

MAPLETON PUBLIC SCHOOLS
ADAMS COUNTY, COLORADO
FINANCIAL STATEMENTS
JUNE 30, 2022

TABLE OF CONTENTS

	Page
Independent Auditors' Report	1 - 3
Management's Discussion And Analysis	4 – 16
Basic Financial Statements	
Statement Of Net Position	17
Statement Of Activities	18
Balance Sheet - Governmental Funds	19
Reconciliation Of The Balance Sheet of Governmental Funds	
To The Statement Of Net Position	20
Statement Of Revenues, Expenditures And Changes In	
Fund Balances - Governmental Funds	21
Reconciliation Of The Statement Of Revenues, Expenditures And	
Changes In Fund Balances Of Governmental	
Funds To The Statement Of Activities	22
Statement Of Fiduciary Net Position -	
Student Activity Custodial Fund	23
Statement Of Changes In Fiduciary Net Position -	
Student Activity Custodial Fund	24
Notes To Financial Statements	25 - 68

Required Supplementary Information

Schedule Of Revenues, Expenditures And Changes In	
Fund Balance - Budget To Actual - General Fund	69 – 71
Schedule Of Revenues, Expenditures And Changes In	
Fund Balance - Budget To Actual - Governmental Grants Fund	72
Schedule Of Revenues, Expenditures And Changes In	
Fund Balance - Budget To Actual - Food Service Fund	73
Schedule Of The District's Proportionate Share	
Of The Net Pension Liability	74
Schedule Of The District's Contributions To The Pension Plan	75
Schedule Of The District's Proportionate Share	
Of The Net OPEB Liability	76
Schedule Of The District's Contributions To The OPEB Plan	77
Notes to the Required Supplementary Information	78

CONTENTS

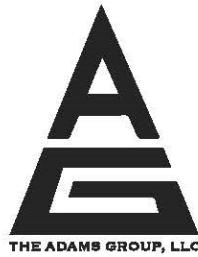
Page

Supplementary Information

Schedule Of Revenues, Expenditures And Changes In Fund Balance – Budget To Actual – Capital Reserve Fund	79
Schedule Of Revenues, Expenditures, And Changes In Fund Balance – Budget To Actual – Capital Projects Fund	80
Schedule Of Revenues, Expenditures And Changes In Fund Balance – Budget To Actual – Bond Redemption Fund.....	81
Schedule Of Revenues, Expenditures And Changes In Fund Balance – Budget To Actual – Student Activity Fund	82

Compliance Section

Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	83
Independent Auditors’ Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance.....	85
Schedule of Expenditures of Federal Awards.....	88
Notes to the Schedule of Expenditures of Federal Awards	89
Schedule of Findings and Questioned Costs.....	90
Colorado Department Of Education Auditor’s Electronic Financial Data Integrity Check Figures	93



THE ADAMS GROUP, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Education
Mapleton Public Schools
Denver, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mapleton Public Schools (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Mapleton Public Schools, as of June 30, 2022, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and GASB required pension and OPEB schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying budgetary comparison schedules, Colorado Department of Education Automated Data Exchange View Report, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, budgetary comparison schedules, Colorado Department of Education Automated Data Exchange View Report, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2023, 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.

The Adams Group, LLC

Denver, Colorado
February 2, 2023

Management's Discussion and Analysis

The management of Mapleton Public Schools (District) offers this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2022.

Financial Highlights

- The total assets of the Primary Government, including land, buildings, equipment, and deferred outflows of resources, were less than its total liabilities and deferred inflows of resources, including long term bonds payable, at the close of FY 2021-22 by \$20,387,348 (net position). The Net Position balance increased \$44,085,422 during FY 2021-22, due primarily to an increase of pension income recognized as a result of changes in the net pension liability.
- At the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$20,537,786 a decrease of \$9,906,918 from the prior year. The decrease is due primarily to capital outlay reported in the capital projects fund as the District utilized prior year bond proceeds for capital construction.
- The General Fund balance decreased by \$838,737 in FY 2021-22 due to expenditure increases arising from the Covid pandemic.
- At the end of the fiscal year, unassigned fund balance for the General Fund was a deficit \$1,177,336. Operating revenue consists of all District revenue minus the revenue passed through to Connections Academy (on-line school), which for FY 2021-22 totaled \$16,841,780. The total General Fund Non-spendable / Restricted / Committed / Assigned fund balances for FY 2021-22 are \$6,175,531, inclusive of restrictions of \$1,703,249 for the Insurance Fund.
- Other fund balances in governmental funds include: \$2,323,358 in the Capital Projects Fund, \$2,602,799 in the Food Service Fund and \$11,228,029 in the Bond Redemption Fund.
- As of June 30, 2022, the Grant Fund had a negative unassigned fund balance of \$505,701 as a result of unavailable revenues and the Capital Reserve Fund had negative unassigned fund balance of \$108,894.
- As of June 30, 2022, \$3,478,732 of the \$4,998,195 fund balance of the General Fund was restricted for the emergency contingency required by Article X, Section 20 of the Colorado Constitution.
- The District's noncurrent liabilities decreased by \$7,042,705 as a result of principal payments during the year and amortization of bond premiums.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

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

The government-wide financial statements can be found on pages 17 – 18 of this report.

Fund Financial Statements

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenue, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. Mapleton Public Schools maintains six individual governmental funds.

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

The governmental fund financial statements can be found on pages 19 – 22 of this report.

Fiduciary Funds

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

The Fiduciary Fund financial statement can be found on pages 23 – 24 of this report.

Notes to the Financial Statements

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

The notes to the basic financial statements can be found on pages 25 – 68 of this report.

Other Information

Mapleton Public Schools adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for the General Fund and all other major funds of the District to demonstrate compliance with this budget.

Primary Government Condensed Statement of Net Position

	2022	2021	Amount of Change	Percentage of Change
<u>Assets</u>				
Current and other assets	\$ 32,528,530	\$ 40,376,266	\$ (7,847,736)	(19.44%)
Capital assets, net of depreciation	255,279,987	241,374,951	13,905,036	5.76%
Total Assets	<u>\$ 287,808,517</u>	<u>\$ 281,751,217</u>	<u>\$ 6,057,300</u>	<u>2.15%</u>
Deferred outflows of resources	<u>34,559,555</u>	<u>56,021,674</u>	<u>(21,462,119)</u>	<u>(38.31%)</u>
<u>Liabilities:</u>				
Long-term liabilities outstanding	\$ 172,905,619	\$ 179,948,324	\$ (7,042,705)	(3.91%)
Net pension liability	103,628,112	145,572,367	(41,944,255)	(28.81%)
Net OPEB liability	5,013,562	5,291,670	(278,108)	(5.26%)
Other liabilities	11,010,011	9,860,807	1,149,204	11.65%
Total Liabilities	<u>292,557,304</u>	<u>340,673,168</u>	<u>(48,115,864)</u>	<u>(14.12%)</u>
Deferred inflows of resources	<u>50,198,116</u>	<u>61,572,493</u>	<u>(11,374,377)</u>	<u>(18.47%)</u>
<u>Net Position</u>				
Net investment in capital assets	85,752,487	74,448,299	11,304,188	15.18%
Restricted:				
Debt service	10,662,362	9,545,836	1,116,526	11.70%
Capital purposes	2,135,668	2,646,887	(511,219)	(19.31%)
Multi-year contracts	993,550	993,550	-	0.00%
TABOR	3,478,732	3,090,072	388,660	12.58%
Nutrition program	2,355,041	1,414,209	940,832	66.53%
Unrestricted	<u>(125,765,188)</u>	<u>(156,611,623)</u>	<u>30,846,435</u>	<u>(19.70%)</u>
Total Net Position	<u>\$ (20,387,348)</u>	<u>\$ (64,472,770)</u>	<u>\$ 44,085,422</u>	<u>(68.38%)</u>

Primary Government Condensed Statement of Changes in Net Position

	2022	2021	Amount of Change	Percentage of Change
<u>Program Revenues:</u>				
Charges for services	\$ 941,555	\$ 650,306	\$ 291,249	44.79%
Operating grants and contributions	24,604,029	23,850,950	753,079	3.16%
Capital grants and contributions	13,493,725	8,985,182	4,508,543	50.18%
<u>General Revenues:</u>				
Local property taxes	47,399,600	41,770,968	5,628,632	13.47%
Specific ownership taxes	1,998,738	2,401,643	(402,905)	(16.78%)
State equalization	51,164,085	49,370,754	1,793,331	3.63%
Other revenues	1,897,629	2,165,654	(268,025)	(12.38%)
Investment earnings	370,140	46,619	323,521	693.97%
Total Program, General, and Capital Revenue	141,869,501	129,242,076	12,627,425	9.77%
<u>Expenses:</u>				
Instruction	45,786,445	48,852,388	(3,065,943)	(6.28%)
Supporting services	46,226,011	41,777,758	4,448,253	10.65%
Interest expense	5,771,623	6,555,917	(784,294)	(11.96%)
Total Expense	97,784,079	97,186,063	598,016	0.62%
Change in Net Position	44,085,422	32,056,013	12,029,409	37.53%
Net Position - Beginning of Year	(64,472,770)	(96,528,783)	32,056,013	(33.21%)
Net Position - End of Year	\$ (20,387,348)	\$ (64,472,770)	\$ 44,085,422	(68.38%)

Government-wide Financial Analysis

As noted earlier, *net position* may serve over time as a useful indicator of the District's financial position. In FY 2021-22, the District's assets and deferred outflows of resources were less than its liabilities and deferred inflows of resources by \$20,387,348. In FY 2021-22, the District had an increase of \$44,085,422. Explanations for the change in net position are found below.

Governmental Activities

Governmental activities increased the District's net position by \$44,085,422. Key elements of governmental activity are as follows:

- Total Governmental Activities Program, General, and Capital Revenue increased by \$12,627,425 from FY 2020-21 to FY 2021-22.
- The federal and state governments subsidized certain programs with Operating Grants and Contributions totaling \$24,604,029, an increase of 3.16% from FY 2020-21. This increase is explained by CRF Funds, ESSER Funding, and additional Medicaid revenue.
- Capital Grants and Contributions total is \$13,493,725 which is mainly attributed to the Building Excellent Schools Today (BEST) grants for Global Intermediate Academy and Valley View.

- In FY 2021-22, the Adams County Assessor's Office reported an increase in assessed valuation for Mapleton of \$10,997,590 which is approximately 1.0%. However, the City and County of Denver, Adams County, and the Denver Urban Renewal Authority entered into a Tax Increment Financing (TIF) agreement in 2010 for the environmental remediation and re-development of the old 77-acre ASARCO plant that was partially located within the Mapleton Public School District boundaries. The agreement called for an abatement of local property taxes and in FY 2021-22 reduced Mapleton's assessed valuation by \$21,510,350.
- Primary government expenses for FY 2021-22 were \$97,784,079, an increase of \$598,016 or 0.62% from FY 2020-21 which is mostly attributed to an increase in salary and benefit cost for district staff.
- Instructional expenses decreased by \$3,065,943 or 6.28% on a governmental wide basis. This is primarily due to difficulty in retaining teaching staff. 14 licensed positions had resigned prior to the end of the 1st semester in FY 2021-22. Some of these positions were not filled during the remainder of the fiscal year. Pass through funds to Colorado Connections Academy were also down due to lower-than-expected enrollments.
- Primary government supporting services expenses increased by \$4,448,253 or 10.65% attributed to an increase in salaries and benefits and long-term debt service payments.
- Most of the District's governmental activities were financed by District and state taxpayers. General revenues for governmental activities consist of \$51,666,107 in local revenues, including property taxes, and \$51,164,085 of state revenues including unrestricted state equalization based on the statewide education aid formula.

Financial Analysis of the Governmental Funds

Governmental Funds

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

As of the end of FY 2021-22, Mapleton Public Schools' governmental funds reported a combined ending fund balance of \$20,537,786, a decrease of \$9,906,918 or 32.54%. The decrease is a result of the District's continued spending on capital related projects, specifically, construction of the Valley View school building.

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

General Fund

The General Fund is the major operating fund of Mapleton Public Schools, providing the majority of the resources for educational and support programs. For reporting purposes, the General Fund includes the General Operating Fund, Risk Management Fund, and Pre-School Fund. As of June 30, 2022, the General Fund reports ending fund balance of \$4,998,195, a decrease of \$838,737 from the prior year.

Revenues

Revenues for the General Fund totaled \$95,891,903 before transfers in FY 2021-22. The following table reflects the amount of revenue from various sources:

	2022	2021	Amount of Change	Percentage of Change
<u>General Fund Revenues:</u>				
Local property taxes	\$ 34,086,887	\$ 28,945,629	\$ 5,141,258	17.76%
Specific ownership taxes	1,998,738	2,401,643	(402,905)	(16.78%)
Other local	2,938,674	2,551,477	387,197	15.18%
Equalization	51,164,085	49,370,754	1,793,331	3.63%
Other state	5,703,519	3,840,199	1,863,320	48.52%
Total	<u>\$ 95,891,903</u>	<u>\$ 87,109,702</u>	<u>\$ 8,782,201</u>	<u>10.08%</u>

Property Taxes

The calendar year 2022 General Fund property tax revenues were based upon a levy of 35.702 mills applied against the assessed valuation of \$977,200,760, less the TIF of \$20,479,999. The 2021 mill levy was 35.612 mills applied against an assessed valuation of \$849,685,210, less the TIF of \$18,232,330. Collection amounts remained steady at 99%.

Specific Ownership Taxes

Specific ownership tax is applied to the fair value of vehicles registered in Colorado. The tax is collected when vehicle owners renew their vehicle registrations each year. This year's collections decreased by \$402,905 or 16.78%.

State Equalization

State equalization revenue for kindergarten through 12th grade education is the primary revenue source for the General Fund. Payments are received monthly at generally 1/12th of the annual state estimated revenue. Total state equalization payments increased by \$1,793,331, 3.63% higher than FY 2020-21. FY 2010-11 marked the end of the provision in Amendment 23 of the state constitution which required that base funding for K-12 education increase by the rate of inflation plus 1%. The base funding will continue to increase by the rate of inflation annually. FY 2021-22 marks the twelfth year that the state has applied the "Budget Stabilization Factor" to the funding formula. Based on the approved FY 2022 budget, these reductions equate to a projected \$4.9 million reduction to Mapleton.

Education of the Handicapped

The majority of the District's revenue for education of disabled students is received in the fall of each year. Revenue received in FY 2021-22 was \$2,044,568 which was an increase of \$233,665 over FY 2020-21.

Other State Sources

Other state sources consist mainly of state English Language Proficiency (ELPA) revenue for \$385,914 and transportation reimbursement revenue for \$547,454. During FY 2021-22, the District recognized revenue for the payment made by the State of Colorado to PERA in the amount of \$1,268,303.

Expenditures

Expenditures in the General Fund totaled \$96,530,640 in FY 2021-22 (before transfers). This represents an increase of 6.06% from FY 2020-21. Most of the change is due to cost-of-living salaries increase and movement on the negotiated salary schedules.

	2022	2021	Amount of Change	Percentage of Change
<u>General Fund Expenditures:</u>				
Instruction	\$ 51,950,097	\$ 50,589,898	\$ 1,360,199	2.69%
Pupil services	3,769,878	3,962,885	(193,007)	(4.87%)
Instructional support	4,977,515	5,050,780	(73,265)	(1.45%)
General administration	6,853,824	5,797,226	1,056,598	18.23%
School administration	6,044,951	6,453,223	(408,272)	(6.33%)
Business services	2,337,513	3,278,434	(940,921)	(28.70%)
Operations and maintenance	8,949,346	7,836,187	1,113,159	14.21%
Student transportation	3,089,032	2,161,363	927,669	42.92%
Central support	7,225,214	4,738,321	2,486,893	52.48%
Other support	1,102,565	796,845	305,720	38.37%
Food services operations	39,742	(2,515)	42,257	(1,680.20%)
Community services	173,411	250,118	(76,707)	(30.67%)
Capital outlay	17,552	102,304	(84,752)	(82.84%)
Total	<u>\$ 96,530,640</u>	<u>\$ 91,015,069</u>	<u>\$ 5,515,571</u>	<u>6.06%</u>

Transfers to Other Funds

The per pupil requirement for transfer to the Capital Reserve fund is no longer required; however, the General fund allocated \$200,000 of property tax revenues to the Capital Reserve Fund for COPs debt service payments.

OTHER MAJOR FUNDS

Governmental Grants Fund

The Grant Fund's fund balance is a deficit \$505,701 due to local and federal grant funds expended during FY 2021-22 for which the District has not received reimbursement. Grant fund revenues decreased by \$2,171,223 when compared to prior year. This is mainly explained by a decrease in Covid related grant funding when comparing FY 2020-21 to FY 2021-22.

Food Service Fund

The Food Service Fund's fund balance increased by \$909,433 in FY 2021-22. The increase is primarily due to the continued waiver provided by USDA which allowed for higher reimbursements and free participation for all. This is expected to end in FY 2022-23.

Capital Reserve Fund

The Capital Reserve Fund's fund balance decreased by \$798,249 in FY 2021-22. The General Fund allocated \$200,000 of property tax revenue to the Capital Reserve fund to address the COPs debt service payments during FY 2021-22.

Capital Projects Fund

The Capital Projects Fund's balance decrease by \$9,748,761 in FY 2021-22. The current year decrease is a result of the District continuing to incur expenditures for capital related projects with the bond proceeds received during prior fiscal years. No new bond proceeds were received in the current year as the District did not issue new debt.

Bond Redemption Fund

The Bond Redemption Fund's balance increase by \$1,075,097 in FY 2021-22. The increase in fund balance was a direct result of an increase in property tax revenues received by the fund due to increases in assessed valuations.

Bond Redemption Fund reported fund balance of \$11,228,029 as of June 30, 2022. The large ending fund balance is necessary to have sufficient cash on hand to make debt service payments as they become due in the subsequent year. Property tax levies are based upon a calendar year cycle while debt service payments are made each fiscal year in December and June.

General Fund Budgetary Highlights

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

The original FY 2021-22 budget adopted by the Board of Education for the District as a whole totaled appropriations of \$150,472,831 including General Fund (10,18, and 19) appropriations of \$96,680,406 (including transfers).

The final General Fund supplemental budget appropriation was \$96,910,064 (including transfers), with the increase being related to professional service expenditures in the Insurance sub-fund.

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

General Fund Budget vs. Actual Revenue

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>General Fund Revenues:</u>				
Local property taxes	\$ 29,976,175	\$ 29,976,175	\$ 34,086,887	\$ 4,110,712
Specific ownership taxes	2,948,668	2,948,668	1,998,738	(949,930)
Other local	2,075,839	2,305,497	2,938,674	633,177
State of Colorado				
Equalization	57,167,861	57,167,861	51,164,085	(6,003,776)
Other state	4,511,863	4,511,863	5,703,519	1,191,656
Total	<u>\$ 96,680,406</u>	<u>\$ 96,910,064</u>	<u>\$ 95,891,903</u>	<u>\$ (1,018,161)</u>

General fund final budget to actual variance was \$1,018,161 or 1.06% under final budgeted revenues. This is mainly due to state equalization funds being less than budgeted for the year ended June 30, 2022.

General Fund Budget vs. Actual Expenditures

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>General Fund Expenditures:</u>				
Instruction	\$ 57,808,480	\$ 57,808,480	\$ 51,950,097	\$ 5,858,383
Pupil services	4,104,423	4,104,423	3,769,878	334,545
Instructional support	3,495,431	3,495,431	4,977,515	(1,482,084)
General administration	2,567,602	2,567,602	6,853,824	(4,286,222)
School administration	7,098,353	7,098,353	6,044,951	1,053,402
Business services	1,393,079	1,393,079	2,337,513	(944,434)
Operations and maintenance	7,922,743	7,922,743	8,949,346	(1,026,603)
Student transportation	2,451,970	2,451,970	3,089,032	(637,062)
Central support	5,471,588	5,701,246	7,225,214	(1,523,968)
Other support	398,062	398,062	1,102,565	(704,503)
Food services operations	30,000	30,000	39,742	(9,742)
Community services	122,181	122,181	173,411	(51,230)
Capital outlay	-	-	17,552	(17,552)
Transfers	642,986	642,986	200,000	442,986
Contingency	3,173,508	3,173,508	-	3,173,508
Total	<u>\$ 96,680,406</u>	<u>\$ 96,910,064</u>	<u>\$ 96,730,640</u>	<u>\$ 179,424</u>

For the year ended June 30, 2022, the General Fund had actual expenditures less than budget by \$179,424 or 0.19%. The most significant variance was instruction expenditure being under budget by \$5,858,383 as a result of pension income recognized under GASB Statement No. 68.

Capital Asset and Debt Administration

Capital Assets

Mapleton Public Schools' investment in capital assets for its governmental activities as of June 30, 2022 amounts to \$255,279,987 (net of accumulated depreciation). This investment in capital assets includes land, buildings, service vehicles, buses, playgrounds, and office and instructional equipment.

	Governmental Activities	
	2022	2021
<u>Capital Assets:</u>		
Land	\$ 4,970,513	\$ 4,970,513
Construction in progress	25,294,039	40,715,657
Site improvements	40,418,060	35,423,523
Building and improvements	236,303,969	204,256,136
Equipment and vehicles	9,810,600	9,689,197
Depreciation	(61,517,194)	(53,680,075)
Total	<u>\$ 255,279,987</u>	<u>\$ 241,374,951</u>

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

Long-Term Debt

As of June 30, 2022, the District had outstanding debt of \$172,905,619. Of this amount, \$123,625,000 is general obligation bonded debt, which is backed by the full faith and credit of the District, \$26,812,557 in matching money bonds from the state of Colorado BEST grant. In addition, the District maintains leases on lighting and buses in the amount of \$48,663. These leases are collateralized with the upgraded equipment and the voter-approved mill levy override (technology equipment only). In FY 2004-05, the District secured \$5,567,202 in debt proceeds (less discount) through Certificates of Participation (COPS), which was refinanced in FY 2015-16 and now appear as the 2015 COPS debt with a balance of \$1,280,000. In FY 2016-17, the District secured an additional COPS in the amount of \$4,200,000 for the purchase of the Broadway Building. The COPS 2016 outstanding balance is \$3,185,000. The District's remaining long-term debt is illustrated in the table below.

	Governmental Activities	
	2022	2021
<u>Long-Term Debt:</u>		
General obligation bonds	\$ 123,625,000	\$ 127,035,000
Matching money bonds	26,812,557	28,583,788
Capital leases	48,663	93,173
Certificates of participation	4,465,000	4,935,000
Bond premiums	16,061,520	17,451,624
COPs refunding premium	29,403	39,204
Compensated absences	1,863,476	1,810,535
Total	<u>\$ 172,905,619</u>	<u>\$ 179,948,324</u>

As of June 30, 2022, the District's total long-term debt was 17.91% of the assessed valuation of \$965,653,480.

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

Economic Factors and Next Year's Budgets

The Colorado and national economies continue to expand, with positive consumer spending and a robust labor market indicating continued growth. Jobs are abundant, and ample household savings have helped to shrink the gap between rising incomes and even more quickly rising prices. But inflation has taken its toll. Rapid price hikes from energy and housing to food and vehicles have eroded real gains in earnings and income, household financial cushions, consumer spending, business activity, and trade. Imposing and persistent inflationary pressures have prompted the Federal Reserve to raise interest rates and reduce asset purchases, measures that have increased borrowing costs and have further influenced access to credit, asset prices, business activity, and construction. Indeed, the risk of a near-term recession has escalated considerably. The coming months will illuminate the inflation response to monetary policy treatment, as well as any persistent impacts for households and businesses. This forecast anticipates continued, yet slowing, expansion, but the path forward has narrowed. With a worsening economic outlook around the world, the possibility of a national downturn looms.

Total program requirements will increase by \$514 million. Although the estimated funded pupil count is expected to decrease by about 20,511 pupils on a year-over-year basis, inflation expectations for 2022 have increased since the March forecast from 7.0 percent to 8.2 percent.

On a year-over-year basis, revenue available for the local share will increase by up to \$317 million. This assumes that assessed values increase by \$12.5 billion relative to FY 2022-23, while specific ownership tax collections increase by 3 percent. It should be noted that this assessed values forecast was from the December 2021 forecast, prior to the inflationary jump that occurred last spring. The temporary assessment rate reductions for certain property types under Senate Bill 22-238 result in a smaller increase in the local share than would have otherwise occurred.

Preliminary forecasts from the Office of Management and Budget support an increase to the per student allocation, and a reduction to the budget stabilization factor. Mapleton would benefit from the initial budget presented by Governor Polis. The total program would increase by an additional \$5.9M.

Mapleton will also be asking voters to approve an additional mill levy override in November 2022. This override if successful would add an additional \$9M in local revenues. The combination of a possible increase in state funding and local funding will offset the loss of COVID 19 funding at the federal level. Mapleton is expecting to have spent all the COVID 19 funding by the end of FY 2022-23.

Enrollment continues to be the primary driver of revenue to the school district. Mapleton has a trend of increasing enrollment of about 40-50 students per year. The non-renewal of the Colorado Connections Academy contract eliminates the flow through funding and removes around 2400 students from Mapleton's enrollment number for FY 2022-23. This loss of enrollment has effectively no net effect on the districts usable revenues as all the resulting funding for these students passed through to Colorado Connections Academy.

The opening of two additional schools Valley View Innovation School, and Mapleton Performing Arts on Broadway, add two new choices to the Mapleton portfolio. Valley View will open in FY 2022-23 as a pre-K -2. Performing Arts on Broadway will open as a 6-12. These additional choices are intended to attract out of district students to support a continues increasing enrollment trend.

One program that is a carryover from the district's response to COVID 19 is the Mapleton Online program. This program will be converted into a school in FY 2022-23, to provide continued continuity for those families that are not yet comfortable with in-person settings. Additionally, this school can provide services to support students in need of credit recovery, or other academic needs.

MAPLETON PUBLIC SCHOOLS
STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government Governmental Activities
<u>Assets</u>	
Cash and investments	\$ 12,800,879
Restricted cash and investments	11,210,284
Due from other governments	904
Accounts receivable	651,543
Taxes receivable	2,619,668
Grants receivable	3,249,583
Receivable from external parties	44,662
Other assets	1,703,249
Inventories	247,758
Capital assets:	
Not being depreciated	30,264,552
Depreciable	225,015,435
Total Assets	<u>287,808,517</u>
<u>Deferred Outflows of Resources</u>	
Deferred loss on refunding	1,326,953
Deferred outflows - pension	32,099,404
Deferred outflows - OPEB	1,133,198
Total Deferred Outflows of Resources	<u>34,559,555</u>
<u>Liabilities</u>	
Accounts payable	3,141,683
Accrued salaries and benefits	6,651,351
Retainage payable	111,389
Unearned revenues	539,921
Accrued interest payable	565,667
Noncurrent liabilities:	
Long-term debt:	
Due within one year	6,709,201
Due in more than one year	166,196,418
Net pension liability	103,628,112
Net OPEB liability	5,013,562
Total Liabilities	<u>292,557,304</u>
<u>Deferred Inflows of Resources</u>	
Deferred inflows - pension	48,427,043
Deferred inflows - OPEB	1,771,073
Total Deferred Inflows of Resources	<u>50,198,116</u>
<u>Net Position</u>	
Net investment in capital assets	85,752,487
Restricted:	
Debt service	10,662,362
Capital purposes	2,135,668
Multi-year contracts	993,550
TABOR	3,478,732
Nutrition program	2,355,041
Unrestricted	(125,765,188)
Total Net Position	<u>\$ (20,387,348)</u>

MAPLETON PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions / Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		Governmental Activities
Primary Government					
Governmental activities:					
Instruction	\$ 45,786,445	\$ 804,295	\$ 13,213,315	\$ -	\$ (31,768,834)
Supporting services	46,226,011	137,260	11,390,714	13,493,725	(21,204,313)
Interest on long-term debt	5,771,623	-	-	-	(5,771,623)
Total Governmental Activities	97,784,079	941,555	24,604,029	13,493,725	(58,744,770)
Total Primary Government	\$ 97,784,079	\$ 941,555	\$ 24,604,029	\$ 13,493,725	(58,744,770)
General Revenues					
Local property taxes					47,399,600
Specific ownership taxes					1,998,738
State equalization					51,164,085
Investment earnings					370,140
Other					1,897,629
Total General Revenues					102,830,192
Change in Net Position					44,085,422
Net Position - Beginning of Year					(64,472,770)
Net Position - End of Year					\$ (20,387,348)

MAPLETON PUBLIC SCHOOLS
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2022

	General Fund	Governmental Grants Fund	Food Service Fund	Capital Reserve Fund	Capital Projects Fund	Bond Redemption Fund	Total
<u>Assets</u>							
Cash and investments	\$ 11,588,764	\$ -	\$ 1,191,873	\$ 20,242	\$ -	\$ -	\$ 12,800,879
Restricted cash and investments	-	-	-	-	702,796	10,507,488	11,210,284
Accounts receivable	281,079	366,915	373	3,176	-	-	651,543
Due from other funds	3,247,108	89	861,197	343,651	2,284,291	248,798	6,985,134
Due from other governments	904	-	-	-	-	-	904
Taxes receivable	1,908,083	-	-	-	-	711,585	2,619,668
Grants receivable	-	2,107,936	389,450	-	752,197	-	3,249,583
Other assets	1,703,249	-	-	-	-	-	1,703,249
Inventories	-	-	247,758	-	-	-	247,758
Total Assets	<u>\$ 18,729,187</u>	<u>\$ 2,474,940</u>	<u>\$ 2,690,651</u>	<u>\$ 367,069</u>	<u>\$ 3,739,284</u>	<u>\$ 11,467,871</u>	<u>\$ 39,469,002</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>							
<u>Liabilities</u>							
Accounts payable	\$ 1,998,958	\$ 370,136	\$ 42,976	\$ -	\$ 729,613	\$ -	\$ 3,141,683
Accrued salaries and benefits	6,651,351	-	-	-	-	-	6,651,351
Retainage payable	-	-	-	-	111,389	-	111,389
Due to other funds	4,066,738	2,030,865	17,906	475,963	349,000	-	6,940,472
Unearned revenues	390,650	122,301	26,970	-	-	-	539,921
Total Liabilities	<u>13,107,697</u>	<u>2,523,302</u>	<u>87,852</u>	<u>475,963</u>	<u>1,190,002</u>	<u>-</u>	<u>17,384,816</u>
<u>Deferred Inflows of Resources</u>							
Unavailable grant revenue	-	457,339	-	-	225,924	-	683,263
Unavailable property tax revenue	623,295	-	-	-	-	239,842	863,137
Total Deferred Inflows of Resources	<u>623,295</u>	<u>457,339</u>	<u>-</u>	<u>-</u>	<u>225,924</u>	<u>239,842</u>	<u>1,546,400</u>
<u>Fund Balances</u>							
Nonspendable:							
Inventories	-	-	247,758	-	-	-	247,758
Restricted:							
Debt service	-	-	-	-	-	11,228,029	11,228,029
Capital purposes	-	-	-	-	2,323,358	-	2,323,358
Multi-year contracts	993,550	-	-	-	-	-	993,550
TABOR	3,478,732	-	-	-	-	-	3,478,732
Nutrition program	-	-	2,355,041	-	-	-	2,355,041
Committed:							
Insurance pool	1,703,249	-	-	-	-	-	1,703,249
Unassigned	(1,177,336)	(505,701)	-	(108,894)	-	-	(1,791,931)
Total Fund Balances	<u>4,998,195</u>	<u>(505,701)</u>	<u>2,602,799</u>	<u>(108,894)</u>	<u>2,323,358</u>	<u>11,228,029</u>	<u>20,537,786</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 18,729,187</u>	<u>\$ 2,474,940</u>	<u>\$ 2,690,651</u>	<u>\$ 367,069</u>	<u>\$ 3,739,284</u>	<u>\$ 11,467,871</u>	<u>\$ 39,469,002</u>

MAPLETON PUBLIC SCHOOLS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total Governmental Funds Balances			\$ 20,537,786
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.			255,279,987
Unavailable revenues are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			1,546,400
Accrued interest payable is not due and payable in the current period and, therefore, is not reported in the funds.			(565,667)
Net pension liability and related deferred outflows and deferred inflows are not considered current and, therefore, not reported in the funds			
Deferred outflows	32,099,404		
Deferred inflows	(48,427,043)		
Net pension liability	<u>(103,628,112)</u>	(119,955,751)	
Net OPEB liability and related deferred outflows and deferred inflows are not considered current and, therefore, not reported in the funds.			
Deferred outflows	1,133,198		
Deferred inflows	(1,771,073)		
Net OPEB liability	<u>(5,013,562)</u>	(5,651,437)	
Liabilities not due and payable in the current period are not reported in the funds but are reported on the statement of net position.			
Bonds payable	(150,437,557)		
Certificates of participation payable	(4,465,000)		
Capital leases payable	(48,663)		
Premiums	(16,090,923)		
Deferred loss on refunding	1,326,953		
Compensated absences	<u>(1,863,476)</u>	<u>(171,578,666)</u>	
Net Position of Governmental Activities			<u>\$ (20,387,348)</u>

MAPLETON PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Governmental Grants Fund	Food Service Fund	Capital Reserve Fund	Capital Projects Fund	Bond Redemption Fund	Total
<u>Revenues</u>							
Local sources	\$ 39,024,299	\$ 67,992	\$ 114,076	\$ 42,047	\$ 116,819	\$ 13,128,061	\$ 52,493,294
State sources	56,867,604	998,857	26,021	-	12,810,462	-	70,702,944
Federal sources	-	13,712,001	4,095,639	-	-	-	17,807,640
Total Revenues	<u>95,891,903</u>	<u>14,778,850</u>	<u>4,235,736</u>	<u>42,047</u>	<u>12,927,281</u>	<u>13,128,061</u>	<u>141,003,878</u>
<u>Expenditures</u>							
Instruction	51,950,097	9,037,378	-	-	-	-	60,987,475
Supporting services	44,562,991	5,628,841	3,326,303	92,268	1,152,611	4,905	54,767,919
Capital outlay	17,552	618,332	-	297,572	21,523,431	-	22,456,887
Debt services:							
Principal	-	-	-	514,510	-	5,181,231	5,695,741
Interest and fiscal charges	-	-	-	156,391	-	6,866,828	7,023,219
Total Expenditures	<u>96,530,640</u>	<u>15,284,551</u>	<u>3,326,303</u>	<u>1,060,741</u>	<u>22,676,042</u>	<u>12,052,964</u>	<u>150,931,241</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(638,737)</u>	<u>(505,701)</u>	<u>909,433</u>	<u>(1,018,694)</u>	<u>(9,748,761)</u>	<u>1,075,097</u>	<u>(9,927,363)</u>
<u>Other Financing Sources (Uses)</u>							
Proceeds from sale of assets	-	-	-	20,445	-	-	20,445
Transfers in (out)	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>220,445</u>	<u>-</u>	<u>-</u>	<u>20,445</u>
Net Change in Fund Balances	(838,737)	(505,701)	909,433	(798,249)	(9,748,761)	1,075,097	(9,906,918)
Fund Balances - Beginning of Year	5,836,932	-	1,693,366	689,355	12,072,119	10,152,932	30,444,704
Fund Balances - End of Year	<u>\$ 4,998,195</u>	<u>\$ (505,701)</u>	<u>\$ 2,602,799</u>	<u>\$ (108,894)</u>	<u>\$ 2,323,358</u>	<u>\$ 11,228,029</u>	<u>\$ 20,537,786</u>

MAPLETON PUBLIC SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Net Change in Fund Balance - Total Governmental Funds \$ (9,906,918)

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

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

Capital outlay	21,900,083	
Depreciation expense	<u>(7,971,676)</u>	13,928,407

In the statement of activities, the gain or loss on the sale of assets is reported, but only the proceeds are reported in the governmental funds. The difference is the net book value of disposed assets. (23,371)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in unavailable property taxes and unavailable grant revenue. 868,549

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

Bond principal payments	5,181,231	
Certificates of participation principal payments	470,000	
Amortization of bond premiums	1,399,905	
Amortization of deferred loss on refunding	(189,738)	
Change in compensated absences	(52,941)	
Capital lease payments	44,510	
Change in accrued interest payable	<u>41,429</u>	6,894,396

Pension benefit reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the funds. 31,930,533

OPEB benefit reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the funds. 393,826

Change In Net Position of Governmental Activities \$ 44,085,422

MAPLETON PUBLIC SCHOOLS
STATEMENT OF FIDUCIARY NET POSITION –
STUDENT ACTIVITY CUSTODIAL FUND
JUNE 30, 2022

Assets:

Cash and investments	\$ 303,565
Due from other funds	<u>27,968</u>
Total Assets	<u><u>\$ 331,533</u></u>

Liabilities:

Accounts payable	\$ 873
Due to other funds	<u>72,630</u>
Total Liabilities	<u><u>73,503</u></u>

Net Position:

Restricted for student activities	<u>258,030</u>
Total Net Position	<u><u>\$ 258,030</u></u>

MAPLETON PUBLIC SCHOOLS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
STUDENT ACTIVITY CUSTODIAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

Additions

Activities and fees	\$ 187,253
Total Additions	<u>187,253</u>

Deletions

Supplies and materials	154,729
Purchased services	<u>6,950</u>
Total Deletions	<u>161,679</u>

Net Change in Net Position	25,574
----------------------------	--------

Net Position - Beginning of Year	<u>232,456</u>
Net Position - End of Year	<u><u>\$ 258,030</u></u>

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

Government-Wide And Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided.

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

Fund Financial Statements

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures. The major funds presented in the accompanying basic financial statements are as follows:

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Major Governmental Funds

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

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

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

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

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 the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Fiduciary funds also utilize the accrual basis of accounting.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis Of Accounting And Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current year. For purposes of federal and state grants, the District utilizes a period of 90 days.

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

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

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

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position

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

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources
and Fund Balance/Net Position (Continued)

- *Investments* - Investments are measured at amortized cost or net asset value (NAV), which approximates fair value, or at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application* (GASB 72), and as amended by GASB Statement No. 79, *Certain External Investment Pools, and Pool Participants* (GASB 79).
- *Receivables* - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Property taxes levied but not received at year end are recorded as property taxes receivable. Any taxes not collected within 60 days after year end are recorded as unavailable revenue in the fund financial statements. For purposes of federal and state grants, the District utilizes a period of 90 days.
- *Prepaid Items* - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method.
- *Inventories* - Food Service Fund inventories consist of purchased and donated commodities. Purchased inventories are stated at average cost. Donated inventories, received at no cost under a program supported by the federal government, are valued based upon the cost furnished by the federal government, which approximates fair value. Inventory is recorded as an asset when individual items are purchased and as an expenditure when consumed.
- *Capital Assets* - Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at acquisition cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at acquisition value, as that term is defined in GASB 72, at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Property and equipment of the District is depreciated using the straight-line method over the following estimated useful lives:

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

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position (Continued)

- *Deferred Outflows of Resources* – The District’s governmental activities report a separate section for deferred outflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period. The District reports deferred outflows of resources related to GASB Statement Nos. 68 and 75 and a deferred loss on refunding. See Notes 5, 8, and 9 for additional information.
- *Unearned Revenues* - Unearned revenues include grant funds that have been collected but corresponding expenditures have not been incurred.
- *Accrued Salaries And Benefits* - Salaries and benefits of certain contractually employed personnel are paid over a 12-month period from September to August but are earned during a school year of approximately 9 to 10 months. The accrued salaries and benefits earned but unpaid are reported as a liability of the General Fund.
- *Compensated Absences* - The District’s policy allows certain classes of employees to accumulate sick and vacation leave. Classified employees may accumulate up to 150 sick days. A classified employee who has completed at least 7 years of service in the District shall be compensated for all unused sick leave at 60% of the employee’s daily rate to a maximum of 90 days upon separation by voluntary resignation, retirement, or disability. The District shall not pay for unused vacation time except upon termination of employment. An employee who resigns or whose employment is terminated shall receive full compensation for earned unused vacation time for which he/she is entitled at the time of severance to the nearest half day.

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

Administrative employees may maintain a maximum of 50 days of cumulative leave or may request payment for any or all of their cumulative leave during the year. Any leave in excess of 50 days will result in a payment, annually in July, for administrators with 7 or more years of continuous, full-time employment as an administrator.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position (Continued)

Payment for unused days of cumulative leave will also occur when an administrator leaves District employment if he/she has at least 7 years of service to the District as an administrator. All payments for cumulative leave days are subject to the following formula: 7 - 10 years, payment will be made at the rate of 50% of the administrator's latest regular daily salary for each unused day; 10 - 15 years, payment will be 65%; 15 - 20 years, payment will be 85%; and over 20 years, payment will be 100%. These compensated absences are recognized as current salary costs when due in the governmental funds. A long-term liability has been reported in the government-wide financial statements for the accrued compensated absences.

- *Long-Term Debt* - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Debt premiums, discounts and accounting losses resulting from debt refundings are deferred and amortized over the life of the debt using the effective interest method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources in the year debt is issued. Premium received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from debt proceeds, are reported as current expenses or expenditures.
- *Net Pension Liability* - The District's governmental activities report a net pension liability as of June 30, 2022. The District is required to report their proportionate share of PERA's unfunded pension liability. See Note 8 for additional information.
- *Net OPEB Liability* - The District governmental activities report a net OPEB liability as of June 30, 2022. The District is required to report their proportionate share of PERA's unfunded OPEB liability See Note 9 for additional information.
- *Deferred Inflow of Resources* – In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report as deferred inflows of resources unavailable revenues from property taxes and grant revenues. In the statement of net position, the District reports certain items in this category related to its defined benefit pension and OPEB plans (see Notes 8 and 9).

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position (Continued)

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

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

- *Nonspendable fund balance* – Amounts that are not in a spendable form or are either legally or contractually required to be maintained intact.
- *Restricted fund balance* - Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, contract provisions, or by enabling legislation.
- *Committed fund balance* - Amounts whose use is constrained by limitations that the government imposes on itself through formal action. Decisions are made by the Board of Education.
- *Assigned fund balance* - Intended use of resources established by the government itself.
- *Unassigned fund balance* – The residual amount reported when the balances do not meet any of the above criterion. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, if expenditures incurred for specific purposes exceed restricted, committed, and assigned amounts for those purposes, a negative unassigned fund balance may be reported. For the year ended June 30, 2022, the General Fund, Grant Fund, and Capital Reserve Fund reported negative unassigned fund balances in the amounts of \$1,177,336, \$505,701, and \$108,894, respectively.

The District's fund balance policy requires the approval of the Board of Education, the highest level of decision-making authority for the District, via resolution to commit fund balance. Board resolution is also required to modify or rescind the commitment. The Board of Education delegated the authority to authorize the assignment of fund balances to the Superintendent. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available, the District considers restricted funds to have been spent first.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position (Continued)

When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions.

Revenues

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

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

State Revenues – The District receives unrestricted state equalization revenues.

On-Behalf Payments

GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of Colorado makes direct on-behalf payments for retirement benefits to Colorado PERA. Beginning on July 1, 2028, 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. The amount of on-behalf payments made for the District by the State of Colorado is recorded in the fund financial statements. See Note 8 for additional information.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Current Year GASB Pronouncement

For the year ended June 30, 2022, the District adopted the provisions of GASB Statement No. 87, *Leases*, which is effective for financial statement periods beginning after June 15, 2021. GASB Statement No. 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. For the year ended June 30, 2022, the implementation of the new standard had no material impact on the District.

NOTE 2 – CASH AND INVESTMENTS

At June 30, 2022, the District had the following cash and investments:

Cash on hand	\$ 220
Deposits	13,507,941
Cash with fiscal agent	298,853
Investments	10,507,714
Total	<u>\$ 24,314,728</u>

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

Cash and investments	\$ 12,800,879
Restricted cash and investments	11,210,284
Fiduciary fund cash and investments	303,565
Total	<u>\$ 24,314,728</u>

Cash Deposits

The District's deposits are governed by Colorado Statute. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Investments

At June 30, 2022, the District's investment balances were as follows:

	<u>Value</u>	<u>Concentration</u>	<u>S&P Rating</u>
Money market mutual fund measured at amortized cost	\$ 10,507,488	100%	AAAm
Local government investment pool, (CSAFE) measured at NAV	<u>226</u>	<u>0%</u>	AAAm
Total Investments	<u>\$ 10,507,714</u>	<u>100%</u>	

The District does not have securities with maturities greater than 12 months at June 30, 2022.

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

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

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs. The District has no investments required to be reported under the fair value hierarchy.

Interest Rate Risk – State statutes generally limit the maturity date of investment securities to five years from the date of purchase unless the governing board authorizes the investment for a period of excess of five years.

Credit Risk - This is the risk that an issuer or other counterparty to an investment will not fulfil its obligation. Colorado state statutes limit investments in U.S. agency securities to the highest rating issued by nationally recognized statistical rating organizations (NRSRO).

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

The District's policy is to invest in money market funds that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of \$1 billion or the highest rating issued by a NRSRO.

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

Local Government Investment Pools – As of June 30, 2022, the District invested in the Colorado Surplus Asset Fund Trust (CSAFE) Colorado CORE, an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing CSAFE. CSAFE operates similarly to a money market fund, and each share is equal in value to \$1.00. CSAFE is rated AAAm by Standard & Poor's and is valued at fair value basis. CSAFE records investments at fair value, and the District records investments in CSAFE at net asset value. There are no unfunded commitments, the redemption frequency is daily, and there is a one-day redemption notice period.

Other Investments – As of June 30, 2022, the District had investments in the First American Treasury Obligation Fund Class A. The Fund is rated AAAm by Standard & Poor's and each share is equal in value to \$1.00. The Fund is valued at amortized cost. Based on the valuation method, additional disclosures are not required under GASB Statement No. 72.

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

Restricted Cash And Investments

Cash and investments of \$10,507,488 in the Bond Redemption fund are comprised of General Obligation Bond reserves restricted for use in accordance with applicable debt covenants. Cash and investments of \$702,796 in the Capital Projects Fund represent funds restricted for capital purposes.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 – CAPITAL ASSETS

The District's activity related to capital assets is summarized below:

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Governmental Activities					
Capital assets, not being depreciated:					
Construction in progress	\$ 40,715,657	\$ 21,641,504	\$ (20,752)	\$ (37,042,370)	\$ 25,294,039
Land	4,970,513	-	-	-	4,970,513
Total Capital Assets, Not Being Depreciated	45,686,170	21,641,504	(20,752)	(37,042,370)	30,264,552
Capital assets, being depreciated:					
Site improvements	35,423,523	-	-	4,994,537	40,418,060
Buildings and improvements	204,256,136	-	-	32,047,833	236,303,969
Equipment	9,689,197	258,579	(137,176)	-	9,810,600
Total Capital Assets Being Depreciated	249,368,856	258,579	(137,176)	37,042,370	286,532,629
Less: Accumulated depreciation:					
Site improvements	(9,248,977)	(1,839,849)	-	-	(11,088,826)
Buildings and improvements	(39,538,945)	(5,499,870)	-	-	(45,038,815)
Equipment	(4,892,153)	(631,957)	134,557	-	(5,389,553)
Total Accumulated Depreciation	(53,680,075)	(7,971,676)	134,557	-	(61,517,194)
Total Capital Assets Being Depreciated, Net	195,688,781	(7,713,097)	(2,619)	37,042,370	225,015,435
Governmental Activities, Capital Assets, Net	\$ 241,374,951	\$ 13,928,407	\$ (23,371)	\$ -	\$ 255,279,987

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

Governmental Activities	
Instruction	\$ 4,140,644
Supporting services	3,831,032
Total	<u>\$ 7,971,676</u>

NOTE 4 – SHORT TERM DEBT

During the year ended June 30, 2022, the District borrowed and repaid \$16,419,663 from the state-sponsored interest-free loan program to provide cash flow throughout the fiscal year.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 – LONG-TERM DEBT

Following is a summary of long-term debt transactions of the District for the year ended June 30, 2022:

	Balance June 30, 2021	Additions	Payments	Balance June 30, 2022	Due Within One Year
Governmental Activities					
Matching Money Bonds 2010	\$ 14,721,734	\$ -	\$ 1,221,532	\$ 13,500,202	\$ 1,393,793
Matching Money Bonds 2018	7,663,824	-	301,785	7,362,039	313,534
Matching Money Bonds 2019C	6,198,230	-	247,914	5,950,316	255,233
General Obligation Bonds 2016	10,880,000	-	90,000	10,790,000	95,000
General Obligation Bonds 2017	89,440,000	-	2,005,000	87,435,000	2,080,000
Bond Premium 2016	588,871	-	45,298	543,573	-
Bond Premium 2017	11,026,877	-	749,191	10,277,686	-
GO Bonds 2019A	23,650,000	-	-	23,650,000	-
GO Refunding Bonds 2019B	3,065,000	-	1,315,000	1,750,000	1,340,000
Bond Premium 2019A	5,835,876	-	595,615	5,240,261	-
COP 2016	3,360,000	-	175,000	3,185,000	185,000
COP Refunding 2015	1,575,000	-	295,000	1,280,000	305,000
COP Refunding Premium 2015	39,204	-	9,801	29,403	-
Capital leases	93,173	-	44,510	48,663	23,731
Compensated absences	1,810,535	760,653	707,712	1,863,476	717,910
Total	<u>\$ 179,948,324</u>	<u>\$ 760,653</u>	<u>\$ 7,803,358</u>	<u>\$ 172,905,619</u>	<u>\$ 6,709,201</u>

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

General Obligation Bonds 2019A

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2023	\$ -	\$ 1,182,500	\$ 1,182,500
2024	960,000	1,158,500	2,118,500
2025	1,425,000	1,098,875	2,523,875
2026	1,495,000	1,025,875	2,520,875
2027	1,570,000	949,250	2,519,250
2028 - 2032	9,120,000	3,454,250	12,574,250
2033 - 2036	9,080,000	936,000	10,016,000
Total	<u>\$ 23,650,000</u>	<u>\$ 9,805,250</u>	<u>\$ 33,455,250</u>

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 – LONG-TERM DEBT (CONTINUED)

General Obligation Refunding Bonds 2019B

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

The proceeds from the refunding bonds were placed into an irrevocable trust to provide all future debt service payments on the refunded bonds. At June 30, 2022, the outstanding balance of the defeased bonds was \$3,100,000, and the market value of the irrevocable trust was \$3,808,192.

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2023	\$ 1,340,000	\$ 22,885	\$ 1,362,885
2024	410,000	4,408	414,408
Total	<u>\$ 1,750,000</u>	<u>\$ 27,293</u>	<u>\$ 1,777,293</u>

Matching Money Bonds 2019C

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

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 – LONG-TERM DEBT (CONTINUED)

Fiscal Year Ended June 30,	Principal	Interest	Total
2023	\$ 255,233	\$ 171,886	\$ 427,119
2024	262,767	164,240	427,007
2025	270,524	156,369	426,893
2026	278,510	148,265	426,775
2027	286,731	139,922	426,653
2028 - 2032	1,565,731	565,588	2,131,319
2033 - 2037	1,810,886	316,815	2,127,701
2038 - 2040	1,219,934	54,717	1,274,651
Total	<u>\$ 5,950,316</u>	<u>\$ 1,717,802</u>	<u>\$ 7,668,118</u>

Matching Money Bonds 2018

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2023	\$ 313,534	\$ 280,501	\$ 594,035
2024	325,739	268,058	593,797
2025	338,421	255,130	593,551
2026	351,595	241,699	593,294
2027	365,283	227,745	593,028
2028 - 2032	2,051,121	909,643	2,960,764
2033 - 2037	2,482,692	469,672	2,952,364
2038 - 2039	1,133,654	44,554	1,178,208
Total	<u>\$ 7,362,039</u>	<u>\$ 2,697,002</u>	<u>\$ 10,059,041</u>

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 – LONG-TERM DEBT (CONTINUED)

General Obligation Bonds 2017

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2023	\$ 2,080,000	\$ 4,237,263	\$ 6,317,263
2024	2,165,000	4,152,363	6,317,363
2025	2,255,000	4,063,963	6,318,963
2026	2,345,000	3,971,963	6,316,963
2027	2,440,000	3,876,263	6,316,263
2028 - 2032	14,045,000	17,568,138	31,613,138
2033 - 2037	22,560,000	13,613,313	36,173,313
2038 - 2041	39,545,000	4,369,781	43,914,781
Total	<u>\$ 87,435,000</u>	<u>\$ 55,853,047</u>	<u>\$ 143,288,047</u>

Certificates Of Participation 2016

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2023	\$ 185,000	\$ 104,950	\$ 289,950
2024	190,000	99,125	289,125
2025	195,000	92,593	287,593
2026	200,000	86,168	286,168
2027	210,000	79,578	289,578
2028 - 2032	1,145,000	290,619	1,435,619
2033 - 2036	1,060,000	88,994	1,148,994
Total	<u>\$ 3,185,000</u>	<u>\$ 842,027</u>	<u>\$ 4,027,027</u>

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 – LONG-TERM DEBT (CONTINUED)

General Obligation Refunding Bonds 2016

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

The proceeds from the refunding bonds were placed into an irrevocable trust to provide all future debt service payments on the refunded bonds. As of June 30, 2021, the defeased bonds have been retired in full and the balance in the irrevocable trust is \$0.

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2023	\$ 95,000	\$ 417,600	\$ 512,600
2024	95,000	415,700	510,700
2025	95,000	413,800	508,800
2026	100,000	413,800	513,800
2027	100,000	411,850	511,850
2028 - 2032	2,255,000	2,015,175	4,270,175
2033 - 2036	8,050,000	1,018,200	9,068,200
Total	<u>\$ 10,790,000</u>	<u>\$ 5,106,125</u>	<u>\$ 15,896,125</u>

Matching Money Bonds 2010

In November 2010, the District authorized issuance of General Obligation Bond, Series 2010, to the State in the aggregate principal amount of \$22,031,271 to meet the 41% required match for the BEST grant. BEST included two new buildings on the Skyview site to house Skyview Academy, Clayton Partnership School, Mapleton Expeditionary School of the Arts and Mapleton Early College. BEST also requested funds for an addition to the existing Skyview building to house a media center and the North Valley School for Young Adults.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 – LONG-TERM DEBT (CONTINUED)

The grant paid for demolition of the classroom sections of the Skyview building, as well as a limited amount of renovation to the remaining structure. On November 16, 2021, the District entered into a Payment Schedule Amendment Agreement which reduced the interest rate from 4.082% to 1.825%. Interest payments are due semi-annually on June 1 and December 1 at the new interest rate, commencing December 31, 2021. Principal payments are due annually on December 1, commencing December 1, 2014, with final payment due on December 1, 2030. Bond payments, to maturity under the new payment schedule, are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2023	\$ 1,393,793	\$ 233,723	\$ 1,627,516
2024	1,419,236	208,047	1,627,283
2025	1,445,144	181,902	1,627,046
2026	1,471,525	155,281	1,626,806
2027	1,498,388	128,173	1,626,561
2028 - 2031	6,272,116	231,582	6,503,698
Total	<u>\$ 13,500,202</u>	<u>\$ 1,138,708</u>	<u>\$ 14,638,910</u>

Refunding Certificates Of Participation 2015

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

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2023	\$ 305,000	\$ 33,825	\$ 338,825
2024	315,000	24,525	339,525
2025	325,000	14,925	339,925
2026	335,000	5,025	340,025
Total	<u>\$ 1,280,000</u>	<u>\$ 78,300</u>	<u>\$ 1,358,300</u>

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 – LONG-TERM DEBT (CONTINUED)

Capital Leases

The District entered into a lease agreement on March 3, 2014, in the amount of \$201,645 for a lighting system. The lease carries an interest rate of 4.95%. Lease payments of \$26,195 are due annually on March 3 through 2024. Capital assets of \$201,645 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$73,060 at June 30, 2021.

The District entered into a lease agreement on July 10, 2016, in the amount of \$202,188 for buses. Lease payments of \$42,895 are due monthly on the 10th of each July through July 2020. Capital assets of \$202,188 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$84,245 at June 30, 2021.

The District entered into a lease agreement on July 7, 2017, in the amount of \$105,900 for buses. Lease payments of \$22,681 are due monthly on the 15th of each July through July 2021. Capital assets of \$105,900 have been capitalized under this lease agreement. Accumulated depreciation amounted to \$42,360 at June 30, 2021.

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

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2023	\$ 23,731	\$ 2,464	\$ 26,195
2024	24,932	1,263	26,195
Total	<u>\$ 48,663</u>	<u>\$ 3,727</u>	<u>\$ 52,390</u>

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 – INTERFUND TRANSACTIONS

Interfund balances, all of which are with major funds, for the year ended June 30, 2022, were comprised of the following:

Funds	Due From Other Funds	Due To Other Funds
General Fund	\$ 3,247,108	\$ 4,066,738
Governmental Grants Fund	89	2,030,865
Food Service Fund	861,197	17,906
Capital Reserves Fund	343,651	475,963
Capital Projects Fund	2,284,291	349,000
Bond Redemption Fund	248,798	-
Student Activity Fund	27,968	72,630
Total	<u>\$ 7,013,102</u>	<u>\$ 7,013,102</u>

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

Interfund transfers, all of which are among major funds, for the year ended June 30, 2022, were comprised of the following:

Transfers In	Transfers Out	Amount
Capital Reserve	General Fund	\$ 200,000

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

NOTE 7 – RISK MANAGEMENT

Adams County BOCES Self-Insurance Pool

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

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 – RISK MANAGEMENT (CONTINUED)

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

Adams County School Districts	% Shares In Pool
No. 1 (Mapleton)	22.17
No. 27J	40.73
No. 50	37.10
Total	<u>100.00</u>

Following is a summary of financial information for the Pool as of and for the year ended June 30, 2022:

	District's Share	Total
Assets	\$ 2,325,483	\$ 10,489,690
Liabilities	622,233	2,489,772
Equity	<u>\$ 1,703,250</u>	<u>\$ 7,999,918</u>
Revenues	\$ 845,192	\$ 3,812,458
Increase in non-admitted assets	31	140
Expenditures	<u>478,080</u>	<u>2,156,504</u>
Net income	<u>367,143</u>	<u>1,656,094</u>
Surplus, Beginning	1,336,106	6,343,824
Surplus, Ending	<u>\$ 1,703,249</u>	<u>\$ 7,999,918</u>

Percentage shares are as of June 30, 2022. Percentages will vary slightly from year to year, depending upon premium allocation factors. The Pool's Board of Directors consists of one member appointed by the Board of Education of each participating school district. All members of the Pool's Board of Directors have an equal vote in the administration of the Pool's activities, are responsible for selection of management and have complete responsibility for all fiscal matters in the operation of the Pool. Separate financial statements for the Pool are available from the Adams County BOCES, 1400 W. 122nd Avenue, Suite 110, Westminster, Colorado 80234.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 – RISK MANAGEMENT (CONTINUED)

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

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

Dental Self-Insurance Plan

The District maintains a dental self-insurance plan (the Plan) for employees who elect to participate in the Plan. The District pays monthly premiums on behalf of the employees of \$24 per month. Dependent coverage is also available. The Plan limits participant claims to \$1,000 per year and a lifetime \$1,000 per person orthodontic claim. The District consults with Segal Company annually to evaluate the Plan. Liabilities and related claims expenses as reported were estimated based on analysis of the dental providers' claims data as of June 30, 2022. Claims due and payable at year end are reported in the General Fund and statement of net position under current liabilities.

Fiscal Year					
Ended	Beginning	Claims	Claims	Ending	
June 30	Liability	Incurred	Paid	Liability	
2022	\$ 25,591	\$ 345,415	\$ (363,890)	\$ 7,116	
2021	31,973	319,810	(326,192)	25,591	

NOTE 8 – DEFINED BENEFIT PENSION PLAN

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

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 for the year ended June 30, 2022. A full copy of the bill can be found online at www.leg.colorado.gov.

General Information about the Pension Plan

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

Benefits Provided as of December 31, 2021: 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 (HAS) 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 annualized into a monthly benefit based on life expectancy and other actuarial factors.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

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

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

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

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

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

Contributions provisions as of June 30, 2022: Eligible employees of 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.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

Eligible employees are required to contribute 10.5 percent of their PERA-includable salary during the period of July 1, 2021, through June 30, 2022. Employer contribution requirements are summarized in the table below:

	July 1, 2021 Through June 30, 2022
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)	(1.02)%
Amount Apportioned to the SCHDTF	9.88 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411	4.50 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411	5.50 %
Total Employer Contribution Rate to the SCHDTF	19.88 %

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF for the District were \$11,687,699 for the year ended June 30, 2022.

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. As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million (actual dollars) direct distribution each year to PERA starting 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. In addition to the \$225 million (actual dollars) direct distribution due July 1, 2022, House Bill (HB) 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of \$380 million (actual dollars), upon enactment, with reductions to future direct distributions scheduled to occur July 1, 2023, and July 1, 2024.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources

The net pension liability for the SCHDTF was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard updated procedures were used to roll-forward the total pension liability to December 31, 2021. The District's proportion of the net pension liability was based on the District's contributions to the SCHDTF for the calendar year 2021 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2022, the District reported a liability of \$103,628,112 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's Proportionate Share of the Net Pension Liability	\$ 103,628,112
State's Proportionate Share of the Net Pension Liability	
Associated with the District	11,879,640
Total	<u>\$ 115,507,752</u>

At December 31, 2021, the District's proportion was 0.8905% which was a decrease of 0.0724% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the District recognized pension income of \$31,299,380 and revenue of \$2,839,820 for support from the State as a nonemployer contributing entity. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ 3,967,299	\$ -
Changes of Assumptions or other Inputs	7,911,233	-
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	-	38,961,075
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
of Contributions	14,311,978	9,465,968
Contributions Subsequent to the Measurement Date	<u>5,908,894</u>	<u>-</u>
Total	<u>\$ 32,099,404</u>	<u>\$ 48,427,043</u>

\$5,908,894 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2023	\$ 3,455,002
2024	(10,347,756)
2025	(10,614,738)
2026	(4,729,041)
Total	<u>\$ (22,236,533)</u>

Actuarial Assumptions: The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

	<u>Actuarial Assumptions</u>
Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.40 - 11.00%
Long-Term Investment Rate of Return, Net of Pension Plan	
Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007; and DPS Benefit Structure (Compounded Annually)	1.00%
PERA Benefit Structure hired after December 31, 2006 ¹	Financed by the Annual Increase Reserve (AIR)

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

The total pension liability as of December 31, 2021, includes the anticipated adjustments to contribution rates and the AI cap, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

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

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

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

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

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

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or 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.

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

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

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in Senate Bill (SB) 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50 percent resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50 percent resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.
- 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 and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered AI cap, from 1.25 percent to 1.00 percent, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.
- 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.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	<u>\$ 152,532,106</u>	<u>\$ 103,628,112</u>	<u>\$ 62,819,555</u>

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

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

General Information about the OPEB Plan

Plan Description: Eligible employees of the District are provided with OPEB through the Health Care Trust Fund (HCTF) - a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the Public Employees' Retirement Association of Colorado (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 provision may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

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

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

General Information about the OPEB Plan (Continued)

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

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 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.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

General Information about the OPEB Plan (Continued)

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 Trust Fund 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 \$599,671 for the year ended June 30, 2022.

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

At June 30, 2022, the District reported a liability of \$5,013,562 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2021. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, the District's proportion was 0.5814%, which was an increase of 0.0245% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the District recognized OPEB income of \$361,443. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 7,640	\$ 1,188,776
Changes of Assumptions or other Inputs	103,800	271,956
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	-	310,341
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
of Contributions	718,585	-
Contributions Subsequent to the Measurement Date	303,173	-
Total	<u>\$ 1,133,198</u>	<u>\$ 1,771,073</u>

\$303,173 reported as deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2023	\$ (231,723)
2024	(283,591)
2025	(292,233)
2026	(142,669)
2027	6,568
Thereafter	2,600
Total	<u>\$ (941,048)</u>

Actuarial Assumptions: The total OPEB liability in the December 31, 2020, actuarial valuation was determined using the following actuarial cost, actuarial assumptions, and other inputs:

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.40 - 11.00%
Long-Term Investment Rate of Return, Net of OPEB Plan	
Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Health Care Cost Trend Rates	
PERA Benefit Structure:	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	4.50% in 2021, 6.00% in 2022, gradually decreasing to 4.50% in 2029
Medicare Part A Premiums	3.75% in 2021 gradually increasing to 4.50% in 2029

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

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, 2020, valuation, the following monthly costs/premiums are assumed for 2021 for the PERA Benefit Structure:

Medicare Plan	Initial Costs for Members without Medicare Part A		
	Monthly Cost	Monthly Premium	Monthly Cost Adjusted to Age 65
Medicare Advantage/Self-Insured Rx	\$ 633	\$ 230	\$ 591
Kaiser Permanente Medicare Advantage HMO	596	199	562

The 2021 Medicare Part A premium is \$471 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.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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, 2020, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions used in the December 31, 2020 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect the generational mortality and were applied, as applicable, in the determination of the total OPEB liability for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

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

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

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% 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% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled 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% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

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

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

- Initial per capital 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 2021 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 PERA Board's actuary, as discussed above.

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

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared 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.

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 for 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.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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:

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

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25 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 point lower or on percentage point higher than the current rates:

	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
Initial PERACare Medicare trend rate	3.50%	4.50%	5.50%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
	<u>\$ 4,869,586</u>	<u>\$ 5,013,562</u>	<u>\$ 5,180,346</u>

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 project of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021, measurement date.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

Based on the above assumptions and methods, the HCTF 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 OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement period.

Sensitivity of the School's proportionate share of the net OPEB liability to changes in the discount rate: The following presents the HCTF collective net OPEB liability calculated using the discount rate of 7.25 percent as of the measurement date, as well as 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):

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	<u>\$ 5,822,727</u>	<u>\$ 5,013,562</u>	<u>\$ 4,322,394</u>

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

OPEB Plan Fiduciary Net Position: Detailed information about the HCTF plan's fiduciary net position is available in the separately issued comprehensive annual financial report issued by PERA. That report can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 10 – DEFINED CONTRIBUTION PENSION PLAN

Plan Description

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

Funding Policy

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of CRS, as amended. There is no employer match. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2022, program members contributed \$289,623 to the Voluntary Investment Program.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Claims And Judgments

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

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government.

If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government.

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

As of June 30, 2022, significant amounts of grant expenditures have not been audited, but the District believes that disallowed expenditures, if any, based on subsequent audits, will not have a material effect on the overall financial position of the District.

Construction Contracts

The District has ongoing construction projects as of June 30, 2022; however, large projects are close to completion. At June 30, 2022, as a result of these projects, the largest balances outstanding were associated with retainage totaling \$111,389.

The TABOR Amendment

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

In November 2002, voters within the District authorized the District to collect, retain and expend all excess revenues and other funds received from every source, without limitation, effective July 1, 2001, and each fiscal year thereafter without future voter approval, notwithstanding the limitations of the TABOR Amendment.

The TABOR Amendment is subject to many interpretations, but the District believes it is substantially in compliance with the TABOR Amendment. The TABOR Amendment requires the District to restrict an amount for emergencies.

Litigation

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

Environmental Remediation Loss Contingency

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

MAPLETON PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 12 – NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets in the government-wide statement of net position as of June 30, 2022, is calculated as:

Net book value of capital assets	\$ 255,279,987
Less capital related debt and related premiums	(170,993,480)
Less capital leases	(48,663)
Less retainage payable	(111,389)
Plus debt related deferred outflows of resources	1,326,953
Plus unspent bond proceeds	<u>299,079</u>
Net Investment In Capital Assets	<u><u>\$ 85,752,487</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>				
Local sources:				
Property taxes	\$ 29,976,175	\$ 29,976,175	\$ 33,977,489	\$ 4,001,314
Specific ownership taxes	2,948,668	2,948,668	1,998,738	(949,930)
Delinquent taxes, penalties and interest	55,000	55,000	109,398	54,398
Other tuition	726,525	726,525	804,295	77,770
Investment earnings	-	-	367,396	367,396
Other	1,294,314	1,523,972	1,766,983	243,011
Total Local Sources	35,000,682	35,230,340	39,024,299	3,793,959
State sources:				
State equalization	57,167,861	57,167,861	51,164,085	(6,003,776)
Special education	1,556,188	1,556,188	2,044,568	488,380
English language learner	820,220	820,220	385,914	(434,306)
Transportation	500,000	500,000	547,454	47,454
At Risk	241,666	241,666	1,061,151	819,485
Read Act	276,591	276,591	332,904	56,313
Payment made by the State to PERA	1,117,198	1,117,198	1,268,303	151,105
Federal revenue from CDE	-	-	63,225	63,225
Total State Sources	61,679,724	61,679,724	56,867,604	(4,812,120)
Total Revenues	96,680,406	96,910,064	95,891,903	(1,018,161)
<u>Expenditures</u>				
Instruction:				
Salaries	28,578,081	28,578,081	29,654,332	(1,076,251)
Employee benefits	6,590,297	6,590,297	8,326,347	(1,736,050)
Purchased services	21,561,326	21,561,326	4,566,507	16,994,819
Supplies and materials	839,155	839,155	9,293,473	(8,454,318)
Small equipment	35,000	35,000	109,438	(74,438)
Other	204,621	204,621	-	204,621
Total Instruction	57,808,480	57,808,480	51,950,097	5,858,383
Supporting services:				
Students:				
Salaries	3,000,895	3,000,895	2,565,953	434,942
Employee benefits	702,485	702,485	700,967	1,518
Purchased services	385,043	385,043	457,828	(72,785)
Supplies and materials	13,000	13,000	45,130	(32,130)
Small equipment	3,000	3,000	-	3,000
Total Students	4,104,423	4,104,423	3,769,878	334,545

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<u>Expenditures (Continued)</u>				
Supporting services (Continued):				
Instruction staff:				
Salaries	2,344,014	2,344,014	3,502,257	(1,158,243)
Employee benefits	950,908	950,908	989,808	(38,900)
Purchased services	132,550	132,550	366,852	(234,302)
Supplies and materials	45,959	45,959	59,304	(13,345)
Other	22,000	22,000	59,294	(37,294)
Total Instructional Staff	3,495,431	3,495,431	4,977,515	(1,482,084)
General administration:				
Salaries	1,844,637	1,844,637	1,861,433	(16,796)
Employee benefits	429,240	429,240	500,054	(70,814)
Purchased services	129,875	129,875	4,306,470	(4,176,595)
Supplies and materials	76,850	76,850	86,952	(10,102)
Other	87,000	87,000	98,915	(11,915)
Total General Administration	2,567,602	2,567,602	6,853,824	(4,286,222)
School administration:				
Salaries	5,718,045	5,718,045	4,539,218	1,178,827
Employee benefits	1,351,958	1,351,958	1,332,059	19,899
Purchased services	350	350	133,905	(133,555)
Supplies and materials	28,000	28,000	39,769	(11,769)
Total School Administration	7,098,353	7,098,353	6,044,951	1,053,402
Business services:				
Salaries	1,094,966	1,094,966	1,133,921	(38,955)
Employee benefits	258,463	258,463	318,966	(60,503)
Purchased services	32,500	32,500	867,846	(835,346)
Supplies and materials	4,150	4,150	11,774	(7,624)
Other	3,000	3,000	5,006	(2,006)
Total Business Services	1,393,079	1,393,079	2,337,513	(944,434)
Operations and maintenance:				
Salaries	3,898,713	3,898,713	3,925,342	(26,629)
Employee benefits	928,399	928,399	1,236,360	(307,961)
Purchased services	1,680,236	1,680,236	2,127,774	(447,538)
Supplies and materials	1,399,895	1,399,895	1,629,901	(230,006)
Small equipment	15,500	15,500	24,751	(9,251)
Other	-	-	5,218	(5,218)
Total Operations and Maintenance	7,922,743	7,922,743	8,949,346	(1,026,603)

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<u>Expenditures (Continued)</u>				
Supporting services (Continued):				
Student transportation:				
Salaries	1,609,014	1,609,014	1,829,301	(220,287)
Employee benefits	390,742	390,742	556,927	(166,185)
Purchased services	87,214	87,214	331,020	(243,806)
Supplies and materials	363,000	363,000	369,412	(6,412)
Small equipment	1,000	1,000	-	1,000
Other	1,000	1,000	2,372	(1,372)
Total Student Transportation	2,451,970	2,451,970	3,089,032	(637,062)
Central support:				
Salaries	2,150,691	2,150,691	2,312,685	(161,994)
Employee benefits	506,383	506,383	704,609	(198,226)
On-behalf payment	1,117,198	1,117,198	1,268,303	(151,105)
Purchased services	1,600,316	1,829,974	2,836,974	(1,007,000)
Supplies and materials	4,500	4,500	17,935	(13,435)
Small equipment	90,000	90,000	69,394	20,606
Other	2,500	2,500	15,314	(12,814)
Total Central Support	5,471,588	5,701,246	7,225,214	(1,523,968)
Other support:				
Salaries	329,320	329,320	893,013	(563,693)
Employee benefits	68,742	68,742	179,882	(111,140)
Purchased services	-	-	29,670	(29,670)
Total Other Support	398,062	398,062	1,102,565	(704,503)
Food Service Operations:				
Other	30,000	30,000	39,742	(9,742)
Community services:				
Salaries	88,815	88,815	18,817	69,998
Employee benefits	21,366	21,366	6,532	14,834
Purchased services	7,000	7,000	145,132	(138,132)
Supplies and materials	5,000	5,000	2,930	2,070
Total Community Services	122,181	122,181	173,411	(51,230)
Total Supporting Services	35,055,432	35,285,090	44,562,991	(9,277,901)
Capital outlay	-	-	17,552	(17,552)
Contingency reserve	3,173,508	3,173,508	-	3,173,508
Total Expenditures	96,037,420	96,267,078	96,530,640	(263,562)
Excess (Deficiency) of Revenues Over Expenditures	642,986	642,986	(638,737)	(1,281,723)
Other Financing Sources (Uses) Transfers in (out)	(642,986)	(642,986)	(200,000)	442,986
Net Change In Fund Balance	\$ -	\$ -	\$ (838,737)	\$ (838,737)

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL – GOVERNMENTAL GRANTS FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>				
Local sources	\$ 45,000	\$ 45,000	\$ 67,992	\$ 22,992
State sources	872,824	872,824	998,857	126,033
Federal sources	16,259,848	16,259,848	13,712,001	(2,547,847)
Other	31,956	31,956	-	(31,956)
Total Revenues	<u>17,209,628</u>	<u>17,209,628</u>	<u>14,778,850</u>	<u>(2,430,778)</u>
<u>Expenditures</u>				
Instruction:				
Salaries	73,783	73,783	4,329,401	(4,255,618)
Employee benefits	17,213	17,213	1,253,808	(1,236,595)
Purchased services	308,036	308,036	976,856	(668,820)
Supplies and materials	13,375,783	13,375,783	339,623	13,036,160
Small equipment	-	-	348,357	(348,357)
Other	-	-	1,789,333	(1,789,333)
Total Instruction	<u>13,774,815</u>	<u>13,774,815</u>	<u>9,037,378</u>	<u>4,737,437</u>
Supporting services:				
Students	1,528,614	1,528,614	2,495,529	(966,915)
Instructional staff	1,760,799	1,760,799	1,390,588	370,211
School administration	-	-	1,016,776	(1,016,776)
Business services	-	-	4,229	(4,229)
Operations and maintenance	-	-	442,388	(442,388)
Student transportation	-	-	23,190	(23,190)
Central support	130,100	130,100	243,293	(113,193)
Other support	-	-	8,848	(8,848)
Community services	15,300	15,300	4,000	11,300
Total Supporting Services	<u>3,434,813</u>	<u>3,434,813</u>	<u>5,628,841</u>	<u>(2,194,028)</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>618,332</u>	<u>(618,332)</u>
Total Expenditures	<u>17,209,628</u>	<u>17,209,628</u>	<u>15,284,551</u>	<u>1,925,077</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (505,701)</u>	<u>\$ (505,701)</u>

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL – FOOD SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>				
Local sources:				
Student and adult meals	\$ 335,050	\$ 335,050	\$ 99,145	\$ (235,905)
Nonreimbursable food service revenue	63,500	63,500	-	(63,500)
Investment earnings	3,500	3,500	66	(3,434)
Other	21,000	21,000	14,865	(6,135)
State sources:				
State match	62,350	62,350	26,021	(36,329)
Federal sources				
School lunch and breakfast program	1,968,265	1,968,265	3,788,647	1,820,382
Donated commodities	235,010	235,010	306,992	71,982
Total Revenues	<u>2,688,675</u>	<u>2,688,675</u>	<u>4,235,736</u>	<u>1,547,061</u>
<u>Expenditures</u>				
Supporting services:				
Salaries	1,304,927	1,304,927	1,300,034	4,893
Employee benefits	346,520	346,520	391,485	(44,965)
Purchased services	123,100	123,100	124,607	(1,507)
Supplies and materials	1,215,460	1,215,460	1,409,848	(194,388)
Small equipment	1,000	1,000	71,484	(70,484)
Other	301,600	301,600	1,198	300,402
Capital outlay	-	-	27,647	(27,647)
Total Expenditures	<u>3,292,607</u>	<u>3,292,607</u>	<u>3,326,303</u>	<u>(33,696)</u>
Net Change In Fund Balance	<u>\$ (603,932)</u>	<u>\$ (603,932)</u>	<u>\$ 909,433</u>	<u>\$ 1,513,365</u>

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST EIGHT FISCAL YEARS

Fiscal Year	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Plan Measurement Date	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
School's Proportion of the Net Pension Liability	0.890477381%	0.962908660%	0.836732560%	0.776897518%	0.858046067%	0.848279957%	0.832426311%	0.836823956%
School's Proportionate Share of the Net Pension Liability	\$ 103,628,112	\$ 145,572,367	\$ 125,006,029	\$ 137,565,664	\$ 277,461,603	\$ 252,565,034	\$ 127,313,727	\$ 113,417,755
State's Proportionate Share of the Net Pension Liability associated with the School **	<u>11,879,640</u>	<u>-</u>	<u>14,070,731</u>	<u>16,547,547</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 115,507,752</u>	<u>\$ 145,572,367</u>	<u>\$ 139,076,760</u>	<u>\$ 154,113,211</u>	<u>\$ 277,461,603</u>	<u>\$ 252,565,034</u>	<u>\$ 127,313,727</u>	<u>\$ 113,417,755</u>
School's Covered Payroll	\$ 55,616,430	\$ 51,535,518	\$ 48,197,465	\$ 42,710,218	\$ 39,580,644	\$ 38,072,316	\$ 36,276,775	\$ 35,056,996
School's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	186.3%	282.5%	259.4%	322.1%	701.0%	663.4%	351.0%	323.5%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.86%	66.99%	64.52%	57.01%	43.96%	43.10%	59.20%	62.80%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2014 was not available.

** A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018 based on Senate Bill 18-200. House Bill (HB) 20-1379 suspended the \$225 million direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF PENSION CONTRIBUTIONS AND RELATED RATIOS
LAST EIGHT FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 11,687,699	\$ 10,401,093	\$ 9,468,008	\$ 8,736,015	\$ 6,970,153	\$ 7,186,564	\$ 6,569,899	\$ 6,014,516
Contributions in Relation to the Contractually Required Contribution	<u>11,687,699</u>	<u>10,401,093</u>	<u>9,468,008</u>	<u>8,736,015</u>	<u>6,970,153</u>	<u>7,186,564</u>	<u>6,569,899</u>	<u>6,014,516</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's Covered Payroll	\$ 58,791,240	\$ 52,319,379	\$ 48,854,530	\$ 45,666,570	\$ 37,413,596	\$ 39,639,073	\$ 37,910,554	\$ 36,606,914
Contributions as a Percentage of Covered Payroll	19.88%	19.88%	19.38%	19.13%	18.63%	18.13%	17.33%	16.43%

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
LAST FIVE YEARS

Fiscal Year	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Plan Measurement Date	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
School's Proportion (Percentage) of the Collective Net OPEB Liability	0.581413993%	0.556886036%	0.546713584%	0.504987506%	0.487538319%
School's Proportionate Share of the Collective Net OPEB Liability	\$ 5,013,562	\$ 5,291,670	\$ 6,145,050	\$ 6,870,567	\$ 6,336,045
School's Covered Payroll	\$ 55,616,430	\$ 51,535,518	\$ 48,197,465	\$ 42,710,218	\$ 39,580,644
School's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll Covered Payroll	9.0%	10.3%	12.7%	16.1%	16.0%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	39.40%	32.78%	24.49%	17.03%	17.53%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2017 was not available.

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF CONTRIBUTIONS AND RELATED RATIOS
LAST EIGHT FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 599,671	\$ 533,658	\$ 498,316	\$ 465,799	\$ 381,619	\$ 404,319	\$ 386,688	\$ 373,391
Contributions in Relation to the Contractually Required Contribution	<u>599,671</u>	<u>533,658</u>	<u>498,316</u>	<u>465,799</u>	<u>381,619</u>	<u>404,319</u>	<u>386,688</u>	<u>373,391</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's Covered Payroll	\$ 58,791,240	\$ 52,319,379	\$ 48,854,530	\$ 45,666,570	\$ 37,413,596	\$ 39,639,073	\$ 37,910,554	\$ 36,606,914
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

MAPLETON PUBLIC SCHOOLS
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets And Budgetary Accounting

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

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

- By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. The Colorado Department of Education also requires a Budget Summary report to be filed with the adopted budget beginning July 1.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Education. All annual appropriations lapse at fiscal year-end.
- Prior to June 30, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.
- For the year ended June 30, 2022, actual expenditures in the Food Service Fund and the Capital Project Fund exceeded budgeted expenditures. This may be a violation of Colorado Budget Law.

SUPPLEMENTARY INFORMATION

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET TO ACTUAL – CAPITAL RESERVE FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>				
Local sources:				
Revenue from leases	\$ 38,115	\$ 38,115	\$ 38,115	\$ -
Investment earnings	-	-	7	7
Other	-	-	3,925	3,925
Total Revenues	<u>38,115</u>	<u>38,115</u>	<u>42,047</u>	<u>3,932</u>
<u>Expenditures</u>				
Supporting services:				
Purchased services	226,383	226,383	10,655	215,728
Small equipment	-	-	81,613	(81,613)
Capital outlay	-	250,000	297,572	(47,572)
Debt service				
Principal	514,511	514,511	514,510	1
Interest and fiscal charges	<u>157,910</u>	<u>157,910</u>	<u>156,391</u>	<u>1,519</u>
Total Expenditures	<u>898,804</u>	<u>1,148,804</u>	<u>1,060,741</u>	<u>88,063</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(860,689)</u>	<u>(1,110,689)</u>	<u>(1,018,694)</u>	<u>91,995</u>
Other Financing Sources (Uses)				
Sale of capital assets	-	-	20,445	20,445
Transfers in (out)	<u>642,986</u>	<u>892,986</u>	<u>200,000</u>	<u>(692,986)</u>
Total Other Financing Sources (Uses)	<u>642,986</u>	<u>892,986</u>	<u>220,445</u>	<u>(672,541)</u>
Net Change In Fund Balance	<u>\$ (217,703)</u>	<u>\$ (217,703)</u>	<u>\$ (798,249)</u>	<u>\$ (580,546)</u>

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET TO ACTUAL – CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>				
Local sources:				
Investment earnings	\$ -	\$ -	\$ 2,037	\$ 2,037
Other	-	-	114,782	114,782
State source:				
Grants	4,405,546	4,405,546	4,731,875	326,329
Grant revenue - portion provided by state	7,245,870	7,245,870	8,078,587	832,717
Total Revenues	<u>11,651,416</u>	<u>11,651,416</u>	<u>12,927,281</u>	<u>1,275,865</u>
<u>Expenditures</u>				
Supporting services:				
Salaries	-	-	9,909	(9,909)
Benefits	-	-	2,166	(2,166)
Purchased services	8,170	8,170	60,557	(52,387)
Supplies and materials	-	-	22,308	(22,308)
Small equipment	1,444,255	1,444,255	1,057,671	386,584
Other	-	-	-	-
Capital outlay	19,087,451	19,087,451	21,523,431	(2,435,980)
Total Expenditures	<u>20,539,876</u>	<u>20,539,876</u>	<u>22,676,042</u>	<u>(2,136,166)</u>
Net Change In Fund Balance	<u>\$ (8,888,460)</u>	<u>\$ (8,888,460)</u>	<u>\$ (9,748,761)</u>	<u>\$ (860,301)</u>

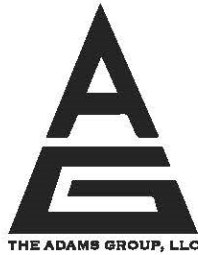
MAPLETON PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET TO ACTUAL – BOND REDEMPTION FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>				
Local sources:				
Property taxes	\$ 12,207,479	\$ 12,207,479	\$ 13,078,653	\$ 871,174
Delinquent taxes, penalties and interest	-	-	48,774	48,774
Investment earnings	-	-	634	634
Total Revenues	<u>12,207,479</u>	<u>12,207,479</u>	<u>13,128,061</u>	<u>920,582</u>
<u>Expenditures</u>				
Supporting services:				
Purchased services	7,100	7,100	4,905	2,195
Debt service:				
Principal	5,181,231	5,181,231	5,181,231	-
Interest and fiscal charges	<u>7,019,148</u>	<u>7,019,148</u>	<u>6,866,828</u>	<u>152,320</u>
Total Expenditures	<u>12,207,479</u>	<u>12,207,479</u>	<u>12,052,964</u>	<u>154,515</u>
Net Change In Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,075,097</u>	<u>\$ 1,075,097</u>

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET TO ACTUAL – STUDENT ACTIVITY FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>				
Local sources:	\$ -	\$ -	\$ 187,253	\$ 187,253
Total Revenues	<u>-</u>	<u>-</u>	<u>187,253</u>	<u>187,253</u>
<u>Expenditures</u>				
Supporting services:				
Purchased services	-	-	6,950	(6,950)
Supplies	<u>287,017</u>	<u>287,017</u>	<u>154,729</u>	<u>132,288</u>
Total Expenditures	<u>287,017</u>	<u>287,017</u>	<u>161,679</u>	<u>125,338</u>
Net Change In Fund Balance	<u>\$ (287,017)</u>	<u>\$ (287,017)</u>	<u>\$ 25,574</u>	<u>\$ 312,591</u>

COMPLIANCE SECTION



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS*

Board of Education
Mapleton Public Schools
Denver, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mapleton Public Schools, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Mapleton Public Schools basic financial statements, and have issued our report thereon dated February 2, 2023.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore; material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

Mapleton Public School's Response to Finding

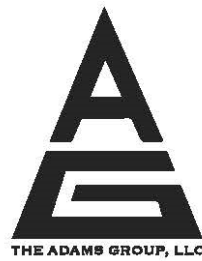
Government Auditing Standards requires the auditor to perform limited procedures on Mapleton Public School's response to the findings identified in our audit and described in the accompanying schedule of findings and questions costs. Mapleton Public School's response was not subject to the other auditing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

Purpose of this Report

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

The Adams Group, LLC

Denver, Colorado
February 2, 2023



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE

Board of Education
Mapleton Public Schools
Denver, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Mapleton Public School's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Mapleton Public School's major federal programs for the year ended June 30, 2022. Mapleton Public School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Mapleton Public Schools complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Mapleton Public School's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Mapleton Public School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Mapleton Public School's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over

compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

The Adams Group, LLC

Denver, Colorado
February 2, 2023

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures	Passed Through to Sub-Recipients
<u>U.S. Department Of Agriculture</u>				
<u>Child Nutrition Cluster</u>				
Seamless Summer Optino (SSO)* Breakfast	10.553	5553	\$ 788,120	\$ -
Passed through Colorado Department of Human Services				
Donated Food Commodities	10.555	4555	259,791	-
Passed through State of Colorado Department of Education				
Seamless Summer Option (SSO)* Lunch/Snack	10.555	5555	2,846,590	
Supply Chain Assistance (SCA) 2021 - 2023	10.555	6555	89,472	
National School Snack Program	10.555	4555	8,233	-
CFDA 10.555 total			3,204,086	-
Summer Food Service Program for Children	10.559	4559	53,169	-
Total Child Nutrition Cluster			4,045,375	-
Child and Adult Care Food Program CACFP	10.558	4558	47,198	-
Total U.S. Department Of Agriculture			4,092,573	-
<u>U.S. Department Of Education</u>				
Passed through State Department of Education				
Special Education Cluster (IDEA)				
Special Education - Preschool Grants	84.173	4173	44,676	-
Special Education - Grants to States	84.027	4027	1,675,612	-
Total Special Education Cluster (IDEA)			1,720,288	-
Title I Grants to Local Educational Agencies	84.010	4010	1,326,553	-
Title I School Improvement Grants	84.010	5010	87,000	-
CFDA 84.010 Total			1,413,553	-
English Language Acquisition Grants	84.365	4365	177,103	-
After School Learning Centers	84.287	6287	293,794	-
Improving Teacher Quality State Grants	84.367	4367	175,754	-
Title IV Student Support	84.424A	4424	132,021	-
McKinney Vento Grant	84.196A	5196	26,435	-
ESSER II - Distribution 90%	84.425D	4420	2,281,020	-
ESSER II Supplemental	84.425D	4419	815,135	-
ESSER I 21st CCLC Learning Opportunities	84.425D	5625	67,496	-
CFDA 84.425D Total			3,163,651	-
ESSER III ARP	84.425U	4414	4,095,323	-
ESSER III ARP Supplemental	84.425U	9414	1,810,573	-
CFDA 84.425U Total			5,905,896	-
Total Education Stabilization Fund Cluster			9,069,547	-
Total U.S. Department Of Education			13,008,495	-
Total Federal Awards			\$ 17,101,068	\$ -

MAPLETON PUBLIC SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS
June 30, 2022

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards, which includes the federal grant activity of the Mapleton Public Schools (the District) for the year ended June 30, 2022. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included in the schedule. The information in this schedule is presented in accordance with the requirements of Title 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Because the schedule presents only a select portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The accompany schedule of expenditures of federal awards is presented on the modified accrual basis of accounting. Expenditures of federal awards are recognized in the accounting period when the liability is incurred. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where in certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – NONCASH

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. The commodities are recognized as expenditures when used by the schools. Commodities are valued based on current market value. Expenditures totaling \$259,791 were recognized for food commodities used during the year ended June 30, 2022. The majority of the commodities are stored at the individuals 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.

NOTE 4 – SUBRECIPIENTS

For the year ended June 30, 2022, the District did not pass through any federal grants to subrecipients.

NOTE 5 – INDIRECT COSTS

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

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: *unmodified opinion*

Internal control over financial reporting:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified? Yes X No

Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency Yes X No

Type of auditor's report issued on compliance for major programs: *unmodified opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes X No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.010	Title I, Part A
84.425	Education Stabilization Fund Cluster

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

Auditee qualified as low-risk auditee? X Yes No

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

Section II – Financial Statement Findings

2022-001

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Criteria or specific requirement: Under U.S. GAAP, the District should recognize revenues when they are realizable and available, prepaid contributions when paid, and retainage should be reduced when paid.

Condition: During fiscal year 2022, it was noted that the District did not properly account for accrual entries as of June 30, 2022. The accounts impacted were related to: 1) grant receivables, grant revenues, and unavailable grant revenues; 2) retainage payable and expenditures; and 3) prepaid pool contributions.

Context: 1) The District did not properly reflect the prepaid contribution balance as of June 30, 2022, as recognized by the self-insurance pool; 2) material journal entries were recorded for grant receivables, unavailable revenues, and revenues based on the period of availability and timing of cash receipts by the District; and 3) the District did not record the payment of retainage during the current year.

Effect: Material audit adjustments were posted as of June 30, 2022.

Cause: The errors were a result of the District not performing a financial close and reporting process across all account balances. In addition, certain transactions were not recorded in the correct fiscal period.

Repeating Finding: This is a repeat finding.

Recommendation: We recommend the District evaluate and enhance its financial close and reporting procedures to ensure all accrual activity at year end is properly recorded. This should be performed for all account balances reported by the District.

Views of responsible officials and planned corrective actions: The District agrees with the finding.

MAPLETON PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

Section III Findings – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV Findings – Prior Year Findings

Finding: 2021-001

Status: Not corrected. 1) The District did not properly reflect the prepaid contribution balance as of June 30, 2022, as recognized by the self-insurance pool; 2) material journal entries were recorded for grant receivables, unavailable revenues, and revenues based on the period of availability and timing of cash receipts by the District; and 3) the District did not record the payment of retainage during the current year.

Corrective Action: The District will implement procedures and controls to ensure all yearend related accrual activity is properly reconciled and accounted for.



Colorado Department of Education

Auditors Integrity Report

District: 0010 - Mapleton 1

Fiscal Year 2021-22

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	4,573,573	88,996,677	90,145,718	3,424,532
18 Risk Mgmt Sub-Fund of General Fund	1,342,034	1,811,527	1,511,175	1,642,387
19 Colorado Preschool Program Fund	-76,990	4,883,036	4,883,036	-76,990
Sub- Total	5,838,617	95,691,240	96,539,928	4,989,928
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	1,693,364	4,235,730	3,326,297	2,602,797
22 Govt Designated-Purpose Grants Fund	0	14,770,049	15,275,751	-505,701
23 Pupil Activity Special Revenue Fund	229,120	187,252	158,343	258,030
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	10,152,931	13,128,062	12,052,964	11,228,030
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	12,072,120	12,927,284	22,676,044	2,323,359
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	689,355	262,492	1,060,740	-108,893
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	30,675,507	141,202,109	151,090,067	20,787,550
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	0	0	0	0
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	0	0	0	0