,304	(292,996)
EXPENDITURES				
Current:				
Instruction	4,185,822	4,185,822	3,131,676	1,054,146
Pupil support	57,910	57,910	13,296	44,614
Instructional staff support	10,258,265	11,274,196	569,935	10,704,261
General administration	-	-	89	(89)
School administration	123,751	123,751	465,104	(341,353)
Business administration	308,792	308,792	249,304	59,488
Other support services	269,225	269,225	366,738	(97,513)
Facilities acquisition and improvements	-	-	2,204,569	(2,204,569)
Total expenditures	15,203,765	16,219,696	7,000,711	9,218,985
Excess (deficiency) of revenues over (under) expenditures	(9,971,465)	(10,987,396)	(2,061,407)	8,925,989
OTHER FINANCING SOURCES (USES)				
Transfers in:				
General fund	632,011	868,530	376,584	(491,946)
Total other financing sources (uses)	632,011	868,530	376,584	(491,946)
Net change in fund balance	$ (9,339,454)	$ (10,118,866)	(1,684,823)	$ 8,434,043
Fund balance - July 1, 2020			10,118,866	
Fund balance - June 30, 2021			$ 8,434,043	

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Special Revenue Fund – Pupil Activity Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Local:				
Pupil activities	$ 2,703,989	$ 600,000	$ 658,250	$ 58,250
Federal grants	-	-	2,890	2,890
Total revenues	2,703,989	600,000	661,140	61,140
EXPENDITURES				
Current:				
Instruction	4,911,449	3,070,077	553,203	2,516,874
Pupil support	-	-	25,143	(25,143)
Instructional staff support	-	-	3,204	(3,204)
Business administration	-	-	78	(78)
Personnel/data/risk management	-	-	400	(400)
Total expenditures	4,911,449	3,070,077	582,028	2,488,049
Excess (deficiency) of revenues over (under) expenditures	(2,207,460)	(2,470,077)	79,112	2,549,189
OTHER FINANCING SOURCES (USES)				
Transfers in:				
General fund	-	60,000	60,000	-
Total other financing sources (uses)	-	60,000	60,000	-
Net change in fund balance	$ (2,207,460)	$ (2,410,077)	139,112	$ 2,549,189
Fund balances - July 1, 2020			2,410,077	
Fund balance - June 30, 2021			$ 2,549,189	

Aurora
Public
Schools

Supplementary Schedules – Nonmajor Component Units
Charter Schools

Academy of Advanced Learning
Academy of Advanced Learning began operations with the district July 1, 2017. The school serves students in kindergarten through eighth grades.

Aurora Academy
Aurora Academy began operations with the district on July 1, 2000. The school serves students in kindergarten through eighth grades.

Aurora Science and Tech of Denver School of Science and Technology, Inc.
Aurora Science and Tech began operations with the district on July 1, 2019. This school serves students in the sixth and seventh grades.

AXL Charter School
AXL began operations with the district on July 1, 2008. The school serves students in preschool through eighth grades.

Empower Community High School
The Empower Community High School began operations with the district on July 1, 2019. The school serves students in the ninth and tenth grades.

Global Village Academy
Global Village Academy began operations with the district on July 1, 2007. The school serves students in kindergarten through eighth grades.

Lotus School for Excellence
Lotus School of Excellence began operations with the district on July 1, 2006. The school serves students in kindergarten through twelfth grades.

Rocky Mountain Preparatory at Fletcher
Rocky Mountain Preparatory began operations with the district on July 1, 2016. The school serves students in preschool through fifth grades.

Vanguard Classical School
Vanguard began operations with the district on July 1, 2007. The school operates two campuses, East and West, and serves students in kindergarten through twelfth grades.

Vega Collegiate Academy
Vega Collegiate Academy began operations with the district on July 1, 2017. The school serves students in kindergarten, first, second, fifth, sixth and seventh grades.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Combing Statement of Net Position
Component Units – Charter Schools
June 30, 2021

	Academy of Advanced Learning	Aurora Academy	Aurora Science and Tech of DSST	AXL Charter School	Empower Community High School	Global Village Academy	Lotus School for Excellence	Rocky Mountain Preparatory School at Fletcher	Vanguard Classical School	Vega Collegiate Academy	Total
ASSETS											
Current assets:											
Cash and cash equivalents	$ 2,323,559	$ 3,026,557	$ 416,598	$ 829,585	$ 291,966	$ 4,235,869	$ 2,784,620	$ 3,464,152	$ 5,508,447	$ 5,917,353	$ 28,798,706
Receivables (net of allowance for uncollectibles)	341,429	21,312	1,114,081	282,966	290,831	293,336	140,397	974,674	562,740	255,165	4,276,931
Due from other governments	320,486	-	-	-	-	-	-	-	-	50,594	371,080
Prepaid items and other assets	161,900	-	4,996	111,795	88,097	24,121	81,865	3,622	111,670	15,252	603,318
Total current assets	3,147,374	3,047,869	1,535,675	1,224,346	670,894	4,553,326	3,006,882	4,442,448	6,182,857	6,238,364	34,050,035
Noncurrent assets:											
Restricted: Cash and cash equivalents and investments	374,949	643,685	11,035	179,275	50,000	3,307,764	636,605	246,402	2,091,840	-	7,541,555
Capital assets (net of accumulated depreciation):											
Land	-	310,000	-	-	-	1,101,789	590,820	-	-	-	2,002,609
Construction in progress	-	-	-	-	-	-	888,505	-	-	2,914,824	3,803,329
Buildings and improvements	9,871,283	5,451,178	-	499,816	64,140	21,112,928	10,843,625	-	22,332,533	5,970,461	76,145,964
Equipment and vehicles	9,857	424,847	78,560	16,863	44,893	31,943	951,376	-	79,736	16,018	1,654,093
Total noncurrent assets	10,256,089	6,829,710	89,595	695,954	159,033	25,554,424	13,910,931	246,402	24,504,109	8,901,303	91,147,550
Total assets	13,403,463	9,877,579	1,625,270	1,920,300	829,927	30,107,750	16,917,813	4,688,850	30,686,966	15,139,667	125,197,585
DEFERRED OUTFLOWS OF RESOURCES											
Items related to pension plan	7,556,302	3,857,461	3,811,046	1,839,101	2,367,245	5,604,994	6,147,421	6,870,553	5,371,079	3,722,989	47,148,191
Items related to OPEB	350,556	82,285	133,434	20,838	94,555	107,416	136,986	279,961	100,451	83,510	1,389,992
Total deferred outflows of resources	7,906,858	3,939,746	3,944,480	1,859,939	2,461,800	5,712,410	6,284,407	7,150,514	5,471,530	3,806,499	48,538,183
LIABILITIES											
Current liabilities:											
Accounts payable and other current liabilities	198,434	131,940	122,825	210,119	146,532	246,621	433,799	204,028	601,077	246,518	2,541,893
Accrued salaries and benefits	868,681	303,787	21,338	183,571	-	506,612	469,625	-	463,988	-	2,817,602
Due to other governments	213,574	-	-	-	-	92,815	146,986	-	-	-	453,375
Unearned revenue	-	-	-	-	75,000	59,281	36,929	581	161,183	-	332,974
Accrued interest payable	47,186	53,026	-	-	-	77,049	30,023	-	560,808	246,996	1,015,088
Noncurrent liabilities, due within one year											
Notes, leases and mortgages payable	45,667	276,655	-	-	-	8,385,000	261,138	87,480	70,000	-	9,125,940
Total current liabilities	1,373,542	765,408	144,163	393,690	221,532	9,367,378	1,378,500	292,089	1,857,056	493,514	16,286,872
Noncurrent liabilities, due beyond one year											
Net pension liability	12,846,003	8,686,923	3,703,025	5,974,811	2,637,388	14,034,047	15,247,530	8,862,895	15,713,784	4,444,426	92,150,832
Net OPEB liability	466,290	315,753	134,099	217,082	95,868	510,079	554,113	321,986	571,155	119,589	3,306,014
Notes, leases and mortgages payable	8,822,894	3,882,664	-	-	-	19,400,000	8,440,937	-	24,529,407	13,855,288	78,931,190
Total noncurrent liabilities	22,135,187	12,885,340	3,837,124	6,191,893	2,733,256	33,944,126	24,242,580	9,184,881	40,814,346	18,419,303	174,388,036
Total liabilities	23,508,729	13,650,748	3,981,287	6,585,583	2,954,788	43,311,504	25,621,080	9,476,970	42,671,402	18,912,817	190,674,908
DEFERRED INFLOWS OF RESOURCES											
Items related to pension plan	4,987,001	3,696,218	1,437,571	2,544,067	1,023,872	6,134,234	6,307,634	3,440,703	6,558,996	1,725,382	37,855,678
Items related to OPEB	150,158	101,681	43,183	77,736	30,872	183,251	174,441	103,689	202,269	38,509	1,105,789
Total deferred inflows of resources	5,137,159	3,797,899	1,480,754	2,621,803	1,054,744	6,317,485	6,482,075	3,544,392	6,761,265	1,763,891	38,961,467
NET POSITION											
Net investment in capital assets	1,387,528	2,670,391	78,560	516,679	109,033	(2,230,576)	5,208,856	-	(713,529)	(4,953,985)	2,072,957
Restricted for:											
TABOR emergency reserve	318,016	207,800	174,225	147,900	47,000	330,579	358,000	246,402	412,000	120,000	2,361,922
Other	-	-	5,005	-	-	-	-	-	121,830	-	126,835
Unrestricted (deficit)	(9,041,111)	(6,509,513)	(150,081)	(6,091,726)	(873,838)	(11,908,832)	(14,467,791)	(1,428,400)	(13,094,472)	3,103,443	(60,462,321)
Total net position (deficit)	$ (7,335,567)	$ (3,631,322)	$ 107,709	$ (5,427,147)	$ (717,805)	$ (13,808,829)	$ (8,900,935)	$ (1,181,998)	$ (13,274,171)	$ (1,730,542)	$ (55,900,607)

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Combing Statement of Activities
Component Units – Charter Schools
For the Fiscal Year Ended June 30, 2021

	Academy of Advanced Learning	Aurora Academy	Aurora Science and Tech of DSST	AXL Charter School	Empower Community High School	Global Village Academy	Lotus School for Excellence	Rocky Mountain Preparatory School at Fletcher	Vanguard Classical School	Vega Collegiate	Total
Expenses											
Governmental activities	$ 13,394,221	$ 5,058,132	$ 5,656,757	$ 3,886,162	$ 3,471,211	$ 9,949,330	$ 11,453,320	$ 8,391,612	$ 10,702,128	$ 5,056,900	$ 77,019,773
Total expenses	13,394,221	5,058,132	5,656,757	3,886,162	3,471,211	9,949,330	11,453,320	8,391,612	10,702,128	5,056,900	77,019,773
Program revenues											
Charges for services	-	8,616	10,100	320	14,029	160,857	27,884	837,721	41,942	-	1,101,469
Operating grants and contributions	1,659,855	65,590	1,212,796	1,007,289	597,217	2,137,971	1,980,947	1,350,884	1,722,319	862,640	12,597,508
Capital grants and contributions	279,567	563,950	-	150,149	39,031	258,993	1,732,269	444,434	342,198	93,794	3,904,385
Total program revenues	1,939,422	638,156	1,222,896	1,157,758	650,277	2,557,821	3,741,100	2,633,039	2,106,459	956,434	17,603,362
Net expenses	(11,454,799)	(4,419,976)	(4,433,861)	(2,728,404)	(2,820,934)	(7,391,509)	(7,712,220)	(5,758,573)	(8,595,669)	(4,100,466)	(59,416,411)
General revenues:											
School finance act, unrestricted	7,937,178	4,432,450	2,869,067	3,064,831	1,109,522	7,151,262	8,160,519	4,552,711	9,589,414	2,755,616	51,622,570
Grants and contributions not restricted to programs	-	-	160,722	-	930,063	-	-	-	130,983	86,838	1,308,606
Earnings on investments	388	37,952	7,285	198	11	5,525	5,119	5,326	9,231	619	71,654
Other	3,560,140	2,298,641	1,396,100	1,028,007	368,853	3,270,280	2,944,726	2,318,261	3,162,468	1,193,413	21,540,889
Total general revenues	11,497,706	6,769,043	4,433,174	4,093,036	2,408,449	10,427,067	11,110,364	6,876,298	12,892,096	4,036,486	74,543,719
Change in net position	42,907	2,349,067	(687)	1,364,632	(412,485)	3,035,558	3,398,144	1,117,725	4,296,427	(63,980)	15,127,308
Net position (deficit) as previously reported - July 1, 2020	(6,745,897)	(5,980,389)	108,396	(6,791,779)	(305,320)	(16,427,162)	(12,299,079)	(2,299,723)	(17,570,598)	(1,666,562)	(69,978,113)
Restatement for correction of an error	(632,577)	-	-	-	-	(417,225)	-	-	-	-	(1,049,802)
Net position (deficit) as restated - July 1, 2020	(7,378,474)	(5,980,389)	108,396	(6,791,779)	(305,320)	(16,844,387)	(12,299,079)	(2,299,723)	(17,570,598)	(1,666,562)	(71,027,915)
Net position (deficit) - June 30, 2021	$ (7,335,567)	$ (3,631,322)	$ 107,709	$ (5,427,147)	$ (717,805)	$ (13,808,829)	$ (8,900,935)	$ (1,181,998)	$ (13,274,171)	$ (1,730,542)	$ (55,900,607)

BKD
CPAs & Advisors

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Independent Auditor's Report on Supplementary Information

Board of Education
Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Aurora, Colorado

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The Auditors Integrity Report is presented for purposes of additional analysis and is not a required part of the financial statements. The Auditors Integrity Report is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The Auditors Integrity Report has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed described above, and the reports of other auditors, the Auditors Integrity Report is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

BKD, LLP

Denver, Colorado
November 3, 2021

PRAXITY
Empowering Business Globally

Colorado Department of Education

Auditors Integrity Report

District: 0180 - Adams-Arapahoe 28J

Fiscal Year 2020-21
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	139,012,456	492,463,914	459,749,077	171,727,294
18 Risk Mgmt Sub-Fund of General Fund	6,696,063	5,793,103	4,332,867	8,156,298
19 Colorado Preschool Program Fund	1,551,435	6,603,080	7,502,435	652,080
Sub- Total	**147,259,954**	**504,860,097**	**471,584,379**	**180,535,672**
11 Charter School Fund	20,358,230	89,510,986	85,013,069	24,856,147
20,26-29 Special Revenue Fund	18,946,832	15,311,419	16,047,011	18,211,241
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	7,094,904	26,377,724	21,413,580	12,059,048
22 Govt Designated-Purpose Grants Fund	0	32,868,032	32,868,032	0
23 Pupil Activity Special Revenue Fund	2,410,078	721,140	582,028	2,549,189
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	82,484,507	75,652,858	54,885,771	103,251,594
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	54,460,636	13,444,473	33,246,189	34,658,920
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	11,545,867	13,551,224	12,611,054	12,486,037
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	**344,561,009**	**772,297,952**	**728,251,113**	**388,607,848**
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	3,874,678	15,304,131	11,996,558	7,182,251
Totals	**3,874,678**	**15,304,131**	**11,996,558**	**7,182,251**
Fiduciary				
70 Other Trust and Agency Funds	1,749,858	1,576,593	1,203,946	2,122,506
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	1,278,569	3,937,881	3,064,036	2,152,414
Totals	**3,028,427**	**5,514,474**	**4,267,982**	**4,274,920**

FINAL

*If you have a prior period adjustment in any fund (Balance Sheet 6880), the amount of your prior period adjustment is added into both your ending and beginning fund balances on this report.

11/4/21 11:30 AM

Aurora
Public
Schools

STATISTICAL SECTION
(UNAUDITED)

Detailed information about Aurora Public School's comprehensive annual financial report is presented in the Statistical Section as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the district's overall financial health.

Contents

Financial Trends 123

These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changed over time.

Revenue Capacity 130

These schedules contain information to help the reader assess one of the district's most significant local revenue sources, the property tax.

Debt Capacity 136

These schedules present information to help the reader to assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.

Demographic and Economic Information 140

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

Operating Information 142

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to services the district provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. Links provided as specific source references are original links which may have expired or are no longer valid.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Net Position by Component
Last Ten Fiscal Years (Unaudited)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Governmental activities:										
Net investment in capital assets	$ 42,927,651	$ 42,911,327	$ 37,449,664	$ 18,748,887	$ 24,061,345	$ 33,582,219	$ 64,577,395	$ 74,657,134	$ 103,888,391	$ 117,415,039
Restricted	48,653,480	41,867,572	46,083,688	50,648,446	57,065,755	68,241,264	76,663,926	97,255,276	121,774,324	145,580,575
Unrestricted	6,764,197	17,179,763	22,608,607	(615,197,910)	(668,057,787)	(946,564,450)	(1,261,588,811)	(1,112,597,303)	(952,998,885)	(724,033,638)
Total governmental activities net position (deficit)	98,345,328	101,958,662	106,141,959	(545,800,577)	(586,930,687)	(844,740,967)	(1,120,347,490)	(940,684,893)	(727,336,170)	(461,038,024)
Business-type activity										
Net investment in capital assets	3,076,190	2,850,056	2,587,332	-	-	-	-	-	-	-
Unrestricted	2,961,131	3,912,633	4,082,459	-	-	-	-	-	-	-
Total business-type activity net position	6,037,321	6,762,689	6,669,791	-	-	-	-	-	-	-
Primary government										
Net investment in capital assets	46,003,841	45,761,383	40,036,996	18,748,887	24,061,345	33,582,219	64,577,395	74,657,134	103,888,391	117,415,039
Restricted	48,653,480	41,867,572	46,083,688	50,648,446	57,065,755	68,241,264	76,663,926	97,255,276	121,774,324	145,580,575
Unrestricted	9,725,328	21,092,396	26,691,066	(615,197,910)	(668,057,787)	(946,564,450)	(1,261,588,811)	(1,112,597,303)	(952,998,885)	(724,033,638)
Total governmental activities net position (deficit)	$ 104,382,649	$ 108,721,351	$ 112,811,750	$ (545,800,577)	$ (586,930,687)	$ (844,740,967)	$(1,120,347,490)	$ (940,684,893)	$ (727,336,170)	$ (461,038,024)

Note 1: This schedule consolidates data from the government-wide financial statements that utilize the full accrual basis of accounting.
Note 2: During 2013-14, the district adopted GASB 65 which resulted in a restatement for bond issue costs from prior accounting guidance. Prior year and earlier have not been restated for the adoption of GASB 65 because it is impractical to do so.
Note 3: In previous years, the business-type activity of the district was comprised wholly of the Nutrition Services Fund. During fiscal year 2014-15, the Nutrition Services Fund type was changed to a Special Revenue Fund as required by the Colorado Department of Education, which is reported with the governmental activities of the district. As such, the district no longer reports any business-type activities.
Note 4: During 2014-15, the district adopted GASB 68. Prior year and earlier have not been restated for the adoption of GASB 68 because it is impractical to do so.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Expenses, Program Revenues and Net (Expense)/Revenue
Last Ten Fiscal Years (Unaudited)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-2020	2020-2021
EXPENSES										
Governmental activities:										
Instruction	$ 192,168,046	$ 200,510,721	$ 214,719,376	$ 244,552,029	$ 267,967,412	$ 387,982,826	$ 380,254,999	$ 170,369,692	$ 174,053,652	$ 167,588,694
Supporting services	124,507,646	130,921,536	142,859,860	183,829,425	210,162,350	318,968,190	329,952,503	183,868,742	202,640,036	227,614,744
Interest	18,109,635	15,802,312	15,983,970	15,552,211	14,960,302	17,363,928	20,695,296	19,877,104	19,565,840	19,452,373
Total governmental activities expense	334,785,327	347,234,569	373,563,206	443,933,665	493,090,064	724,314,944	730,902,798	374,115,538	396,259,528	414,655,811
Business-type activity:										
Nutrition services	13,853,942	14,263,076	15,662,854	-	-	-	-	-	-	-
Total primary government expenses	$ 348,639,269	$ 361,497,645	$ 389,226,060	$ 443,933,665	$ 493,090,064	$ 724,314,944	$ 730,902,798	$ 374,115,538	$ 396,259,528	$ 414,655,811
PROGRAM REVENUES										
Governmental activities:										
Charges for services--instruction programs	$ 4,410,749	$ 6,090,007	$ 5,943,567	$ 5,929,784	$ 6,215,052	$ 6,542,641	$ 7,993,537	$ 8,173,184	$ 10,035,034	$ 5,844,519
Charges for services--other programs	3,603,248	3,876,927	4,018,397	5,892,764	5,436,096	6,002,869	7,341,251	8,615,894	10,516,367	10,719,662
Operating grants and contributions	39,139,140	31,675,763	36,117,378	51,189,828	55,215,023	57,223,026	58,038,488	65,770,177	65,875,346	160,437,356
Capital grants and contributions	166,213	88,872	3,339,536	1,094,341	1,637,303	4,181,729	5,532,458	4,213,538	1,567,907	4,881,784
Total governmental activities	47,319,350	41,731,569	49,418,878	64,106,717	68,503,474	73,950,265	78,905,734	86,772,793	87,994,654	181,883,321
Business-type activity:										
Charges for services	1,818,918	1,667,562	1,762,922	-	-	-	-	-	-	-
Operating grants and contributions	12,080,741	12,871,935	13,446,481	-	-	-	-	-	-	-
Capital grants and contributions	365,883	226,322.00	126,065	-	-	-	-	-	-	-
Total business-type activities program revenues	14,265,542	14,765,819	15,335,468	-	-	-	-	-	-	-
Total primary government program revenues	$ 61,584,892	$ 56,497,388	$ 64,754,346	$ 64,106,717	$ 68,503,474	$ 73,950,265	$ 78,905,734	$ 86,772,793	$ 87,994,654	$ 181,883,321
Net (expense) / revenue										
Governmental activities	$ (287,465,977)	$ (305,503,000)	$ (324,144,328)	$ (379,826,948)	$ (424,586,590)	$ (650,364,679)	$ (651,997,064)	$ (287,342,745)	$ (308,264,874)	$ (232,772,490)
Business-type activity	411,600	502,743	(327,386)	-	-	-	-	-	-	-
Total primary government net expense	$ (287,054,377)	$ (305,000,257)	$ (324,471,714)	$ (379,826,948)	$ (424,586,590)	$ (650,364,679)	$ (651,997,064)	$ (287,342,745)	$ (308,264,874)	$ (232,772,490)

Note 1: This schedule consolidates data from the government-wide financial statements that utilize the full accrual basis of accounting.
Note 2: In previous years, the business-type activity of the district was comprised wholly of the Nutrition Services Fund. During fiscal year 2014-15, the Nutrition Services Fund type was changed to a Special Revenue Fund as required by the Colorado Department of Education, which is reported with the governmental activities of the district. As such, the district no longer reports any business-type activities.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
General Revenues and Total Change in Net Position
Last Ten Fiscal Years (Unaudited)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Net (expense) / revenue										
Governmental activities	$ (287,465,977)	$ (305,503,000)	$ (324,144,328)	$ (379,826,948)	$ (424,586,590)	$ (650,364,679)	$ (651,997,064)	$ (287,342,745)	$ (308,264,874)	$ (232,772,490)
Business-type activity	411,600	502,743	(327,386)	-	-	-	-	-	-	-
Total primary government net expense	$ (287,054,377)	$ (305,000,257)	$ (324,471,714)	$ (379,826,948)	$ (424,586,590)	$ (650,364,679)	$ (651,997,064)	$ (287,342,745)	$ (308,264,874)	$ (232,772,490)
General revenue and other changes in net position										
Governmental activities:										
Property taxes, levied for debt service and general fund use	$ 98,179,499	$ 118,272,529	$ 126,979,836	$ 128,152,396	$ 152,056,002	$ 161,122,405	$ 189,896,466	$ 226,785,004	$ 274,402,739	$ 287,173,369
School finance act, unrestricted	186,512,042	189,279,789	202,302,003	226,238,914	230,042,314	228,988,569	221,921,447	233,366,711	239,175,271	210,519,931
Earnings on investments	2,103,351	1,564,016	1,382,892	1,317,941	1,358,164	2,443,425	2,975,954	6,853,627	6,014,603	1,377,336
Total governmental activities	286,794,892	309,116,334	330,664,731	355,709,251	383,456,480	392,554,399	414,793,867	467,005,342	519,592,613	499,070,636
Business-type activity:										
School finance act, unrestricted	222,631	221,280	233,307	-	-	-	-	-	-	-
Earnings on investments	702	1,345	1,181	-	-	-	-	-	-	-
Transfers-in (out)	-	-	-	-	-	-	-	-	-	-
Total business-type activity	223,333	222,625	234,488	-	-	-	-	-	-	-
Total primary government	$ 287,018,225	$ 309,338,959	$ 330,899,219	$ 355,709,251	$ 383,456,480	$ 392,554,399	$ 414,793,867	$ 467,005,342	$ 519,592,613	$ 499,070,636
CHANGE IN NET POSITION										
Governmental activities	$ (671,085)	$ 3,613,334	$ 6,520,403	$ (24,117,697)	$ (41,130,110)	$ (257,810,280)	$ (237,203,197)	$ 179,662,597	$ 211,327,739	$ 266,298,146
Business-type activity	634,933	725,368	(92,898)	-	-	-	-	-	-	-
Total primary government	$ (36,152)	$ 4,338,702	$ 6,427,505	$ (24,117,697)	$ (41,130,110)	$ (257,810,280)	$ (237,203,197)	$ 179,662,597	$ 211,327,739	$ 266,298,146

Note 1: This schedule consolidates data from the government-wide financial statements that utilize the full accrual basis of accounting.

Note 2: In previous years, the business-type activity of the district was comprised wholly of the Nutrition Services Fund. During fiscal year 2014-15, the Nutrition Services Fund type was changed to a Special Revenue Fund as required by the Colorado Department of Education, which is reported with the governmental activities of the district. As such, the district no longer reports any business-type activities.

Note 3: During 2014-15, the district adopted GASB 68. Prior year and earlier have not been restated for the adoption of GASB 68 because it is impractical to do so.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Fund Balances, Governmental Funds
Last Ten Fiscal Years (Unaudited)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
General Fund										
Nonspendable	$ 541,202	$ 844,142	$ 956,096	$ 488,776	$ 712,565	$ 795,964	$ 1,095,346	$ 2,806,380	$ 5,167,959	$ 7,140,952
Restricted	8,906,833	9,410,824	10,633,656	13,195,211	11,875,233	10,363,161	11,062,921	13,241,919	13,894,073	12,447,581
Committed	-	-	200,000	150,000	150,000	100,000	150,000	100,000	200,000	200,000
Assigned	5,198,722	11,065,431	5,124,285	5,010,250	14,420,987	11,192,817	18,402,041	63,187,007	107,522,600	136,169,656
Unassigned	19,658,022	21,239,172	27,554,136	26,880,124	14,583,354	18,220,045	35,567,392	29,328,573	20,475,322	24,577,483
Total General Fund	$ 34,304,779	$ 42,559,569	$ 44,468,173	$ 45,724,361	$ 41,742,139	$ 40,671,987	$ 66,277,700	$ 108,663,879	$ 147,259,954	$ 180,535,672
All other governmental funds										
Nonspendable										
Capital projects funds	$ 17,613	$ 18,476	$ 36,637	$ 7,150	$ 19,470	$ 25,866	$ 28,584	$ 7,403	$ 184,689	$ 24,513
Special revenue funds	1,556	35,487	14,896	1,078,950	874,829	742,987	772,685	48,630	222,835	276,490
Restricted										
Debt service fund	32,915,324	25,580,904	27,026,348	28,456,159	37,115,173	47,512,633	51,523,245	60,364,179	82,484,507	103,251,594
Capital projects funds	64,930,491	41,348,894	54,730,547	26,636,634	15,065,187	196,871,552	153,767,285	105,054,553	65,821,814	47,120,445
Special revenue funds	5,369,605	6,844,276	8,423,522	8,946,826	8,075,349	10,365,470	14,077,760	23,649,178	25,395,744	29,881,400
Assigned										
Special revenue funds	209,553	215,106	183,226	2,678,371	2,599,744	3,114,034	4,493,837	72,905	2,833,234	2,661,588
Total all other governmental funds	$ 103,444,142	$ 74,043,143	$ 90,415,176	$ 67,804,090	$ 63,749,752	$ 258,632,542	$ 224,663,396	$ 189,196,848	$ 176,942,823	$ 183,216,030

Note 1: This schedule consolidates data from the governmental statements that utilize the modified accrual basis of accounting.

Note 2: During 2010-11, the district adopted GASB 54 which resulted in categorization changes in fund balances from prior accounting guidance. Prior year fund balances have not been restated for the adoption of GASB 54 because it is impractical to do so.

Note 3: In 2014-15, due to a change in mandatory state reporting, the Nutrition Services Fund has been reclassified from a Proprietary Enterprise Fund to a Special Revenue Governmental Fund.

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado
Governmental Funds Revenues
Last Ten Fiscal Years (Unaudited)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
REVENUES										
Local:										
Property taxes	$ 93,217,984	$ 110,417,023	$ 119,122,682	$ 119,346,751	$ 141,525,838	$ 148,295,014	$ 174,315,023	$ 214,206,504	$ 254,366,657	$ 269,935,874
Specific ownership	6,064,227	7,226,264	8,602,454	9,573,329	10,611,885	12,318,599	14,446,509	15,082,796	17,322,570	17,666,331
Pupil activities	318,376	1,287,529	1,002,578	1,310,229	2,240,689	554,641	813,557	908,762	3,185,305	1,376,804
Tuition	4,010,256	3,331,886	3,669,401	3,526,516	2,844,866	4,973,150	6,085,701	6,244,780	6,360,458	4,373,274
Activity fees	82,117	69,566	81,428	94,408	85,047	-	-	-	-	-
Gifts and grants	1,110,662	920,043	2,724,845	888,309	1,100,481	1,482,892	1,158,764	1,451,724	2,761,526	1,918,498
Charges for services	-	-	-	4,539,735	4,357,224	4,750,397	5,409,139	6,544,404	8,499,280	9,676,821
Other	10,437,100	8,945,422	7,985,265	4,354,389	4,364,590	6,028,312	7,714,606	6,074,528	6,041,904	10,784,056
Cash in lieu of land	-	-	-	-	1,990,884	67,306	1,490,347	1,151,926	921,131	2,306,372
Rental of buildings	631,362	664,567	749,426	890,042	958,461	1,161,395	1,202,016	1,167,419	1,210,681	1,096,666
Earnings on investments	2,103,351	1,564,016	1,382,892	1,317,941	1,358,164	2,443,425	2,975,954	6,853,627	6,014,603	1,377,336
State:										
State equalization	174,250,943	176,096,107	188,528,803	207,645,277	209,551,552	208,750,813	201,192,094	211,476,666	216,880,041	187,866,846
Vocational education	1,512,579	1,199,952	1,149,410	1,358,220	1,244,500	1,137,630	1,561,128	1,206,662	1,528,169	1,336,601
Special education	5,913,906	6,256,618	7,379,370	7,780,271	8,236,298	8,190,131	8,382,197	8,462,930	9,625,174	9,724,497
Grants	1,587,070	2,065,537	2,825,669	3,072,535	3,323,848	5,420,466	7,800,278	12,801,217	11,024,062	12,852,536
Transportation	1,535,221	1,584,602	1,378,735	1,574,762	1,607,630	1,519,782	1,580,675	1,919,532	1,858,097	1,929,817
Other	1,712,323	2,076,973	3,865,685	7,880,384	9,402,334	9,390,213	9,205,353	15,618,495	14,928,637	15,894,496
Federal grants	29,173,684	28,223,704	30,278,398	45,223,446	46,324,463	50,158,343	47,423,359	44,080,546	46,043,110	130,429,572
Total revenues	$ 333,661,161	$ 351,929,809	$ 380,727,041	$ 420,376,544	$ 451,128,754	$ 466,642,509	$ 492,756,700	$ 555,252,518	$ 608,571,405	$ 680,546,397

Note 1: This schedule consolidates data from the governmental statements that utilize the modified accrual basis of accounting.

Note 2: In 2014-15, due to a change in mandatory state reporting, the Nutrition Services Fund has been reclassified from a Proprietary Enterprise Fund to a Special Revenue Governmental Fund.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years (Unaudited)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
EXPENDITURES										
Current:										
Instruction	$ 181,045,409	$ 187,441,212	$ 201,282,554	$ 212,727,383	$ 223,246,824	$ 214,929,614	$ 200,128,521	$ 216,460,847	$ 231,164,129	$ 260,329,744
Pupil support	20,775,669	19,891,912	22,831,103	24,883,559	28,060,095	38,355,985	36,619,052	43,777,500	57,906,194	62,141,361
Instructional staff support	12,958,694	17,094,519	17,763,843	22,696,647	25,469,964	24,725,079	24,661,603	27,521,478	30,714,217	32,873,855
General administration	6,743,639	6,115,692	7,435,008	7,041,855	6,479,915	7,608,582	8,798,086	9,064,071	8,481,315	14,387,236
School administration	21,702,964	22,567,078	25,933,697	30,309,562	33,813,391	33,598,915	32,107,009	33,213,830	37,029,025	38,851,188
Business administration	3,439,245	3,728,727	3,920,191	4,724,303	5,014,697	3,903,091	4,495,054	5,036,502	5,460,609	5,531,441
Operations and maintenance	28,516,294	29,059,977	30,918,559	32,585,359	33,336,642	34,003,115	32,112,476	34,535,919	37,258,429	38,599,563
Transportation	6,976,633	6,798,149	8,462,985	7,963,135	11,529,861	11,842,509	11,661,225	12,792,552	14,080,077	14,431,018
Personnel/data services/risk management	12,018,288	14,014,045	13,518,540	14,849,390	16,939,560	19,374,198	17,720,182	18,437,417	19,138,589	24,424,242
Other support services	3,310,410	3,292,260	3,278,385	3,271,478	6,241,166	6,468,817	7,839,104	16,033,182	23,121,107	27,535,663
Food service operations	-	-	-	16,918,407	16,572,946	16,993,913	16,181,459	16,212,168	18,378,137	21,463,580
Facilities acquisition and improvements	36,919,306	27,571,549	23,323,361	33,178,873	17,593,415	24,542,014	57,472,970	61,855,699	85,239,640	46,705,577
Debt service:										
Principal	14,755,000	18,290,000	17,310,000	15,795,000	18,490,000	51,904,947	31,828,300	31,414,526	30,361,983	36,002,485
Interest	16,965,596	17,210,901	16,572,811	19,353,754	16,376,838	18,482,488	23,263,853	21,971,790	20,918,273	19,961,090
Other	1,103,342	-	-	-	-	1,287,557	-	5,406	-	-
Total expenditures	$ 367,230,489	$ 373,076,021	$ 392,551,037	$ 446,298,705	$ 459,165,314	$ 508,020,824	$ 504,888,894	$ 548,332,887	$ 619,251,724	$ 643,238,043
Excess (deficiency) of revenues over (under) expenditures	$ (33,569,328)	$ (21,146,212)	$ (11,823,996)	$ (25,922,161)	$ (8,036,560)	$ (41,378,315)	$ (12,132,194)	$ 6,919,631	$ (10,680,319)	$ 37,308,354
Total debt service	32,823,938	35,500,901	33,882,811	35,148,754	34,866,838	71,674,992	55,092,153	53,391,722	51,280,256	55,963,575
Total expenditures	367,230,489	373,076,021	392,551,037	446,298,705	459,165,314	508,020,824	504,888,894	548,332,887	619,251,724	643,238,043
Capital outlay/expenditures	(35,753,263)	(35,753,263)	(35,753,263)	(35,753,263)	(17,593,415)	(24,542,014)	(57,472,970)	(61,855,699)	(85,239,640)	(24,438,013)
Expenditures net of capital outlay	331,477,226	337,322,758	356,797,774	410,545,442	441,571,899	483,478,810	447,415,924	486,477,188	534,012,084	618,800,030
Debt service as a percentage of noncapital expenditures (2)	9.9%	10.5%	9.5%	8.6%	7.9%	14.8%	12.3%	11.0%	9.6%	9.0%

Note 1: This schedule consolidates data from the governmental statements that utilize the modified accrual basis of accounting.

Note 2: Revised percentages for fiscal year ended 2011 to 2020 to reflect change in capital outlays.

Note 3: In 2014-15, due to a change in mandatory state reporting, the Nutrition Services Fund has been reclassified from a Proprietary Enterprise Fund to a Special Revenue Governmental Fund.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Other Financing Sources (Uses) and Net Change in Fund Balances
Last Ten Fiscal Years (Unaudited)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Excess (deficiency) of revenues over (under) expenditures	$ (33,569,328)	$ (21,146,212)	$ (11,823,996)	$ (25,922,161)	$ (8,036,560)	$ (41,378,315)	$ (12,132,194)	$ 6,919,631	$ (10,680,319)	$ 37,308,354
OTHER FINANCING SOURCES (USES)										
Transfers in:										
General fund	307,750	321,895	302,750	316,750	436,748	1,235,471	6,870,789	8,613,250	8,363,812	20,684,635
Print Services fund	-	-	-	83,094	-	32,175,781	-	-	-	-
Grants fund	-	-	-		35,104	-	-	-	-	-
Capital Reserve fund	-	-	-		-	-	-	-	-	7,500,000
Nonmajor governmental funds	-	-	-	-	-	-	-	-	-	-
Transfers out:										
General fund	-	-	-	-	(35,104)	-	-	-	-	-
Capital Reserve fund	-	-	-	-	-	(29,614,933)	(5,835,958)	(6,495,130)	(6,899,657)	(23,750,000)
Print Services fund	(155,258)	-	-	-	-	-	-	-	-	-
Grants fund	(8,000)	(22,145)	(3,000)	(3,000)	-	-	-	-	-	-
Nutrition Services fund	-	-	-	-	(44,980)	(499,972)	(500,000)	(1,486,873)	(361,915)	(424,211)
Nonmajor governmental funds	(299,750)	-	(299,750)	(313,750)	(391,768)	(3,296,347)	(534,831)	(631,247)	(1,102,240)	(4,010,424)
Flood related costs	-	-	(248,751)	-	-	-	-	-	-	-
Debt financing for land purchase	-	-	-	-	-	-	-	-	905,286	-
Certificates of participation	-	-	30,353,387	-	-	-	-	-	7,575,000	-
Proceeds from capital lease	-	-	-	-	-	-	-	-	-	2,240,571
General obligation debt:										
Debt issued	149,920,000	-	-	-	-	206,076,380	3,768,761	-	26,521,099	-
Premium on debt issued	41,507,938	-	-	-	-	33,219,862	-	-	-	-
Payment to escrow agent	(190,324,596)	-	-	-	-	(4,105,289)	-	-	-	-
Total other financing sources (uses)	948,084	299,750	30,104,636	83,094	-	235,190,953	3,768,761	-	35,001,385	2,240,571
Net change in fund balances	(32,621,244)	(20,846,462)	18,280,640	(25,839,067)	(8,036,560)	193,812,638	(8,363,433)	6,919,631	24,321,066	39,548,925
Fund balance - beginning	170,370,165	137,748,921	116,602,709	134,883,349	113,528,451	105,491,891	299,304,529	290,941,096	297,860,727	324,202,777
Restatement for change in accounting principle	-	-	-	-	-	-	-	-	2,020,984	-
Fund balance as restated	170,370,165	137,748,921	116,602,709	134,883,349	113,528,451	105,491,891	299,304,529	290,941,096	299,881,711	324,202,777
Fund balance - ending	$ 137,748,921	$ 116,902,459	$ 134,883,349	$ 109,044,282	$ 105,491,891	$ 299,304,529	$ 290,941,096	$ 297,860,727	$ 324,202,777	$ 363,751,702

Note 1: This schedule consolidates data from the governmental statements that utilize the modified accrual basis of accounting.

Note 2: In previous years the district reported Nutrition Services as an Enterprise Fund, however during fiscal year 2014-15, the Nutrition Services Fund type was changed to a Special Revenue Fund, as required by the Colorado Department of Education, which is reported with the governmental funds.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended	Calendar Year Property Assessed	Vacant	Residential	Commercial	Industrial	Agricultural	Natural Resources	Oil and Gas	State Assessed	Less: Tax Exempt Property	Preliminary Taxable Assessed Value (1)	Net Final Assessed Value (2)	Estimated Actual Value (3)	Total Direct Rate
2012	2011													
Adams County		17,357,370	98,975,050	379,220,690	24,482,780	- 417,380	6,850	3,560	73,538,110	8,453,960	585,547,830	587,775,780	2,960,035,078	54.159
Arapahoe County		44,222,920	605,869,840	421,734,590	784,590	1,618,260	74,520	-	91,347,100	7,468,023	1,158,183,797	1,156,966,417	9,536,099,225	54.159
2013	2012													
Adams County		16,780,790	98,829,760	385,141,060	27,016,480	415,960	6,850	-	77,698,700	10,009,240	595,880,360	603,144,390	3,016,881,990	63.830
Arapahoe County		39,032,100	607,176,850	422,819,600	818,030	1,202,240	66,450	-	95,014,040	12,469,796	1,153,659,514	1,154,302,984	9,557,043,406	63.830
2014	2013													
Adams County		18,543,640	97,420,170	423,439,750	27,070,710	497,920	6,850	-	80,898,110	8,910,730	638,966,420	638,689,320	3,121,680,731	67.323
Arapahoe County		38,627,120	580,864,860	424,799,960	781,480	1,344,680	64,760	-	103,174,120	8,994,205	1,140,662,775	1,140,272,345	9,256,172,425	67.323
2015	2014													
Adams County		14,670,700	97,336,700	441,699,880	27,140,930	518,020	6,850	-	81,017,420	8,264,580	654,125,920	655,619,390	3,176,799,850	67.635
Arapahoe County		34,841,823	585,996,161	417,510,623	722,902	1,469,695	29,898	7,075	104,619,348	9,438,637	1,135,758,888	1,133,168,613	9,280,422,797	67.635
2016	2015													
Adams County		15,236,290	122,634,720	489,363,360	35,573,180	616,870	6,850	11,140	79,802,290	10,280,820	732,963,880	731,819,140	3,677,723,278	66.648
Arapahoe County		37,228,951	828,838,969	460,286,489	646,496	1,716,538	29,898	7,806,696	93,866,710	-	1,430,420,747	1,426,071,395	12,448,836,334	66.648
2017	2016													
Adams County		15,920,650	122,914,300	499,010,720	34,977,010	643,770	6,850	11,610	78,927,590	-	752,412,500	746,607,270	3,730,788,977	69.685
Arapahoe County		37,364,276	827,310,495	459,950,829	752,889	1,731,064	29,898	25,718,186	95,557,720	-	1,448,415,357	1,681,105,428	12,471,753,351	69.685
2018	2017													
Adams County		26,770,570	168,134,540	584,591,280	51,216,270	763,810	575,680	23,140	86,358,520	-	918,433,810	896,826,260	4,915,704,882	69.006
Arapahoe County		40,798,169	1,008,589,256	521,976,299	862,361	1,782,425	29,754	11,526,484	95,540,680	-	1,681,105,428	1,698,211,965	16,321,567,491	69.006
2019	2018													
Adams County		31,340,080	172,867,290	630,092,920	49,224,080	933,580	6,850	17,570	88,765,710	-	973,248,080	946,229,670	5,160,669,920	82.014
Arapahoe County		40,909,924	1,025,238,492	515,736,302	847,003	1,716,228	29,907	14,914,279	98,819,830	-	1,698,211,965	1,694,515,149	16,523,830,803	82.014
2020	2019													
Adams County		48,590,240	239,346,610	683,192,840	136,853,400	1,443,000	6,850	2,463,800	83,850,580		1,195,747,320	1,145,556,930	6,633,181,479	81.275
Arapahoe County		69,696,084	1,275,484,335	584,674,488	1,260,480	1,810,753	32,385	63,634,736	73,507,060	-	2,070,100,321	2,032,421,075	20,468,246,402	81.275
2021	2020													
Adams County		39,852,290	248,184,000	788,126,690	137,598,080	1,432,210	6,850	6,180,120	95,901,980	-	1,317,282,220	1,266,173,850	7,080,614,107	82.034
Arapahoe County		70,470,531	1,295,258,070	593,317,007	1,243,595	1,765,415	33,272	49,512,457	93,308,010	-	2,104,908,357	2,058,713,355	20,799,092,088	82.034

Note 1: Final taxable assessed values by category are not available until December each year, so preliminary taxable assessed values are presented as of August.
Source: https://cdola.colorado.gov/publications/annual-reports
Note 2: Final assessed values may not agree in total with the August preliminary taxable values. Final assessed values provided by county assessors' office.
Sources: 1) www.co.arapahoe.co.us/ and 2) www.adcogov.org
Note 3: County assessors have provided actual valuations in accordance with C.R.S. 39-5-128(1).

Aurora
Public
Schools

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years (Unaudited)

	Year Taxes Are Payable (4)									
	2021	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**
Aurora Public Schools Rates (1)										
General fund	59.034	58.275	59.014	46.006	46.685	46.648	47.635	47.323	47.580	39.159
Debt service fund	23.000	23.000	23.000	23.000	23.000	20.000	20.000	20.000	16.250	15.000
Total (2)	82.034	81.275	82.014	69.006	69.685	66.648	67.635	67.323	63.830	54.159
Arapahoe County	13.013	12.685	14.301	13.817	15.090	14.856	16.950	17.130	17.150	17.316
Adams County	26.897	26.917	26.864	26.929	27.055	26.817	27.042	26.815	26.903	26.806
City of Aurora	8.076	8.605	8.605	8.605	8.605	8.569	8.886	10.290	10.290	10.653
Urban Drainage & Flood Control	0.900	0.900	0.726	0.500	0.559	0.553	0.632	0.608	0.599	0.566
Arapahoe County total	104.023	103.465	105.646	91.928	93.939	90.626	94.103	95.351	91.869	82.694
Adams County total	117.907	117.697	118.209	105.040	105.904	102.587	104.195	105.036	101.622	92.184
Overlapping tax entities (3)										
ACC Metropolitan District	37.000	37.000	37.000	37.000	37.000	37.000	37.000	37.000	37.000	35.000
Adonea Metro District No. 2	71.279	74.279	79.232	79.232	74.000	74.000	74.000	61.000	61.000	61.000
Airways Business Center	12.000	12.000	34.500	34.500	34.500	34.500	34.500	37.000	37.000	37.000
Arapahoe County Law Enforcement	4.982	4.982	4.982	4.982	4.982	4.982	4.982	4.982	4.982	4.982
Arapahoe Library District	5.810	5.799	5.845	5.853	5.926	5.916	4.794	4.861	4.903	4.981
Aurora CentreTech Metropolitan District	37.266	37.547	42.395	41.284	40.173	39.000	39.000	42.000	42.190	42.190
Bennett Fire Protection District	13.070	13.062	13.012	13.041	9.063	8.907	8.907	8.907	8.907	8.907
Cherry Hills City Metro District	73.777	62.342	61.910	59.460	56.000	56.000	56.000	56.000	56.000	56.000
Central Adams Water & Sanitation	22.111	-	-	90.000	90.000	90.000	-	90.000	90.000	90.000
Colorado Science Technology Park Metro District No.1	60.000	60.000	60.000	50.000	50.000	50.000	-	50.000	50.000	50.000
Colorado Science Technology Park Metro District No.2	60.000	60.000	60.000	60.000	60.000	60.000	-	60.000	60.000	60.000
Colorado Science Technology Park Metro District No.3	60.000	60.000	60.000	50.000	50.000	50.000	-	50.000	50.000	50.000
Conservatory Metro District	47.114	52.114	52.106	52.106	71.800	71.800	71.800	71.800	71.800	71.800
Cross Creek Metropolitan District No. 2	51.101	51.098	60.097	70.956	66.000	66.000	68.500	71.000	71.000	61.000
Cunningham Fire Protection District - Dissolved 2020	-	9.250	14.600	14.603	14.598	14.676	14.623	14.714	14.772	14.765
Eastgate Commercial Metro District	-	-	-	-	-	-	35.000	35.000	35.000	35.000
Eastern Hills Metropolitan District No. 2	70.000	70.000	70.000	70.000	70.000	70.000	70.000	-	-	-
Eastern Hills Metropolitan District No. 4	70.000	70.000	70.000	-	-	-	-	-	-	-
Eastern Hills Metropolitan District No. 6	70.000	70.000	70.000	70.000	70.000	70.000	-	-	-	-
Eastern Hills Metropolitan District No. 9	-	-	-	-	-	70.000	70.000	70.000	70.000	-
Eastpark 70 Metro District	38.000	38.000	33.000	33.000	31.000	31.000	31.000	31.000	31.000	31.000
First Creek Ranch Metropolitan District	78.486	75.833	75.277	90.000	90.000	90.000	90.000	90.000	90.000	90.000
Fitzsimons Village Metro District No. 1	51.000	51.000	51.000	51.000	41.000	51.000	-	-	-	-
Fitzsimons Village Metro District No. 2	41.000	41.000	41.000	41.000	41.000	41.000	41.000	41.000	41.000	41.000
Flat Rock Metropolitan District No. 4	57.958	57.958	57.556	57.556	52.061	52.061	-	-	-	-
Flat Rock Metropolitan District No. 8	-	-	-	-	-	-	52.061	52.061	52.061	52.061

Note 1: Tax levies from overlapping tax entities continue on the following page.

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado
Direct and Overlapping Property Tax Rates, Continued
Last Ten Fiscal Years (Unaudited)

	Year Taxes Are Payable (4)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Overlapping tax entities (3)										
Green Valley Ranch Metro District 1	-	-	-	-	60.000	60.000	60.000	-	60.000	-
Havana Business Improvement District	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500
Heather Gardens Metropolitan District	10.987	12.389	14.308	12.555	16.781	16.798	25.812	25.300	23.928	24.750
Himalaya Water & Sanitation	5.000	5.000	5.000	5.000	5.000	5.000	10.000	10.000	10.000	10.000
Horizon Metro District #2	66.796	65.664	65.277	65.277	-	-	-	-	-	-
Iliff Commons Metro District #2	61.580	56.086	55.696	55.003	51.000	51.000	-	-	-	-
Iliff Commons Metro District #3	67.747	67.848	67.379	67.373	61.000	50.000	-	20.000	20.000	20.000
Murphy Creek Metro District No. 2	50.000	50.000	50.000	50.000	36.000	36.000	36.000	36.000	36.000	36.000
Murphy Creek Metro District No. 3	54.327	54.327	53.107	80.803	74.944	48.944	48.944	48.944	48.944	48.944
Murphy Creek Metro District No. 4	55.664	55.664	55.277	55.277	48.944	48.944	48.944	48.944	48.944	48.944
Park 70 Metropolitan District	31.500	37.000	37.000	37.000	37.000	37.000	37.000	37.000	37.000	37.000
Rangeview Library District (5)	3.670	3.677	3.666	3.669	3.659	3.659	3.659	3.659	3.659	3.659
Sable-Altura Fire Protection District	16.752	16.760	17.000	17.000	17.000	17.000	21.000	21.000	21.000	21.000
Sand Creek Metropolitan District	23.750	24.250	27.500	27.500	32.000	33.500	55.500	35.500	34.250	32.750
Second Creek Ranch	22.111	-	-	90.000	90.000	90.000	90.000	90.000	90.000	90.000
Singletree Metro District (Aurora)	-	42.000	45.868	-	48.944	48.944	48.944	48.944	48.944	48.944
Sterling Hills Metropolitan District	-	7.000	16.000	16.000	19.000	19.000	23.000	-	23.000	23.000
Sterling Hills West Metropolitan District	53.000	55.000	50.000	50.000	62.465	62.465	65.965	-	65.965	65.965
Tower Metropolitan District	20.000	20.000	20.000	20.000	25.000	25.000	25.000	25.000	25.000	25.000
Traditions Metro Dist. No. 2	32.487	32.487	40.725	44.738	52.060	52.060	52.060	52.060	52.060	52.060
Urban Drainage & Flood Control-Adams	0.900	0.900	0.726	0.500	0.559	0.553	0.632	0.608	0.599	0.566
Urban Drainage & Flood Control-South Platte	0.100	0.097	0.094	0.057	0.061	0.058	0.068	0.064	0.058	0.057
Velocity Metro District 1	36.000	35.000	35.000	29.000	109.000	9.000	5.000	5.000	5.000	5.000
Velocity Metro District 2	41.000	38.000	37.000	29.000	44.784	9.000	5.000	5.000	5.000	5.000
Velocity Metro District 3	36.000	36.000	35.000	29.000	109.000	9.000	5.000	5.000	5.000	5.000
Velocity Metro District 4	40.000	38.000	37.000	29.000	109.000	9.000	5.000	5.000	5.000	5.000
Velocity Metro District 5	40.000	36.000	35.000	29.000	109.000	9.000	5.000	5.000	5.000	5.000
Velocity Metro District 6	40.000	36.000	35.000	29.000	109.000	9.000	40.000	5.000	5.000	5.000
Velocity Metro District 7	36.000	36.000	35.000	29.000	109.000	9.000	5.000	5.000	5.000	5.000
Velocity Metro District 8	36.000	36.000	35.000	29.000	29.021	9.000	5.000	5.000	5.000	5.000
Velocity Metro District 9	41.000	38.000	37.000	29.000	29.058	9.000	5.000	5.000	5.000	5.000
Westerly Creek Metropolitan District	59.753	59.811	60.194	60.217	56.899	56.619	55.986	55.769	55.311	-

Note 2: APS Total Rate information updated as of June 30, 2021
Source: Aurora Public Schools Budget Office.

Note 3: Includes only those entities with overlapping rates in existence at December 31, 2020.
Source: Arapahoe County Assessor's Office Source: Adams County Assessor's Office

Note 4: Year taxes are actually collected. Based on rates established during the prior year.

Note 5: Previously reported as Adams County Library.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Principal Property Taxpayers
Last Ten Fiscal Years (Unaudited)

	Fiscal Year 2020-21			Fiscal Year 2011-12		
Taxpayer	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Public Service of Colorado (1)	$ 94,488,830	1	3.0%	$ 78,442,070	1	4.4%
LIT Gateway Portfolio	28,724,360	2	0.9%	-	-	-
Park 70 Building Venture	16,423,140	3	0.5%	-	-	-
Majestic Commercenter	15,788,460	4	0.5%	-	-	-
Aimco 21 Fitzsimons LLC	15,188,250	5		-	-	-
WGR Asset Holding Co. LLC	14,958,190	6	0.5%	-	-	-
Cellco Partnership	14,326,450	7	0.5%	-	-	-
Fountain Place Apartments	13,727,080	8	0.4%	-	-	-
Amazon.Com DEDC	13,709,730	9	0.4%	-	-	-
Colorado Interstate Gas Co	12,202,100	10	0.4%	17,278,400	4	1.0%
Verizon Wireless	-	-	-	23,057,570	2	1.3%
QWEST Corp (2)	-	-	-	21,323,700	3	1.2%
CPT Operating Partnership	-	-	-	12,328,400	5	0.7%
Quarry Assets LLC	-	-	-	6,787,680	6	0.4%
Glenborough Properties, LP	-	-	-	6,445,400	7	0.4%
MCI Telecommunications Corp.	-	-	-	6,345,820	8	0.4%
King Soopers INC #871	-	-	-	6,293,050	9	0.4%
Furniture Row COLO LLC	-	-	-	5,553,480	10	0.3%
	$ 239,536,590		7.1%	$ 183,855,570		10.5%

Note 1: Taxpayer locations in Adams and Arapahoe Counties are combined.
Note 2: QWEST Corp was acquired by CenturyLink, Inc. in April 2011.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Principal Tax Levies and Collections
Last Ten Fiscal Years (Unaudited)

Calendar Year		Taxes Levied for the Calendar Year	Tax Collections for Calendar Year Tax Levied (2)	Percentage of Original Levy	Collections in Subsequent Years (3)	Total Tax Collections (4)	Percent of Total Tax Collections to Levy	Outstanding Delinquent Taxes (5)	Outstanding Delinquent Taxes as a Percent of Current Levy
2012		94,493,845	93,146,223	98.6%	(359,842)	92,786,381	98.2%	1,347,622	1.4%
2013		112,177,682	110,388,173	98.4%	(397,437)	109,990,736	98.1%	1,789,509	1.6%
2014		119,765,878	117,656,320	98.2%	234,120	117,890,440	98.4%	2,109,558	1.8%
2015	(1)	120,984,677	119,906,691	99.1%	(115,953)	119,790,738	99.0%	1,077,985	0.9%
2016		143,048,512	140,436,339	98.2%	232,355	140,668,694	98.3%	2,612,173	1.8%
2017		151,536,231	150,507,168	99.3%	(679,080)	149,828,088	98.9%	1,029,063	0.7%
2018		176,521,603	175,210,679	99.3%	193,284	175,403,963	99.4%	1,310,924	0.7%
2019	(6)	216,578,046	213,445,196	98.6%	(59,747)	213,385,450	98.5%	3,132,849	1.4%
2020		258,290,162	255,882,296	99.1%	(675,799)	255,206,497	98.8%	2,407,866	0.9%
2021		272,753,797	266,399,936	97.7%	(747,085)	265,652,851	97.4%	6,353,861	2.3%

Note 1: Collection figures beginning with calendar year 2015 represent those collections received for January through August due to the implementation of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Note 2: Property tax collections provided by County Treasurers' offices.

Note 3: Negative amounts occurred when refunds or other "forgiveness" of delinquent taxes exceeded delinquent tax collections.

Note 4: Amounts shown prior to 2015 represent levies and collections during calendar year January-December. Tax revenues reported in the basic financial statements reflect a July-June fiscal basis.

Note 5: Represents delinquent taxes due at the end of the year on taxes levied for that year.

Note 6: Amounts adjusted represent actual collections during the entire calendar year.

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado
Outstanding Debt by Type
Last Ten Fiscal Years (Unaudited)

	Fiscal Year (2)				
	2011-12	2012-13 (3)	2013-14	2014-15	2015-16
General obligation bonds	$ 396,319,623	$ 411,408,484	$ 389,226,526	$ 366,417,566	$ 342,814,596
Certificates of participation	-	-	30,353,387	30,378,172	30,397,796
Debt financing for land purchase	-	-	-	-	-
Capital leases	79,862	-	-	-	-
Total debt outstanding	$ 396,399,485	$ 411,408,484	$ 419,579,913	$ 396,795,738	$ 373,212,392
Total debt outstanding as a percentage of:					
Personal income (1, 2, & 3):					
Adams County	0.1%	0.4%	0.4%	0.4%	0.5%
Arapahoe County	0.6%	0.3%	0.3%	0.6%	0.7%
Per capita outstanding debt	$ 1,843	$ 1,897	$ 1,908	$ 1,799	$ 1,623

	Fiscal Year (2)				
	2016-17	2017-18	2018-19	2019-20	2020-21 (4)
General obligation bonds	$ 549,053,401	$ 511,611,694	$ 474,954,654	$ 466,544,715	$ 427,176,265
Certificates of participation	-	-	-	7,575,000	7,575,000
Debt financing for land purchase	-	-	-	908,286	905,286
Capital leases	2,154,433	5,721,895	4,707,369	4,135,386	5,549,571
Total debt outstanding	$ 551,207,834	$ 517,333,589	$ 479,662,023	$ 479,163,387	$ 441,206,122
Total debt outstanding as a percentage of:					
Personal income (1, 2, & 3):					
Adams County	0.3%	0.4%	0.4%	0.5%	-
Arapahoe County	0.5%	0.5%	0.6%	0.6%	-
Per capita outstanding debt	$ 2,411	$ 2,232	$ 2,069	$ 2,022	$ 1,862

Note 1: Personal income for each county was based on population estimates provided by district planning office and personal income population data provided by the United States Census Bureau.
Source: https://www.bea.gov/
Note 2: This schedule consolidates data from the governmental statements that utilize the modified accrual basis of accounting.
Note 3: Fiscal year 2013 amounts restated due to the implementation of GASB 65. All other prior years were not restated as it is impractical to do so.
Note 4: Personal income data was not available at time of printing.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
General Bonded Debt
Last Ten Fiscal Years (Unaudited)

	Fiscal Year (1)				
	2011-12	2012-13 (2)	2013-14	2014-15	2015-16
General obligation bonds	$ 396,319,623	$ 411,408,484	$ 389,226,526	$ 366,417,566	$ 342,814,596
Net position restricted for debt service	(33,431,806)	(25,580,904)	(27,026,348)	(28,456,159)	(37,115,173)
Total net general bonded debt	$ 362,887,817	$ 385,827,580	$ 362,200,178	$ 337,961,407	$ 305,699,423
Total net general bonded debt outstanding as a percentage of:					
Estimated actual property value	2.9%	3.1%	2.9%	2.7%	1.9%
Final assessed property value	20.8%	22.0%	20.4%	18.9%	14.2%
Per capita outstanding debt	$ 1,687	$ 1,779	$ 1,647	$ 1,532	$ 1,330

	Fiscal Year (1)				
	2016-17	2017-18	2018-19	2019-2020	2020-2021
General obligation bonds	$ 549,053,401	$ 511,611,694	$ 474,954,654	$ 466,544,715	$ 427,176,265
Net position restricted for debt service	(47,512,633)	(51,523,245)	(60,364,179)	(82,484,507)	(103,251,594)
Total net general bonded debt	$ 501,540,768	$ 460,088,449	$ 414,590,475	$ 384,060,208	$ 323,924,671
Total net general bonded debt outstanding as a percentage of:					
Estimated actual property value	3.1%	2.2%	1.9%	1.4%	1.2%
Final assessed property value	20.7%	17.7%	15.7%	12.1%	9.7%
Per capita outstanding debt	$ 2,194	$ 1,985	$ 1,788	$ 1,621	$ 1,367

Note 1: This schedule consolidates data from the governmental statements that utilize the modified accrual basis of accounting.

Note 2: Fiscal year 2013 amounts restated due to the implementation of GASB 65. All other prior years were not restated as it is impractical to do so.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Direct and Overlapping Governmental Activities Debt
Last Ten Fiscal Years (Unaudited)

Jurisdiction (1)	General Obligation Debt	Bonds	Notes Payable	Capital Leases	Certificates of Participation	Other	Gross Debt Outstanding	Percentage Applicable to Aurora Public Schools (2)	Amount Applicable to Aurora Public Schools
Direct:									
Aurora Public Schools	$ 427,176,265	$ -	$ -	$ 5,549,571	$ 7,575,000	$ 905,286	$ 441,206,122	100.00%	$ 441,206,122
Overlapping:									
Adams County	-	-	-	-	158,310,000	-	158,310,000	100.00%	158,310,000
Arapahoe County	129,941,621	-	2,664,894	11,647,046	4,474,686	-	148,728,247	100.00%	148,728,247
Arapahoe Library District	-	-	-	5,325,438	3,120,000	-	8,445,438	0.66%	55,740
Aurora CentreTech Metropolitan District	9,385,000	-	-	-	-	-	9,385,000	100.00%	9,385,000
City of Aurora	400,000	389,675,000	1,638,376	34,815,411	175,905,000	-	602,433,787	100.00%	602,433,787
Conservatory Metro District	19,410,000	-	-	-	-	-	19,410,000	100.00%	19,410,000
Cross Creek Metropolitan District No.2	10,555,000	-	-	-	-	-	10,555,000	100.00%	10,555,000
Eastpark 70 Metropolitan District	8,380,000	-	-	-	-	-	8,380,000	100.00%	8,380,000
Fitzsimons Village Metropolitan District No.1	-	13,955,000	-	-	-	-	13,955,000	100.00%	13,955,000
Fitzsimons Village Metropolitan District No.3	-	7,155,000	-	-	-	-	7,155,000	100.00%	7,155,000
Heather Gardens Metropolitan District	-	7,955,000	-	-	-	-	7,955,000	59.12%	4,702,996
Iliff Commons Metro District No. 2	4,278,000	-	-	-	-	-	4,278,000	100.00%	4,278,000
Iliff Commons Metro District No. 3	1,845,000	-	-	-	-	-	1,845,000	100.00%	1,845,000
Park 70 Metropolitan District	34,790,000	-	-	-	-	-	34,790,000	100.00%	34,790,000
Rangeview Library District	-	-	-	-	24,000,000	-	24,000,000	100.00%	24,000,000
Regional Transportation District	-	2,062,918,000	-	-	1,011,319,000	-	3,074,237,000	14.58%	448,223,755
Sand Creek Metropolitan District	66,195,000	-	-	-	-	-	66,195,000	77.82%	51,512,949
Sterling Hills Metropolitan District	220,000	-	-	-	-	-	220,000	100.00%	220,000
Sterling Hills West Metropolitan District	10,455,000	-	-	-	-	-	10,455,000	100.00%	10,455,000
Total overlapping debt	295,854,621	2,481,658,000	4,303,270	51,787,895	1,377,128,686	-	4,210,732,472		1,560,260,473
Total direct and overlapping debt	$ 723,030,886	$ 2,481,658,000	$ 4,303,270	$ 57,337,466	$ 1,384,703,686	$ 905,286	$ 4,651,938,594		$ 2,001,466,595

Note 1: Source information provided by individual jurisdictions. Overlapping governments without debt are not shown.
Note 2: Percentages based on geographical estimates. Arapahoe Library District percentage based on assessed values.

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado
Legal Debt Margin Information
Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended		Gross Certified Assessed Valuation (1)	Debt Limitation (20% of Assessed)	High Growth Debt Limitation (25% of Assessed Value)	Gross Bonded Debt Outstanding (2)	Percent of Legal Debt Incurred	Legal Debt Margin	Debt Service Funds Available (3)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2012	(5)	1,760,664,180	-	440,166,045	461,733,482	104.90%	(21,567,437)	32,915,324	428,818,158	24.36%	1,994
2013	(4)	1,779,926,410	355,985,282	-	363,588,793	102.14%	(7,603,511)	25,580,904	338,007,889	18.99%	1,559
2014	(4)	1,796,866,600	359,373,320	-	347,219,955	96.62%	12,153,365	27,026,348	320,193,607	17.82%	1,456
2015	(4)	1,806,491,220	361,298,244	-	330,053,066	91.35%	31,245,178	28,456,159	301,596,907	16.70%	1,367
2016	(4)	2,168,171,355	433,634,271	-	312,092,167	71.97%	121,542,104	37,115,173	274,976,994	12.68%	1,196
2017	(6)	16,202,542,328	972,152,540	-	491,840,604	50.59%	480,311,936	47,512,633	444,327,971	2.74%	1,944
2018	(6)	21,226,907,626	1,273,614,458	-	461,733,482	36.25%	811,880,976	60,364,179	401,369,303	1.89%	1,731
2019	(6)	21,684,500,723	1,301,070,043	-	432,411,027	33.24%	868,659,016	60,364,179	372,046,848	1.72%	1,605
2020	(6)	27,101,427,881	1,626,085,673	-	431,317,408	26.52%	1,194,768,265	82,484,507	348,832,901	1.29%	1,472
2021	(6)	27,879,706,195	1,672,782,372	-	399,204,985	23.86%	1,273,577,387	103,251,594	295,953,391	1.06%	1,249

Source: AFR Notes to Basic Financial Statements: Noncurrent Liabilities.

Note 1: Represents gross amount which includes the tax increment district.

Note 2: Represents general obligation bonds.

Note 3: This schedule consolidates data from the governmental statements that utilize the modified accrual basis of accounting.

Note 4: State law limits school district indebtedness to the greater of 20% of its valuation for taxable property as of December 10 prior to the date of issuance or 6% of it statutory actual valuation of its taxable property on December 10 prior to the date of issuance. In addition, the limit on bond indebtedness is increased to 25% of its valuation for taxable property of the district if the district qualified as a high growth district. This fiscal year uses the 20% of valuation basis.

Note 5: For fiscal year 2012, the district qualified as a high growth district, and therefore debt limit was 25% of gross assessed valuation.

Note 6: In November 2016, voters approved the district's ability to use 6% of actual valuation to calculate its debt limitation.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Demographic and Economic Statistics
Last Ten Fiscal Years (Unaudited)

Fiscal Year	District Population Estimate (1)	Per Capita Income		Personal Income		Unemployment Rate (3)	October Funded Pupil Count (4)	Charter School Funded Pupil Count (4)	High School Graduates (5)
		Adams County (2)	Arapahoe County (2)	Adams County (2)	Arapahoe County (2)				
2011-12	215,096	33,061	48,989	14,925,051	28,656,232	9.0%	33,190	3,362	1,573
2012-13	216,839	34,695	51,163	15,945,588	30,469,784	8.5%	33,518	3,581	1,691
2013-14	219,954	35,334	52,437	16,578,475	31,832,963	7.1%	35,022	3,155	1,489
2014-15	220,556	35,385	56,294	17,010,005	34,835,883	5.6%	35,277	3,715	1,457
2015-16	229,905	36,962	52,545	18,160,959	33,160,632	3.6%	35,318	4,076	1,671
2016-17	228,610	38,378	54,452	19,119,527	34,689,868	3.5%	34,935	4,224	1,729
2017-18	231,810	41,215	56,642	20,738,261	36,423,679	2.9%	34,077	4,797	2,020
2018-19	231,810	43,315	60,180	22,171,317	39,190,019	4.2%	33,626	4,959	1,835
2019-20	236,984	45,481	64,477	23,532,735	42,334,967	2.5%	33,681	5,905	1,960
2020-21	236,984	-	-	-	-	8.2%	32,513	6,038	-

Note 1: District population data were obtained from the U.S. Census data.
Source: https://data.census.gov/cedsci/
Note 2: The data for Adams and Arapahoe counties obtained from the Bureau of Economic Analysis. Data for 20-21 not available at the time of print.
Source: https://www.bea.gov/
Note 3: Source is the City of Aurora's Comprehensive Annual Financial Report.
Note 4: Funded pupil count provided by Colorado Department of Education official October first enrollment data. Adjusted to exclude Charter Institute Pupil Counts.
Note 5: High school graduate counts obtained from Colorado Department of Education. Data for 20-21 graduates not available at the time of print.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Principal Employers
Last Ten Fiscal Years (Unaudited)

	2018 (1)			2010		
Employer	Employees	Rank	Percentage of workforce	Employees	Rank	Percentage of workforce
Buckley Air Force Base	12,000	1	6.21%	12,100	1	8.07%
University of Colorado - Medical Campus	8,850	2	4.58%	6,360	2	4.24%
University of Colorado - Hospital	7,110	3	3.68%	4,080	4	2.72%
Aurora Public Schools	6,300	4	3.26%	4,020	5	2.68%
Children's Hospital	5,670	5	2.93%	4,100	3	2.73%
Cherry Creek Schools	3,750	6	2.12%	3,820	6	2.55%
City of Aurora	3,500	7	1.94%	3,740	7	2.49%
Raytheon	2,430	8	1.26%	2,200	8	1.47%
Kaiser Permanente	1,940	9	1.00%	1,690	9	1.13%
HealthONE	1,710	10	0.88%	-	-	-
ADT Security Systems	-	-	-	1,600	10	1.07%
Total Employees	53,260		27.86%	43,710		29.15%

Note 1: Principal employers estimates based on the City of Aurora's most recent figures.
Data for 2019-2021 not available at the time of print.
Source: Aurora Economic Development Council

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Full-time Equivalent District Employees by Type
Last Ten Fiscal Years (Unaudited)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Administrative										
Principals	48.00	48.00	47.00	49.00	50.00	50.00	50.00	50.00	52.00	53.00
Assistant principals	36.00	39.34	45.34	57.00	58.00	61.00	60.00	67.00	79.00	77.00
Other	31.25	32.25	33.25	39.00	44.00	46.00	55.00	40.00	14.00	14.00
Total administration	115.25	119.59	125.59	145.00	152.00	157.00	165.00	157.00	145.00	144.00
Instruction										
Elementary school teachers	746.91	738.64	781.75	799.98	837.69	846.57	738.57	721.88	714.75	750.33
K-8 Teachers	140.30	148.95	163.32	164.62	170.88	206.25	207.68	213.75	221.85	239.97
Middle school teachers	336.77	368.03	392.02	397.53	415.34	431.98	388.51	392.13	376.80	397.00
High school teachers	369.97	382.72	426.72	441.02	460.54	471.64	445.77	421.39	446.12	455.05
Other teachers	119.10	124.38	147.75	148.21	187.69	216.85	228.95	235.09	229.60	226.30
Educational assistants	403.67	396.94	420.64	446.62	497.31	578.20	543.54	555.95	566.14	586.77
Community liaison	22.31	23.13	24.81	31.00	28.31	42.13	36.75	42.06	43.44	47.13
Other	2.00	3.00	2.50	3.00	5.00	3.00	3.00	4.00	12.00	14.50
Total instruction	2,141.03	2,185.79	2,359.51	2,431.98	2,602.76	2,796.62	2,592.77	2,586.25	2,610.70	2,717.05
Pupil services										
Dean of students	30.00	29.80	35.80	37.80	42.00	38.00	22.00	26.50	32.00	33.00
Counselors	36.00	36.10	43.10	44.95	56.90	57.70	49.70	54.60	67.40	80.60
Health professionals	56.59	58.36	57.01	56.50	58.53	61.69	64.25	62.13	59.44	63.38
Media specialists	14.16	11.36	11.06	11.00	8.64	11.31	10.75	8.69	9.69	7.75
Social/psychology workers	43.60	48.30	53.20	59.60	65.80	68.90	65.97	63.27	105.20	128.20
Other	138.59	153.28	175.71	174.28	198.00	203.81	204.30	208.39	239.84	249.65
Total pupil services	318.94	337.20	375.88	384.13	429.87	441.41	416.97	423.58	513.57	562.58
Other support										
Clerical/secretarial	263.06	268.47	283.63	281.19	284.26	293.38	280.00	274.35	266.41	274.79
Custodial	177.38	173.50	164.25	163.13	170.38	171.88	194.63	196.25	209.00	213.75
Other	280.94	280.99	311.69	310.85	333.99	346.38	350.88	358.63	438.15	438.44
Total other support	721.38	722.96	759.57	755.17	788.63	811.64	825.51	829.23	913.56	926.98
Total	3,296.60	3,365.54	3,620.55	3,716.28	3,973.26	4,206.67	4,000.25	3,996.06	4,182.83	4,350.61

Source: Aurora Public Schools Human Resources Department. Does not include Colorado Preschool Program, Risk Mgmt, or Special Programs.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Operating Statistics
Last Ten Fiscal Years (Unaudited)

	Fiscal Year									
General Fund Expenses	2011-12	2012-13	2013-14	2014-15 (5)	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Instruction	$ 368,846,950	$ 169,613,315	$ 182,903,162	$ 194,331,144	$ 204,436,613	$ 195,371,903	$ 183,563,711	$ 193,776,497	$ 207,085,251	$ 235,392,187
Pupil services	-	14,359,872	16,196,570	17,075,917	19,605,908	28,210,627	27,288,441	32,633,910	44,521,936	50,416,688
Instructional staff support	-	11,172,413	11,996,057	15,628,538	17,785,523	17,676,391	17,722,877	20,499,772	22,813,073	27,530,702
General administration	-	4,954,686	5,237,806	5,652,784	4,728,324	5,710,424	5,933,877	6,461,773	6,046,787	12,761,097
School administration	183,563,711	22,044,077	25,635,355	29,932,093	33,539,515	33,355,525	31,940,343	32,048,934	35,901,981	38,160,030
Business administration	27,288,441	3,673,137	3,801,929	4,607,375	4,933,196	3,806,971	4,322,623	4,623,092	4,851,477	5,266,732
Operations and maintenance	17,722,877	29,044,242	30,918,559	32,529,804	33,283,315	33,066,841	31,401,259	33,398,155	35,195,547	37,701,070
Pupil transportation	5,933,877	6,789,957	8,459,834	7,962,099	11,526,689	10,324,559	9,685,256	9,971,232	10,739,826	9,464,323
Personnel data services	31,940,343	12,042,212	11,634,798	13,627,503	16,417,484	17,909,420	15,956,464	17,767,779	17,407,696	23,178,490
Other support services	4,322,623	2,449,196	2,377,324	2,269,592	5,448,368	5,575,263	7,061,048	15,059,609	26,865,008	31,713,061
Total operating expenses (1)	$ 639,618,822	$ 276,143,107	$ 299,161,394	$ 323,616,849	$ 351,704,935	$ 351,007,924	$ 334,875,899	$ 366,240,753	$ 411,428,582	$ 471,584,380
Funded pupil count (2)	33,190	33,518	35,022	35,277	35,318	34,935	34,077	33,626	33,681	32,513
Cost per pupil, per basis of accounting modified accrual basis	$ 19,271	$ 8,239	$ 8,542	$ 9,174	$ 9,958	$ 10,048	$ 9,827	$ 10,892	$ 12,215	$ 14,505
Percentage change	133.90%	-57.25%	3.68%	7.39%	8.55%	0.90%	-2.19%	10.83%	12.15%	18.74%
Total operating expenses per governmental statement of activities (3)	$ 334,785,327	$ 347,234,569	$ 373,563,206	$ 443,933,665	$ 493,090,064	$ 724,314,944	$ 730,902,798	$ 374,115,538	$ 396,259,528	$ 414,655,811
Full accrual basis	$ 10,087	$ 10,360	$ 10,667	$ 12,584	$ 13,962	$ 20,734	$ 21,449	$ 11,126	$ 11,765	$ 12,754
Percentage change	-4.99%	2.70%	2.96%	17.98%	10.95%	48.50%	3.45%	-48.13%	5.75%	8.40%
Percentage of students receiving free or reduced-price meals (4)	65.5%	60.3%	68.0%	69.4%	66.0%	66.5%	68.7%	66.0%	74.0%	72.3%

Note 1: General Fund operating expenses exclude debt service & facilities acquisition and improvements program expenses.
Note 2: Funded pupil count provided by Colorado Department of Education official October first enrollment data; excludes charter schools.
Source: Colorado Department of Education Data Summary Report.
Note 3: Source: AFR Statement of Activities.
Note 4: Percentage of current students receiving free or reduced-price meals data obtained from CDE website.
Note 5: During 2014-15, the district adopted GASB 68. Prior year and earlier have not been restated for the adoption of GASB 68 because it is impractical to do so.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Teacher Salaries
Last Ten Fiscal Years (Unaudited)

	Fiscal Year									
Average Teacher Salaries (1)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Aurora Public Schools	$ 51,479	$ 51,479	$ 52,928	$ 48,704	$ 54,230	$ 54,406	$ 54,742	$ 56,405	$ 60,946	$ 63,141
State of Colorado	49,118	49,118	49,606	48,277	51,204	51,810	52,728	54,950	57,746	58,219
Teaching staff (2) (4) (5)	1,977	2,012	2,093	2,432	2,603	2,797	2,593	2,586	2,611	2,717
Pupil-teacher ratio (4)	20	20	19	19	19	18	19	18	18	16

Salary Grades

	Base Salary (3)						Average Salary in Each Range (3)				
Educational Classification	2016	2017	2018	2019	2020	2021	2016	2017	2018	2019	2020
BA	$ 39,286	$ 39,757	$ 39,757	$ 42,598	$ 43,471	$ 43,471	$ 46,104	$ 46,330	$ 47,831	$ 48,151	$ 52,288
BA + 15 hours	40,410	40,895	40,895	43,770	44,667	44,667	54,597	53,385	54,661	54,456	60,411
BA + 30 hours	41,521	42,019	42,019	44,928	45,849	45,849	56,409	57,851	60,410	61,556	67,984
BA + 45 hours	42,641	43,153	43,153	46,096	47,041	47,041	58,961	59,101	61,639	61,666	68,068
MA	43,775	44,300	44,300	47,277	48,246	48,246	57,209	56,779	58,118	58,056	62,697
MA + 15 hours	44,888	45,427	45,427	48,438	49,431	49,431	66,159	64,696	66,600	66,809	72,689
MA + 30 hours	46,001	46,553	46,553	49,598	50,615	50,615	67,748	67,317	67,624	67,446	74,081
MA + 45 hours	47,128	47,694	47,694	50,773	51,814	51,814	72,883	71,871	74,429	73,989	82,425
MA + 60 hours	48,245	48,824	48,824	51,937	53,002	53,002	71,727	70,289	72,701	72,925	78,366
MA + 75 hours	49,361	49,953	49,953	53,100	54,189	54,189	81,371	81,433	80,126	79,225	87,583
PhD	50,483	51,089	51,089	54,270	55,383	55,383	67,572	67,397	68,333	68,733	73,593

Note 1: Data obtained from Colorado Department of Education website.
Source: https://www.cde.state.co.us/
Note 2: Represents full-time, licensed classroom teachers as quantified by Colorado Department of Education, includes Charter Schools.
Note 3: Data provided by district Human Resources Department.
Note 4: Data provided has been updated based upon CDE data changes.
Note 5: Beginning in 2015, the teaching staff includes the full-time equivalent for total instruction, as provided by the district Human Resources Department.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
School Building Information
Last Ten Fiscal Years (Unaudited)

	Fiscal Year (1)									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Elementary Schools (2)										
Number of sites	28	28	28	28	28	28	28	28	28	28
Square feet	1,506,085	1,522,641	1,529,800	1,532,729	1,534,745	1,543,246	1,541,806	1,541,806	1,538,705	1,534,385
Capacity	16,164	16,377	16,764	16,764	16,764	16,914	16,864	16,839	16,250	16,150
Enrollment	13,830	14,271	14,517	15,242	14,561	13,119	12,175	11,038	11,320	10,374
K-8 Schools (2) (3)										
Number of sites	6	6	6	6	7	7	7	7	7	8
Square feet	431,981	444,077	451,853	451,853	557,925	550,823	550,823	558,599	569,743	673,436
Capacity	3,828	3,928	4,428	4,428	5,204	5,204	5,204	5,379	5,500	6,400
Enrollment	3,835	3,817	3,957	4,170	4,776	4,677	4,653	4,822	4,907	4,781
Middle Schools										
Number of sites	7	7	7	7	7	7	7	7	7	7
Square feet	846,898	848,338	854,068	854,098	855,538	868,862	870,302	853,808	853,808	853,808
Capacity	8,057	8,257	8,507	8,507	8,557	8,557	8,607	8,032	8,032	8,132
Enrollment	6,042	6,153	6,479	6,637	6,548	6,367	6,216	6,062	5,922	5,591
High Schools										
Number of sites	6	6	6	6	6	6	6	6	6	6
Square feet	1,300,011	1,300,011	1,300,011	1,300,011	1,302,891	1,315,561	1,315,561	1,351,267	1,413,924	1,411,044
Capacity	9768	9718	9,681	9,681	9,781	9,831	9,831	10,730	11,015	11,000
Enrollment	8444	8646	9,003	9,379	9,577	9,884	9,504	9,179	9,160	8,776
Technical Schools										
Number of sites	1	1	1	1	1	1	1	1	1	1
Square feet	172,486	172,486	172,486	172,486	172,486	174,502	174,502	182,278	182,278	182,278
Capacity	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Enrollment	1,348	1,328	1,292	1,216	1,510	1,314	1,204	1,211	1,211	1,211
Total										
Number of sites	48	48	48	48	49	49	49	49	49	50
Square feet	4,257,461	4,287,553	4,308,218	4,311,177	4,423,585	4,452,994	4,452,994	4,487,758	4,558,458	4,654,951
Capacity	39,667	40,130	41,230	41,230	42,156	42,356	42,356	42,830	42,647	43,532
Enrollment	33,499	34,215	35,248	36,644	36,972	35,361	33,752	32,312	32,520	30,733

Note 1: Student count based on actual enrollment.
Source: Aurora Public Schools Division of Support Services Planning Department provided square footage amounts (includes mobile units).
Source: Pickens Technical College - student services.
Note 2: 2010-11, 2011-12 K-8 schools consist of five K-8s and one K-9.
Note 3: 2012-13 The one K-9 school was converted to a K-8 resulting in six K-8's

Aurora
Public
Schools

REPORTS REQUIRED BY UNIFORM GUIDANCE

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado
Schedule of Expenditures of Federal Awards
June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-through Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Passed through Colorado Department of Education:			
COVID-19 - National School Lunch Program	10.555	4555	$ 3,345,102
Special Milk Program for Children	10.556	4556	1,257
Summer Food Service Program for Children	10.559	4559	13,097,576
Passed through Colorado Department Human Services:			
Donated Commodities	10.555	4555	1,145,241
Child Nutrition Cluster Subtotal			17,589,176
Passed through Colorado Department of Public Health & Environment:			
Child and Adult Care Food Program	10.558	4558	6,440,918
U.S. Department of Agriculture Total			24,030,094
U.S. Department of Education			
Direct:			
Indian Education - Grants to Local Education Agencies	84.060	N/A	10,152
Federal Supplementary Educational Opportunity Grants	84.007	N/A	59,076
Federal Work-Study Program	84.033	N/A	924
Federal Pell Grant Program	84.063	N/A	837,532
Student Financial Assistance Cluster Subtotal			897,532
Passed through Colorado Department of Education:			
Special Education - Grants to States	84.027	4027	7,927,004
Special Education - Preschool Grants	84.173	4173	201,914
Special Education - Grants to States	84.027	5027	565
Special Education Cluster Subtotal			8,129,483

The accompanying notes are an integral part of this Schedule.

Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado
Schedule of Expenditures of Federal Awards
June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-through Identifying Number	Federal Expenditures
Passed through Colorado Department of Education (continued):			
Title I Grants to Local Educational Agencies	84.010	4010, 5010 & 7010	10,611,906
Title I Part C Education of Migrant Children	84.011	4011	1,405,268
Title I, Vocational Education - Basic Grants to States	84.048	5048 & 6048	607,834
Title V, Part B. Public Charter School Grant	84.282	5282	203,243
Twenty-First Century Community Learning Centers	84.287	5287 & 6287	547,755
Special Education - State Personnel Development	84.323	5323	33,229
English Language Acquisition Grants	84.365	4365 & 5365 & 6365 & 7365	1,452,051
Title II Part A Supporting Effective Instruction State Grants	84.367	4367	1,337,696
School Improvement Grants	84.377	7377	9,874
Student Support and Academic Enrichment Program	84.424	4424	706,304
Colorado Multi-Tiered Behavioral Framework – Colorado School Climate Transformation Grant	84.184F	8174	16,385
Charter School Program - Remote Learning	84.282A	8282	101,310
COVID-19 - Elementary and Secondary School Emergency Relief Fund, RISE-Response, Innovation, & Student Equity	84.425C	6425	68,511
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER II Fund)	84.425D	4420	30,281,261
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER I Fund)	84.425D	4425	7,945,376
Passed through Colorado Department of Higher Education:			
COVID-19 - Higher Education Emergency Relief Fund	84.425E	9425	2,128,288
U.S. Department of Education Total			66,493,458
U.S. Department of Treasury			
Passed through Colorado Department of Education:			
COVID-19 - Coronavirus Relief Fund K-12 - E7SD	21.019	4012	34,481,389
COVID-19 - Coronavirus Relief Fund K-12 At-Risk Pupils	21.019	5012	4,416,341
COVID-19 - Coronavirus Relief Fund - School Preparation/ Mitigation Funds/Safe Schools Reopening	21.019	6012	124,602
Passed through Colorado Department of Higher Education:			
COVID-19 - Coronavirus Relief Fund - Higher Education	21.019	9012	781,962
U.S. Department of Treasury Total			39,804,294
Other Federal Assistance			
Air Force Jr. ROTC	12.000	N/A	157,954
Total Expenditures of Federal Awards			$ 130,485,800

The accompanying notes are an integral part of this Schedule.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the district under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the district, it is not intended to and does not present the financial position, changes in net position or cash flows of the district.

2. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The district has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. The district provided no federal awards to subrecipients.

4. The district receives food commodities from the U.S. Department of Agriculture for use in its food service program. The commodities are recognized as revenue when received and are recorded at fair value at the time of receipt. The commodities are recognized as expenditures when used by schools. The majority of the commodities are stored at the individual schools instead of a central warehouse. As such, the district has determined that the title to the commodities passes to the district upon receipt of the commodities. Since the district has received title to the commodities, the unused commodities are not reflected as unearned revenue. The commodities are reported under the National School Lunch Program (Assistance Listing Number 10.555) on the Schedule. The district recognized noncash awards of $1,145,241 for the year ended June 30, 2021.

5. **Donated personal protective equipment disclosure – Unaudited**
   The district received donated personal protective equipment with fair market value totaling approximately $527,000 from other governmental agencies.

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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*

Independent Auditor's Report

Board of Education
Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Aurora, 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 unites, each major fund, and the aggregate remaining fund information of the Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado (the District) as of and for the year ended June 30, 2021, 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 3, 2021. Our report includes a reference to other auditors who audited the financial statements of Aurora Academy, Global Village Academy, Academy of Advanced Learning, Lotus School for Excellence, Vanguard Classical School, AXL Academy, Rocky Mountain Preparatory School, Vega Collegiate Academy, and Empower Community High School, as described in our report on the District's financial statements. This report does not include the results of other auditor's testing of internal controls over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Aurora Public Schools Foundation, AXL Academy, Vanguard Classical School, Vega Collegiate Academy, and Empower Community High School, component units included in the financial statements of the aggregate discretely presented component units, 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) as a basis for determining 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.

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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 District's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Denver, Colorado
November 3, 2021

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Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

Board of Education
Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Aurora, Colorado

Report on Compliance for Each Major Federal Program

We have audited the Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado's (the District) compliance with the types of compliance requirements described in the *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, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each 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 audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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.

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Board of Education
Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado

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 program for the year ended June 30, 2021.

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 our 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 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 purposed 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.

BKD, LLP

Denver, Colorado
November 3, 2021

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section I – Summary of Auditor's Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) was:
   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. The independent auditor's report on internal control over financial reporting disclosed:
   Significant deficiency(ies)? ☐ Yes ☒ None reported
   Material weakness(es)? ☐ Yes ☒ No

3. Noncompliance considered material to the financial statements was disclosed by the audit? ☐ Yes ☒ No

Federal Awards

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:
   Significant deficiency(ies)? ☐ Yes ☒ None reported
   Material weakness(es)? ☐ Yes ☒ No

5. The opinion(s) expressed in the independent auditor's report on compliance for major federal awards was (were):
   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

6. The audit disclosed findings required to be reported by 2 CFR 200.516(a)? ☐ Yes ☒ No

7. The district's major programs were:

Assistance Listing Number	Name of Federal Program or Cluster
10.558	Child and Adult Care Food Program
21.019	COVID-19 - Coronavirus Relief Fund K-12
84.027, 84.173	Special Education Cluster
84.425C	COVID-19 - Elementary and Secondary School Emergency Relief Fund, RISE-Response, Innovation, & Student Equity
84.425D	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER II Fund)
84.425D	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER I Fund)
84.425E	COVID-19 - Higher Education Emergency Relief Fund

8. The threshold used to distinguish between Type A and Type B programs was $3,000,000.

9. The district qualified as a low-risk auditee? ☒ Yes ☐ No

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Findings and Questioned Costs
Section II – Financial Statement Findings
For the Fiscal Year Ended June 30, 2021

Section II – Financial Statement Findings

Reference Number	Finding
	No matters are reportable.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Schedule of Findings and Questioned Costs
Section III – Federal Award Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

Joint School District No. 28-J of the
Counties of Adams and Arapahoe, Colorado
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 20211

Summary Schedule of Prior Audit Findings

Reference Number	Finding	Status

No matters are reportable.