

2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2022



Mesa County Valley School District 51
2115 Grand Ave., Grand Junction, Colorado 81506
<https://www.d51schools.org>

Mesa County Valley School District No. 51

2115 Grand Ave.
Grand Junction, Colorado 81501

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2022



Diana Sirko, Ph.D – Superintendent

Brian Hill, Ph.D – Assistant Superintendent

Melanie Trujillo - Chief Financial Officer

Prepared by:

District 51 Financial Services Department

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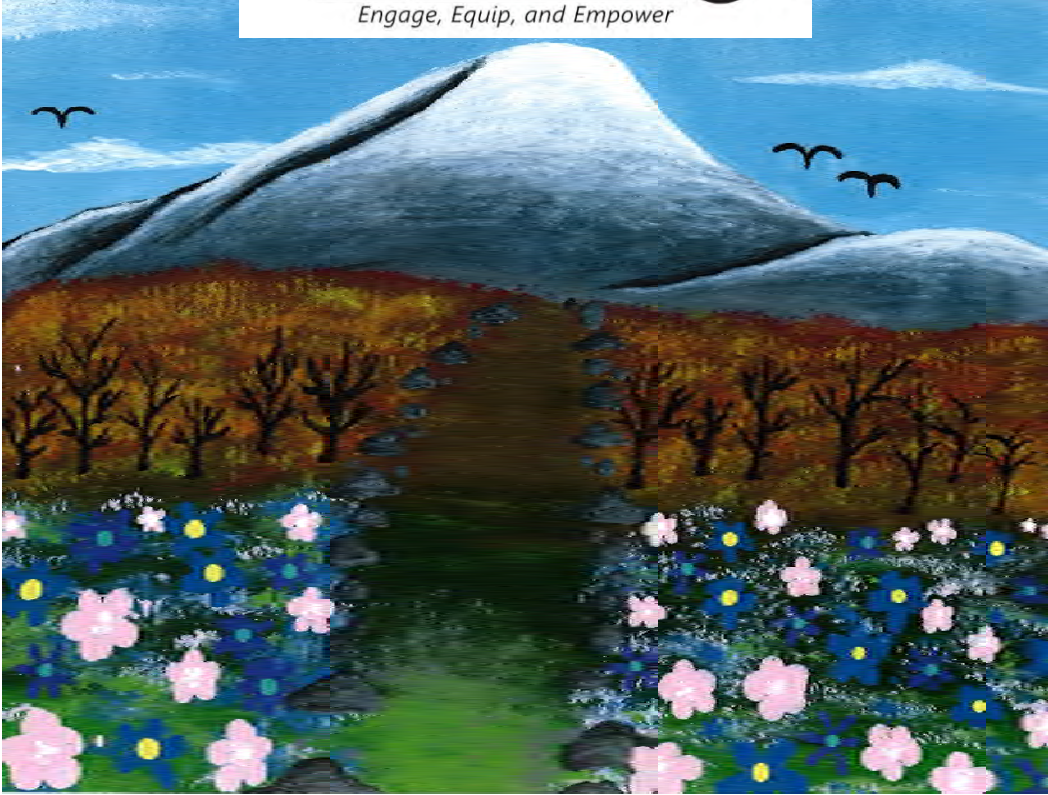
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Mariana Chavez-Cordova 8th Grade – Mesa Valley Community School

INTRODUCTORY SECTION

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December 20, 2022

To the President and Members of the Board of Education and the Citizens of Mesa County Valley School District No. 51:

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the **Annual Comprehensive Financial Report** of Mesa County Valley School District No. 51 (the District) for the fiscal year ended June 30, 2022.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Chadwick, Steinkirchner, Davis, & Co., P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the specific rules and regulations of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are presented in the Single Audit section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

Profile of the District

The District was formed in 1951 from a number of small, independent school districts in Mesa County, Colorado. The major purpose of the District is to provide K–12 public education for those who reside within the boundaries of the District, which cover about one-half of the county's land area, which is approximately 2,200 square miles, and about 95% of the County's population. To accomplish this purpose, the District operates twenty-five (25) elementary schools, eight (8) middle schools, one (1) 8/9 school, five (5) high schools, four (4) alternative schools, and one (1) remote K-12 mountain school. The District is the largest employer in Mesa County, employing 2,619 full-time 152 part-time and 613 substitute employees during fiscal year 2022. The District served approximately 20,744 student FTEs during the 2021-22 school year.

The District is an independent district governed by a five-member Board of Education (the Board) whose members are elected by the qualified electors within the District's boundaries. Board members serve four year staggered terms, with two or three members elected every two years. General duties which the Board is empowered to perform include the power to employ all personnel necessary to maintain the operations and carry out the educational programs of the District and pay their compensation; to fix attendance boundaries; to establish annual budgets; to determine the educational programs to be carried on in the schools of the District; and to prescribe the curriculum of any course of instruction or study in such educational programs. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding sources.

The annual budget serves as the foundation for the District's financial planning and control. Budgetary controls ensure compliance with legal requirements, Board of Education policies, and District administration guidelines. All activities of the District are budgeted, as required by state statute. Expenditures may not legally exceed appropriations at the fund level. Detailed line item records provide management the capability to monitor budgets for all funds. Budgetary control is also maintained through the use of an encumbrance/purchase order system for materials and capital purchases. Encumbrances outstanding at year end lapse, but are generally re-appropriated as a part of the following year's budget. A proposed budget must be presented to the Board of Education by May 31. The Board of Education makes final adjustments to the budget, and two budget hearings must be held prior to adoption of the budget and formal close of the District's fiscal year, June 30. The law allows a re-adoption to occur before January 31 of the fiscal year for which it was adopted, based on finalized student count. The board may authorize supplemental appropriations during the fiscal year in the event unforeseen revenue becomes available to the District.

The District and its Services

This report includes all of the activities of Mesa County Valley School District No. 51 (the Primary Government) as well as its component units. The District has entered into an agreement with three schools, Independence Academy Charter School, Juniper Ridge Community School and Mesa Valley Community School, as allowed under the Colorado Charter Schools Act. The charter schools are publicly funded schools through the District under the school finance act and under the general supervision of the local Board of Education. The schools meet the requirements under Governmental Accounting Standards to be presented as discrete component units.

The District 51 Foundation (Foundation) was organized in the fall of 2010, and is a nonprofit, tax-exempt corporation established for the purpose of attracting funding from business, industry and individuals to enhance educational programs and activities for students. The Foundation is not presented as part of the reporting entity for financial reporting purposes because the Foundation's financial operations are not considered to be significant in comparison to the District as a whole.

Local Factors Affecting Financial Condition

District Leadership. Dr. Diana Sirko, Ph.D. was named Superintendent of the Mesa County School District effective July 1, 2019, following her interim Superintendent term started on October 1, 2018. Diana is in her 47th year as a Colorado educator. She has served as a teacher, principal, assistant superintendent, and superintendent and the Deputy Commissioner of Education in Colorado prior to her current role. Honors received by Dr. Sirko include Honorable Mention as Colorado Teacher of the Year, and nominations for Colorado Principal of the Year, two-time nomination for Superintendent of the Year, and winner of the Colbert Cushing Award from Colorado Association for School Executives for outstanding service to Colorado education. Dr. Sirko had retired as of June 30, 2022.

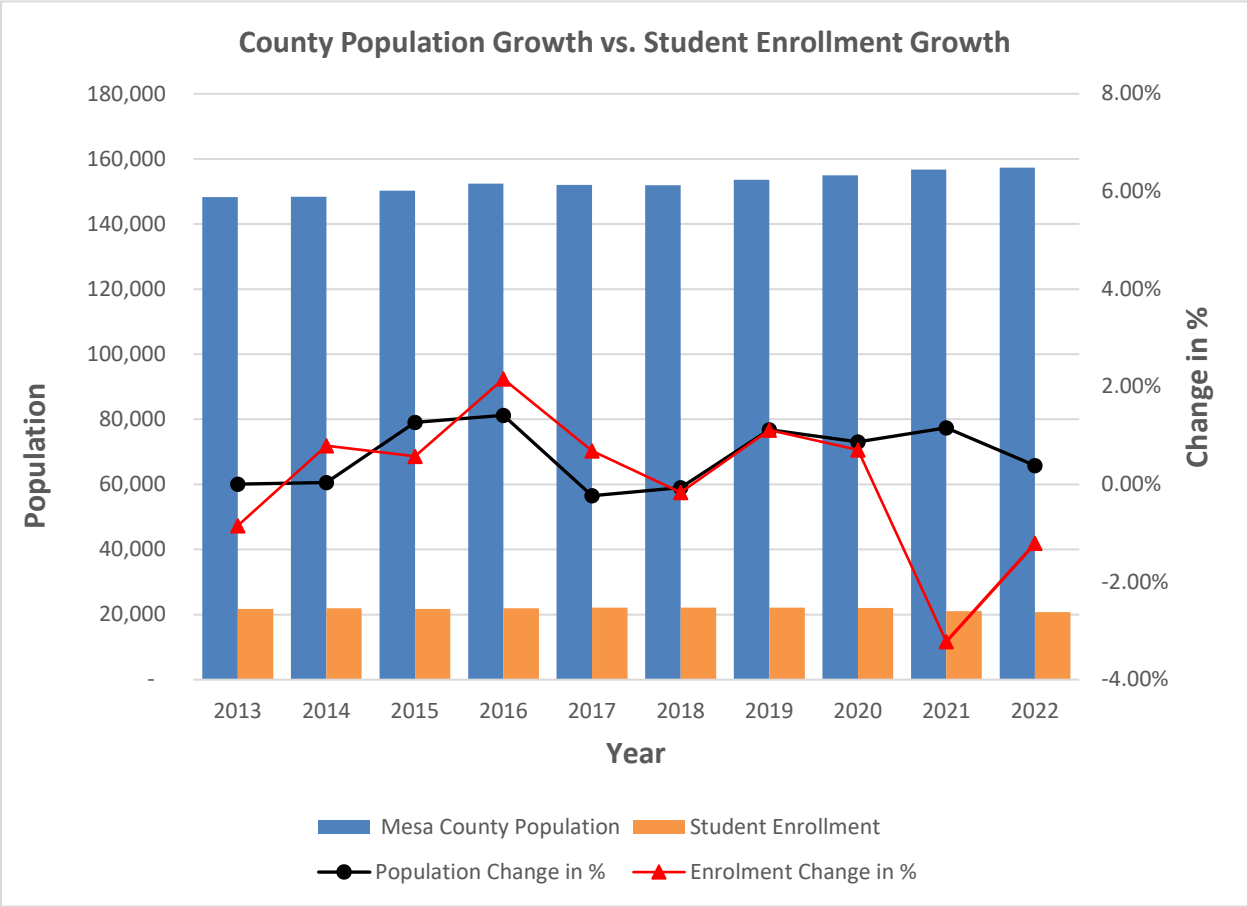
Dr. Brian Hill was hired as Mesa County Valley School District 51's Assistant Superintendent in 2019. In February 2022, Dr. Hill was unanimously selected by the D51 Board of Education as the Superintendent Designee and was moved into the D51 Superintendent role began July 1, 2022. Prior to joining the District, Dr. Hill worked for the Austin Independent School District for 11 years in the following roles: Special Assistant to the Superintendent, Administrative Supervisor, Principal, Assistant Principal, and Teacher. Dr. Hill holds a B.A. in Theology from East Texas Baptist University, an M.A. in Educational Leadership Administration from The University of Texas at Austin, and an Ed.D. in Educational Leadership and Policy from The University of Texas at Austin. Dr. Hill received the Texas Elementary Principals and Supervisors Association's TEPSAN of the year award, was nominated for Austin Independent School District's Assistant Principal of the year, and was recognized as a Teacher of the Year in AISD. Dr. Hill currently serves as the Executive Board Chair of the Colorado Student Leaders Institute; a Board of the Governor of Colorado.

Local Economy. The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Population growth in Mesa County has been moderate over the last ten years. Mesa County's population has grown from 148,286 in 2012 to an estimated 157,335 in 2022, or 6.1% for the time period. The County unemployment rate has primarily declined every year since 2010. However, in April 2020 the COVID pandemic caused a historic high unemployment rate nationwide. Colorado's unemployment rate during this period was 12.1 %, and Mesa County's unemployment rate was 12.8%. The recent economic growth indicators show the unemployment rate has retreated in Mesa County to the lowest level since before the onset of the COVID-19 pandemic. The County's unemployment rate was at 3.7% as of June 2022, decreasing 3.2% from prior year. As of June 2022, the county has emerged with a strong labor market.

The Mesa County real estate market had been experiencing a high increase in sale prices. The median sales price increased by 18.2% compared to the same quarter last year. More importantly, however, July showed a 4.5% decrease in prices, showing that high interest rates may finally start to cause a pause in the Mesa County housing market. On the flip side, the inventories remain historically low. Natural gas production has continued its decline that began in 2019, and residential and nonresidential construction has struggled to stay affordable due to the high inflation.

A growth in the County's population is not always mirrored by the growth in the student count of the District. The graph below illustrates the County population and District enrollment trends since 2013. More population and enrollment data can be found in the Statistical section. Student enrollment in Mesa County has historically more closely reflected employment growth in the County. Historically, the growth in student enrollment was attributable to the influx of working families in response to an increase in oil and gas production and construction employment opportunities. As the area's economy has shifted since the COVID 19, student enrollment has been declining. The October pupil counts have fluctuated year to year, with an overall decrease for the last ten years of 986 students.



Long-term financial planning. School Districts in the state of Colorado are funded based on a complex “Total Program Funding Formula”, which is set forth by the School Finance Act of 1994. For each pupil funded in the October 1 pupil count, the formula provides a base per-pupil amount of money plus additional money to recognize district-by-district variances in: (a) cost of living, (b) personnel costs, and (c) size. The Total Program amount also includes additional funding for at-risk pupils. As these components vary among school districts, so does the amount of Total Program funding provided. Starting in FY 2010-11, a new factor was introduced in the school finance formula due to the statewide budget balancing challenges facing Colorado. This new factor is named “Budget Stabilization Factor” pursuant to Senate Bill 17-296 (“SB 17-296”). It reduces the amount of funding districts would have received prior to this factors application in an equitable and fair manner. In November 2000, Amendment 23 was passed by Colorado voters. Amendment 23 required the state to increase its funding of school districts each year by the rate of inflation plus 1% for the next ten years, and thereafter at the rate of inflation. The amendment created a State Education Fund to support this level of funding. A state referendum on the November 2005 ballot passed, which allowed the state to increase its tax revenues without increasing tax rates through 2010 in order to regain fiscal stability. For fiscal years 2011 through 2021, the state could not fund the increases mandated by Amendment 23, and applied a negative statewide “Budget Stabilization Factor”. As a result, Per Pupil funding decreased \$251.12 from 2010 to 2011 and \$326 from 2011 to 2012. Per pupil funding levels were not significantly decreased for fiscal years 2013 and 2014. Funding increased steadily from 2015 through 2020 due to the reduction over time of the budget stabilization factor. With the impact of the COVID-19 pandemic on Colorado’s economy, however, funding was once again decreased in 2021. In 2022, the state reduced the negative factor to \$503.3 million, a \$548.7 million decrease that retreated the factor to the pre-pandemic level. In return, the District had an increase of \$839.30 in per pupil funding, for a total of

\$8,501.28 PPR. Historically, the District has been one of the lowest funded of the 178 school districts in the state of Colorado. Even with the PPR increasing, the District was \$513 below the state average in PPR funding for 2022.

In the spring of 2007, the Colorado state legislature passed Senate Bill 199, which froze local school district property tax mill levies. This legislation applies to the Total Program mill levy only. It does not affect override, bond, special building and technology, full-day kindergarten excess cost, or transportation mill levies. The freeze was intended to maintain a level effort of tax support for school district funding from local taxpayers, whose mill levies had declined over the years due to rising property valuations coupled with the application of the state's legal limitations on increasing tax revenues. However, the Colorado Department of Education's interpretation of this legislation has since been deemed incorrect, in that districts that had permission from the voters to keep their property tax collection at a higher level, should have done so.

With the passage of HB-21-1164, beginning in 2020 the state Legislature began to implement action to correct the misinterpretation by requiring the Colorado Department of Education to introduce plans for local districts to "as quickly as possible but by no more than one mill each property tax year," increase property tax mill levy, over time. The level of property tax to be levied is the lowest of: the mill levy level approved by their voters at the time of the de-TABOR vote; the mill levy level required to full fund the District; or 27 mills, beginning in the 2021 tax year. For the District, the total program mills will be increased to 27 mills over the course of three years.

In 1992, Colorado voters approved TABOR (as Article X, Section 20 of the Colorado constitution). In general, TABOR restricts the ability of the State and local governments to increase revenues. The District's annual revenue and spending growth is limited by its percentage of growth in pupil enrollment plus the rate (percentage) of inflation, in accordance with the Taxpayer's Bill of Rights (TABOR) state constitutional amendment. This limit initially may restrict a district's ability to accept the full amount of funding as determined by the Total Program formula calculation. In such a case, to subsequently receive the full formula amount of funding, a district must certify to the Colorado Department of Education that receiving the full amount of Total Program funding would not violate its TABOR limit.

In addition to the TABOR reserve, effective June 30, 2021, the District Board designated an operating fund balance reserve of at least 10% in the General fund if it is available and supported by the student count as of October 2021. The designated fund shall be used for designated emergencies, and requires Board spending approval. It is established at a minimum of 10% of annual expenditures and transfers.

A mill levy override allows a school district to request more property tax revenue for day-to-day operational expenses than is provided by the Colorado Public School Finance Act. In November 2017, MCVSD51 voters approved a mill levy override to raise property taxes within District 51 boundaries by \$6.5 million annually for ten years. The mill levy serves several purposes, including: adding additional student contact days in the school calendar, updating instructional materials and educator training, building maintenance and adding positions to support technology in schools.

In November 2021, Mesa county voters approved the Bond Measure to rebuild a 128-year-old high school-Grand Junction High School. The new school's groundbreaking was June 1, 2022, and the anticipated completion date will be the end of 2024. The financial data is provided in the Capital project capital building fund.

In response to the COVID-19 pandemic, Congress has passed significant stimulus bills that include funding for education. The total we received as of 2022 was \$47.7 million, \$31 million in 2021, and \$17.7 million in 2022. The District anticipates receiving approximately an additional \$32 million by 2024. More details can be found in the footnote.

Budget. The District's budget is developed to support the District's strategic plan as well as the priorities that are established annually by the Board of Education. In particular, the budget is focused on allocating

limited resources to support student achievement. The budget is the primary tool to communicate the District's financial plan to citizens and staff. An initial budget is adopted by June 30 every year based on per pupil funding and estimated student enrollment. Actual student enrollment is counted on October 1 every year, and the budget is adjusted through re-adoption prior to January 31.

Fiscal Oversight committee. The District's independent auditor communicates certain matters to upper management and the Board of Education in conjunction with the Fiscal Oversight committee. The Fiscal Oversight committee includes six community members with finance and/or school district expertise, and members of management involved in financial reporting, budget, and investments. Management through the Fiscal Oversight committee and the independent auditor report audit findings and other financial considerations to the Board of Education. The Board is responsible for the oversight of the financial reporting process.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Mesa County Valley School District No. 51 for its **Annual Comprehensive Financial Report (ACFR)** for the fiscal year ended June 30, 2022. This was the twenty-eighth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to express our appreciation to the dedicated staff of the Financial Services Department. The preparation of this report would not have been possible without their professionalism and expertise, not only during the reporting process, but throughout the year.

In closing, we wish to thank the members of the Board of Education for their interest, leadership, and support for maintaining the highest standards of professionalism in the management of the District's finances.

Respectfully submitted,



Superintendent of Schools
Dr. Brian Hill, Ph.D



Chief Financial Officer
Melanie Trujillo



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Mesa County Valley School District No. 51
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

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Mesa County Valley School District 51 Organizational Chart (Executive)

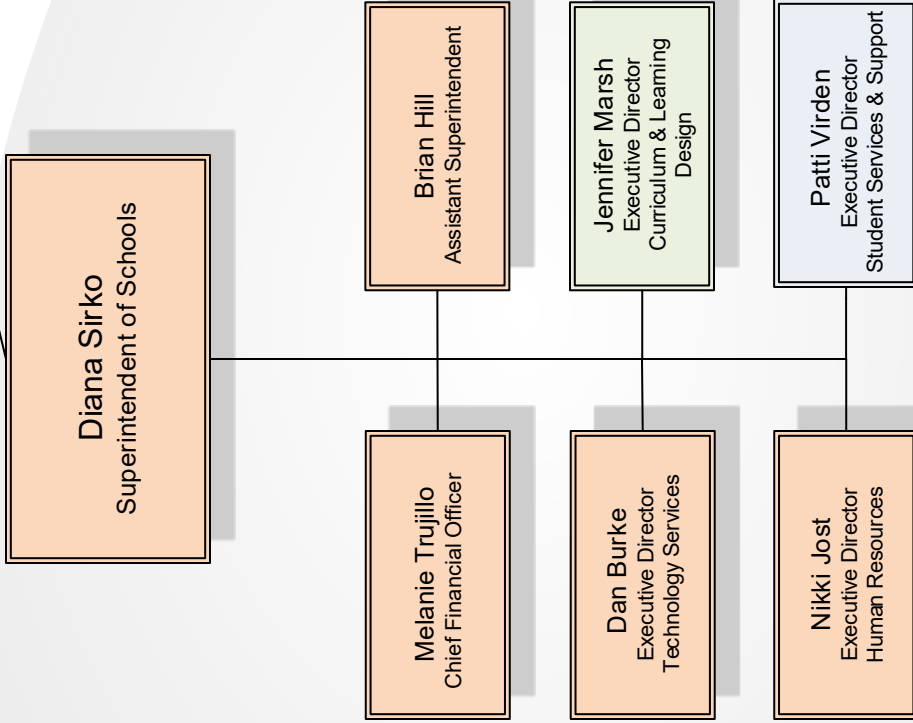
Emerson

Administration

Basil T. Knight

2021-22

Board of Education



More details can be found on SD51 website for
Student Services & Support, Technology Services, Human Resources, Curriculum & Learning Design, Financial Services, Superintendent's Office,
& Assistant Superintendent's Office

Elected Officials

The Mesa County Valley School District 51 Board of Education serves as representatives of the community, providing effective governance to support continuous success for all students. Voters within School District 51's boundaries elect five members to staggered four-year terms. Click link(s) to download the [District Boundary Map](#) or [General Description of Director Districts](#).



Doug Levinson

District 'A' – District 'A' generally includes the northwest quadrant of the District including the communities of Fruita, Mack and Loma. District 'A' also includes the western half of the Redlands neighborhood – predominantly the portion of the Redlands west of Redlands Parkway. This district also includes the Appleton neighborhood west of 25 Rd.



Dr. Kari Sholtes

Director District 'B' - District 'B' includes the western and southwestern portion of the District west of the Gunnison River. This district includes the eastern half of the Redlands neighborhood – predominantly the Portion of the Redlands east of Redlands Parkway. District 'B' also includes the western portion of Grand Junction south of G Rd. and west of N. 7th St. including most of the downtown area. This district also includes the western portion of the Dos Rios area, the Gateway community and Unaweep Canyon.

(Continue)

Elected Officials



Andrea Haitz, President

Director District 'C' – District 'C' includes central Grand Junction generally between N. 7th St. and 29 Rd. south of G Rd. The district also includes the area north of G Rd. between 25 Road and the airport.



Will Jones, Vice President

Director District 'D' – District 'D' covers the portion of Grand Junction east of 29 Rd. and west of 31 Rd. including Pear Park and Orchard Mesa. The district also includes the portion of Whitewater west of U.S. Highway 50 and the river corridor between the Gunnison River and Highway 50.



Angela Lema

Director District 'E' – District 'E' includes the area generally east of 31 Rd. including the Clifton and Palisade communities and the portion of Whitewater east of U.S. Highway 50. The district includes the portion of Orchard Mesa east of 32 Rd. and the northeastern rural quadrant of the district and southeastern quadrant east of Highway 50.

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APPOINTED OFFICIALS

Diana Sirko, Ph.D.

Superintendent of Schools



Brian Hill, Ph.D.

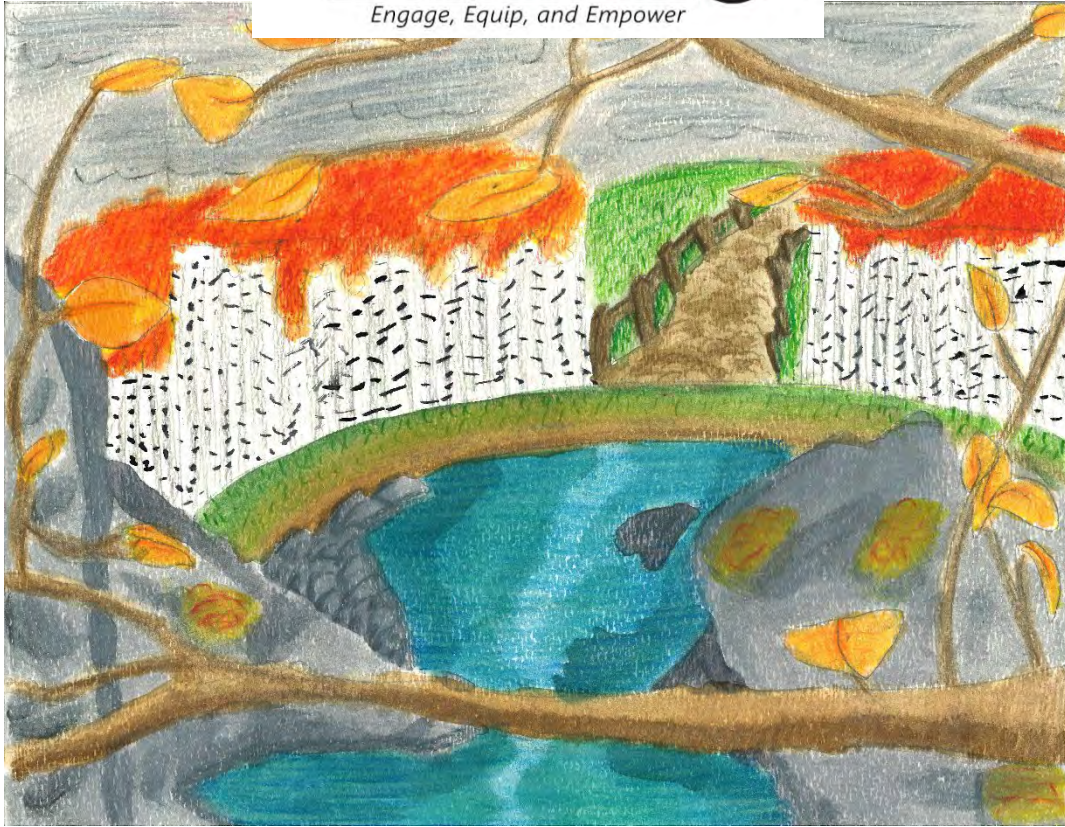
Assistant Superintendent



Superintendent Cabinet

Chief Financial Officer Melanie Trujillo
Executive Director of Human Resources Nikki Jost
Executive Director of Curriculum & Learning Design Jennifer Marsh
Executive Director of Student Services and Support Patti Virden
Executive Director of Technology Services Dan Burke

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Marshall Brown 10th Grade - Palisade High School

FINANCIAL SECTION

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education
Mesa County Valley School District No. 51
Grand Junction, Colorado

Report on the Audit of the Financial Statements***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Mesa County Valley School District No. 51 (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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Mesa County Valley School District No. 51, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Auditor's 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. The discretely presented component units were not audited in accordance with *Government Auditing Standards*.

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.

Auditor's Responsibilities for the Audit of the Financial Statements



Board of Education
Mesa County Valley School District No. 51

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. We did not audit the financial statements of Independence Academy Charter School, or Juniper Ridge Community School which represent a combined 85 percent of assets, 69 percent of revenues, and 37 percent of net position of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, are based solely on the report of the other auditors. 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, the pension and OPEB schedules, and budgetary comparison information 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 .



Board of Education
Mesa County Valley School District No. 51

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 combining and individual nonmajor fund financial statements, budgetary comparison schedules, capital asset schedules, Auditor's Integrity 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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, the combining and individual nonmajor fund financial statements budgetary comparison schedules, capital asset schedules, Auditor's Integrity 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 Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2022, on our consideration of the Mesa County Valley School District No. 51'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 reporting and compliance.

Chadwick, Steinkirchner, Davis & Co., P.C.

Chadwick, Steinkirchner, Davis & Co., P.C.
December 20, 2022

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BASIC FINANCIAL STATEMENTS

Management's Discussion and Analysis

As management of the Mesa County Valley School District No. 51 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented herein in conjunction with additional information that we have furnished in our letter of transmittal found on pages 3-7 of this report.

Financial Highlights

In January 2022, the District issued a \$115 million General Obligation bond, series 2022, to construct the new Grand Junction high school building. The bond's par value was \$95,040,000, and the premium was \$20,523,499. The Grand Junction high school building has a 128-year history, spans three centuries, and has an estimated one to five years of useable life left. The Series 2022 bond, dated January 26, 2022, matures on December 1, 2041. More bond's details can be found in the Notes to the Financials Statements.

- In response to the COVID-19 pandemic, Congress has passed significant stimulus bills that include funding for education. The total we received was \$47.7 million in 2022, \$31 million in 2021, and \$17.7 million in 2022. The District anticipates receiving approximately an additional \$32 million by 2024. More details can be found in the Notes to the Financials Statements.
- As of June 30, 2022, the liabilities and deferred inflows of resources of the District exceed its assets and deferred outflows of resources by \$87.4 million (a negative net position). The net position deficit is due primarily to the June 30, 2022 net pension and Other Postemployment Benefits (OPEB) liability of \$241.9 million and \$11.7 million respectively. Related deferred inflows of resources of \$123.4 million, exceeded the related deferred outflows of resources of \$53.6 million by \$ 69.8 million. As required by GASB No. 68 and 75, which established reporting requirements for governments that provide their employees with pension and OPEB benefits. The District reports its proportionate share of participation in PERA, the state's cost-sharing multi-employer defined benefit pension plan and healthcare trust fund.
- At the end of the current fiscal year, the District's governmental funds reported a total fund balance of \$206,960,834, an increase of \$120,695,029 (140 percent) over the prior year. The increase was primarily due to the new bond issued for Grand Junction high school and the COVID grant funding.
- At the end of the current fiscal year, the District's combined General fund balance was \$36,035,144, an increase of \$7,745,586. The increase can be attributed primarily to an increase in state and local funding, as well as COVID grant funding that continues to provide support by the funding of eligible expenses typically paid from the General fund.

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. They include the *Statement of Net Position and the Statement of Activities*.

The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the remainder reported as *net position*. Over

time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. There was a significant revision in reporting requirements beginning in 2014-15 when Governmental Accounting Standards Board statement 68 (GASB 68) was required to be implemented by the District. Since the 2014-15 year, the District has shown a large negative fund balance because of implementing GASB 68. In 2017-18 the District adopted the provisions of GASB 75 to account for other post-employment benefits (OPEB). To follow Generally Accepted Accounting Principles (GAAP), the District must report balances related to participation in the cost-sharing defined benefit pension plan administered by the Colorado Public Employees' Retirement Association (COPERA) and the Health Care Trust Fund (HCTF).

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

The *governmental activities* of the District include instructional services, pupil services, instructional staff services, general administration services, school administration services, business services, maintenance and capital asset services, transportation services, central administrative services, and community services.

The government-wide financial statements include not only the District but also three legally separate charter schools, Independence Academy Charter School, Juniper Ridge Community School and Mesa Valley Community School, for which the District is financially accountable. Financial information for these component units is reported on pages 57 and 58, separately from the financial information presented for the District itself combined in the government-wide *Statement of Net Position and Statement of Activities* on pages 39 and 41.

Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

❖ Governmental funds

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

Because the focus of the 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 impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances have a reconciliation to aid this comparison between *governmental funds* and *governmental activities*.

As of fiscal year-end 2022, the District maintains twelve governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Governmental Designated Purpose Grants Special Revenue Fund, the Nutrition Services Special Revenue Fund, the Building Fund Capital Projects Fund, the Capital Projects Capital Projects Fund and the Bond Redemption Debt Service Fund,

all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation in the aforementioned statements. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* on pages 104 and 105.

The District adopts an annual appropriated budget for all funds. Budgetary comparison statements or schedules have been provided for all funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 39-93 of this report.

❖ **Proprietary funds**

The District maintains one type of proprietary fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for risk management services provided to other departments or employees of the District on a cost reimbursement basis. Because these services benefit governmental activities of the District, they have been included within the *governmental activities* column in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide combined information for the three internal service funds of the District. Individual fund data for the internal service funds is provided in the form of *combining statements* on pages 112-114. The basic proprietary fund financial statements can be found on pages 54-56 of this report.

❖ **Fiduciary funds**

Effective July 1, 2020, the District implemented GASB Statement No. 84, Fiduciary Activities, which improved guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

Previously, the District uses an *Agency Fund* to account for *Student Body Activity Fund* (SBA fund). Starting the fiscal year 2021, the SBA fund is reclassified as a *Special Revenue Fund*. More details can be found in the notes to the financial statements and SBA fund statement.

❖ **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 financial statements can be found on pages 61-93 of this report.

❖ **Other Information.**

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the District's progress in funding its obligations to provide pension and OPEB benefits to its employees. Required supplementary information can be found immediately after the notes to the financial statements on pages 95-96.

The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds, and pension (and other employee benefit) trust funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found on pages 101-115 of this report.

Government-wide Financial Analysis

Net Position

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. The district's net position increased \$146,416,155 million from the prior year, primarily due to declines in our net pension and OPEB liabilities. The table below provides a comparative summary of net position for the district on a year over year basis.

MESA COUNTY VALLEY SCHOOL DISTRICT NO 51'S NET POSITION

Governmental Activities

	<u>2022</u>	<u>2021</u>
Current and other assets	\$267,880,349	\$ 139,175,545
Capital assets	<u>316,821,216</u>	<u>315,725,754</u>
Total assets	584,701,565	454,901,299
Deferred outflow of resources	53,605,725	86,567,454
Long-term liabilities	560,031,073	583,927,717
Other liabilities	<u>42,259,796</u>	<u>32,610,337</u>
Total liabilities	602,290,869	616,538,054
Deferred inflow of resources	123,443,745	158,080,851
Net position:		
Net investment in capital assets	139,176,460	113,248,554
Restricted	31,243,731	45,077,132
Unrestricted	<u>(257,847,515)</u>	<u>(391,475,835)</u>
Total net position	<u>\$ (87,427,324)</u>	<u>\$ (233,150,149)</u>

Note from the table above that current and other assets comprised about 45.8% of total assets. The remaining assets are the investment in capital assets net of accumulated depreciation. The total assets increased by \$129.8 million, primarily due to the 2022 bond issuance and the combination of local and state funding increases.

Included in the other liability was \$16.0 million were compensation-related salaries and benefits. This liability occurs when teachers and certain other District employees work ten months of the year but are paid over twelve months. The liability is recognized in the current year even though it is paid in the next fiscal year.

Long-term liabilities, which consist of bonds, notes, leases, compensated absences, pension and OPEB benefit obligations. The decreases in the District's pension and OPEB liability due to the decrease in the District's share of the state's other post-employment benefits healthcare plan liability. More information of pension and OPEB can be found in Notes to the Financials Statements No. 7 and No. 8.

Net investment in capital assets has slightly increased in comparison to fiscal year 2021 primarily due to the 2018 bond projects completion and spending down a small portion of the 2022 bond proceeds. The District's net investment in capital assets represents a portion of the net position (e.g., land and improvements, buildings, and equipment less accumulated depreciation and any debt used to acquire those assets that are still outstanding). The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the indebtedness. Property taxes are levied annually for the restricted purpose of debt service on general obligation bonds. The debt service property tax mill and resulting levy must follow statutory limitations on carryover amounts and collection amounts for any debt service funding.

At the end of the current fiscal year, the District's net position was a deficit of \$87.4 million. The deficiency is caused primarily by the OPEB and pension liabilities and related Deferred inflows and outflows. A more detailed explanation of GASB 68 and 75 are included in Notes to the Financials Statements No. 7 and No. 8.

Factors contributing to the increase in the net position are the \$115 million of bond issuance for Grand Junction high school, the revenue increases from local property taxes, state funding, and Coronavirus stimulus funding from the federal government.

Governmental activities

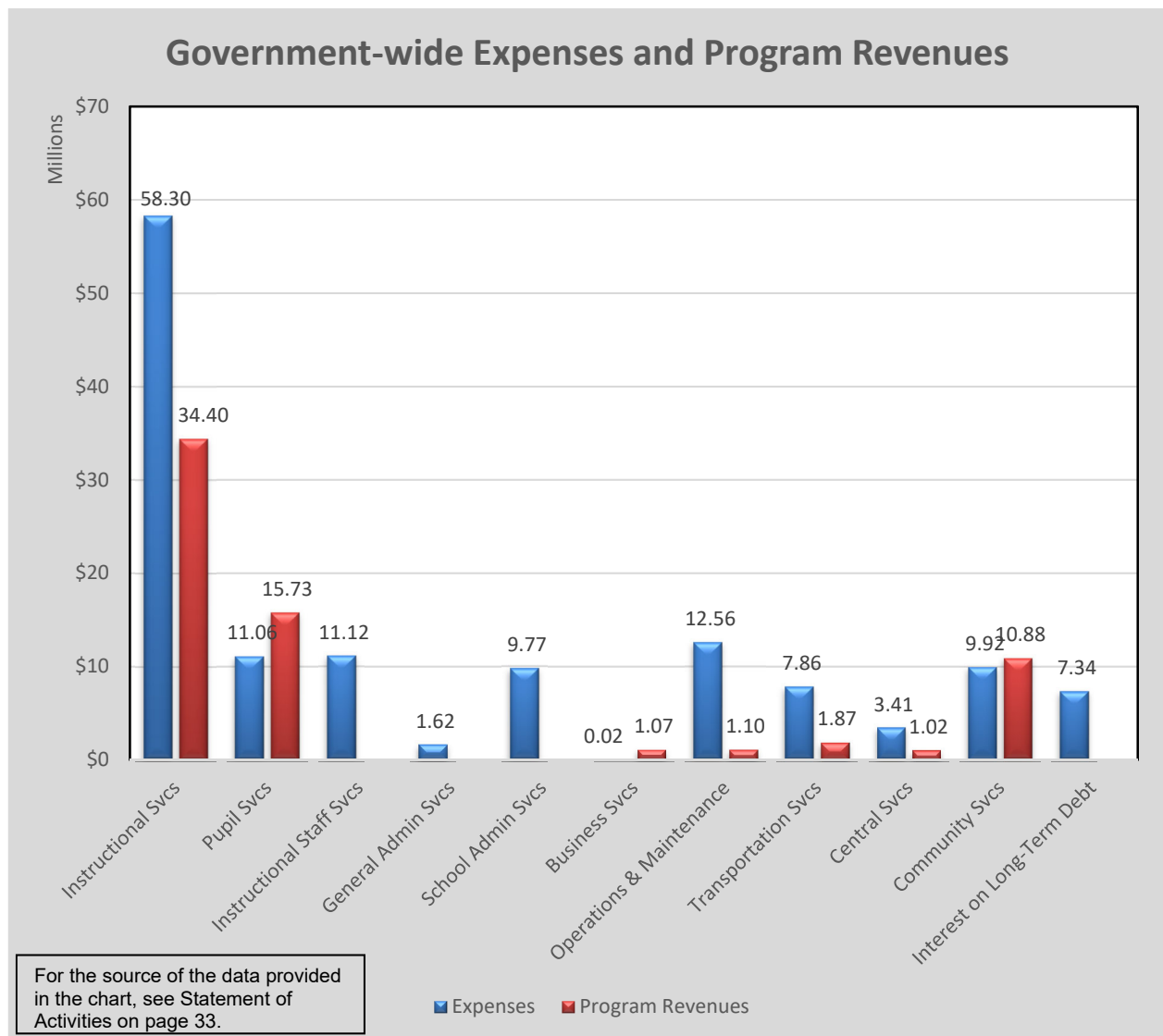
MESA COUNTY VALLEY SCHOOL DISTRICT NO 51'S Change in Net Position

	Governmental Activities	
	<u>2022</u>	<u>2021</u>
Revenue:		
Charges for services	\$ 4,037,139	\$ 4,796,917
Operating grants and contributions	66,778,985	73,556,055
Capital grants and contributions	1,250,524	1,858,578
General revenues:		
Property taxes levied for general purposes	69,382,213	61,337,311
Property taxes levied for debt service	23,183,485	17,615,094
State equalization not restricted for specific programs	107,161,370	99,457,713
Specific ownership taxes	11,854,176	11,810,511
Investment earnings	486,444	126,410
Gain on Sale of assets	625,096	-
Miscellaneous unrestricted revenue	<u>638,727</u>	<u>604,753</u>
Total revenue	279,398,159	271,163,342
Expenses:		
Instructional services	58,299,199	92,270,293
Pupil services	11,058,769	12,767,282
Instructional staff services	11,124,293	19,968,924
General administration services	1,622,067	2,093,270
School administration services	9,774,843	12,904,490
Business services	20,856	2,513
Operations and maintenance	12,557,563	13,296,433
Transportation services	7,860,625	7,638,581
Central services	3,407,541	11,289,680
Community services	9,918,872	6,210,193
Interest on long-term debt	<u>7,337,376</u>	<u>7,029,308</u>
Total expenses	132,982,004	185,470,967
Increase (decrease) in net position	146,416,155	85,692,375
Net position – beginning	(233,150,149)	(321,521,651)
Prior year restatements	(693,330)	2,679,127
Net position – beginning, restated	<u>(233,843,479)</u>	<u>(318,842,524)</u>
Net position – ending	<u>\$ (87,427,324)</u>	<u>\$ (233,150,149)</u>

Key elements of the overall increase in the changes in net position are as follows:

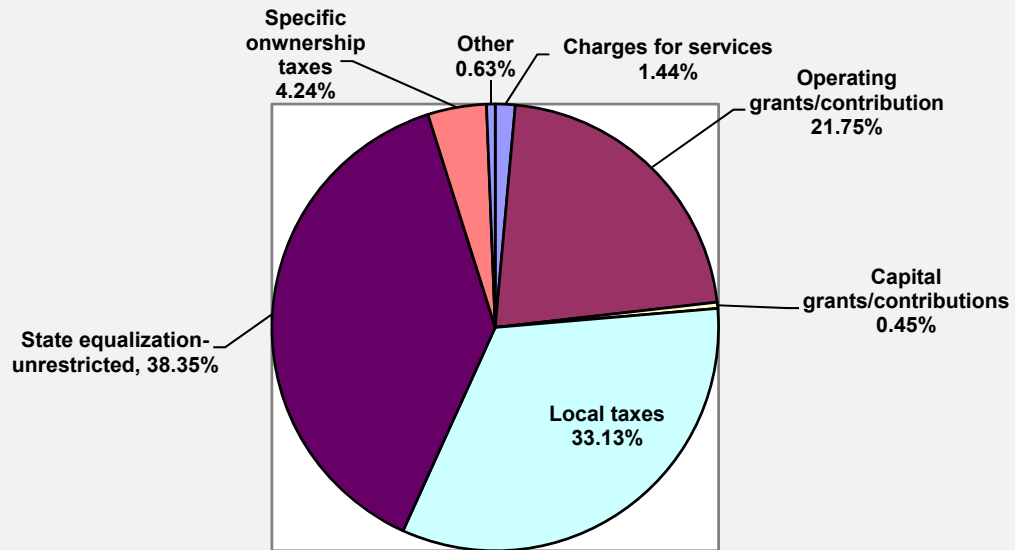
- General property tax revenues based on collections increased by \$13.6 million (17.2%) during the year. The state continued to reduce the budget stabilization factor and increased funding distribution to the District. In 2022, the total unrestricted state equalization increased by \$ 7.7 million (7.6%).
- The District continues to receive COVID-19 stimulus funding for \$17.7 million in 2022.
- Due to GASB announcement No. 87, Leases, the District must record the capital outlay at the commencement of the lease term on leases qualified as Right-to-use leases. The new announcement increased capital outlay expenditures.

The following chart depicts the expenses and program revenues of the governmental activities by category of the District. Governmental activities and programs of the District are supported primarily by state funds and local taxes.



The following chart depicts revenues by source for governmental activities:

Revenues by Source - Governmental Activities



Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government'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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the Capital Projects fund, and the debt service fund, which are considered to be major funds. Data from the other seven governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 42-93 of this report

As of the end of the current fiscal year, the District's governmental funds reported total fund balance of \$206,960,834, an increase of \$120,695,029 in comparison with the prior year. Of this amount, \$35,611,214, or 17.2%, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable, restricted, committed, or assigned* to indicate that it is (1) not in spendable inventories, \$1,037,051; (2) restricted for TABOR reserve because it is legally required to be maintained intact, \$6,227,336; (3) restricted for particular purposes, \$150,939,659; or (4) assigned for particular purposes, \$13,145,574.

❖ **Analysis of Individual Funds**

The general fund is the chief operating fund of the District with most of the funding from state and local tax revenues. Unlike the budget, the combined General fund in this report refer to the combination of the District General fund (10), the 2017 Mill levy fund (17), and the Colorado Preschool program fund (19). The District receives revenue per pupil (PPR) and thus the enrollment drives the total revenue. The District had an increase of \$839.30 in PPR, and a decrease of 48.3 student FTE, drove the state funding increased \$17.3 million in gross revenue. At the end of the current fiscal year, the combined total fund balance was \$36,035,143, of which \$35,611,214 was an unassigned fund balance, an increase of \$7,745,586 from last year, largely due to the increase of state funding and local revenue, as well as COVID grant funding which is supporting some expenditures typically paid from the General Fund.

The nutrition service fund, a major fund, had a \$1,429,317 increase in fund balance during the current fiscal year. The major funding source was the federally assisted meal programs that provided free meals district-wide to all students, which offsets the loss of the revenue impacted by the coronavirus pandemic.

In January 2022, the District issued a bond to replace the 128-year-old Grand Junction high school building. The entire bond proceeds were recorded in the Capital Project Building Fund, which was increased by \$106,204,117. Accordingly, the bond redemption fund was increased by \$4,677,088, primarily due to the bond issuance.

Proprietary funds

The District's proprietary funds provide the same type of information found in the business-type activities of the governmental-wide financial statements, but in more detail.

Unrestricted net position of the insurance reserve fund at the end of the year was \$5,611,286, Dental was \$396,077, and \$2,656,399 for the Medical insurance fund. The total growth for Dental and Medical fund was \$95,879 and \$1,903,836, respectively. The insurance reserve fund decreased by \$389,510 primarily due to the increased worker compensation expenses of \$851,429.

General Fund Budgetary Highlights

An increased appropriation of \$6,230,120 from the original budget to the final amended budget is attributed to adjustments for the following increases and decreases in anticipated revenue and expenditures:

- The District appropriates for all anticipated revenues and beginning fund balance. The original budget, developed in June 2021, was based on a \$7,453,938 anticipated increase to 2021 ending fund balance. The budget was prepared prior to fiscal-year-end accruals and final issuance of the 2021 ACFR. The actual ending fund balance for 2021 increased by \$13,581,006 due primarily to the leveraging of COVID grant dollars to cover expenses typically paid by the General Fund. The increase in fund balance was reflected in the 2022 re-adopted budget.
- Adjustments to anticipated General fund expenses due to increased district share of employee medical premiums.
- Averaged funded October student count was 79.10 FTE less than anticipated in the original budget.

- Adjustments to other general fund anticipated revenues, primarily an increase to state categorical funding and projected local revenue, and a decrease in anticipated Finance Act funding with the reduction to student FTE.

Capital Asset and Debt Administration

Capital assets

The District's capital assets for its governmental activities as of June 30, 2022, was \$316,821,215 (net of accumulated depreciation). These capital assets include land and improvements such as parking lots and sidewalks, buildings and building improvements, construction in progress, and equipment. The total increase of the District's capital assets for the current year was \$13 million, among which \$9 million was attributable to the 2022 Grand Junction high school bond project, and \$3 million were the right-to-use lease agreements. Additional information on the District's capital assets can be found in Note 4 – Capital Assets.

Long-term debt

At the end of the current fiscal year, the District had total outstanding long-term debt of \$306,420,694, a net pension liability of \$241,906,845, and a net OPEB liability of \$11,703,534. Of the long-term debt amount, \$243,885,000 represents general obligation bonds that are backed by the full faith and credit of the District, \$41,458,995 represents unamortized premiums on general obligation bonds and Certificates of Participation, \$15,570,000 represents Certificates of Participation collateralized by capital assets, and \$5,506,698 represents finance-purchased lease and Right-to-use lease obligations collateralized by computers, photocopiers and phone systems under the lease. The remainder consists of compensated absences and claims payable.

State statutes limit the amount of general obligation debt a governmental entity may issue to 20 percent of its total assessed valuation. The current debt limit for the District is \$421,766,137, which is in excess of the District's outstanding general obligation debt. Additional information on the District's long-term debt can be found in Note 5 – Long-Term Debt of this report.

Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68), establishes accounting and financial reporting standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses for pensions that are provided to the employees of state and local governmental employers through pension plans. More information on the District's pension-related items can be found in Note 8.

Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. (GASB 75), was adopted for the ended June 30, 2018. The District participated in the Health Care Trust Fund (HCTF) and implemented the provisions of GASB 75 in the financial statements, including recognition of net OPEB liability, deferred outflows and inflows of resources, and OPEB expense. For more information on the District's OPEB plan, see Note 9 in the financial statements.

Economic Factors and Next Year's Budgets

Mesa County Economy - The County has an estimated 2021 population of 157,335, increasing compared to the prior year. This increase in residents represents a growth rate of approximately 0.39 %. Employment in Mesa county rebounded from the COVID-induced recession, exceeding the number of jobs seen before the recession as of late 2021. Mesa County began the 2021 year with an unemployment rate of 7.5%, which decreased from the April 2020 level of 12.1% experienced when COVID took its toll on the local workforce. Unemployment steadily declined and was roughly 3.7% by June 2022. Comparatively, Colorado's unemployment dropped by 2.5% to 3.4%, and the U.S. unemployment rate dropped 2.8% over the year, to 3.6%.

District Enrollment - In the recent years, the District has experienced declining enrollment, and COVID-19 has further impacted the decline as parents make different educational choices for their families. However, as of October 2021 (the fiscal year 2022), the District reported to CDE an increase of 137.24 student FTE over the prior year's enrollment, showing a slight recovery of the students lost during the previous year at the start of the pandemic. The District is funded on the average of the prior five years of enrollment, resulting in funding equal to 262.14 FTE more than actual enrollment count.

The fiscal year 2023 School Finance Act (HB22-1390) was approved to buy down the budget stabilization factor by \$182 million and fund inflation at 3.5%. In July 2022, the District adopted a budget that includes an increase in per pupil revenue of \$541.95 per student from \$8,501.28 to \$9,043.23. This is very favorable for the District and restores the state funding cut in 2020-2021. This results in an overall year-over-year of increase in funding of \$9.9 million. The District is fortunate to be a recipient of federal stimulus dollars from the Elementary and Secondary School Emergency Relief (ESSER) Fund for COVID-19 relief. ESSER was allocated to the District based on Title I funding methodologies in three different phases of ESSER I, II and III. Portions of these funds will be allocated to charter schools. ESSER I and II were expended during the 2022 school year. The budget for the district-managed portions of ESSER III is \$32 million and will be used for eLearning, summer school, unfinished learning programs as well as support staff, goods and services.

Component Units

The District has three component units, which are charter schools. Their financial information is presented in a separate column in the Government-wide Statement of Net Position and in the Statement of Activities. Only summary information regarding component units appears in the District's financial statements. Complete financial statements for each charter school are available at each school's administrative office.

Independence Academy
Charter School
675 29 Road
Grand Junction, CO 81504
Phone: 970-254-6850

Juniper Ridge
Community School
615 Community Lane
Grand Junction, CO 81506
Phone: 970-986-8219

Mesa Valley
Community School
609 25 Rd
Grand Junction, CO 81505
Phone: 970-254-7202

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, Chief Finance Officer, 2115 Grand Avenue, Grand Junction, Colorado 81501.

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Mesa County Valley School District No. 51

STATEMENT OF NET POSITION

June 30, 2022

	Governmental Activities	Discretely Presented Component Units
ASSETS		
Cash and investments	\$ 85,266,385	\$ 6,856,164
Restricted cash and investments	154,296,741	1,252,667
Receivables:		
Accounts	1,954,362	99,642
Intergovernmental	8,774,644	153,590
Property taxes	7,024,579	-
Inventories	1,037,051	-
Prepaid expense	-	82,151
Other assets	9,526,587	100,126
Capital assets (net of accumulated depreciation):		
Land and construction in progress	23,994,987	1,722,827
Buildings and improvements	276,781,948	21,147,327
Equipment	8,502,926	-
Right-to-use assets, net of amortization		
Buildings	1,162,295	-
Equipment	6,379,060	-
Total assets	<u>584,701,565</u>	<u>31,414,494</u>
DEFERRED OUTFLOWS OF RESOURCES		
Related to pensions	49,912,524	2,894,799
Related to OPEB	1,097,792	150,969
Deferred charge on refunding	2,595,409	-
Total deferred outflows of resources	<u>53,605,725</u>	<u>3,045,768</u>
LIABILITIES		
Accounts payable	16,573,573	271,302
Accrued salaries and benefits	15,950,683	486,611
Accrued interest payable	1,054,873	41,150
Unearned revenue	8,680,667	70,333
Noncurrent liabilities:		
Due within one year	15,295,160	605,000
Due in more than one year	291,125,534	20,919,612
Net pension liability, due in more than one year	241,906,845	9,980,717
Net OPEB liability, due in more than one year	11,703,534	482,873
Total liabilities	<u>602,290,869</u>	<u>32,857,598</u>
DEFERRED INFLOWS OF RESOURCES		
Related to pensions	118,739,206	4,411,967
Related to OPEB	4,704,539	188,646
Total deferred outflows of resources	<u>123,443,745</u>	<u>4,600,613</u>
NET POSITION		
Net investment in capital assets	139,176,460	2,598,209
Restricted for:		
Emergencies	6,227,336	372,589
Nutrition services	3,545,824	-
Debt service	21,470,571	1,252,667
Unrestricted	<u>(257,847,515)</u>	<u>(7,221,414)</u>
Total net position	<u>\$ (87,427,324)</u>	<u>\$ (2,997,949)</u>

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

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Mesa County Valley School District No. 51
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2022

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Units
Primary government:						
Governmental activities:						
Instructional services	58,299,199	\$ 9,400	\$ 34,389,410	\$ -	\$ (23,900,389)	\$ (1,621,999)
Support services:						
Pupil services	11,058,769	3,028,659	12,696,673	-	4,666,563	(4,265,147)
Instructional staff services	11,124,293	-	-	-	(11,124,293)	-
General administration services	1,622,067	-	-	-	(1,622,067)	-
School administration services	9,774,843	-	-	-	(9,774,843)	(2,336,832)
Business services	20,856	-	1,072,142	-	1,051,286	(128,584)
Operations and maintenance	12,557,563	-	-	1,102,463	(11,455,100)	62,874
Transportation services	7,860,625	-	1,867,814	-	(5,992,811)	-
Central services	3,407,541	782,432	242,133	-	(2,382,976)	-
Community services	9,918,872	216,648	10,510,813	148,061	956,650	-
Interest on long-term debt	7,337,376	-	-	-	(7,337,376)	(773,462)
Total support services	132,982,004	4,037,139	60,778,985	1,250,524	(66,915,356)	(9,063,150)
Total governmental activities	132,982,004	4,037,139	60,778,985	1,250,524	(66,915,356)	(9,063,150)
Total primary government						
	132,982,004	4,037,139	60,778,985	1,250,524	(66,915,356)	(9,063,150)
Component units						
	\$ 11,619,991	\$ 305,118	\$ 1,826,549	\$ 425,174		(9,063,150)
General revenues:						
Property taxes levied for general purposes					69,382,213	857,704
Property taxes levied for debt service					23,183,485	-
State equalization not restricted to specific programs					107,161,370	10,453,795
Specific ownership taxes					11,854,176	-
Investment earnings					486,444	48,193
Gain on sale of assets					625,096	-
Miscellaneous unrestricted revenue					638,727	(153,898)
Total general revenues					213,331,511	11,205,794
Change in net position					146,416,155	2,142,644
Net position - beginning					(233,150,149)	5,140,593
Prior period adjustment					(693,330)	-
Net position - beginning, restated					(233,843,479)	(5,140,593)
Net position - ending					(87,427,324)	(2,997,949)

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

Mesa County Valley School District No. 51
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

	General	Governmental Designated Purpose Grants Special Revenue	Nutrition Services Special Revenue
ASSETS			
Cash and investments	\$ 51,392,825	\$ 2,619,070	\$ 2,065,050
Restricted Cash and investments			
Receivables:			
Accounts	211,824	385	1,065,721
Intergovernmental	-	8,774,644	-
Property tax	5,257,918	-	-
Inventories	286,865	-	750,186
 Total assets	 <u>\$ 57,149,432</u>	 <u>\$ 11,394,099</u>	 <u>\$ 3,880,957</u>
LIABILITIES			
Accounts payable	\$ 6,857,712	\$ 599,226	\$ 30,085
Due to other funds	-	-	-
Accrued salaries and benefits	11,309,729	2,134,427	284,827
Unearned revenue	-	8,660,446	20,221
 Total liabilities	 <u>18,167,441</u>	 <u>11,394,099</u>	 <u>335,133</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	2,946,847	-	-
FUND BALANCES			
Nonspendable:			
Inventories	286,865	-	750,186
Restricted:			
TABOR emergency reserve	-	-	-
Preschool	137,064	-	-
Debt service	-	-	-
Nutrition services	-	-	2,795,638
Capital projects	-	-	-
Assigned to:			
Capital projects	-	-	-
Physical activities			
Beverage			
Student body activities	-	-	-
Unassigned	35,611,214	-	
 Total fund balances	 <u>36,035,143</u>	 <u>-</u>	 <u>3,545,824</u>
Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 57,149,431</u>	 <u>\$ 11,394,099</u>	 <u>\$ 3,880,957</u>

Capital Projects Building Fund	Capital Projects Capital Projects	Bond Redemption Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 9,436,825	\$ -	\$ 3,488,701	\$ 69,002,471
131,920,223	6,227,336	20,824,073	-	158,971,632
-	-	-	-	-
-	470,000	-	2,860	1,750,790
-	-	-	-	8,774,644
-	-	1,766,661	-	7,024,579
-	-	-	-	1,037,051
<u>\$ 131,920,223</u>	<u>\$ 16,134,161</u>	<u>\$ 22,590,734</u>	<u>\$ 3,491,561</u>	<u>\$ 246,561,167</u>
\$ 5,383,837	\$ 240,979	\$ -	\$ 11,833	\$ 13,123,672
-	-	-	-	-
-	-	-	-	13,728,983
-	-	-	-	8,680,667
<u>5,383,837</u>	<u>240,979</u>	<u>-</u>	<u>11,833</u>	<u>35,533,322</u>
-	-	1,120,163	-	4,067,010
-	-	-	-	1,037,051
-	6,227,336	-	-	6,227,336
-	-	-	-	137,064
-	-	21,470,571	-	21,470,571
-	-	-	-	2,795,638
126,536,386	-	-	-	126,536,386
-	9,665,846	-	-	9,665,846
-	-	-	99,107	99,107
-	-	-	310,082	310,082
-	-	-	3,070,539	3,070,539
-	-	-	-	35,611,214
<u>126,536,386</u>	<u>15,893,182</u>	<u>21,470,571</u>	<u>3,479,728</u>	<u>206,960,834</u>
<u>\$ 131,920,223</u>	<u>\$ 16,134,161</u>	<u>\$ 22,590,734</u>	<u>\$ 3,491,561</u>	<u>\$ 246,561,166</u>

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Mesa County Valley School District No. 51
**Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position**
June 30, 2022

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

Total fund balance - governmental funds		\$ 206,960,835
Receivables that are not available soon enough to pay for the current year's expenditures are unavailable revenues in the funds and reported as an increase in net position		4,067,010
Capital outlay used to provide facilities for other entities are expenditures in the funds, but are notes receivable in the government-wide statements		9,526,587
Capital and right-to-use assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds. The cost of these assets is \$457,408,862 and the accumulated depreciation is \$140,587,647.		316,821,216
Retainage payable is not due and payable, so is not recognized in the funds but is recognized as a liability in the statement of net position.		(355,858)
The issuance of long-term debt (e.g., bonds, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the 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 deferred and amortized in the statement of activities. The net effect of these differences is as follows		
	Long term debt	\$ (264,961,698)
	Debt premiums	(41,458,996)
	Gains and losses on refunding	<u>2,595,409</u>
		(303,825,285)
Changes in net pension and net OPEB liabilities are recognized as deferred outflows and deferred inflows of resources and amortized over time. The following are the deferred inflows and outflows at year end.		
	Deferred inflows - pensions	(118,739,206)
	Deferred inflows - OPEB	(4,704,539)
	Deferred outflows - pensions	49,912,524
	Deferred outflows - OPEB	<u>1,097,792</u>
		(72,433,429)
Net pension and OPEB liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds balances sheets.		(253,610,379)
Interest accrued on long-term liabilities is not due and payable in the current period and, therefore is not reported in the governmental funds balances sheets.		(1,054,873)
Internal service funds are used by management to account for the costs of employee medical and dental insurance, workman compensation insurance, and other industrial coverage.		
	Internal service funds assets	11,792,595
	Internal service Funds claims payable	(2,122,882)
	Internal service funds liabilities	<u>(1,005,951)</u>
		8,663,762
Compensated absences are not due and payable in the current period and, therefore, are not reported in the governmental funds balance sheets.		<u>(2,186,910)</u>
	Total net position - governmental activities	<u>\$ (87,427,324)</u>

Mesa County Valley School District No. 51
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022

	Combined General	Governmental Designated Purpose Grants Special Revenue	Nutrition Services Special Revenue
REVENUES			
Local sources	\$ 83,078,612	\$ 625,313	\$ 219,991
State sources	122,845,162	3,651,295	59,810
Federal sources	81,562	33,385,575	10,510,813
 Total revenues	 <u>206,005,336</u>	 <u>37,662,183</u>	 <u>10,790,614</u>
EXPENDITURES			
Current:			
Instructional services	117,349,133	15,196,584	-
Instructional support	39,767,132	15,104,162	-
Business support	32,069,527	5,086,716	-
Community services	34,500	691,478	-
Physical activities	-	-	-
Nutrition services	-	-	8,957,968
Capital outlay:	3,800,230	1,583,244	490,831
Debt Service:			
Lease financing principal	1,002,306	-	-
Lease financing interest and other	123,450	-	-
GO Bond principal	-	-	-
Cost of issuance GO Bond	-	-	-
Interest and fiscal charges	-	-	-
 Total expenditures	 <u>194,146,278</u>	 <u>37,662,183</u>	 <u>9,448,799</u>
Excess (deficiency) of revenues over (under) expenditures	 <u>11,859,058</u>	 <u>\$ -</u>	 <u>1,341,815</u>
OTHER FINANCING SOURCES (USES)			
Transfers in from other funds	-	-	87,502
Transfers out to other funds	(4,113,472)	-	-
Issuance of right of use leases assets	-	-	-
Issuance of 2022 Bond	-	-	-
Proceeds from sale of real property	-	-	-
Total other financing sources (uses)	<u>(4,113,472)</u>	<u>-</u>	<u>87,502</u>
 Net change in fund balances	 7,745,586	 -	 1,429,317
Fund balances - beginning	28,982,888	-	2,116,508
Prior Period adjustment	(693,330)	-	-
Fund balances - beginning, restated	<u>28,289,558</u>	<u>-</u>	<u>2,116,508</u>
 Fund balances - ending	 <u>\$ 36,035,144</u>	 <u>\$ -</u>	 <u>\$ 3,545,825</u>

Capital Projects Building Fund	Capital Projects Capital Projects	Bond Redemption Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 286,121	\$ 1,459,420	\$ 23,184,882	\$ 5,618,275	\$ 114,472,614
-	-	-	-	126,556,267
-	-	-	-	43,977,950
<u>286,121</u>	<u>1,459,420</u>	<u>23,184,882</u>	<u>5,618,275</u>	<u>285,006,831</u>
-	-	-	4,248,663	136,794,380
-	-	-	475,220	55,346,514
-	-	-	-	37,156,243
-	-	-	908,901	1,634,879
-	-	-	4,937	4,937
-	-	-	-	8,957,968
9,082,004	4,806,019	-	-	19,762,328
-	-	-	-	-
-	1,880,136	-	-	2,882,442
-	635,634	-	-	759,084
-	-	9,260,000	-	9,260,000
563,499	-	-	-	563,499
-	-	9,247,794	-	9,247,794
<u>9,645,503</u>	<u>7,321,789</u>	<u>18,507,794</u>	<u>5,637,721</u>	<u>282,370,068</u>
<u>(9,359,382)</u>	<u>(5,862,369)</u>	<u>4,677,088</u>	<u>(19,446)</u>	<u>2,636,763</u>
-	2,375,970	-	150,000	2,613,472
-	-	-	-	(4,113,472)
-	3,079,672	-	-	3,079,672
115,563,499	-	-	-	115,563,499
-	915,095	-	-	915,095
<u>115,563,499</u>	<u>6,370,737</u>	<u>-</u>	<u>150,000</u>	<u>118,058,266</u>
106,204,117	508,368	4,677,088	130,554	120,695,029
20,332,268	15,384,815	16,793,483	3,349,174	86,959,136
-	-	-	-	(693,330)
<u>20,332,268</u>	<u>15,384,815</u>	<u>16,793,483</u>	<u>3,349,174</u>	<u>86,265,806</u>
<u>\$ 126,536,385</u>	<u>\$ 15,893,183</u>	<u>\$ 21,470,571</u>	<u>\$ 3,479,728</u>	<u>\$ 206,960,834</u>

Mesa County Valley School District No. 51
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES OF
 FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**
 For the Fiscal Year Ended June 30, 2022

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

Net change in fund balance - total governmental funds		\$ 120,695,030
Government funds report capital outlays as expenditures. However, in the statement of activities the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capitalized assets from capital outlay exceeded depreciation.		
	Capital outlays capitalized	\$ 13,979,570
	Depreciation expense - governmental activities	<u>(12,594,108)</u>
		1,385,462
Governmental funds do not report capital assets and, therefore, do not report the net book value of capital assets and any gain or loss on their disposal.		
		(289,999)
Capital outlay used to provide facilities for other entities are expenditures in the funds, but are notes receivable in the government-wide statements. This is the change in the notes		
		(115,547)
Proceeds from the sale of capital assets are recognized as other financing sources in the funds but are recognized as gain on sale in the statement of activities. This is the difference.		
Governmental funds do not record retainage payable and, therefore, the addition of the capital expenditures are also not reported. This is the change in the payable.		
		(355,858)
The governmental funds report debt issuance proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. Interest is recognized as an expenditure in the governmental funds when it is due. The net effect of these differences in the treatment of long-term debt is as follows:		
	Debt principal payments	11,992,324
	Amortization of debt premium and deferred loss on refunding	1,852,717
	Proceeds from Bond Issuance	(115,563,499)
	Capital lease proceeds	(3,079,672)
	Accrued interest payable	<u>(259,982)</u>
		(105,058,112)
In the governmental funds, expenditures for compensated absences are measured by the amount of financial resources used (essentially, the amount actually paid to employees), whereas, in the statement of activities, they are measured as the benefits are earned by employees during the year. This is the amount compensated absences changed in the current year.		
		146,574
Internal service funds are used by management to account for the costs of employee medical and dental insurance, workman compensation insurance, and other industrial coverage. The revenues and expenses of the internal service funds are included in governmental activities in the statement of activities.		
	Revenues	26,146,213
	Expenses	<u>(24,536,011)</u>
		1,610,202
Property taxes receivable that will not be collected soon enough for reporting as available revenue in the funds and are reported as revenue in the statement of activities. This is the change in current deferred inflow from prior year.		
		251,419
In the governmental funds, expenditures related to pension and OPEB obligations are measured by the amount of financial resources used (essentially, the amounts actually paid to the plans), whereas in the statement of activities, they are measured on the full accrual basis. The following are the changes in in deferred outflows and inflows for the year.		
	Pension expense	133,329,903
	On-behalf-payment revenue	(6,629,187)
	OPEB expense	1,446,268
	Total change in net position - governmental activities	<u>\$ 146,416,155</u>

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

Mesa County Valley School District No. 51
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local sources:				
Property taxes	\$ 65,109,803	\$ 69,586,733	\$ 66,739,905	\$ (2,846,828)
Delinquent taxes, Interest and penalties	80,000	80,000	131,950	51,950
Specific ownership tax	9,346,562	10,848,415	11,854,176	1,005,761
Tuition	25,000	25,000	9,400	(15,600)
Investment income	106,000	106,000	143,354	37,354
District services to charter school	-	-	356,237	356,237
Miscellaneous	1,703,382	2,103,382	3,843,590	1,740,208
	<u>76,370,747</u>	<u>82,749,530</u>	<u>83,078,612</u>	<u>329,082</u>
State sources:				
State equalization entitlement *	113,083,385	106,348,416	107,161,370	812,954
Special education	6,016,312	6,337,066	6,556,258	219,192
Transportation	1,447,360	1,763,639	1,867,814	104,175
Vocational education	1,785,801	1,933,105	1,925,781	(7,324)
Small attendance center	93,286	93,286	43,705	(49,581)
Add At-Risk revenue	-	-	2,155,747	2,155,747
English language proficiency	147,577	173,792	173,792	-
Pera on Behalf payment	5,000,000	5,000,000	2,960,695	(2,039,305)
	<u>127,573,721</u>	<u>121,649,304</u>	<u>122,845,162</u>	<u>1,195,858</u>
Federal sources:				
Other	66,661	66,661	81,562	14,901
	<u>66,661</u>	<u>66,661</u>	<u>81,562</u>	<u>14,901</u>
 Total revenues	 <u>204,011,129</u>	 <u>204,465,495</u>	 <u>206,005,336</u>	 <u>1,539,841</u>

(Continued)

* State equalization entitlement is the net of the state revenue with the transfers to charter schools
(\$107,161,370 equals gross state funding 118,829,309 subtract charter schools' transfers of \$11,667,939)

Mesa County Valley School District No. 51

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current:				
Instructional services:				
Elementary education	23,079,403.00	23,211,752.00	26,021,541	(2,809,789)
Middle school education	15,096,616.00	15,170,605.00	14,648,817	521,788
High school education	20,643,609.00	20,740,184.00	21,376,651	(636,467)
Vocational education/WCCC	2,546,832.00	2,606,281.00	2,574,862	31,419
High school programs	591,099.00	594,934.00	625,956	(31,022)
Gifted and talent program	1,338,375.00	1,344,087.00	1,205,579	138,508
Integrated educational programs	2,098,376.00	2,105,516.00	1,928,810	176,706
Preschool/extended day programs	9,032,842.00	9,186,508.00	8,794,625	391,883
Library	406,763.00	407,171.00	361,180	45,991
General instruction	18,047,853.00	18,330,547.00	9,558,075	8,772,472
Music activities	3,989,971.00	4,008,330.00	3,693,865	314,465
Physical Education	4,143,512.00	4,162,280.00	3,869,232	293,048
Special education	20,401,396.00	20,580,036.00	20,606,574	(26,538)
Cocurricular activities	1,863,550.00	1,863,550.00	2,083,366	(219,816)
Total instructional services	123,280,197	124,311,781	117,349,133	6,962,648
Instructional support:				
Instructional:				
Social work/attendance	1,132,089.00	1,138,078.00	1,012,338	125,740
Guidance	6,105,077.00	6,133,247.00	6,192,148	(58,901)
Nursing/mental health	2,111,954.00	2,123,425.00	1,678,708	444,717
Psychologists	2,647,594.00	2,655,706.00	2,371,283	284,423
Audiologists/therapists	205,915.00	206,731.00	210,974	(4,243)
Other Services	-	-	377,282	
Assessment/staff development	4,758,638.00	4,774,719.00	3,707,323	1,067,396
Media services	1,940,976.00	1,952,223.00	1,837,625	114,598
Instructional technology	828,058.00	830,542.00	492,508	338,034
Program administration	2,290,544.00	2,292,460.00	2,477,725	(185,265)
	22,020,845	22,107,131	20,357,914	2,126,499
General administration:				
Board of Education	151,783.00	128,291.00	135,541	(7,250)
Legal services	215,565.00	215,973.00	379,304	(163,331)
County Treasurer's fee	135,000.00	135,000.00	223,511	(88,511)
Audit services	32,000.00	32,000.00	40,000	(8,000)
Office of the superintendent	671,032.00	671,848.00	736,237	(64,389)
Community relations services	66,449.00	69,686.00	54,172	15,514
Other executive administration services	1,716,762.00	1,724,132.00	1,764,893	(40,761)
School administration	16,324,463.00	16,510,327.00	16,075,560	434,767
	19,313,054	19,487,257	19,409,218	78,039
Total instructional support	41,333,899	41,594,388	39,767,132	2,204,538

(Continued)

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Business support:				
Business:				
Business fiscal services	1,340,294	1,368,817	1,483,241	(114,424)
Indirect cost reimbursements	(1,037,964)	(1,037,964)	(2,458,215)	1,420,251
Purchasing	382,213	383,641	278,798	104,843
Warehouse	559,897	562,753	537,085	25,668
Print shop	103,677	104,085	75,900	28,185
Maintenance	932,721	933,945	1,489,607	(555,662)
Custodial	11,254,563	11,320,104	10,941,646	378,458
Grounds maintenance	1,759,043	1,766,944	2,054,860	(287,916)
Craftsmen	2,558,937	2,576,343	2,471,690	104,653
Transportation	6,932,026	7,009,066	8,010,928	(1,001,862)
	24,785,407	24,987,734	24,885,540	102,194
Central:				
Communication	1,026,884	1,034,149	914,237.00	119,912
Human resources	1,245,597.00	1,249,677.00	1,189,351.00	60,326
Information technology	4,262,245.00	4,273,284.00	4,586,872.00	(313,588)
Risk Management	233,037.00	235,689.00	276,844.00	(41,155)
Other support services	252,736.00	252,940.00	216,683.00	36,257
	7,020,499	7,045,739	7,183,987	(138,248)
Total business support	31,805,906	32,033,473	32,069,527	(36,054)
Community Services:	64,732	64,732	34,500	30,232
Total current expenditures	196,484,734	198,004,374	189,220,292	9,161,364
Capital Outlay	1,268,352	1,268,352	3,800,230	(2,531,878)
Contingency	24,540,539	29,592,623	-	29,592,623
Debt Service:				
Principal	-	-	1,002,306	(1,002,306)
Interest and fiscal charges	-	-	123,450	(123,450)
Total debt service expenditures	-	-	1,125,756	(1,125,756)
Total expenditures	222,293,625	228,865,349	194,146,278	35,096,353
Excess (deficiency) of revenues over (under) expenditures	(18,282,496)	(24,399,854)	11,859,058	36,258,912
OTHER FINANCE SOURCES (USES)				
Transfers out	(4,103,762)	(4,113,472)	(4,113,472)	-
Total other financing sources (uses)	(4,103,762)	(4,113,472)	(4,113,472)	-
Net change in fund balances	(22,386,258)	(28,513,326)	7,745,586	36,258,912
Fund balances - beginning	22,386,258	28,513,326	28,982,888	469,562
Prior period adjustment	-	-	(693,330)	(693,330)
Fund balances - beginning, restated	22,386,258	28,513,326	28,289,558	(223,768)
Fund balances - ending	\$ -	\$ -	\$ 36,035,144	\$ 36,035,144

Mesa County Valley School District No. 51
GOVERNMENTAL DESIGNATED PURPOSE GRANTS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local sources	\$ 917,929	\$ 1,276,958	\$ 625,313	\$ (651,644)
State sources	5,238,482	23,089,453	3,651,295	(19,438,158)
Federal sources	59,053,049	67,896,693	33,385,575	(34,511,118)
Total revenues	65,209,460	92,263,103	37,662,183	(54,600,920)
EXPENDITURES				
Current:				
Instructional services:				
Salaries	21,862,317	16,001,178	7,402,679	8,598,499
Fringe benefits	7,217,777	5,298,761	2,606,984	2,691,777
Contracted services	3,743,366	8,546,406	3,770,747	4,775,659
Supplies	1,686,011	4,281,621	1,416,174	2,865,448
	34,509,471	34,127,966	15,196,584	18,931,382
Instructional support:				
Salaries	8,602,280	19,081,125	8,060,263	11,020,862
Fringe benefits	2,920,626	5,884,130	2,758,474	3,125,657
Contracted services	13,643,013	5,116,431	3,890,034	1,226,397
Supplies	2,398,581	738,690	395,391	343,299
	27,564,500	30,820,376	15,104,162	15,716,214
Business support:				
Salaries	264,425	1,361,593	819,773	541,819
Fringe benefits	72,699	500,990	252,551	248,439
Contracted services	990,327	7,373,042	3,216,138	4,156,903
Supplies	64,746	205,448	798,253	(592,804)
	1,392,197	9,441,073	5,086,716	4,354,357
Community services:				
Salaries	788,313	518,550	349,779	168,770
Fringe benefits	329,649	225,980	146,464	79,516
Contracted services	94,757	60,974	34,503	26,471
Supplies	330,573	258,380	160,732	97,648
	1,543,292	1,063,883	691,478	372,405
Total current	65,009,460	75,453,297	36,078,939	39,374,358
Capital outlay	200,000	16,809,806	1,583,244	15,226,562
Total expenditures	65,209,460	92,263,103	37,662,183	54,600,920
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

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

Mesa County Valley School District No. 51
NUTRITION SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local sources	\$ 147,653	\$ 140,963	\$ 216,648	\$ 75,685
State sources	60,000	59,810	59,810	-
Federal sources	8,423,735	9,702,172	10,510,813	808,641
Miscellaneous revenue	-	-	3,343	3,343
Total revenues	8,631,388	9,902,945	10,790,614	887,669
EXPENDITURES				
Current:				
Food service direction:				
Salaries	498,493	532,366	505,493	26,873
Fringe benefits	163,715	182,048	163,563	18,485
Contracted services and supplies	366,700	466,264	891,280	(425,016)
	1,028,908	1,180,678	1,560,336	(379,658)
Food service preparation/serving				
Salaries	2,209,470	2,301,461	2,294,017	7,444
Fringe benefits	903,230	982,928	953,273	29,655
Contracted services and supplies	3,162,528	3,829,899	3,758,166	71,733
	6,275,228	7,114,288	7,005,456	108,832
Food delivery				
Salaries	144,857	177,067	180,080	(3,013)
Fringe benefits	55,239	71,645	69,049	2,596
Contracted services and supplies	28,000	36,250	43,473	(7,223)
	228,096	284,962	292,602	(7,640)
Catering				
Salaries	500.00	500	3,595	(3,095)
Fringe benefits	114.00	114	815	(701)
Contracted services and supplies	750.00	2,250	9,004	(6,754)
	1,364	2,864	13,414	(10,550)
Support services:				
Maintenance	35,000	50,993	74,877	(23,884)
Administration	-	-	11,283	(11,283)
	35,000	50,993	86,160	(35,167)
Contingency	2,155,020	2,901,961	-	2,901,961
Total current expenditures	9,723,616	11,535,746	8,957,968	2,577,778
Capital Outlay	58,000	571,208	490,831	80,377
Total expenditures	9,781,616	12,106,954	9,448,799	2,658,155
Excess (deficiency) of revenues over (under) expenditures	(1,150,228)	(2,204,009)	1,341,815	3,545,824
OTHER FINANCE SOURCES (USES)				
Transfer In	77,792	87,502	87,502	-
Total other financing sources (uses)	77,792	87,502	87,502	-
Net change in fund balances	(1,072,436)	(2,116,507)	1,429,317	3,545,824
Fund balances - beginning	1,072,436	2,116,507	2,116,508	1
Fund balances - ending	\$ -	\$ -	\$ 3,545,825	\$ 3,545,825

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

Mesa County Valley School District No. 51
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2022

	<u>Governmental Activities-- Internal Service Funds</u>
ASSETS	
Current assets:	
Cash and investments	\$ 11,589,023
Accounts receivable	203,572
Total current assets	<u>11,792,595</u>
Total assets	
LIABILITIES	
Current liabilities:	
Accounts payable	636,708
Accrued wages and benefits	39,267
Claims payable	2,122,882
Compensated absences payable	34,790
Total current liabilities	<u>2,833,647</u>
Noncurrent liabilities:	
Claims payable	292,686
Future compensated absences payable	2,500
Total noncurrent liabilities	<u>295,186</u>
Total liabilities	<u>3,128,833</u>
NET POSITION	
Unrestricted	8,663,762
Total net position	<u>\$ 8,663,762</u>

Mesa County Valley School District No. 51
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2022

	Governmental Activities-- Internal Service Funds
Operating revenues:	
Charges for sales and services:	
Premiums and copays for employees	\$ 24,386,669
Other professional services	242,132
Total operating revenues	<u>24,628,801</u>
Operating expenses:	
Worker compensation	851,429
Insurance premiums	915,994
Losses or claims	21,620,708
Other operating expenses	1,147,880
Total operating expenses	<u>24,536,011</u>
Operating income (loss)	<u>92,790</u>
Non-operating revenues (expenses):	
Investment income	17,412
Total nonoperating revenues	<u>17,412</u>
Income before other financing sources	<u>110,202</u>
Transfer in (out)	1,500,000
Change in net position	<u>1,610,202</u>
Total net position - beginning	<u>7,053,560</u>
Total net position - ending	<u>\$ 8,663,762</u>

Mesa County Valley School District No. 51
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2022

	<u>Governmental Activities-- Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 24,604,697
Payments to employees	(834,534)
Payments to vendors	(23,006,521)
Net cash provided (used) by operating activities	<u>763,642</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from other funds	<u>1,500,000</u>
Net cash provided by noncapital financing activities	<u>1,500,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income received	<u>17,412</u>
Net cash provided by investing activities	<u>17,412</u>
Net increase (decrease) in cash and cash equivalents	2,281,054
Cash and cash equivalents, July 1	9,307,969
Cash and cash equivalents, June 30	<u>\$ 11,589,023</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 92,790
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
(Increase) decrease in accounts receivable	(24,104)
Increase (decrease) in accounts payable	485,659
Increase (decrease) in accrued salaries and benefits	7,064
Increase (decrease) in claims payable	192,402
Increase (decrease) in compensated absences	9,831
Total adjustments	<u>670,852</u>
Net cash provided (used) by operating activities	<u>\$ 763,642</u>

Mesa County Valley School District No. 51
DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
June 30, 2022

	Independence Academy Charter School	Juniper Ridge Community School	Mesa Valley Community School	Total Discretely Presented Component Units
ASSETS				
Cash and investments	\$ 4,926,998	\$ 1,116,653	\$ 812,513	\$ 6,856,164
Restricted cash and investments	1,252,667	-	-	1,252,667
Due from District	77,302	-	-	77,302
Due from Agency Fund	22,824	-	-	22,824
Accounts receivable (less allowance)	100	64,180	35,362	99,642
Grants receivable	-	153,590	-	153,590
Prepaid expenses	3,263	44,721	34,167	82,151
Other assets	-	-	-	-
Capital assets, not depreciated	650,620	580,090	492,117	1,722,827
Capital assets (net of accumulated depreciation)	10,186,020	7,360,880	3,600,427	21,147,327
Total assets	<u>17,119,794</u>	<u>9,320,114</u>	<u>4,974,586</u>	<u>31,414,494</u>
DEFERRED OUTFLOWS OF RESOURCES				
Related to pensions	1,223,889	1,085,440	585,470	2,894,799
Related to OPEB	51,583	52,281	47,105	150,969
Total deferred outflows	<u>1,275,472</u>	<u>1,137,721</u>	<u>632,575</u>	<u>3,045,768</u>
LIABILITIES				
Accounts payable	171,480	51,771	2,698	225,949
Due to Agency Fund	-	-	-	-
Due to District	36,755	-	8,598	45,353
Accrued salaries and benefits	113,326	104,148	177,318	394,792
Unearned revenue	44,098	26,235	-	70,333
Accrued interest payable	32,166	-	8,984	41,150
Current portion of long-term liabilities	315,000	190,000	100,000	605,000
Long term liabilities due more than one year:				
Compensated absences payable	-	-	91,819	91,819
Notes payable	11,683,025	6,870,000	2,366,587	20,919,612
Net pension liability	3,304,477	3,626,246	3,049,994	9,980,717
Net OPEB liability	159,872	175,441	147,560	482,873
Total liabilities	<u>15,860,199</u>	<u>11,043,841</u>	<u>5,953,558</u>	<u>32,857,598</u>
DEFERRED INFLOWS OF RESOURCES				
Related to pensions	1,274,359	1,651,279	1,486,329	4,411,967
Related to OPEB	70,932	65,588	52,126	188,646
Total deferred inflows	<u>1,345,291</u>	<u>1,716,867</u>	<u>1,538,455</u>	<u>4,600,613</u>
NET POSITION				
Net investment in capital assets	91,282	880,970	1,625,957	2,598,209
Restricted for:				
Emergencies	147,000	125,150	100,439	372,589
Debt service	1,252,667	-	-	1,252,667
Unrestricted	(301,173)	(3,308,993)	(3,611,248)	(7,221,414)
Total net position	<u>\$ 1,189,776</u>	<u>\$ (2,302,873)</u>	<u>\$ (1,884,852)</u>	<u>\$ (2,997,949)</u>

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

Mesa County Valley School District No. 51
DISCREETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2022

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Independence Academy Charter School	Juniper Ridge Community School	Mesa Valley Community School	Total
Independence Academy Charter School:								
Governmental activities:								
Instructional services:	\$ 1,794,426	\$ 152,444	\$ 268,855	\$ -	\$ (1,373,127)	\$ -	\$ -	\$ (1,373,127)
Interest expense on long-term debt	341,547	-	-	-	(341,547)	-	-	(341,547)
Support services:								
School administration services	2,465,840	-	-	213,527	(2,252,313)	-	-	(2,252,313)
Total support services	2,465,840	-	-	213,527	(2,252,313)	-	-	(2,252,313)
Total - Independence Academy Charter School	4,601,813	152,444	268,855	213,527	(3,966,987)	-	-	(3,966,987)
Juniper Ridge Community School:								
Governmental activities:								
Instructional services:	\$ (50,067)	\$ -	\$ 899,488	\$ -	\$ -	\$ 949,555	\$ -	\$ 949,555
Interest expense on long-term debt	321,983	-	-	-	-	(321,983)	-	(321,983)
Support services:								
Student support	2,790,858	-	25,207	103,252	-	(2,662,399)	-	(2,662,399)
School administration services	-	-	-	-	-	-	-	-
Business services	-	-	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-	-	-
Total support services	2,790,858	-	25,207	103,252	-	(2,662,399)	-	(2,662,399)
Total - Juniper Ridge Community School	3,062,774	-	924,695	103,252	-	(2,034,827)	-	(2,034,827)
Mesa Valley Community School:								
Governmental activities:								
Instructional services:	\$ 1,984,100	\$ 152,674	\$ 632,999	\$ -	\$ -	\$ (1,198,427)	\$ (1,198,427)	\$ (1,198,427)
Support services:								
Student support	1,602,748	-	-	-	-	(1,602,748)	-	(1,602,748)
School administration services	84,519	-	-	-	-	(84,519)	-	(84,519)
Business services	128,584	-	-	-	-	(128,584)	-	(128,584)
Operations and maintenance	45,521	-	-	108,395	-	62,874	-	62,874
Total support services	1,861,372	-	-	108,395	-	(1,752,977)	-	(1,752,977)
Interest on long-term debt	109,932	-	-	-	-	(109,932)	-	(109,932)
Total - Mesa Valley Community School	3,955,404	152,674	632,999	108,395	-	(3,061,336)	-	(3,061,336)
Total component units	\$ 11,619,991	\$ 305,118	\$ 1,826,549	\$ 425,174	\$ (3,966,987)	\$ (2,034,827)	\$ (3,061,336)	\$ (9,063,150)
General revenues:								
State equalization not restricted to specific programs					3,752,140		3,171,233	10,453,795
Mill levy					304,248		267,186	857,704
Investment earnings					984		1,268	48,193
Miscellaneous unrestricted revenue					(64,745)		-	(153,898)
Total general revenues					3,992,627		3,439,687	11,205,794
Change in net position					25,640		378,351	2,142,644
Net position - beginning					1,164,136		(2,263,203)	(5,140,593)
Net position - ending					\$ 1,189,776		\$ (1,884,852)	\$ (2,997,949)

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

NOTES TO THE FINANCIAL STATEMENTS

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Mesa County Valley School District No. 51 (the District) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) applicable to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body establishing governmental accounting and financial reporting principles.

The following is a summary of the District's significant accounting policies:

A. Reporting Entity

The District is governed by a five-member Board of Education and is organized and operates in accordance with Colorado statutes. Board of Education members are elected by the citizens of Mesa County, not appointed by any other governing body. The Board selects the superintendent of schools and senior-level administrators. The Board is solely responsible for the District's budget adoption process. The District independently issues debt for short and long-term financing. The District meets the criteria of a primary government: its Board is the publicly elected governing body; it is a legally separate entity, and it is fiscally independent. The District is not included in any other governmental reporting entity.

Discretely Presented Component Units. The Legislature of the State of Colorado enacted the "Charter School Act – Colorado Revised Statutes (CRS) Section 22-30.5-101" in 1993. This Act permits the District to contract with individuals and organizations to operate schools within the District. The statutes define these contracted schools as "charter schools." Charter schools are financed from a portion of the District's School Finance Act revenues and revenues generated by the charter schools within limits established by the Charter School Act. Charter schools have separate governing boards; however, the District's Board of Education must approve all charter school applications and budgets. There are three charter schools in the District: Independence Academy Charter School (IACS), Juniper Ridge Community School (JRCS), and Mesa Valley Community School (MVCS). The charter schools are discretely presented component units because the District is accountable for their financial reporting.

Complete financial statements for each charter school are available at their administrative office.

Independence Academy Charter School 675 29 Road Grand Junction, CO 81504 Phone: 970-254-6850	Juniper Ridge Community School 615 Community Lane Grand Junction, CO 81506 Phone: 970-986-8219	Mesa Valley Community School 609 25 Rd Grand Junction, CO 81505 Phone: 970-254-7202
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B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of net position and the Statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Likewise, the *primary government* is reported separately from its legally separate *component units* for which the primary government is financially accountable.

The Statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

reported as *general revenues*. Separate financial statements are provided for governmental funds and proprietary funds, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period and within 120 days of the end the current fiscal period for grants. 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 and claims and judgments, are recorded only when payment is due.

Property taxes, interest and expended grants associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

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

The **Governmental Designated Purpose Grants Special Revenue Fund** accounts for revenue and expenditures of funds as proscribed by various federal, state and local grantors as awarded to the District.

The **Nutrition Services Special Revenue Fund** accounts for revenue and expenditures of nutrition services related funds as proscribed by various federal, state and local grantors as awarded to the District.

The **Building Capital Projects Fund** accounts for revenues and expenditures for acquisition of capital sites, buildings and equipment.

The **Capital Projects Capital Projects Fund** accounts for revenues allocated to fund ongoing capital needs, such as site acquisition, building additions and renovations, and equipment purchases.

The **Bond Redemption Fund** accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Additionally, the government reports the following fund types:

Internal Service Funds account for insurance provided to other departments or employees of the District on a cost reimbursement basis.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Generally, this means that direct expenses for employee benefits are not eliminated from the various functional categories, whereas indirect expenses have been eliminated. Interfund activity is not eliminated in the fund financial statements.

The only proprietary funds at the District are the Internal Service funds. Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are for industrial insurance, workmen's compensation and employee dental and health insurance provided to other funds. Operating expenses for the internal service funds include salaries, employee benefits, purchased services, supplies and insurance premiums and claims. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

1. Cash and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the government and the District to invest in obligations of the US Treasury, obligations unconditionally guaranteed by US agencies, certain international agency securities, certain types of bonds of US local government entities, bankers' acceptances of certain banks, commercial paper, written repurchase agreements collateralized by certain authorized securities, certain money market funds, and guaranteed investment contracts.

Investments for the District are reported at fair value.

2. Interfund Receivables and Payables

Receivables and payables classified as "due from other funds" or "due to other funds" on the balance sheet arise from negative equity in pooled cash and investments.

3. Inventories

Inventories of expendable supplies and materials are valued at cost using the weighted average basis. Inventory items are charged to expenditures when they are consumed. United States Department of Agriculture commodity inventories are valued using Federal guidelines.

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

4. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., parking lots, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Buildings	75
Modular buildings and improvements	25
Building improvements	20
Land improvements and infrastructure	15
Grounds and shop equipment	12
Instructional equipment and phone systems	10
Vehicles and Trailers	7
Office equipment and software	5
Computers and servers	4
Leasing equipment	leasing terms

5. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of net position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The District has three items that qualify for reporting in this category. The first is the deferred charge on long-term debt refunding reported in the government-wide Statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other two are the deferred outflow of resources related to the cost-sharing, multiple employer defined benefit pension and OPEB plans that they are affiliated with the Public Employees' Retirement Association. See Note 8 and 9 for additional information.

In addition to liabilities, the Statement of net position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The District reports unavailable property taxes in this category. The property tax deferral is recognized as revenues in the period when received or within the subsequent fiscal year. The District also reports deferred inflow of resources related to the cost-sharing, multiple employer defined benefit pension and OPEB plans that they are affiliated with the Public Employees' Retirement Association. See Note 7 and 8 for additional information.

6. Future Compensated Absences

Future compensated absences consist of accumulated vacation and sick leave. The District's policy is to permit twelve-month employees to accumulate a limited amount of earned but unused vacation, which will be taken after June 30, 2022 or paid upon separation from District service. All employees will be compensated for unused accumulated leave based on various formulas, depending upon the employee's position.

Compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example as a result of employee resignations and retirements. There were no such matured compensated absences as of June 30, 2022.

7. Long-term obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statements of net position. Long-term debt premiums and discounts and loss on defeasance are deferred and amortized over the life of the related debt using the straight-line method, which approximates the effective interest method.

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

8. Net Position Flow Assumption

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

9. Fund Balance Policies and Flow Assumptions

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications and by clarifying the definitions of existing governmental fund types.

Fund balances in the fund financial statements are reported in classifications based on the extent to which the District is bound to honor constraints for the specific purposes on which amounts in the fund can be spent. In accordance with the Statement, fund balances are classified in one of five categories:

- *Nonspendable* - Nonspendable fund balance represents assets that will never be converted to cash. They are 1) not spendable in form, or 2) legally or contractually required to be maintained intact.
- *Restricted* - Restricted fund balances reflect resources that are subject to externally enforceable legal restrictions.

NOTES TO FINANCIAL STATEMENTS

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- *Committed* - Committed fund balance is the portion that is limited in use by the Board of Education. The Board of Education is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Education.
- *Assigned* - Assigned fund balances represent resources intended for a certain use by the District that do not meet the criteria to be classified as restricted or committed. Only the Board of Education assigns amounts for specific purposes.
- *Unassigned* - Unassigned fund balance for the general fund represents the net resource balances in excess of the prior classifications.

District reserved fund (10% Reserves) - Effective June 30, 2021, the District Board designated an operating fund balance reserve of 10% in General fund if it is available and supported by the student count as of October 2021. The designated fund shall be established in the amount of 10% of annual expenditures and transfers.

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

10. Property Taxes

The District's property taxes certified by the Board of Education by December 15 and levied on assessed valuation by the Mesa County Commissioners by December 22 are due and payable in the subsequent calendar year. Assessed values are established by the county assessor. Property taxes attach as an enforceable lien on property as of January 1 of the year in which payable. The taxes are payable under two methods: 1) in full on or before April 30, 2) one-half on or before February 28 and the remaining one-half on or before June 15. The Mesa County Treasurer collects all property taxes. The District portion of property taxes collected are received by the 10th of the month following the month of collection, except for the months of March, May and June, when two payments are received.

11. Pensions

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

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General fund typically had been used in prior years to liquidate pension/OPEB liabilities.

12. Defined Benefit Other Post Employment Benefit Plan (OPEB)

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

13. On behalf payments

In 2018, the Colorado General Assembly passed Senate Bill 18-200, which was intended to help reduce the Public Employee's Retirement Association's (PERA) unfunded actuarial accrued liability in several of its trust funds. One of the provisions of the bill directed the State of Colorado (the State) to give an annual direct distribution to PERA in the amount of \$225 million beginning in July 2018. This annual payment is to be allocated to the State, School, Judicial, and DPS Division Trust Funds within Colorado PERA based on annual covered payroll. Under GASB statement No. 85, the on-behalf payment must also be recognized within the current financial resource's measurement focus and modified accrual basis of accounting statements (for fund accounting purposes). The District is required to recognize an expenditure and equal revenue for the District's proportionate share of the on-behalf payment made by the State, which was \$2,960,694.81 for FY2022.

14. GASB 87 announcement.

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87—Leases (GASB 87). The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

Per GASB Statement No. 95 issued May 2020, GASB 87 is effective for all reporting periods beginning after June 15, 2021. GASB 87 must be implemented for the fiscal year beginning July 1, 2021 and will require a restatement of beginning balances for all periods presented (retroactive application). All the previous capital leases were requalified into either Right-to-use lease or finance purchased lease.

15. Debt defeasance.

In July 2012, the District issued bonds of \$7,560,000 for the purpose of refunding the long-term portion of the 2004A Series Bonds. The proceeds of the 2012 Series bonds were placed in an irrevocable trust to provide the future debt service payments on the defeased bonds. The trust

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account assets and the liabilities for the defeased bonds are not included in the district's basic financial statements. At June 30, 2022 the defeased debt and outstanding principal was \$345,000.

In September 2011, the District issued bonds of \$76,575,000 for the purpose of refunding the long-term portion of the 2004A Series Bonds. The proceeds of the 2011 Series bonds were placed in an irrevocable trust to provide the future debt service payments on the defeased bonds. The trust account assets and the liabilities for the defeased bonds are not included in the district's basic financial statements. At June 30, 2022 the defeased debt and outstanding principal was \$30,000,000.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted for all funds on a basis consistent with GAAP, with two exceptions. 1) Proceeds and subsequent payment to bond escrow agents of any bond refinancing transaction are not budgeted in the Bond Redemption Debt Service fund, as applicable. 2) The Nutrition Services Special Revenue Fund budget differs from GAAP in that revenue and expenditures for commodities received from the US Department of Agriculture are not budgeted, as they are non-cash items.

In June, the Board of Education adopts the budget for the following fiscal year. In accordance with Colorado statutes, the Board makes final changes, if any, when it "readopts" the budget on or before January 31. The Board may further amend or adopt supplemental budgets during the budget year.

B. Budgeted level of expenditures

Expenditures may not legally exceed appropriations at the fund level. Administrative control is maintained through the use of detailed line-item budgets. Budgets must be amended at the fund level by the Board of Education. At year-end, all appropriations lapse in accordance with Colorado statutes.

Encumbrance accounting is utilized in the governmental funds and proprietary funds. Encumbrances (e.g., purchase orders and contracts) outstanding at year end do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year. At June 30, 2022, the District had outstanding encumbrances of \$1,336,656 in combined General Fund, \$1,066,890 in Governmental Designated Purpose Grants Special Revenue Fund, \$511,038 in Nutrition Services Special Revenue Fund, \$1,120,406 in Capital Projects Building fund, and \$3,265,831 in Capital Projects Capital Projects Fund.

The Capital Projects Capital Projects Fund expenditures are made pursuant to an annual resolution adopted by the Board of Education. Appropriations for capital expenditures are carried forward until such time as the project is completed or terminated. At year end, appropriations for any incomplete projects will be carried into the next year and added to the new year budget. This procedure allows for accurate presentation of budget to actual expenditures.

Appropriations for the Governmental Designated Purpose Grants Special Revenue Fund are made by the Board of Education as new grants are approved during the year. Many of the grants have fiscal year ends that differ from the District. In these circumstances, appropriations for these grants are carried into the next fiscal year and added to the new fiscal year's budget. This allows for accurate presentation of budget to actual expenditures.

Mesa County Valley School District No. 51
NOTES TO FINANCIAL STATEMENTS
 June 30, 2022

C. Proprietary fund appropriations

The schedule below is presented to demonstrate compliance with School District Budget Law.

	<u>Appropriations</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Internal Service Funds:			
Insurance Reserve	\$ 8,909,796	\$ 2,883,194	\$ 6,026,602
Dental Insurance	1,660,225	1,177,999	482,226
Medical Insurance	25,081,310	20,474,818	4,606,492

NOTE 3 – CASH AND INVESTMENTS

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 regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. All deposits of the District and the component units are insured or collateralized with securities held by or for the entity.

The Colorado Divisions of Banking and Financial Services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At June 30, 2022, the District's cash deposits had a bank balance and a carrying balance as follows:

	<u>Bank Balance</u>	<u>Carrying Balance</u>
Cash on hand	\$ -	\$ 4,542
Insured deposits	250,000	250,000
Certificates of deposit	473,317	473,317
Deposits collateralized in single institution pools	<u>8,538,408</u>	<u>6,951,454</u>
	<u>\$ 9,261,725</u>	<u>\$ 7,679,313</u>

Investments

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

<u>Investment Name</u>	<u>Fair Value</u>
Local government investment Pools	\$ <u>231,883,813</u>
Total cash and investments	\$ <u>239,563,126</u>

Interest rate risk. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Colorado statutes do not allow investment maturities to exceed five years.

The District voluntarily participates in local government investment pools, CSAFE and COLOTRUST, that exist under the laws of the State of Colorado and are registered with the Securities Commissioner

NOTES TO FINANCIAL STATEMENTS

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of the State of Colorado. The pools are similar to money market funds, with each share valued at \$1. Assets of the pools are limited to those authorized by state statute, have a maximum slated maturity and weighted average maturity in accordance with Federal Securities Regulation 2a-7, and have a rating of AAAM by S&P. The fair value of the position in the investment pools approximates the value of the District's investment in the pools. The weighted average maturity of the pool's investments is less than sixty days which indicates the District's ability to withdraw money based on cash flow needs rather than when investments mature.

Credit Risk. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which Colorado school districts may invest, which include:

- Obligations of the United States and certain US government agency securities
- Certain international agency securities
- General obligation and revenue bonds of US 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's investment policy is to apply the "prudent investor" rule, which states "investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculations, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Concentration of Credit Risk. The District places no limit on the amount the District may invest in any one issuer. More than five percent of the District's investments are in public entity investment pools. These investments are 99% of the District's total investments.

Mesa County Valley School District No. 51
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 – CAPITAL ASSETS

Capital Asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 15,248,529	\$ –	\$ (281,415)	\$ 14,967,114
Construction in Progress	<u>–</u>	<u>9,027,873</u>	<u>–</u>	<u>9,027,873</u>
Total Capital assets, not being depreciated	<u>15,248,529</u>	<u>9,027,873</u>	<u>(284,415)</u>	<u>23,994,987</u>
Capital assets, being depreciated:				
Buildings and building improvements	381,980,688	959,414	–	382,940,102
Land improvements	13,608,260	–	–	13,608,260
Equipment	20,347,571	912,611	(154,813)	21,105,369
Right-to-use leased buildings	–	1,162,295	–	1,162,295
Right-to-use leased equipment	<u>12,680,472</u>	<u>1,917,377</u>	<u>–</u>	<u>14,597,849</u>
Total capital assets being depreciated	<u>428,616,991</u>	<u>4,951,697</u>	<u>(154,813)</u>	<u>433,413,875</u>
Less accumulated depreciation for:				
Buildings and building improvements	(100,422,209)	(8,692,618)	–	(109,114,827)
Land improvements	(9,978,002)	(673,586)	–	(10,651,588)
Equipment	(10,789,568)	(1,959,104)	146,229	(12,602,443)
Less accumulated Amortization for				
Right-to-use leased buildings	–	–	–	–
Right-to-use leased equipment	<u>(6,949,987)</u>	<u>(1,268,802)</u>	<u>–</u>	<u>(8,218,789)</u>
Total accumulated depreciation/amortization	<u>(128,139,766)</u>	<u>(12,594,110)</u>	<u>146,229</u>	<u>(140,587,647)</u>
Total capital assets being depreciated, net	<u>300,477,225</u>	<u>(7,642,413)</u>	<u>(8,584)</u>	<u>292,826,228</u>
Governmental activities capital assets, net	<u>\$ 315,725,754</u>	<u>\$ 1,385,460</u>	<u>\$ (289,999)</u>	<u>\$ 316,821,215</u>

Mesa County Valley School District No. 51
NOTES TO FINANCIAL STATEMENTS
 June 30, 2022

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

Governmental activities:

Instructional services	9,642,453
Pupil services	1,135
Instructional staff services	19,566
General administration services	2,900
School administration services	165,576
Business services	6,513
Maintenance and capital asset services	148,542
Transportation services	308,411
Central service	2,243,172
Nutrition Services	<u>55,841</u>
Total depreciation expense – governmental activities	<u>\$12,594,109</u>

Construction commitments

The District has active construction projects as of June 30, 2022, which is the new building of the Grand Junction High School. The project includes renovations, new school building and site improvements. At the end of the year, commitments with contractors on all projects are too numerous to list. All accumulated resources for capital projects are reserved for construction commitments. A list of significant commitments as of June 30, 2022, are as follows:

Project name	Spent-to-date	Remaining Commitment
Grand Junction High School	\$ 8,904,041	\$ 120,161,380

NOTE 5 – LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
General obligation bonds	\$158,105,000	\$ 95,040,000	\$ (9,260,000)	\$243,885,000	\$9,650,000
Certificates of Participation	15,840,000	–	(270,000)	15,570,000	660,000
Debt issuance premiums	23,642,850	20,523,499	(2,707,353)	41,458,995	3,220,441
Finance purchases lease*	369,992	–	(216,155)	153,837	72,671
Right-to-use leases*	4,519,358	3,079,672	(2,246,169)	5,352,861	1,692,048
Claims payable	2,223,166	20,773,941	(20,581,539)	2,415,568	2,415,568
Compensated absences	<u>2,366,534</u>	<u>473,989</u>	<u>(512,366)</u>	<u>2,328,157</u>	<u>1,600,000</u>
Governmental activities					
Long-term liabilities	<u>\$207,066,900</u>	<u>\$139,891,100</u>	<u>\$(35,793,582)</u>	<u>\$311,164,418</u>	<u>\$19,310,728</u>

* Previous Capital leases. Per GASB 87, was reclassified to financial purchased and Right-to-use leases.

Internal service funds serve the governmental funds, accordingly, liabilities for them are included as \$2,415,568 of claims payable. For the governmental activities, the liability of compensated absences, \$2,328,157, are generally liquidated by the general fund.

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

General Obligation Bonds

In January, 2022, the District issued a \$115 million General Obligation bond, series 2022, to construct the new Grand Junction High school building. The bond's par value was \$95,040,000, and the premium was \$20,523,498.65. The Series 2022 bond dated January 26, 2022 and bear interest payable semi-annually on June 1 and December 1. Interest rates range from 4.0% to 5.0%, depending on maturity date. The bonds mature on December 1, 2041.

In January 2018, the District issued \$118,500,000 of General Obligation Bonds, Series 2018 for priority 1 maintenance projects. The Series 2018 bond dated February 13, 2018 and bear interest payable semi-annually on June 1 and December 1. Interest rates range from 5.0% to 5.5%, depending on maturity date. The bonds mature on June 1, 2018 through December 1, 2037 and are not subject to redemption prior to their respective maturities.

In July 2012, the District issued \$7,560,000 of General Obligation Refunding Bonds, Series 2012 to partially advance refund the Series 2004A General Obligation Bonds. Bonds of the 2012 refunding issue are dated July 25, 2012 and bear interest payable semi-annually on June 1 and December 1. Interest rates range from 2.0% to 4.0%, depending on maturity date. The bonds mature on December 1, 2024 and are not subject to redemption prior to their maturity.

In September 2011, the District issued \$76,575,000 of General Obligation Refunding Bonds, Series 2011 to advance refund \$76,710,000 of the 2004A General Obligation Bonds. The Series 2011 issue are dated September 22, 2011 and bear interest payable semi-annually on June 1 and December 1. Interest rates range from 2.0% to 5.0%, depending on maturity date. The bonds mature on December 1, 2012 through December 1, 2024 and are not subject to redemption prior to their respective maturities.

Debt service for the 2011, 2012, 2018 and 2022 series bonds is accounted for in the Bond Redemption fund. The bond registrar and paying agent is Wells Fargo Bank, N.A., Denver, Colorado, for the 2011 and 2012 bonds, and UMB bank for the 2018 and 2022 series.

The District participates in the Colorado State Treasurer intercept program, in which the State of Colorado guarantees payment of principal and interest if the District defaults as such payments come due. As a condition of participation in the program, the Mesa County Treasurer is assigned to act as the third party trustee of the cash and investments in the Bond Redemption Debt Service Fund. Debt service requirements to maturity for general obligation bonds are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Interest Rate</u>
Maturity – June 30,				
2023	9,650,000	11,441,513	21,091,513	0.00 – 5.00%
2024	10,100,000	10,949,013	21,049,013	2.50 – 5.00%
2025	10,595,000	10,435,950	21,030,950	2.50 – 5.00%
2026	8,255,000	9,967,763	18,222,763	5.00%
2027	8,670,000	9,544,638	18,214,638	5.00%
2028-2032	50,295,000	40,597,563	90,892,563	5.00%
2033-2037	64,445,000	26,021,744	90,466,744	5.25 – 5.50%
2038-2042	<u>81,875,000</u>	<u>8,549,735</u>	<u>90,424,735</u>	5.50%
	<u>\$ 243,885,000</u>	<u>\$ 127,507,919</u>	<u>\$ 371,392,919</u>	

NOTES TO FINANCIAL STATEMENTS

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Certificates of Participation

In October 2020, the District issued \$6,085,000 of Certificate of Participation, Series 2020 to advance refund the Series 2015 Certificate of Participation. Principal payments due on December 1st and the interest due on December and June 1st. The interest rate is 2.29%. The gain on refunding COP was \$191,298 which will be amortized over the term of the COP, and the net present value of savings realized as a result of the refunding was \$649,279.

On September 15, 2015, the District issued \$7,355,000 in Certificates of Participation for construction of an alternative secondary school building that replaced existing sites. The Certificates were issued with an interest rate ranging from 2.00% to 4.25% with Nisley Elementary School acting as collateral for the Certificates. The first optional call date for the Certificates is on November 15, 2020 and the initial principal plus interest payment was due November 15, 2016.

In 2019, the District issued two Certificates of Participation to construct and purchase buildings for Juniper Ridge Charter School and Mesa Valley Community Charter School respectively. The Certificates were issued with an interest rate ranging from 4.00 to 5.00% with R5 High School acting as collateral for the Certificates. The first optional call date for the Certificates is on December 1, 2028 and the initial principal plus interest payment was due December 1, 2019. Because the debt is held and being paid by the District, the collects monthly payments from the Charter Schools and holds the funds in an escrow account to pay the debt as it comes due. The principal and interest payment for 2023 is \$497,650 for Juniper Ridge Charter School and \$204,675 for Mesa Valley Community Charter School.

Debt service requirements to maturity for certificates of participation are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Interest Rate</u>
Maturity – June 30,				
2023	660,000	552,378	1,212,378	2.29 – 5.00%
2024	680,000	529,108	1,209,108	2.29 – 5.00%
2025	705,000	504,917	1,209,917	2.29 – 5.00%
2026	730,000	479,746	1,209,746	2.29 – 5.00%
2027	755,000	453,597	1,208,597	3.00 – 4.00%
2028-2032	4,180,000	1,839,183	6,019,183	3.00 – 4.00%
2033-2037	4,465,000	1,039,996	5,504,996	3.25 – 4.25%
2038-2042	2,450,000	417,400	2,867,400	3.50 – 4.25%
2043-2044	945,000	38,100	983,100	3.50 – 4.25%
	<u>\$ 15,570,000</u>	<u>\$ 5,854,425</u>	<u>\$ 21,424,425</u>	

Lease Obligations

The District implemented GASB Statement No. 87, Leases, effective July 2021, all previous capital leases were reclassified to financial purchased leases and Right-to-use leases. Under GASB 87, the applicable interest rate used is determined by the rate specified in the contract. If no rate is specified, the District follows the IRS Applicable Federal Rates (AFRs) ruling. More information about the rate can be found at: <https://www.irs.gov/applicable-federal-rates>.

In January 2022, the Districted entered into two buildings leases. The first is the Compass Building lease which is a 3 year lease with a present value of \$714,716. The interest rate to determine fair market value is 1.3% and is based on the Applicable Federal Rates (AFR) as published by the IRS for the period of the inception of the lease. The building is being used as temporary office space for the Emerson building staff while that building is being remodeled. The second lease is with Colorado Mesa

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University and has a net present value of \$100,431. This is a four year lease and the interest rate is 1.3%, which is based on the AFR at the inception of the lease. This lease is being used for the District's explosion program.

In July 2021, the district entered into a three year building lease with an interest rate of 1.3% based on AFR at the inception of the lease, and a present value of \$347,148.

In 2022, the District entered three equipment leases: The first lease was a four year lease with Dell with an interest rate of 0.86% and a present value of \$1,794,568. The remaining leases have a present value of \$122,809. Interest rates are based on the AFR. The second lease was the district-wide printer lease, a four year lease with All Copy with an interest rate of 1.0 % and present value of \$85,343. The third leases was the print shop printer lease, a three-year lease with an ointerest rate of 1.0% with a present value of \$37,466. Interest rates are based on the AFR.

In May 2020, the District renewed Dell leases agreement in the amount of \$362,392 for Chromebooks. Payments on the leases begin August 2020. In August 2020, the District revised this agreement, adding an amount of \$20,265 more computers to the original contract. The annual implicit interest rate in the contract was 4.23%.

In April 2020, the District entered into a new lease agreement of \$363,660 to lease busses. Payments are biannual starting October 2020. The annual explicit interest rate in the contract was 2.90%.

In May 2019, the District renewed Dell leases agreement in the amount of \$1,397,045 for Chromebooks. Payments on the leases began August 2019. The annual implicit interest rate in the contract was 5.06%.

In September 2017, the District entered into a lease agreement of \$704,438 to lease busses. Payments are biannual starting September 2017. The annual explicit interest rate in the contract was 2.90%.

During 2009 through 2011, the District entered into leases for energy improvements with a capitalized value of \$9,506,583. Payments on the leases began in August, 2011. The final lease payments are due in May, 2027. The annual explicit interest rate in the contract was 3.55%.

The present value of future minimum lease payments is shown as a liability and related assets are capitalized in the basic financial statements. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022 were as follows:

	Governmental Activities		
	<u>Principal payment</u>	<u>Interest payment</u>	<u>Total payment</u>
2023	\$ 1,764,719	\$ 134,284	\$ 1,899,004
2024	1,836,657	86,326	1,922,983
2025	1,451,928	37,754	1,489,682
2026	441,907	6,164	448,071
2027	<u>82,105</u>	<u>311</u>	<u>82,417</u>
Present value of net minimum lease payment	<u>\$ 5,352,871</u>	<u>\$ 253,313</u>	<u>\$ 5,606,183</u>

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NOTE 6 – INTERFUND TRANSFERS

Interfund transfers during fiscal year 2022 were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Physical Activities Special Revenue Fund	\$ 150,000	\$ --
Capital Projects Capital Projects Fund	2,375,970	--
Nutrition Services Special Revenue Fund	87,502	--
Insurance Reserve Fund	1,500,000	--
General Fund	<u>--</u>	<u>4,113,472</u>
	<u>\$ 4,113,472</u>	<u>\$ 4,113,472</u>

The \$150,000 transfer from the General Fund to the Physical Activities Special Revenue Fund was made to fund costs in excess of revenues for sports programs of the District.

The \$2,375,970 transfer from the General Fund to the Capital Projects Capital Projects Fund was made to fund capital projects and building maintenance.

The \$87,502 transfer from the General Fund to the Nutrition Services Fund was made to subsidize the cost of additional student contact days added in the 2017 Mill Levy Override.

The \$1,500,000 transfer from the General Fund to the Insurance Reserve Fund was made to fund risk management services for the District.

NOTE 7 – DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

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

Benefits provided as of December 31, 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

CRS § 24-51-602, 604, 1713, and 1714.

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

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

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

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

In all cases the service retirement benefit is limited to 100% of highest average salary and 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% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

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

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for the SCHDTF are established under CRS § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 10.50% 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	10.90%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in CRS § 24-51-208(1)(f)	(1.02%)
Amount apportioned to the SCHDTF	9.88%
Amortization Equalization Disbursement (AED) as specified in CRS § 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%

**Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in CRS § 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 Districts statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$26,730,517 for the year ended June 30, 2022.

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

The net pension liability for the SCHDTF was measured as of December 31, 2021, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the TPL to December 31, 2021. The District proportion of the net pension liability was based on the District 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 \$241,906,845 for its proportionate share of the net pension liability. 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 proportionate share of the net pension liability	\$241,906,845
The State's proportionate share of the net pension liability as a non-employer contributing entity associated with the District	24,879,423
Total	\$266,786,271

At December 31, 2021, the District proportion was 2.08%, which was a decrease of 0.34% from its proportion measured as of December 31, 2020.

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For the year ended June 30, 2022, the District recognized pension expense of \$99,064,188 and a negative revenue of \$6,629,187 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual	9,261,163	-
Changes of assumptions or other inputs	18,467,782	-
Net difference between projected and actual earnings on pension plan investments	-	90,949,748
Changes in proportion and differences between contributions recognized and proportionate share of contributions	8,706,655	27,789,458
Contributions subsequent to the measurement date	13,476,925	N/A
Total	49,912,52	118,739,206

\$13,476,925 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30, 2022	
2023	\$ (11,929,677)
2024	(33,804,341)
2025	(25,530,238)
2026	(11,039,353)
2027	-
Thereafter	-

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Actuarial assumptions. The TPL in the December 31, 2020, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

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

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

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

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

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

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

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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 of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

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

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in Senate Bill (SB) 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% 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.

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- 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% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- 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% to 1.00%, 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% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District 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	\$356,067,096	\$241,906,845	\$146,644,383

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

Defined Contribution Pension Plans

Voluntary Investment Program

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

Funding Policy - The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the CRS, as amended. The District does not match employee. For the year ended June 30, 2022, program members contributed \$169,378 and the District has no liability for the Voluntary Investment Program.

NOTE 8 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

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

General Information about the OPEB Plan

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

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

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

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

DPS Benefit Structure

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer

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contributions recognized by the HCTF from the District were \$1,371,485 for the year ended June 30, 2022.

Contributions made after the measurement date of the net pension/OPEB liability/collective net pension/OPEB liability but before the end of the employer's or governmental nonemployer contributing entity's reporting period will be recognized as a reduction of the net pension/OPEB liability or collective net pension/OPEB liability in the subsequent fiscal period rather than in the current fiscal period.

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 \$11,703,534 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2021, and the total OPEB liability (TOL) 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 TOL to December 31, 2021. The District proportion of the net OPEB liability was based on the District 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 proportion was 1.36%, which was a decrease of 0.04% from its proportion measured as of December 31, 2021.

For the year ended June 30, 2022, the District recognized OPEB expense of \$1,446,266. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of</u>	<u>Deferred Inflows of</u>
Difference between expected and actual experience	\$17,834	\$2,775,049
Changes of assumptions or other inputs	242,308	724,453
Net difference between projected and actual earnings on OPEB plan investments	-	634,848
Changes in proportion and differences between contributions recognized and proportionate share of contributions	146,178	570,193
Contributions subsequent to the measurement date	691,472	N/A
Total	\$1,097,792	\$4,704,539

\$691,472 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022 Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30, 2022:	
2023	\$(1,096,627)
2024	(1,181,301)
2025	(1,172,714)
2026	(625,770)
2027	216,861
Thereafter	4,951

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Actuarial assumptions. The TOL in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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

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.

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

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 (actual dollars) 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 (actual dollars) per month.

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

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

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

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 generational mortality and were applied, as applicable, in the determination of the TOL 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.

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.

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Disabled mortality assumptions for members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% 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 Trust Fund:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 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 of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

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

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

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%.

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	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%
Net OPEB Liability	\$11,367,438	\$11,703,534	\$12,092,868

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of the District proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$13,592,426	\$11,703,534	\$10,090,087

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

NOTE 9 – RISK MANAGEMENT

The District has established an Insurance Reserve Internal Service Fund to account for insuring against loss or damage to property; payment of premiums on loss insurances; and payment of judgments, administrative and legal claims.

The District is exposed to various risks of loss related to torts; errors and omissions; violation of civil rights; theft of, damage to, and destruction of assets; and natural disasters. These risks are covered by the District's participation as a member of the Colorado School District Self-Insurance Pool (the Pool), which operates as a risk-sharing public entity risk pool comprised of various school districts and other related public educational entities within the State of Colorado. The Pool provides the District with general, property and vehicle liability insurance. For the year ended June 30, 2022, the District paid \$915,994 in premiums to the Pool. In the event of the impairment or insolvency of the Pool, the District may be assessed such amounts as may be necessary to ensure the solvency of the Pool. The likelihood of an event of this type occurring is remote.

Commercial insurance companies are used to provide coverage for life insurance and other insurance programs maintained by the District. For each of the past three years, no settlements have exceeded the amount of insurance coverage. The District self-insures for vehicle comprehensive and collision coverage and worker's compensation coverage. Health, vision and life employee benefit insurances are not included in this fund and such premiums are recorded as employee benefits in the same funds as the salary expenditure.

The District had established a self-insured employee benefit dental insurance plan in 2002. In January, 2004 the District established a self-insured employee benefit medical insurance plan. Premiums paid by employees and District contributions are remitted to the Medical Insurance Internal Service Fund and the Dental Insurance Internal Service Fund by the fund that pays the salary expenditure. Payments of medical and dental claims and administrative costs are an expense of the internal service funds and these transactions are accounted for in the respective internal service funds.

Claims liabilities of \$792,686 in the Insurance Reserve Internal Service Fund, \$1,552,134 in the Medical Insurance Internal Service Fund and \$70,748 in the Dental Insurance Internal Service Fund were recorded at June 30, 2022 for the District's share of estimated ultimate losses for claims made and claims incurred but not reported, where information prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated.

Mesa County Valley School District No. 51
NOTES TO FINANCIAL STATEMENTS
 June 30, 2022

Changes in the claim's liability amounts in 2021 and 2022 were:

	July 1	Claims and		June 30
	<u>Claims payable</u>	<u>Changes in</u>	<u>Claim Payments</u>	<u>Claims payable</u>
		<u>Estimates</u>		
Dental coverage:				
2021	\$ 65,624	\$ 1,340,432	\$ (1,333,846)	\$ 75,210
2022	75,210	1,176,537	(1,177,999)	70,748
Medical coverage:				
2021	\$ 1,186,043	22,123,232	(21,971,573)	1,337,702
2022	1,337,702	20,656,975	(20,442,543)	1,552,134
Insurance reserve:				
2021	\$ 1,494,875	129,795	(811,416)	813,254
2022	813,254	965,298	(985,866)	792,686

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Grants – The District receives significant financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the District's independent auditors and other governmental auditors. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. Based on prior experience, the District administration believes such disallowance, if any, would be immaterial.

Litigation – The District is involved in various litigations. The District's counsel and insurance carriers estimate that the potential claims against the District, not covered by insurance, resulting from such litigation would not materially affect the financial statements of the District.

Tabor Amendment – Colorado voters passed an amendment to the State Constitution, Article X, Section 20, known as the Tabor Amendment, which has several limitations including revenue raising, spending abilities, and other specific requirements of state and local governments. In a general election held on November 2, 1999, voters approved a ballot issue, which allows the school district to exceed the revenue limitations for the year ended June 30, 1999 and in future years.

The Amendment requires all governments to establish a reserve for emergencies, which is calculated as three percent of fiscal year spending. Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. At June 30, 2022, The Capital Projects Capital Projects Fund has a restricted fund balance of \$6,277,336 to satisfy the reserve requirement.

Mesa County Valley School District No. 51
NOTES TO FINANCIAL STATEMENTS
 June 30, 2022

NOTE 11 – RESTATEMENT OF NET POSITION

Governmental -wide Statement. Due to Maintenance of Effort requirements (MOE) in grants 3030 and 3031, the District reclassified \$693,330 of expenses from the Governmental Designated Purpose Grants special revenue fund to the Combined General Fund as of June 30, 2021. The adjustment resulted in a decrease of \$693,330 in beginning net position in the government-wide statements.

	Governmental- wide Activities
Net Position, June 30, 2021, as Previously Reported	\$ (233,150,149)
Previously reported as Designated grant fund	(693,330)
Net Position, June 30, 2022, as Restated	<u>\$ (233,843,479)</u>

Combined General Fund and governmental funds. For the same reason mentioned above. The adjustment reduced the beginning fund balance of Combined general fund by \$693,330. The effect on the Grants fund was to decrease expense and revenue and increase deferred revenue as of June 30, 2021.

	Governmental funds	Combined General fund
Net Position, June 30, 2021, as Previously Reported	\$ 86,959,136	\$ 28,982,888
Previously reported as Designated grant fund	(693,330)	(693,330)
Net Position, June 30, 2022, as Restated	<u>\$ 86,265,806</u>	<u>\$ 28,289,558</u>

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REQUIRED SUPPLEMENTARY INFORMATION

Mesa County Valley School District No. 51

SCHEDULE OF ACTIVITY - NET PENSION LIABILITY

June 30, 2022

Measurement date:	Employer proportion of NPL	Employer proportionate share of NPL	Nonemployer contributing entity proportionate share of NPL associated with employer	Total of employer and nonemployer proportionate share of NPL	Covered payroll	Employer proportionate share of NPL as a percentage of covered payroll	Pension plan's fiduciary net position as a percentage of total pension liability
December 31, 2014	2.6793%	\$ 363,135,378	\$ -	\$ 363,135,378	\$ 104,046,561	349%	63%
December 31, 2015	2.4552%	375,508,406	-	375,508,406	106,992,550	351%	59%
December 31, 2016	2.4403%	726,578,219	-	726,578,219	110,846,175	655%	43%
December 31, 2017	2.4303%	785,867,412	-	785,867,412	112,094,703	701%	44%
December 31, 2018	2.3169%	383,988,002	46,189,284	430,177,286	119,202,566	322%	57%
December 31, 2019	2.1611%	322,868,806	36,342,249	359,211,055	126,303,921	256%	65%
December 31, 2020	2.4205%	365,925,687	-	365,925,687	129,451,007	283%	67%
December 31, 2021	2.0787%	241,906,845	24,879,364	266,786,209	129,868,520	186%	75%
December 31, 2022	-	-	-	-	-	-	-
December 31, 2023	-	-	-	-	-	-	-

Notes:

This schedule is intended to show 10 years of supplementary information. Additional years' information will be shown as it becomes available

Mesa County Valley School District No. 51

SCHEDULE OF ACTIVITY - EMPLOYER PENSION CONTRIBUTIONS

June 30, 2022

	Required employer contribution	Employer contributions recognized by the plan	Difference	Covered payroll	Contributions as a percentage of covered payroll
June 30, 2015	\$ 18,812,548	\$ 18,812,548	\$ -	\$ 105,086,978	17.90%
June 30, 2016	19,376,687	19,376,687	-	109,269,410	17.73%
June 30, 2017	20,282,919	20,282,919	-	110,335,833	18.38%
June 30, 2018	21,641,878	21,641,878	-	114,601,772	18.88%
June 30, 2019	23,653,869	23,653,869	-	123,647,973	19.13%
June 30, 2020	24,860,077	24,860,077	-	128,276,883	19.38%
June 30, 2021	25,430,438	25,430,438	-	127,919,598	19.88%
June 30, 2022	26,730,517	26,730,517	-	134,459,367	19.88%
June 30, 2023	-	-	-	-	-
June 30, 2024	-	-	-	-	-

Notes:

This schedule is intended to show 10 years of supplementary information. Additional years' information will be shown as it becomes available

Mesa County Valley School District No. 51

SCHEDULE OF ACTIVITY - NET OPEB LIABILITY

June 30, 2022

Measurement date:	Employer proportion of NOPEBL	Employer proportionate share of NOPEBL	Covered payroll	Employer proportionate share of NOPEBL as a percentage of covered payroll	OPEB plan's fiduciary net position as a percentage of total OPEB liability
December 31, 2017	1.3809%	\$ 17,945,907	\$ 112,094,703	16%	18%
December 31, 2018	1.4096%	19,177,865	119,202,566	16%	17%
December 31, 2019	1.4123%	15,874,668	126,303,921	13%	24%
December 31, 2020	1.3998%	13,301,664	129,451,007	10%	33%
December 31, 2021	1.3572%	11,703,531	129,868,520	9%	39%
December 31, 2022	-	-	-	-	-
December 31, 2023	-	-	-	-	-
December 31, 2024	-	-	-	-	-
December 31, 2025	-	-	-	-	-
December 31, 2026	-	-	-	-	-

Notes:

This schedule is intended to show 10 years of supplementary information. Additional years' information will be shown as it becomes available

Mesa County Valley School District No. 51

SCHEDULE OF ACTIVITY - EMPLOYER OPEB CONTRIBUTIONS

June 30, 2022

	Required employer contribution	Employer contributions recognized by the plan	Difference	Covered payroll	Contributions as a percentage of covered payroll
June 30, 2018	\$ 1,168,938	\$ 1,168,938	\$ -	\$ 114,601,772	1.02%
June 30, 2019	1,261,209	1,261,209	-	123,647,973	1.02%
June 30, 2020	1,308,424	1,308,424	-	128,276,883	1.02%
June 30, 2021	1,304,780	1,304,780	-	127,919,598	1.02%
June 30, 2022	1,371,485	1,371,485	-	134,459,367	1.02%
June 30, 2023	-	-	-	-	-
June 30, 2024	-	-	-	-	-
June 30, 2025	-	-	-	-	-
June 30, 2026	-	-	-	-	-
June 30, 2027	-	-	-	-	-

Notes:

This schedule is intended to show 10 years of supplementary information. Additional years' information will be shown as it becomes available

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND
SCHEDULE**

Component of General fund Component - 2017 Mill Levy

In November 2017, School District 51 voters approved a mill levy override to raise property taxes within District 51 boundaries by \$6.5 million annually for ten years. The funds are for the purpose of adding additional student count days, updating instructional materials and educator training, and helping extend the life of buildings and additional positions for technology support. The 2017 Mill Levy fund in part of the General fund.

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Physical Activities Fund – accounts for most of the revenue and expenditures associated with the athletic programs at the high schools.

Beverage Fund – accounts for the money received from a “Sponsorship Agreement” entered into with Swire Pacific Holding, Inc. and expenditure of the funds as per management directives.

Student Body Activity Fund - Effective July 1, 2020, the district implemented and adopted GASB Statement No. 84, Fiduciary Activities. The Student Body Activity fund is qualified as a Special revenue fund under the new announcement.

Major Governmental Funds

Capital Projects Fund

Capital Projects Funds are used to account for the financial resources used for the acquisition or construction of major capital equipment or facilities.

Building Fund – accounts for funds from the Bond proceeds and related expenditures for the Grand Junction High School.

Capital Projects – accounts for funds transferred from the General Fund and proceeds of capital leases and related expenditures for capital acquisitions, capital maintenance, and capital projects.

Debt Service Fund

Debt service funds are used to account for the accumulation of resources and payment of principal and interest related to the District’s general obligation bond debt.

Bond Redemption Fund – accounts for the property taxes received and the payment of principal and interest on the District’s General Obligation bonds: Series 2022 and Series 2018 approved by the voters, and refunding issue Series 2011 and Series 2012.

Mesa County Valley School District No. 51
BALANCE SHEET
COMPONENT OF GENERAL FUND - MILL LEVY 2017
June 30, 2022

ASSETS

Current assets:

Cash and investments	\$	<u>4,710,246</u>
Total current assets	\$	<u><u>4,710,246</u></u>

LIABILITIES

Accounts payable	\$	<u>462,332</u>
Total liabilities		<u>462,332</u>

NET POSITION

Unrestricted		<u>4,247,914</u>
Total net position	\$	<u><u>4,710,246</u></u>

Mesa County Valley School District No. 51
COMPONENT OF GENERAL FUND - MILL LEVY 2017
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local sources:				
Property taxes	\$ 6,500,000	\$ 6,500,000	\$ 6,289,797	\$ (210,203)
Specific ownership tax	945,374	975,818	871,803	(104,015)
Investment income	5,000	5,000	220,303	215,303
	<u>7,450,374</u>	<u>7,480,818</u>	<u>7,381,903</u>	<u>(98,915)</u>
EXPENDITURES				
Current:				
Instructional services:				
General instruction	982,737	1,121,370	367,282	754,088
Instructional support:				
Treasurer's fee	-	-	16,216	(16,216)
Business support:				
Information technology	386,050	386,050	367,898	18,152
Total Current	<u>1,368,787</u>	<u>1,507,420</u>	<u>751,396</u>	<u>756,024</u>
Capital Outlay	913,950	913,950	756,598	157,352
Contingency	2,486,310	3,392,012	-	3,392,012
Total expenditures	<u>4,769,047</u>	<u>5,813,382</u>	<u>1,507,994</u>	<u>4,305,388</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,681,327</u>	<u>1,667,436</u>	<u>5,873,909</u>	<u>4,206,473</u>
OTHER FINANCE SOURCES (USES)				
Transfers out	(4,569,157)	(4,059,841)	(4,018,400)	41,441
Total other financing sources (uses)	<u>(4,569,157)</u>	<u>(4,059,841)</u>	<u>(4,018,400)</u>	<u>41,441</u>
Net change in fund balances	(1,887,830)	(2,392,405)	1,855,509	4,247,914
Fund balances - beginning	<u>1,887,830</u>	<u>2,392,405</u>	<u>2,392,405</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,247,914</u>	<u>\$ 4,247,914</u>

Mesa County Valley School District No. 51
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2022

	Special Revenue			Total Nonmajor Governmental Funds
	Physical Activities	Beverage	Student Body Activities	
ASSETS				
Cash and investments	\$ 99,192	\$ 310,082	\$ 3,079,427	\$ 3,488,701
Accounts receivable	-	-	2,860	2,860
Total assets	<u>\$ 99,192</u>	<u>\$ 310,082</u>	<u>\$ 3,082,287</u>	<u>\$ 3,491,561</u>
LIABILITIES				
Accounts payable	\$ 85	-	\$ 11,748	\$ 11,833
Due to other Funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>85</u>	<u>-</u>	<u>11,748</u>	<u>11,833</u>
FUND BALANCES				
Assigned to:				
Physical activities	99,107	-	-	99,107
Beverage	-	310,082	-	310,082
Student body activities	-	-	3,070,539	3,070,539
Total fund balances	<u>99,107</u>	<u>310,082</u>	<u>3,070,539</u>	<u>3,479,728</u>
Total liabilities and fund balances	<u>\$ 99,192</u>	<u>\$ 310,082</u>	<u>\$ 3,082,287</u>	<u>\$ 3,491,561</u>

Mesa County Valley School District No. 51
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2022

	Special Revenue			Total Nonmajor Governmental Funds
	Physical Activities	Beverage	Student Body Activities	
REVENUES				
Local sources	\$ 671,713	\$ 61,770	\$ 4,884,792	\$ 5,618,275
Total revenues	<u>671,713</u>	<u>61,770</u>	<u>4,884,792</u>	<u>5,618,275</u>
EXPENDITURES				
Current:				
Instructional services	-	23,325	4,225,338	4,248,663
Instructional support	-	2,499	472,721	475,220
Physical activities	908,901	-	-	908,901
Capital outlay	-	4,937	-	4,937
Total expenditures	<u>908,901</u>	<u>30,761</u>	<u>4,698,059</u>	<u>5,637,721</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(237,188)</u>	<u>31,009</u>	<u>186,733</u>	<u>(19,446)</u>
OTHER FINANCING SOURCES				
Transfer in	150,000	-	-	150,000
Total other financing sources (uses)	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>150,000</u>
Net change in fund balances	(87,188)	31,009	186,733	130,554
Fund balances - beginning	<u>186,295</u>	<u>279,073</u>	<u>2,883,806</u>	<u>3,349,174</u>
Fund balances - ending	<u>\$ 99,107</u>	<u>\$ 310,082</u>	<u>\$ 3,070,539</u>	<u>\$ 3,479,728</u>

Mesa County Valley School District No. 51
PHYSICAL ACTIVITIES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Local sources:				
Athletic fees	\$ 342,000	\$ 342,000	\$ 344,833	\$ 2,833
Gate receipts	260,000	260,000	311,084	51,084
Contributions	34,000	34,000	15,796	(18,204)
Total revenues	<u>636,000</u>	<u>636,000</u>	<u>671,713</u>	<u>35,713</u>
EXPENDITURES				
Current:				
Physical activities:				
Basketball, girls	52,000	52,000	49,671	2,329
Cheerleader/Poms	15,000	15,000	8,494	6,506
Golf, girls	8,000	8,000	4,516	3,484
Soccer, girls	24,000	24,000	29,836	(5,836)
Softball	40,000	40,000	35,647	4,353
Swimming, girls	12,000	12,000	3,806	8,194
Tennis, girls	6,500	6,500	10,620	(4,120)
Volleyball	48,000	48,000	59,007	(11,007)
LaCrosse, girls	27,000	27,000	23,127	3,873
Baseball	40,000	40,000	42,026	(2,026)
Basketball, boys	52,000	52,000	66,145	(14,145)
Football	130,500	130,500	137,960	(7,460)
Golf, boys	8,000	8,000	9,562	(1,562)
Soccer, boys	24,000	24,000	25,347	(1,347)
Swimming, boys	10,000	10,000	3,256	6,744
Tennis, boys	6,500	6,500	7,771	(1,271)
Wrestling	60,000	60,000	70,760	(10,760)
LaCrosse, boys	27,000	27,000	27,417	(417)
Cross country	12,000	12,000	12,821	(821)
Track	32,000	32,000	50,824	(18,824)
Scholarship	1,000	1,000	214	786
Athletic Director Travel	3,000	3,000	1,370	1,630
Other Professional Services	147,500	147,500	228,704	(81,204)
Contingency	82,144	186,295	-	186,295
Total expenditures	<u>868,144</u>	<u>972,295</u>	<u>908,901</u>	<u>63,394</u>
Excess (deficiency) of revenues over (under) expenditures	(232,144)	(336,295)	(237,188)	99,107
Other financing sources:				
Transfer in	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	(82,144)	(186,295)	(87,188)	99,107
Fund balances - beginning	<u>82,144</u>	<u>186,295</u>	<u>186,295</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,107</u>	<u>\$ 99,107</u>

Mesa County Valley School District No. 51
BEVERAGE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Program revenue	\$ 58,308	\$ 58,308	\$ 60,970	\$ 2,662
Investment income	<u>1,200</u>	<u>1,200</u>	<u>800</u>	<u>(400)</u>
Total revenues	<u>59,508</u>	<u>59,508</u>	<u>61,770</u>	<u>2,262</u>
EXPENDITURES				
Current:				
Instructional services:				
Student programs	<u>37,000</u>	<u>37,000</u>	<u>23,325</u>	<u>13,675</u>
Instructional support:				
Staff development	<u>35,308</u>	<u>35,308</u>	<u>2,499</u>	<u>32,809</u>
Contingency	<u>246,735</u>	<u>251,073</u>	<u>-</u>	<u>251,073</u>
Total current	<u>319,043</u>	<u>323,381</u>	<u>25,824</u>	<u>297,557</u>
Capital outlay	<u>15,200</u>	<u>15,200</u>	<u>4,937</u>	<u>10,263</u>
Total expenditures	<u>334,243</u>	<u>338,581</u>	<u>30,761</u>	<u>307,820</u>
Excess (deficiency) of revenues over (under) expenditures	(274,735)	(279,073)	31,009	310,082
Fund balances - beginning	<u>274,735</u>	<u>279,073</u>	<u>279,073</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 310,082</u>	<u>\$ 310,082</u>

Mesa County Valley School District No. 51
STUDENT BODY ACTIVITIES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Activities fee revenue	\$ 8,000,000	\$ 8,000,000	\$ 2,262,705	\$ (5,737,295)
Investment income	-	-	233	233
Contribution for other activities	-	-	2,056,448	2,056,448
Contribution from communities	-	-	302,714	302,714
Fundraiser	-	-	259,756	259,756
Miscellaneous	-	-	2,937	2,937
Total revenues	8,000,000	8,000,000	4,884,793	(3,115,207)
EXPENDITURES				
Current:				
Student activities:				
Elementary education	-	-	210,806	(210,806)
Middle school education	-	-	179,838	(179,838)
High school education	-	-	1,565,925	(1,565,925)
Other general education	8,000,000	8,000,000	2,268,769	5,731,231
Total student activities	8,000,000	8,000,000	4,225,338	3,774,662
Support services:				
Instructional support	-	-	304,987	(304,987)
School administration	-	-	9,212	(9,212)
Supplies	-	-	158,522	(158,522)
Total support services	-	-	472,721	(472,721)
Contingency	2,856,254	2,883,806	-	2,883,806
Total expenditures	10,856,254	10,883,806	4,698,059	6,185,747
Excess (deficiency) of revenues over (under) expenditures	(2,856,254)	(2,883,806)	186,734	3,070,540
Fund balances - beginning	2,856,254	2,883,806	2,883,806	-
Fund balances - ending	\$ -	\$ -	\$ 3,070,540	\$ 3,070,540

Mesa County Valley School District No. 51
CAPITAL PROJECTS BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local sources:				
Investment income	\$ 800,000	\$ 800,000	\$ 286,121	\$ (513,879)
Total revenues	<u>800,000</u>	<u>800,000</u>	<u>286,121</u>	<u>(513,879)</u>
EXPENDITURES				
Capital outlay:				
New Construction	21,035,181	10,000,000	5,510,049	4,489,951
Equipment	-	-	77,669	(77,669)
Furniture and fixtures	-	-	-	-
Other professional services	-	607,733	3,494,286	(2,886,553)
Contingency		<u>10,524,535</u>	-	<u>10,524,535</u>
Total expenditures	<u>21,035,181</u>	<u>21,132,268</u>	<u>9,082,004</u>	<u>12,050,264</u>
Debt service:				
Bond issuance cost	-	-	563,499	(563,499)
Total expenditures	<u>21,035,181</u>	<u>21,132,268</u>	<u>9,645,503</u>	<u>11,486,765</u>
Excess (deficiency) of revenues over (under) expenditures	(20,235,181)	(20,332,268)	(9,359,382)	11,536,385
OTHER FINANCE SOURCES (USES)				
Proceeds from issuance of 2022 Bond	-	95,315,000	95,040,000	275,000
Proceeds from premium on 2022 Bond	-	20,292,733	20,523,499	230,766
Total other financing sources (uses)	<u>-</u>	<u>115,607,733</u>	<u>115,563,499</u>	<u>505,766</u>
Net change in fund balances	(20,235,181)	95,275,465	106,204,117	12,042,151
Fund balances - beginning	<u>20,235,181</u>	<u>20,332,268</u>	<u>20,332,268</u>	<u>-</u>
Fund balances - ending	\$ <u>-</u>	\$ <u>115,607,733</u>	\$ <u>126,536,385</u>	\$ <u>11,536,385</u>

Mesa County Valley School District No. 51
CAPITAL PROJECTS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local sources:				
Investment income	\$ 80,000	80,000	\$ 35,414	\$ (44,586)
Lease Revenue	701,200	701,200	709,345	8,145
Land Dedication Revenue	58,197	58,197	713,961	655,764
Miscellaneous	-	-	700	700
Total revenues	<u>839,397</u>	<u>839,397</u>	<u>1,459,420</u>	<u>620,023</u>
EXPENDITURES				
Capital outlay:				
Ground improvements/land	142,776	262,776	341,107	(78,331)
Buildings	1,289,092	1,449,092	1,292,959	156,133
Equipment	1,380,008	1,380,008	44,848	1,335,160
Right-to-use assets	-	-	3,079,672	(3,079,672)
Other capital outlay	25,000	25,000	47,433	(22,433)
Contingency	11,739,298	14,687,224	-	14,687,224
Total capital outlay	<u>14,576,174</u>	<u>17,804,100</u>	<u>4,806,019</u>	<u>12,998,081</u>
Debt service:				
Lease financing principal	1,849,372	2,036,506	1,880,136	156,370
Lease financing interest and other	601,074	601,074	635,634	(34,560)
Total debt service	<u>2,450,446</u>	<u>2,637,580</u>	<u>2,515,770</u>	<u>121,810</u>
Total expenditures	<u>17,026,620</u>	<u>20,441,680</u>	<u>7,321,789</u>	<u>13,119,891</u>
Excess (deficiency) of revenues over (under) expenditures	(16,187,223)	(19,602,283)	(5,862,369)	13,739,914
OTHER FINANCING SOURCES (USES)				
Transfers in	2,375,970	2,375,970	2,375,970	-
Proceeds from sale of real property	-	800,000	915,095	115,095
Issuance of right of use leases assets	241,500	1,041,500	3,079,672	2,038,172
Total other financing sources (uses)	<u>2,617,470</u>	<u>4,217,470</u>	<u>6,370,737</u>	<u>2,153,267</u>
Net change in fund balances	(13,569,753)	(15,384,813)	508,368	15,893,181
Fund balances - beginning	<u>13,569,753</u>	<u>15,384,813</u>	<u>15,384,815</u>	<u>2</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,893,183</u>	<u>\$ 15,893,183</u>

Mesa County Valley School District No. 51
BOND REDEMPTION DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local sources:				
Property taxes	\$ 18,109,900	\$ 23,255,813	\$ 22,386,308	\$ (869,505)
Delinquent taxes	5,000	5,000	38,071	33,071
Other local tax	5,000	5,000	760,503	755,503
Total revenues	18,119,900	23,265,813	23,184,882	(80,931)
EXPENDITURES				
Debt service:				
Principal	9,260,000	9,260,000	9,260,000	-
Interest and fiscal charges	7,865,357	9,257,857	9,247,794	10,063
Contingency	17,627,288	21,541,439	-	21,541,439
Total expenditures	34,752,645	40,059,296	18,507,794	21,551,502
Net change in fund balances	(16,632,745)	(16,793,483)	4,677,088	21,470,571
Fund balances - beginning	16,632,745	16,793,483	16,793,483	-
Fund balances - ending	\$ -	\$ -	\$ 21,470,571	\$ 21,470,571

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Insurance Reserve Fund – accounts for the cost of District insurance services provided to schools and departments in the District, including property, liability, and worker’s compensation coverage.

Dental Insurance Fund – accounts for the premiums collected from employees and District contributions and costs of administration and dental claims of a self-insured employee benefit dental plan.

Medical Insurance Fund – accounts for the premiums collected from employees and District contributions and costs of administration and medical claims of a self-insured employee benefit medical plan.

Mesa County Valley School District No. 51
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
June 30, 2022

	<u>Insurance Reserve Fund</u>	<u>Dental Insurance Fund</u>	<u>Medical Insurance Fund</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and investments	\$ 6,579,061	\$ 547,160	\$ 4,462,802	\$ 11,589,023
Accounts receivable	4,618	-	198,954	203,572
Total current assets	<u>6,583,679</u>	<u>547,160</u>	<u>4,661,756</u>	<u>11,792,595</u>
LIABILITIES				
Current liabilities:				
Accounts payable	111,228	80,335	445,145	636,708
Accrued wages and benefits	31,189	-	8,078	39,267
Claims payable	500,000	70,748	1,552,134	2,122,882
Compensated absences payable	34,790	-	-	34,790
Total current liabilities	<u>677,207</u>	<u>151,083</u>	<u>2,005,357</u>	<u>2,833,647</u>
Noncurrent liabilities:				
Claims payable	292,686	-	-	292,686
Future compensated absences payable	2,500	-	-	2,500
Total noncurrent liabilities	<u>295,186</u>	<u>-</u>	<u>-</u>	<u>295,186</u>
Total liabilities	<u>972,393</u>	<u>151,083</u>	<u>2,005,357</u>	<u>3,128,833</u>
NET POSITION				
Unassigned	<u>\$ 5,611,286</u>	<u>\$ 396,077</u>	<u>\$ 2,656,399</u>	<u>\$ 8,663,762</u>

Mesa County Valley School District No. 51
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
For the fiscal year ended June 30, 2022

	Insurance Reserve Fund	Dental Insurance Fund	Medical Insurance Fund	Total
Operating revenues:				
Premiums and copays for employees	\$ 943,846	\$ 1,273,875	\$ 22,168,948	\$ 24,386,669
Other professional services	36,341	-	205,791	242,132
Total operating revenues	<u>980,187</u>	<u>1,273,875</u>	<u>22,374,739</u>	<u>24,628,801</u>
Operating expenses:				
Worker compensation	851,429	-	-	851,429
Insurance premiums	915,994	-	-	915,994
Losses or claims	166	1,177,999	20,442,543	21,620,708
Other operating expenses	1,115,605	-	32,275	1,147,880
Total operating expenses	<u>2,883,194</u>	<u>1,177,999</u>	<u>20,474,818</u>	<u>24,536,011</u>
Operating income (loss)	(1,903,007)	95,876	1,899,921	92,790
Non-operating revenues:				
Investment income	13,497	-	3,915	17,412
Transfers in (out)	1,500,000	-	-	1,500,000
Total non-operating revenues	<u>1,513,497</u>	<u>-</u>	<u>3,915</u>	<u>1,517,412</u>
Change in net position	(389,510)	95,876	1,903,836	1,610,202
Total net position - beginning	<u>6,000,796</u>	<u>300,201</u>	<u>752,563</u>	<u>7,053,560</u>
Total net position - ending	<u>\$ 5,611,286</u>	<u>\$ 396,077</u>	<u>\$ 2,656,399</u>	<u>\$ 8,663,762</u>

Mesa County Valley School District No. 51
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the fiscal year ended June 30, 2022

	Insurance Reserve Fund	Dental Insurance Fund	Medical Insurance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 975,880	\$ 1,273,875	\$ 22,354,942	\$ 24,604,697
Payments to employees	(835,833)	-	1,299	(834,534)
Payments to vendors	<u>(1,991,899)</u>	<u>(1,182,931)</u>	<u>(19,831,691)</u>	<u>(23,006,521)</u>
Net cash provided (used) by operating activities	<u>(1,851,852)</u>	<u>90,944</u>	<u>2,524,550</u>	<u>763,642</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income received	<u>13,497</u>	<u>-</u>	<u>3,915</u>	<u>17,412</u>
Net cash provided by investing activities	<u>13,497</u>	<u>-</u>	<u>3,915</u>	<u>17,412</u>
Net increase (decrease) in cash and cash equivalents	(338,355)	90,944	2,528,465	2,281,054
Cash and cash equivalents, July 1	<u>6,917,416</u>	<u>456,216</u>	<u>1,934,337</u>	<u>9,307,969</u>
Cash and cash equivalents, June 30	<u>\$ 6,579,061</u>	<u>\$ 547,160</u>	<u>\$ 4,462,802</u>	<u>\$ 11,589,023</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (1,903,007)	\$ 95,876	\$ 1,899,921	\$ 92,790
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
(Increase) decrease in accounts receivable	(4,307)	-	(19,797)	(24,104)
Increase (decrease) in accounts payable	60,434	(3,470)	428,695	485,659
Increase (decrease) in accrued salaries and benefits	5,765	-	1,299	7,064
Increase (decrease) in claims payable	(20,568)	(1,462)	214,432	192,402
Increase (decrease) in liability for future compensated absences	9,831			9,831
Total adjustments	<u>51,155</u>	<u>(4,932)</u>	<u>624,629</u>	<u>670,852</u>
Net cash provided (used) by operating activities	<u>\$ (1,851,852)</u>	<u>\$ 90,944</u>	<u>\$ 2,524,550</u>	<u>\$ 763,642</u>

**CAPITAL ASSETS
USED IN THE OPERATIONS
OF GOVERNMENTAL FUNDS**

Mesa County Valley School District No. 51
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
For the fiscal year ended June 30, 2022

<u>Function and Activity</u>	Governmental Funds Capital Assets <u>July 1, 2021</u>	<u>Additions</u>	<u>Deductions</u>	Governmental Funds Capital Assets <u>June 30, 2022</u>
Instructional services	\$ 397,293,597	\$ 12,098,831	\$ (281,415)	\$ 409,111,013
Pupil services	2,903,556	100,431	-	3,003,987
Instructional staff services	496,826	714,716	-	1,211,542
General administration services	78,266	-	-	78,266
School administration services	17,593,121	-	-	17,593,121
Business services	1,536,645	122,809	-	1,659,454
Maintenance services	3,155,089	195,916	-	3,351,005
Transportation services	1,540,859	368,392	(154,813)	1,754,438
Central services	15,695,258	22,226	-	15,717,484
Nutrition & community services	3,572,303	356,249	-	3,928,552
	<u>\$ 443,865,520</u>	<u>\$ 13,979,570</u>	<u>\$ (436,228)</u>	<u>\$ 457,408,862</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

Mesa County Valley School District No. 51
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE
June 30, 2022

Governmental funds capital assets:	
Land and improvements	\$ 28,575,374
Buildings	391,967,975
Equipment	21,105,369
Right-to-use assets	<u>15,760,144</u>
Total governmental funds capital assets	<u>\$ 457,408,862</u>
Investment in governmental funds capital assets by source:	
Assets acquired prior to January 1, 1988 not categorized by source	\$ 18,931,152
General fund	21,974,044
Special revenue funds	55,540,476
Capital projects funds	357,313,459
Donations and other	<u>3,649,731</u>
Total governmental funds capital assets	<u>\$ 457,408,862</u>

Note: 1. This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

Mesa County Valley School District No. 51
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
June 30, 2022

Function and Activity	Land and Improvements	Buildings	Right-to-use leased building	Equipment	Right-to-use leased equipment	Total
Instructional services	\$ 26,445,523	\$ 369,980,686	\$ 347,148	\$ 10,543,088	1,794,568	\$ 409,111,013
Pupil services	-	1,772,174	100,431	1,131,382	-	3,003,987
Instructional staff services	-	469,888	714,716	26,938	-	1,211,542
General administration services	-	78,266	-	-	-	78,266
School administration services	263,666	17,289,814	-	39,641	-	17,593,121
Business services	978,867	282,905	-	274,873	122,809	1,659,454
Maintenance services	-	197,216	-	3,153,789	-	3,351,005
Transportation services	378,287	200,000	-	1,176,151	-	1,754,438
Central services	83,817	358,829	-	2,594,366	12,680,472	15,717,484
Community/Nutrition services	425,214	1,338,197	-	2,165,141	-	3,928,552
	<u>\$ 28,575,374</u>	<u>\$ 391,967,975</u>	<u>\$ 1,162,295</u>	<u>\$ 21,105,369</u>	<u>\$ 14,597,849</u>	<u>\$ 457,408,862</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

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Kinzlyn Geery 1st Grade - Independence Academy

STATISTICAL SECTION

Statistical Section

This part of the District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

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Tables

Financial Trends

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

Revenue Capacity

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These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity

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assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

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

Operating Information

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

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

SCHEDULE 1

Mesa County Valley School District No. 51

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
Net investment in capital assets	\$ 139,176,460	\$ 113,248,554	\$ 129,888,125	\$ 117,356,631	\$ 115,137,562	\$ 111,140,665	\$ 106,908,230	\$ 96,397,273	\$ 100,323,737	\$ 86,566,794
Restricted	31,243,731	45,077,132	58,992,332	109,237,276	149,203,595	24,394,335	25,700,649	28,818,154	23,049,475	21,852,846
Unrestricted	(257,847,515)	(391,475,835)	(510,402,108)	(618,349,532)	(712,159,497)	(437,459,202)	(322,627,457)	(309,046,875)	14,969,324	17,282,076
Total governmental activities net position	\$ (87,427,324)	\$ (233,150,149)	\$ (321,521,651)	\$ (391,755,625)	\$ (447,818,340)	\$ (301,924,202)	\$ (190,018,578)	\$ (183,831,448)	\$ 138,342,536	\$ 125,701,716
Business-type activities										
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,068,385	\$ 1,045,893
Restricted	-	-	-	-	-	-	-	-	468,640	690,476
Total business-type activities net position	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,537,025	\$ 1,736,369
Primary government										
Net investment in capital assets	\$ 139,176,460	\$ 113,248,554	\$ 129,888,125	\$ 117,356,631	\$ 115,137,562	\$ 111,140,665	\$ 106,908,230	\$ 96,397,273	\$ 101,392,122	\$ 87,612,687
Restricted	31,243,731	45,077,132	58,551,077	109,237,276	149,203,595	24,394,335	25,700,649	28,818,154	23,518,115	22,543,322
Unrestricted	(257,847,515)	(391,475,835)	(509,960,853)	(618,349,532)	(712,159,497)	(437,459,202)	(322,627,457)	(309,046,875)	14,969,324	17,282,076
Total primary government net position	\$ (87,427,324)	\$ (233,150,149)	\$ (321,521,651)	\$ (391,755,625)	\$ (447,818,340)	\$ (301,924,202)	\$ (190,018,578)	\$ (183,831,448)	\$ 139,879,561	\$ 127,438,085

SCHEDULE 2

Mesa County Valley School District No. 51

CHANGES IN NET POSITION

Last Ten Fiscal Years
(accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses										
Governmental activities:										
Instructional services:										
Support services:	\$ 58,299,199	\$ 92,270,293	\$ 92,624,793	\$ 87,502,165	\$ 195,108,436	\$ 176,966,621	\$ 116,995,950	\$ 125,766,049	\$ 103,736,456	\$ 102,104,939
Pupil services	11,058,769	12,767,282	7,483,163	9,844,288	24,494,987	27,127,646	11,104,927	11,689,141	11,304,103	12,548,235
Instructional staff services	11,124,293	19,968,924	13,421,665	10,828,451	19,491,190	9,629,866	10,357,135	8,558,900	8,791,412	6,219,763
General administration services	1,622,067	2,093,270	9,212,484	2,563,901	4,173,553	3,843,550	2,187,709	2,128,667	1,905,190	1,831,525
School administration services	9,774,843	12,904,490	10,532,775	11,614,493	26,227,769	22,264,358	13,828,255	12,764,674	10,877,332	11,434,213
Business Services	20,856	2,513	1,767,423	1,973,798	4,242,106	10,019,665	2,289,277	3,169,113	3,012,228	5,965,398
Maintenance and capital asset services	12,557,563	13,296,433	16,017,775	17,983,759	27,812,878	15,733,043	14,408,219	13,241,380	17,459,417	14,651,378
Transportation services	7,860,625	7,638,581	6,880,587	7,124,778	7,475,488	6,075,325	6,016,818	6,037,842	5,548,008	5,641,820
Central services	3,407,541	11,289,680	23,841,064	28,118,422	28,835,936	28,385,565	18,466,052	18,441,764	7,111,686	3,409,459
Community services	9,918,872	6,210,193	569,315	6,110,879	9,720,468	9,067,812	7,165,995	7,355,621	621,274	424,227
Interest on long-term debt	7,337,376	7,029,308	6,574,189	8,015,380	5,475,729	4,189,427	3,459,246	3,667,809	3,296,778	3,289,755
Depreciation - unallocated	-	-	-	-	-	23,670	6,241	8,055	259,894	261,013
Total governmental activities expenses	132,982,004	185,470,967	188,925,231	191,680,312	353,058,540	313,326,548	206,285,824	212,829,015	173,923,778	167,781,725
Business-type activities:										
Food services	-	-	-	-	-	-	-	-	5,592,221	5,596,849
Total primary government expenses	\$ 132,982,004	\$ 185,470,967	\$ 188,925,231	\$ 191,680,312	\$ 353,058,540	\$ 313,326,548	\$ 206,285,824	\$ 212,829,015	\$ 179,515,999	\$ 173,378,574
Program Revenues										
Governmental activities:										
Charges for services:	\$ 9,400	\$ 15,721	\$ 496,742	\$ 727,409	\$ 1,006,960	\$ 1,044,573	\$ 736,313	\$ 712,469	\$ 658,031	\$ 699,615
Instructional	3,028,659	3,472,409	-	-	-	-	-	-	-	-
Pupil services	-	-	-	-	-	-	-	-	35,175	319,774
Business services	782,432	1,137,745	7,498,958	5,801,070	7,233,685	3,991,413	117,385	-	46,892	20,918
Central services	216,648	171,042	1,249,840	1,655,533	1,369,001	1,279,513	1,307,832	1,346,493	-	-
Community services	60,778,985	79,556,055	42,440,443	41,362,913	30,382,666	27,043,480	33,386,472	36,346,832	22,705,890	20,593,476
Operating grants and contributions	1,250,524	1,858,578	801,648	422,040	435,323	-	68,217	607,855	295,176	321,771
Capital grants and contributions	66,066,648	80,211,550	52,487,631	49,988,965	40,427,635	33,358,979	35,616,219	41,013,649	23,741,164	21,955,554
Total governmental activities program revenues	66,066,648	80,211,550	52,487,631	49,988,965	40,427,635	33,358,979	35,616,219	41,013,649	23,741,164	21,955,554
Business-type activities:										
Charges for services:										
Food services	-	-	-	-	-	-	-	-	1,332,813	1,563,188
Operating grants and contributions	-	-	-	-	-	-	-	-	4,058,872	4,123,948
Total business-type activities program revenues	-	-	-	-	-	-	-	-	5,391,685	5,687,136
Total primary government program revenues	\$ 66,066,648	\$ 80,211,550	\$ 52,487,631	\$ 49,988,965	\$ 40,427,635	\$ 33,358,979	\$ 35,616,219	\$ 41,013,649	\$ 29,132,849	\$ 27,642,690
Net (Expense)/Revenue										
Governmental activities	\$ (66,915,356)	\$ (105,259,417)	\$ (136,437,600)	\$ (141,711,347)	\$ (312,630,905)	\$ (279,967,569)	\$ (170,669,605)	\$ (171,815,366)	\$ (150,182,614)	\$ (145,826,171)
Business-type activities	-	-	-	-	-	-	-	-	(200,536)	90,287
Total primary government net expense	\$ (66,915,356)	\$ (105,259,417)	\$ (136,437,600)	\$ (141,711,347)	\$ (312,630,905)	\$ (279,967,569)	\$ (170,669,605)	\$ (171,815,366)	\$ (150,383,150)	\$ (145,735,884)
General Revenues and other Changes in Net Position										
Governmental activities:										

SCHEDULE 2

Mesa County Valley School District No. 51

CHANGES IN NET POSITION

Last Ten Fiscal Years
(accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Taxes										
Property taxes for general purposes	\$ 69,382,213	\$ 61,337,311	\$ 63,347,136	\$ 55,617,230	\$ 54,455,668	\$ 50,360,125	\$ 49,769,891	\$ 48,216,179	\$ 49,731,685	\$ 50,849,711
Property taxes for debt service	23,183,485	17,615,094	17,944,544	17,396,241	16,623,491	11,075,880	10,944,960	11,384,094	11,598,287	11,403,276
Slate equalization	107,161,370	99,457,713	111,239,365	107,783,096	99,148,831	95,725,754	93,806,039	90,949,243	85,582,234	79,883,963
Specific ownership taxes	11,854,176	11,810,511	11,042,879	10,965,626	10,215,553	8,227,547	7,972,710	7,889,729	7,867,676	7,386,680
Investment earnings	486,444	126,410	2,062,893	4,144,129	1,825,437	401,128	143,917	89,650	81,175	98,820
Miscellaneous	638,727	604,753	1,034,759	1,867,740	1,883,342	2,084,836	1,168,710	2,397,011	2,510,243	1,370,295
Gain (loss) on sale of capital assets	625,096	-	-	-	-	186,675	676,248	-	-	-
Total governmental activities	213,331,511	190,951,792	206,671,576	197,774,062	184,152,322	168,061,945	164,482,475	160,925,906	157,371,300	150,992,735
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	-	1,192	1,550
Total business-type activities	-	-	-	-	-	-	-	-	1,192	1,550
Total primary government	\$ 213,331,511	\$ 190,951,792	\$ 206,671,576	\$ 197,774,062	\$ 184,152,322	\$ 168,061,945	\$ 164,482,475	\$ 160,925,906	\$ 157,372,492	\$ 150,994,285
Change in Net Position										
Governmental activities	\$ 146,416,155	\$ 85,692,375	\$ 70,233,976	\$ 56,062,715	\$ (128,478,583)	\$ (111,905,624)	\$ (6,187,130)	\$ (10,889,460)	\$ 7,188,686	\$ 5,166,564
Business-type activities	-	-	-	-	-	-	-	-	(199,344)	91,837
Total primary government	\$ 146,416,155	\$ 85,692,375	\$ 70,233,976	\$ 56,062,715	\$ (128,478,583)	\$ (111,905,624)	\$ (6,187,130)	\$ (10,889,460)	\$ 6,989,342	\$ 5,258,401

SCHEDULE 3

Mesa County Valley School District No. 51

Fund Balance, Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

General Fund	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Nonspendable	\$ 286,865	\$ 261,154	\$ 236,890	\$ 281,423	\$ 248,040	\$ 272,000	\$ 279,559	\$ 287,481	\$ 269,092	\$ 239,452
Restricted	137,064	194,885	759,232	1,221,274	1,396,561	1,326,724	1,021,913	809,507	333,669	307,707
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	61,821	680,858	52,113	179,644	-
Unassigned	35,611,214	28,526,849	13,936,198	13,526,186	12,142,902	8,041,245	7,676,462	8,846,551	8,304,944	8,425,937
Total general fund	\$ 36,035,143	\$ 28,982,888	\$ 14,932,320	\$ 15,028,883	\$ 13,787,503	\$ 9,701,790	\$ 9,658,792	\$ 9,995,652	\$ 9,087,349	\$ 8,973,096
All Other Governmental Funds										
Nonspendable	\$ 750,186	\$ 553,616	\$ 476,632	\$ 363,052	\$ 325,299	\$ 370,540	\$ 388,820	\$ 340,652	\$ -	\$ -
Restricted	157,029,932	45,077,132	58,551,077	109,237,276	149,203,595	17,087,884	16,835,743	16,127,959	15,459,895	15,290,706
Assigned	13,145,574	12,345,498	7,028,237	10,450,040	7,972,762	8,190,498	9,840,641	8,309,650	8,054,292	7,022,282
Unassigned	-	-	(198,032)	-	-	-	-	-	-	-
Total all other governmental funds	\$ 170,925,692	\$ 57,976,246	\$ 65,857,914	\$ 120,050,368	\$ 157,501,656	\$ 25,648,922	\$ 27,065,204	\$ 24,778,261	\$ 23,514,187	\$ 22,312,988

Note: In fiscal year 2011, the District adopted GASB Statement No. 54. Fund Balance Reporting and Fund Type Definitions, changing the titles and classifications of fund balances.

SCHEDULE 4

Mesa County Valley School District No. 51

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
Local sources	\$ 114,472,614	\$ 101,049,644	\$ 97,707,196	\$ 94,584,343	\$ 89,850,204	\$ 73,531,140	\$ 72,818,522	\$ 70,695,150	\$ 69,530,584	\$ 71,901,862
State sources	126,556,267	113,446,735	134,220,935	128,312,794	112,024,838	106,430,245	104,918,780	106,398,938	95,041,524	88,020,683
Federal sources	43,977,950	56,527,709	19,709,482	19,953,900	16,984,742	15,937,757	17,547,688	17,313,559	13,165,496	12,999,367
Total revenues	285,006,831	271,024,088	251,637,613	242,851,037	218,859,784	195,899,142	195,284,990	194,407,647	177,757,604	172,921,912
Expenditures										
Instructional services	136,794,380	125,043,614	125,077,709	119,819,781	110,317,739	104,377,501	104,269,806	100,008,691	99,409,868	98,378,215
Instructional support	55,346,514	56,985,969	48,826,586	45,141,595	42,266,450	38,350,224	38,831,614	33,949,186	33,555,814	31,195,729
Business support	37,156,243	34,585,197	34,885,428	35,422,401	30,015,503	27,873,566	26,231,563	25,371,253	25,566,053	24,891,735
Community services	1,634,879	1,087,895	902,380	854,372	739,209	969,112	592,327	476,040	386,463	432,899
Physical activities	4,937	497,959	564,708	755,390	698,378	729,238	700,554	659,900	650,108	556,619
Nutrition services	8,957,968	6,778,416	6,602,638	6,575,366	6,373,951	6,069,977	5,516,887	5,719,817	-	-
Capital outlay	19,762,328	21,221,325	69,031,427	60,258,563	20,290,321	6,361,582	11,872,294	7,532,147	5,891,025	3,117,871
Debt service:										
Lease financing principal*	2,882,442	2,097,310	2,048,625	1,594,690	1,410,787	2,103,116	-	-	-	-
Lease financing interest*	759,084	661,110	877,236	634,371	547,057	872,737	-	-	-	-
GO Bond principal	9,260,000	8,825,000	8,535,000	8,265,000	7,980,000	7,625,000	9,357,701	9,331,776	8,595,848	8,292,093
Bond Issuance Costs	563,499	90,000	-	752,897	-	-	-	-	-	-
Interest and fiscal charges	9,247,794	8,265,163	8,621,463	8,904,175	4,854,106	3,312,613	3,923,570	4,466,814	4,547,940	4,884,361
Total expenditures	282,370,068	266,138,958	305,973,200	288,225,704	226,246,398	198,644,666	201,296,316	187,515,624	178,603,119	171,749,522
Excess of revenues over (under) expenditures	2,636,763	4,885,130	(54,335,587)	(45,374,667)	(7,386,614)	(2,745,524)	(6,011,326)	6,892,023	(845,515)	1,172,390
Other financing sources (uses)										
Proceeds from issuance of bonds/ COPs	115,563,499	6,085,000	-	-	142,726,435	-	7,355,000	-	-	7,560,000
Bond/ COPs premium	-	-	-	-	-	-	257,930	-	-	388,658
Bond Issuance costs	-	-	-	-	-	-	-	-	-	(117,408)
Payment to refunded bond escrow agent	-	(5,995,000)	-	-	-	-	-	-	-	(7,831,250)
Payment to refunded COP escrow agent	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of real property	915,095	-	423,475	419,757	-	1,355,137	-	-	-	-
Proceeds from sale of capital assets	-	-	-	10,245,000	-	6,105	351,500	-	20,000	-
Issuance of right of use lease assets	3,079,672	20,265	2,123,096	-	2,098,626	1,510,998	1,946,982	2,696,875	2,140,967	525,307
Refinanced capital lease debt payoff	-	-	-	-	-	-	-	-	-	-
Charter school allocations**	-	-	-	-	-	-	-	(5,585,158)	-	-
Transfers in	2,613,472	2,663,762	2,605,952	2,402,756	2,356,030	2,326,363	3,196,363	3,587,829	3,218,890	3,242,021
Transfers out	(4,113,472)	(4,153,762)	(5,105,952)	(3,902,756)	(3,856,030)	(3,826,363)	(5,146,363)	(5,887,832)	(3,218,890)	(3,242,021)
Total other financing sources (uses)	118,058,266	(1,389,735)	46,571	9,164,757	143,325,061	1,372,240	7,961,412	(5,188,286)	2,160,967	525,307
Net change in fund balances	\$ 120,695,029	\$ 3,495,395	\$ (54,289,016)	\$ (36,209,910)	\$ 135,938,447	\$ (1,373,284)	\$ 1,950,086	\$ 1,703,737	\$ 1,315,452	\$ 1,697,697
Debt service as a percentage of noncapital expenditures	6.90%	6.86%	7.04%	7.23%	6.08%	5.61%	6.98%	7.60%	7.50%	7.77%

* Prior to fiscal year 2017, lease financing principal and interest were not separately categorized from General Obligation bond payments.

** Beginning in fiscal year 2016, charter school allocations are shown as a reduction in state source revenues.

SCHEDULE 5

Mesa County Valley School District No. 51

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal Year	Mesa County-Wide Valuations							Total Assessed Value	Total Direct Tax Rate	Estimated Actual District Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
	Commercial/Industrial Property	Agricultural Property	Residential Property	Total Taxable Assessed Value	Tax-Exempt Property	District Taxable Assessed Value	Total Assessed Value				
2013	1,138,499,380	25,680,910	853,052,530	2,017,232,820	473,074,220	1,721,134,040	2,490,307,040	36.094	13,551,487,970	12.70%	
2014	1,084,212,210	27,249,000	734,716,840	1,826,178,050	381,085,680	1,610,605,670	2,207,263,730	36.693	12,129,218,540	13.28%	
2015	1,032,666,110	27,839,710	744,510,470	1,805,016,290	449,483,850	1,584,339,243	2,254,500,140	36.572	12,119,081,320	13.07%	
2016	1,017,803,470	32,936,330	838,018,250	1,888,758,050	452,929,650	1,649,727,000	2,341,687,700	36.845	13,184,337,400	12.51%	
2017	962,779,190	33,401,450	849,295,690	1,845,476,330	451,552,500	1,687,046,060	2,297,028,830	36.079	13,344,282,620	12.64%	
2018	969,971,530	36,397,010	850,360,870	1,856,729,410	395,583,340	1,674,830,529	2,252,312,750	43.784	14,500,114,390	11.55%	
2019	997,324,630	36,655,800	864,390,840	1,903,371,270	405,432,970	1,685,347,113	2,308,804,240	43.768	14,680,257,950	11.48%	
2020	1,161,320,500	35,264,880	1,004,807,290	2,201,392,670	451,591,130	1,926,091,870	2,652,983,800	41.971	16,982,350,450	11.34%	
2021	1,119,523,510	35,262,590	1,023,809,700	2,178,595,800	457,810,990	1,923,891,560	2,636,406,790	41.985	17,235,308,100	11.16%	
2022	1,092,062,480	40,383,670	1,178,692,360	2,311,138,510	519,768,500	2,131,319,002	2,830,907,010	43.845	19,486,240,530	10.94%	

Source: Mesa County Assessor's Office
 Summary of Levies published on their website
 Actual Value per December certification of values

SCHEDULE 6

Mesa County Valley School District No. 51

Principal Property Tax Payers

Current Year and Nine Years Ago

Taxpayer	2022				2013			
	Type of Business	Taxable Assessed Value	Rank	Percentage of Total District Assessed Taxable Value	Type of Business	Taxable Assessed Value	Rank	Percentage of Total District Assessed Taxable Value
Public Service Company of Colorado (Xcel)	Utility	\$ 71,742,910	1	3.37 %	Utility	\$ 44,590,900	3	2.59 %
Union Pacific Railroad Company	Railroad	26,949,470	2	1.26	Railroad	16,487,000	6	0.96
Wal Mart Real Estate Business Trust	Real Estate	16,767,620	3	0.79	**	**	**	**
Spectrum Pacific West, LLC	Utility	15,559,540	4	0.73	**	**	**	**
Grand Valley Rural Power Lines, Inc	Utility	10,065,860	5	0.47	Utility	11,219,700	8	0.65
Qwest Corporation	Utility	9,928,200	6	0.47	Utility	18,636,900	5	1.08
GAHC4 Grand Junction CO MOB, LLC	Health	8,911,870	7	0.42	**	**	**	**
Grand Mesa Center LLC	Shopping Center	6,374,990	8	0.30	**	**	**	**
Mid America Pipeline	Oil & Gas	6,320,000	9	0.30	**	**	**	**
Dillon Real Estate CO Inc	Real Estate	6,024,470	10	0.28	**	**	**	**
OXY USA Inc.	*	*	*	*	Oil & Gas	85,193,380	1	4.95
Delta Petroleum Corporation	*	*	*	*	Oil & Gas	49,746,470	2	2.89
Encana Oil & Gas Inc	*	*	*	*	Oil & Gas	19,458,080	4	1.13
Collbran Valley Gas Gathering LLC	*	*	*	*	Oil & Gas	13,344,680	7	0.78
SM Mesa Mall LLC	*	*	*	*	Shopping Center	8,720,950	10	0.51
Enterprise Gas Processing LLC	*	*	*	*	Oil & Gas	10,652,390	9	0.62
Total Principal Taxpayers Assessed Valuation		178,644,930			278,050,450			
Total Other Taxpayers Assessed Valuation		1,952,674,072			1,443,083,590			
Total Assessed Valuation		\$ 2,131,319,002			\$ 1,721,134,040			

Source: Mesa County Assessor's Office.

* Not in the Top 10 in 2022

** Not in the Top 10 2013

SCHEDULE 7

Mesa County Valley School District No. 51

History of Assessed and Statutory "Actual" Valuations for the District

Last Ten Fiscal Years
(Unaudited)

Levy/ Collection Year	Assessed Valuation	(1) Percentage Change	Statutory "Actual" Valuation	(1) Percentage Change
2012/2013	1,721,134,040	-0.96%	13,551,487,970	-0.10%
2013/2014	1,610,605,670	-6.42%	12,129,218,540	-10.50%
2014/2015	1,584,339,243	-1.63%	12,119,081,320	-0.08%
2015/2016	1,649,727,000	4.13%	13,184,337,400	8.79%
2016/2017	1,687,046,060	2.26%	13,344,282,620	1.21%
2017/2018	1,674,830,529	-0.72%	14,500,114,390	8.66%
2018/2019	1,685,347,113	0.63%	14,680,257,950	1.24%
2019/2020	1,926,091,870	14.28%	16,982,350,450	15.68%
2020/2021	1,923,891,560	-0.11%	17,235,308,100	1.49%
2021/2022	2,131,319,002	10.78%	19,486,240,530	13.06%

(1) Assessed Value and Statutory "Actual" Value are taken from Certification of Values dated December of each year from the Mesa County Assessors Office and used to certify the levies for the following year.

SCHEDULE 8

Mesa County Valley School District No. 51

Property Tax Levies and Collections

Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year ^(a)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ^(c)	Total Collections to Date	
		Amount ^(b)	Percentage of Levy		Amount	Percentage of Levy
2013	62,871,372	61,915,577	98.48	228	61,915,805	98.48
2014	59,097,954	57,594,080	97.46	9,233	57,603,313	97.47
2015	57,942,632	57,946,869	100.01	-	57,946,869	100.01
2016	60,784,527	60,170,315	98.99	-	60,170,315	98.99
2017	60,866,935	57,694,675	94.79	-	57,694,675	94.79
2018	73,331,524	71,607,575	97.65	-	71,607,575	97.65
2019	73,764,272	73,779,371	100.02	-	73,779,371	100.02
2020	80,840,836	76,470,707	94.59	-	76,470,707	94.59
2021	80,774,956	76,959,364	95.28	-	76,959,364	95.28
2022	92,461,087	88,394,077	95.60	-	88,394,077	95.60

Note: The county treasurer provides collection data in "current" and "delinquent" categories. Collections of delinquent taxes are presented as collected for the prior year, which may result in total collections to appear in excess of 100%. Data for reporting delinquent taxes in the year of assessment rather than year of collection is unavailable prior to 2013.

Source:

- ^(a) Mesa County Assessor's Office
- ^(b) Mesa County Treasurer
- ^(c) Mesa County Treasurer

SCHEDULE 9

Mesa County Valley School District No. 51

PROPERTY TAX RATES PER \$1,000 ASSESSED VALUATION - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Fiscal Years
(Unaudited)

Levy Year	Collection Year	School District #51					Totals		
		General Fund	Debt Service	Special Capital Fund	School District #51 Total	Mesa County		Cities and Towns	Other Special Districts
2012	2013	29.454	6.64	0.000	36.094	12.281	35.646	121.749	205.770
2013	2014	29.743	6.95	0.000	36.693	12.272	35.646	120.025	204.636
2014	2015	29.582	6.99	0.000	36.572	12.214	35.646	112.600	197.032
2015	2016	30.186	6.659	0.000	36.845	12.297	35.646	116.674	201.462
2016	2017	29.596	6.483	0.000	36.079	12.214	35.646	117.707	201.646
2017	2018	33.644	10.14	0.000	43.784	12.246	35.646	113.255	204.931
2018	2019	33.430	10.338	0.000	43.768	12.357	35.646	126.369	218.140
2019	2020	32.540	9.431	0.000	41.971	12.192	35.646	124.025	213.834
2020	2021	32.573	9.412	0.000	41.985	12.248	35.646	102.337	192.216
2021	2022	32.817	11.028	0.000	43.845	12.303	35.646	238.995	330.789

PROPERTY TAX LEVY

Levy Year	Collection Year	School District #51					Totals		
		General Fund	Debt Service	Special Capital Fund	School District #51 Total	Mesa County		Cities and Towns	Other Special Districts
2012	2013	51,305,297	11,566,075	-	62,871,372	24,646,254	9,434,809	15,252,567	112,205,002
2013	2014	47,904,244	11,193,709	-	59,097,954	22,410,858	9,050,361	15,686,145	106,245,318
2014	2015	46,868,101	11,074,531	-	57,942,632	21,922,758	8,884,212	17,758,672	106,508,274
2015	2016	49,798,995	10,985,532	-	60,784,527	23,226,058	8,978,166	16,046,844	109,035,595
2016	2017	49,929,815	10,937,120	-	60,866,935	22,540,648	9,176,607	16,214,712	108,798,902
2017	2018	56,347,998	16,982,781	-	73,330,779	22,737,509	7,305,712	16,084,880	119,458,880
2018	2019	56,341,154	17,423,117	-	73,764,271	23,519,959	9,188,298	18,891,989	125,364,517
2019	2020	62,675,029	18,164,971	-	80,840,001	26,839,380	10,452,600	19,373,080	137,505,061
2020	2021	62,665,056	18,109,900	-	80,774,956	26,683,441	10,621,097	18,991,713	137,071,207
2021	2022	69,205,274	23,255,813	-	92,461,087	28,433,938	11,517,885	22,353,595	154,766,505

Source: Mesa County Assessor's Office

SCHEDULE 10

Mesa County Valley School District No. 51

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities										Debt Per Capita	Estimated Population ⁽¹⁾	Per Capita Income ⁽¹⁾	Percentage of Personal Income
	General Obligation Bonds	COP	Finance Purchased Leases	Right-to-use Lease Obligations	Capital Leases	Total Primary Government								
2013	113,579,488	N/A	-	-	10,429,185	124,008,673	148,742	834%	35,726	2.33%				
2014	105,611,443	N/A	-	-	10,754,304	116,365,747	149,617	778%	37,222	2.09%				
2015	97,180,588	N/A	-	-	11,199,402	108,379,990	150,986	718%	38,074	1.89%				
2016	88,696,497	7,602,183	-	-	10,670,887	106,969,567	150,232	712%	38,863	1.83%				
2017	80,260,910	7,140,000	-	-	10,293,769	97,694,679	152,357	641%	39,118	1.64%				
2018	213,548,493	6,865,000	-	-	10,242,333	230,655,826	153,649	1501%	41,503	3.62%				
2019	204,220,181	16,830,000	-	-	7,866,866	228,917,047	154,615	1481%	44,935	3.29%				
2020	166,930,000	16,305,000	-	-	7,474,636	190,709,636	156,260	1220%	46,719	2.61%				
2021	158,105,000	15,840,000	-	-	4,889,350	178,834,350	155,574	1150%	48,435	2.37%				
2022	285,343,995	15,570,000	153,837	5,352,861	-	306,420,693	155,910	1965%	Not Available	Not Available				

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

Sources:

(1) Mesa County, CO 2021 Annual Comprehensive Financial Report

SCHEDULE 11

Mesa County Valley School District No. 51

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Obligation Bonds	Debt Service Monies Available	Net Bonded Debt	⁽¹⁾	
				Percentage of Actual Taxable Value of Property	⁽²⁾ Per Capita
2013	113,579,488	10,653,242	102,926,246	0.76	692
2014	105,611,443	10,826,869	94,784,574	0.78	634
2015	97,180,588	10,936,447	86,244,141	0.71	571
2016	88,696,497	10,871,536	77,824,961	0.59	518
2017	80,260,910	10,752,139	69,508,771	0.52	456
2018	213,548,493	14,726,466	198,822,027	1.37	1,294
2019	204,220,181	14,986,280	189,233,901	1.29	1,232
2020	166,930,000	15,694,012	151,235,988	0.89	978
2021	158,105,000	16,254,861	141,850,139	0.82	908
2022	285,343,995	21,470,571	263,873,424	1.35	Not Availa

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

Sources:

- ⁽¹⁾ See Schedule 5 for property value data
- ⁽²⁾ See Schedule 11 for population data

SCHEDULE 12

Mesa County Valley School District No. 51

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

June 30, 2022
(Unaudited)

Taxing Authority	Debt Outstanding	Estimated Percentage Applicable to District 51	Estimated Overlapping Debt
Direct:			
Mesa County Valley Schools District 51	\$ 306,420,693	100 %	\$ 306,420,693
Overlapping:			
Mesa County	10,538,899	50 %	5,269,450
City of Grand Junction	123,005,638	100 %	123,005,638
			<u>128,275,088</u>
Total direct and overlapping debt			<u>\$ 434,695,781</u>

Sources:

- Individual taxing entities
- Mesa County Valley School District No. 51 Finance Department

Note:

Debt that is repaid using tax revenues is included in the calculation. Debt that will be repaid using revenues related to an enterprise operation, such as user charges for sewer services, is excluded. The percentage of each entity's outstanding general obligation debt chargeable to the District is calculated by comparing the assessed valuation of the portion overlapping the District to the total assessed valuation of the overlapping entity. To the extent the District's assessed valuation changes disproportionately with the assessed valuation of the overlapping entities, the percentage of debt for which property owners within the District are responsible will also change.

SCHEDULE 13

Mesa County Valley School District No. 51

LEGAL DEBT MARGIN INFORMATION

	Last Ten Fiscal Years (Unaudited)									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	348,375,752	322,121,134	316,867,849	329,945,400	337,409,212	334,966,106	337,069,423	385,218,374	384,778,312	426,263,800
Total debt applicable to limit	102,060,000	95,280,000	88,200,000	88,696,497	80,260,910	213,548,493	204,220,181	166,930,000	158,105,000	243,885,000
Legal debt margin	246,315,752	226,841,134	228,667,849	241,248,903	257,148,302	121,417,613	132,849,242	218,288,374	226,673,312	182,378,800
Total debt applicable to the limit as a percentage of debt limit	29.30%	29.58%	27.83%	26.88%	23.79%	63.75%	60.59%	43.33%	41.09%	57.21%

Note: Under Colorado State Statute, the District's outstanding general obligation debt should not exceed 20 percent of total assessed property value.

SCHEDULE 14

Mesa County Valley School District No. 51

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	(1) Estimated Population	(1) Personal Income (millions)	(1) Per Capita Personal Income	(2) School Enrollment	(3) Funded FTE Count	(4) Unemployment Rate
2013	148,742	5,282,090	35,512	21,730	20,912.5	8.60%
2014	149,617	5,492,271	36,709	21,894	21,076.9	6.90%
2015	148,116	5,644,717	38,074	21,742	21,021.2	4.70%
2016	149,794	5,979,808	39,920	21,904	21,005.6	4.80%
2017	151,616	6,292,523	41,503	22,105	21,126.7	3.60%
2018	153,649	6,884,366	44,935	22,084	21,078.5	3.30%
2019	154,615	7,223,458	46,719	22,082	21,082.4	3.80%
2020	156,260	7,568,453	48,435	22,046	21,432.1	6.70%
2021	155,574	Not available	Not available	21,081	21,055.0	6.90%
2022	155,910	Not available	Not available	21,315	21,006.7	3.90%

Sources:

- (1) US Dept of Commerce, Bureau of Economic Analysis (www.bea.gov/bea/regional)
- (2) Colorado Department of Education - Pupil Membership
- (3) Mesa County Valley School District No. 51 October CDE pupil count.
- (4) Mesa County Workforce Center

SCHEDULE 15

Mesa County Valley School District No. 51

Principal Employers

Current Year and Nine Years Ago
(Unaudited)

Employer	June, 2021			June, 2012		
	Employees	Rank	Percentage of Total 2020	Employees	Rank	Percentage of Total 2011
Mesa County Valley School District No. 51	2,926	1	25.20%	2,554	1	23.06%
St. Mary's Hospital & Medical Center	2,388	2	20.57%	1,494	3	13.49%
Mesa County	1,268	3	10.93%	962	5	8.68%
Community Hospital	1,151	4	9.91%	583	10	5.26%
Colorado Mesa University	806	5	6.94%	**		
VA Medical Center	790	6	6.81%	600	9	5.42%
City of Grand Junction	667	7	5.75%	625	8	5.64%
Family Health West	597	8	5.14%	**		
Hilltop Community Resources	519	9	4.47%	**		
West Star Aviation	497	10	4.28%	**		
City Markets, Inc	*			1,656	2	14.95%
State of Colorado	*			973	4	8.78%
Halliburton Energy	*			855	6	7.72%
Walmart/Sam's	*			775	7	7.00%
Total	<u>11,609</u>		<u>100.00%</u>	<u>11,077</u>		<u>100.00%</u>

Source: Grand Junction Economic Partnership

* Employer not in the top 10 employers of 2012

** Employer not in the top 10 employers of 2021

*** 2022 data was not available at the time of publishing

SCHEDULE 16

Mesa County Valley School District No. 51

District Employees by Type

Last Ten Fiscal Years
(Unaudited)

PERSONNEL DATA:	2022	2021**	2020	2019	2018	2017	2016	2015	2014	2013	2012
FULL-TIME											
Administrators		-	-	-	-	-	-	-	-	-	80
Deans		-	-	-	-	-	-	-	-	-	-
CERTIFIED:											
Building Leaders	90	93	90	88	85	82	78	76	75	67	-
Central Administration	15	16	14	14	15	17	16	14	16	15	-
Teachers:											
Elementary	546	567	557	532	534	527	539	537	533	533	558
Middle School	271	298	307	312	308	299	298	295	296	304	320
High School	377	379	366	361	358	362	357	367	362	346	366
Instructional Coaches, etc.	99	87	95	84	71	56	51	52	51	31	-
Audiologists	2	2	2	2	2	1	1	1	1	1	1
Counselors	65	68	62	60	59	57	62	59	52	49	51
Librarians	10	11	13	13	13	13	12	12	12	12	12
Nurses	20	18	18	17	16	16	15	15	14	14	14
Psychologists	19	21	23	22	21	17	19	20	18	21	21
Occupational therapists	8	8	8	11	10	9	8	9	9	9	8
Physical therapists	4	4	2	2	3	2	3	3	3	2	2
Social workers	2	0	4	4	4	-	-	-	-	-	-
Speech/Language	27	26	24	27	29	26	26	25	25	27	25
Coordinators	19	16	18	19	14	16	14	12	12	11	13
CLASSIFIED:											
Administration	13	13	13	13	12	11	11	12	12	11	11
Clerical	216	220	210	207	204	205	202	189	190	176	193
Cooks	70	63	69	67	70	69	69	70	71	76	74
Coordinators	9	12	12	12	11	11	13	17	18	18	17
Custodians	117	122	121	119	117	115	120	119	118	120	118
Garage	4	3	3	3	3	3	3	4	3	4	4
Instructional assistants	456	463	447	432	415	424	425	438	411	369	355
Interpreters, job coaches and medically fragile attendants	17	18	16	11	13	11	12	14	11	11	11
Maintenance	47	52	54	55	53	51	52	53	52	52	53
Nurse assistants	43	74	39	40	38	37	37	39	38	38	37
Technical computer support	33	32	34	35	33	28	29	28	27	27	29
Security Guard	9	9	9	8	4	4	4	4	2	-	-
Warehouse persons	11	9	9	8	8	8	9	10	10	11	9
Total Full-Time	2,619	2,704	2,639	2,578	2,523	2,477	2,485	2,494	2,442	2,355	2,302
PART-TIME											
CERTIFIED:											
Administrators	-	-	-	-	-	-	-	1	1	-	-
Teachers:											
Elementary	14	18	26	32	34	44	44	42	40	46	50
Middle School	12	9	8	8	7	7	9	7	9	9	7
High School	11	8	12	12	9	14	15	12	10	14	13
Instructional Coaches, etc.	4	1	2	-	-	-	1	1	-	2	-
Audiologists	-	-	-	-	-	1	1	1	1	1	1
Counselors	5	2	4	4	5	5	4	3	6	11	9
Librarians	-	-	-	-	-	-	2	2	2	2	2
Nurses	1	1	1	1	1	1	1	1	1	-	1
Psychologists	2	2	1	1	1	2	2	2	2	-	-
Occupational therapists	1	-	1	2	2	3	3	3	3	3	2
Physical therapists	-	-	-	-	-	-	-	-	-	1	-
Speech/Language	1	-	1	3	2	1	2	4	4	5	4
Coordinators	1	1	1	1	1	1	1	1	1	1	1
CLASSIFIED:											
Clerical	12	11	14	15	15	14	11	9	10	18	21
Cooks	51	39	43	42	39	40	41	40	34	43	57
Coordinators	-	-	-	-	-	-	1	1	-	-	-
Custodians	2	-	-	1	1	2	2	4	5	3	3
Garage	-	-	-	-	-	-	-	-	-	-	-
Instructional assistants	34	47	58	55	58	64	51	46	45	56	76
Interpreters, job coaches and medically fragile attendants	1	-	-	1	1	1	-	-	-	-	-
Nurse assistants	-	-	-	-	1	1	2	1	2	1	-
Volunteer coordinator	-	-	-	-	-	-	-	-	-	-	-
Total Part-Time	152	139	172	178	177	201	193	181	176	216	247
SUBSTITUTE EMPLOYEES:											
Clerical and Inst Assistants	109	126	161	128	114	108	178	97	80	84	82
Cooks	30	25	28	25	19	25	32	34	30	32	39
Custodians	26	21	17	3	4	5	5	3	1	2	1
Teachers	448	428	458	398	371	385	303	369	412	410	416
Total substitute employees	613	600	664	554	508	523	518	503	523	528	538
Total employees	3,384	3,443	3,475	3,310	3,208	3,201	3,196	3,178	3,141	3,099	3,087

Source: Mesa County Valley School District No. 51 Human Resources Department

Note: An employee scheduled to work 6 or more hours per day for 164 days or more per year is considered full-time.

Part-time employees are scheduled to work less than 6 hours per day for 164 days or more per year.

Substitute employees are called in to work as needed, and have no predetermined work schedules.

*Following a review in 2020, designations labeled Administrators/Deans were updated to reflect new designations Building Leaders/Central Admin. Data was applied back to 2013 retroactively.

**2021; data pulled 02/2021

Introduction of D51 online program made teacher level difficult to designate.
Due to covid, additional Nurse assistants were hired to support the schools using temp funding.

SCHEDULE 17

Mesa County Valley School District No. 51

Operating Statistics

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	(1) Expenses	(2) School Enrollment (FTE)	Cost per Pupil	Percentage Change	(3) Teaching Staff	Pupil/Teacher Ratio	(4) Student Attendance Percentage	(5) Percentage of Students on Free/Reduced Lunch Program
2013	173,378,574	21,730	7,979	2.94	1,263.8	17.19	93.43	44.45
2014	179,515,999	21,894	8,199	2.76	1,199.9	18.25	93.31	42.50
2015	212,829,015	21,742	9,789	(16.24)	1,313.0	16.56	91.96	42.79
2016	206,285,824	21,904	9,418	3.94	1,258.3	17.41	92.06	47.68
2017	313,326,548	22,105	14,174	(33.56)	1,232.6	17.93	91.09	49.42
2018	353,058,540	22,084	15,987	(11.34)	1,271.0	17.38	90.61	44.47
2019	191,680,312	22,082	8,680	84.17	1,289.0	17.13	92.19	46.82
2020	188,925,231	22,046	8,570	1.29	1,325.0	16.64	91.28	43.70
2021	185,470,967	21,081	8,798	(2.60)	1,331.0	15.84	88.08	50.13
2022	139,005,088	21,315	6,521	34.9085169	1,293.0	16.48	85.49	43.01

Sources:

- (1) See Schedule 2 for expense data
- (2) Colorado Department of Education - Pupil Membership
- (3) Mesa County Valley School District No. 51 Human Resources office
- (4) Mesa County Valley School District No. 51 Attendance office
- (5) Mesa County Valley School District No. 51 Nutrition Services office

Note: Teaching staff includes only classroom teachers, not all certified staff.

SCHEDULE 18

Mesa County Valley School District No. 51

School Building Information

Last Ten Fiscal Years
(Unaudited)

School	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Elementary:										
Appleton (1938)										
Square feet	54,716	54,716	54,716	54,716	54,716	54,716	54,716	54,716	54,716	54,716
Capacity	368	368	368	368	368	368	368	368	368	368
Enrollment	444	417	456	439	442	414	384	388	380	418
Capacity Used	120.65 %	113.32 %	123.91 %	119.29 %	120.11 %	112.50 %	104.35 %	105.43 %	103.26 %	113.59 %
Broadway (1958)										
Square feet	35,295	35,295	35,295	35,295	35,295	35,295	35,295	35,295	35,295	35,295
Capacity	275	275	275	275	275	275	275	275	275	275
Enrollment	281	239	271	277	276	253	240	234	202	202
Capacity Used	102.18 %	86.91 %	98.55 %	100.73 %	100.36 %	92.00 %	87.27 %	85.09 %	73.45 %	73.45 %
Chatfield (1976)										
Square feet	50,238	50,238	50,238	50,238	50,238	50,238	50,238	50,238	50,238	50,238
Capacity	522	522	522	522	522	522	522	522	522	522
Enrollment	415	390	425	427	398	398	413	384	447	402
Capacity Used	79.50 %	74.71 %	81.42 %	81.80 %	76.25 %	76.25 %	79.12 %	73.56 %	85.63 %	77.01 %
Chipeta (2009)										
Square feet	48,320	48,320	48,320	48,320	48,320	48,320	48,320	48,320	48,320	48,320
Capacity	441	441	441	441	441	441	441	441	441	441
Enrollment	395	399	435	483	430	445	449	422	455	457
Capacity Used	89.57 %	90.48 %	98.64 %	109.52 %	97.51 %	100.91 %	101.81 %	95.69 %	103.17 %	103.63 %
Clifton (1968)										
Square feet	52,517	52,517	52,517	52,517	52,517	52,517	52,517	52,517	52,517	52,517
Capacity	551	551	551	551	551	551	551	551	551	551
Enrollment	383	395	438	428	456	468	485	477	469	480
Capacity Used	69.51 %	71.69 %	79.49 %	77.68 %	82.76 %	84.94 %	88.02 %	86.57 %	85.12 %	87.11 %
Columbus (New Emerson) (1949)										
Square feet	28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464	28,464
Capacity	248	248	248	248	248	248	248	248	248	248
Enrollment	141	130	141	140	140	142	144	141	143	150
Capacity Used	56.85 %	52.42 %	56.85 %	56.45 %	56.45 %	57.26 %	58.06 %	56.85 %	57.66 %	60.48 %
Dos Rios (1999)										
Square feet	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380
Capacity	435	435	435	435	435	435	435	435	435	435
Enrollment	300	310	331	318	345	365	373	402	409	379
Capacity Used	68.97 %	71.26 %	76.09 %	73.10 %	79.31 %	83.91 %	85.75 %	92.41 %	94.02 %	87.13 %
Dual Immersion AcademyRiverside										
Square feet	38,750	38,750	38,750	38,750	17,000	17,000	17,000	17,000	17,000	17,000
Capacity	214	214	214	214	214	214	214	214	214	214
Enrollment	283	304	309	311	302	306	303	297	286	292
Capacity Used	132.24 %	142.06 %	144.39 %	145.33 %	141.12 %	142.99 %	141.59 %	138.79 %	133.64 %	136.45 %
Fruitvale (1953)										
Square feet	54,413	54,413	54,413	54,413	54,413	54,413	54,413	54,413	54,413	54,413
Capacity	476	476	476	476	476	476	476	476	476	476
Enrollment	399	383	412	437	446	509	471	482	475	506
Capacity Used	83.82 %	80.46 %	86.55 %	91.81 %	93.70 %	106.93 %	98.95 %	101.26 %	99.79 %	106.30 %
Glade Park Community School (closed at June 30, 2013)										
Square feet	1,660	1,660	1,660	1,660	1,660	1,660	1,660	1,660	1,660	1,660
Capacity	30	30	30	30	30	30	30	30	30	30
Enrollment	-	-	-	-	-	-	-	-	-	19
Capacity Used	-	-	-	-	-	-	-	-	-	63.33 %
Lincoln OM (1955)										
Square feet	43,048	43,048	43,048	43,048	43,048	43,048	43,048	43,048	43,048	43,048
Capacity	409	409	409	409	409	409	409	409	409	409
Enrollment	365	348	351	344	353	368	391	380	375	382
Capacity Used	89.24 %	85.09 %	85.82 %	84.11 %	86.31 %	89.98 %	95.60 %	92.91 %	91.69 %	93.40 %
Loma (1982)										
Square feet	33,530	33,530	33,530	33,530	33,530	33,530	33,530	33,530	33,530	33,530
Capacity	365	365	365	365	365	365	365	365	365	365
Enrollment	237	227	304	289	277	285	311	326	311	280
Capacity Used	64.93 %	62.19 %	83.29 %	79.18 %	75.89 %	78.08 %	85.21 %	89.32 %	85.21 %	76.71 %
Mesa View (1982)										
Square feet	46,123	46,123	46,123	46,123	46,123	46,123	46,123	46,123	46,123	46,123
Capacity	380	380	380	380	380	380	380	380	380	380
Enrollment	359	342	384	389	420	419	425	404	423	448
Capacity Used	94.47 %	90.00 %	101.05 %	102.37 %	110.53 %	110.26 %	111.84 %	106.32 %	111.32 %	117.89 %
Nisley (1958)										
Square feet	52,806	52,806	52,806	52,806	52,806	52,806	52,806	52,806	52,806	52,806
Capacity	467	467	467	467	467	467	467	467	467	467
Enrollment	345	396	416	457	472	518	523	498	495	443
Capacity Used	73.88 %	84.80 %	89.08 %	97.86 %	101.07 %	110.92 %	111.99 %	106.64 %	106.00 %	94.86 %
Monument Ridge (2020)										
Square feet	61,502	61,502	-	-	-	-	-	-	-	-
Capacity	400	400	-	-	-	-	-	-	-	-
Enrollment	328	289	-	-	-	-	-	-	-	-
Capacity Used	82.00 %	72.25 %	-	-	-	-	-	-	-	-

continue

SCHEDULE 18

Mesa County Valley School District No. 51

School Building Information

Last Ten Fiscal Years
(Unaudited)

School	2020	2020	2020	2019	2018	2017	2016	2015	2014	2013
Orchard Avenue (1948)										
Square feet	58,800	58,800	58,800	58,800	58,800	58,800	58,800	58,800	58,800	58,800
Capacity	406	406	406	406	406	406	406	406	406	406
Enrollment	361	370	419	434	417	391	410	420	449	479
Capacity Used	88.92 %	91.13 %	103.20 %	106.90 %	102.71 %	96.31 %	100.99 %	103.45 %	110.59 %	117.98 %
Pear Park (2006)										
Square feet	61,980	61,980	61,980	61,980	61,980	61,980	61,980	61,980	61,980	61,980
Capacity	532	532	532	532	532	532	532	532	532	532
Enrollment	453	443	450	463	472	491	499	497	492	490
Capacity Used	85.15 %	83.27 %	84.59 %	87.03 %	88.72 %	92.29 %	93.80 %	93.42 %	92.48 %	92.11 %
Pomona (1958)										
Square feet	56,427	56,427	56,427	56,427	56,427	56,427	56,427	56,427	56,427	56,427
Capacity	389	389	389	389	389	389	389	389	389	389
Enrollment	351	337	333	364	377	371	384	394	383	408
Capacity Used	90.23 %	86.63 %	85.60 %	93.57 %	96.92 %	95.37 %	98.71 %	101.29 %	98.46 %	104.88 %
Rim Rock (2006)										
Square feet	59,598	59,598	59,598	59,598	59,598	59,598	59,598	59,598	59,598	59,598
Capacity	643	643	643	643	643	643	643	643	643	643
Enrollment	327	351	624	658	653	629	653	624	645	654
Capacity Used	50.86 %	54.59 %	97.05 %	102.33 %	101.56 %	97.82 %	101.56 %	97.05 %	100.31 %	101.71 %
Rocky Mountain (1998)										
Square feet	52,068	52,068	52,068	52,068	52,068	52,068	52,068	52,068	52,068	52,068
Capacity	564	564	564	564	564	564	564	564	564	564
Enrollment	443	446	474	451	470	511	518	496	547	531
Capacity Used	78.55 %	79.08 %	84.04 %	79.96 %	83.33 %	90.60 %	91.84 %	87.94 %	96.99 %	94.15 %
Scenic (1969)										
Square feet	30,144	30,144	30,144	30,144	30,144	30,144	30,144	30,144	30,144	30,144
Capacity	229	229	229	229	229	229	229	229	229	229
Enrollment	246	234	245	253	267	274	276	297	278	262
Capacity Used	107.42 %	102.18 %	106.99 %	110.48 %	116.59 %	119.65 %	120.52 %	129.69 %	121.40 %	114.41 %
Shelley (1958)										
Square feet	56,784	56,784	56,784	56,784	56,784	56,784	56,784	56,784	56,784	56,784
Capacity	519	519	519	519	519	519	519	519	519	519
Enrollment	382	385	422	443	470	520	531	518	538	547
Capacity Used	73.60 %	74.18 %	81.31 %	85.36 %	90.56 %	100.19 %	102.31 %	99.81 %	103.66 %	105.39 %
Taylor (1958)										
Square feet	52,460	52,460	52,460	52,460	52,460	52,460	52,460	52,460	52,460	52,460
Capacity	511	511	511	511	511	511	511	511	511	511
Enrollment	346	336	361	397	422	415	389	395	424	405
Capacity Used	67.71 %	65.75 %	70.65 %	77.69 %	82.58 %	81.21 %	76.13 %	77.30 %	82.97 %	79.26 %
Thunder Mountain (1982)										
Square feet	57,950	57,950	57,950	57,950	57,950	57,950	57,950	57,950	57,950	57,950
Capacity	562	562	562	562	562	562	562	562	562	562
Enrollment	447	465	516	520	511	521	544	536	551	579
Capacity Used	79.54 %	82.74 %	91.81 %	92.53 %	90.93 %	92.70 %	96.80 %	95.37 %	98.04 %	103.02 %
Tope (1940)										
Square feet	53,886	53,886	53,886	53,886	53,886	53,886	53,886	53,886	53,886	53,886
Capacity	410	410	410	410	410	410	410	410	410	410
Enrollment	316	308	337	319	348	342	337	345	356	337
Capacity Used	77.07 %	75.12 %	82.20 %	77.80 %	84.88 %	83.41 %	82.20 %	84.15 %	86.83 %	82.20 %
Wingate (1982)										
Square feet	43,819	43,819	43,819	43,819	43,819	43,819	43,819	43,819	43,819	43,819
Capacity	452	452	452	452	452	452	452	452	452	452
Enrollment	405	443	452	434	458	460	441	461	476	434
Capacity Used	89.60 %	98.01 %	100.00 %	96.02 %	101.33 %	101.77 %	97.57 %	101.99 %	105.31 %	96.02 %
Middle:										
Bookcliff (2006)										
Square feet	116,182	116,182	116,182	116,182	116,182	116,182	116,182	116,182	116,182	116,182
Capacity	643	643	643	643	643	643	643	643	643	643
Enrollment	545	551	590	607	578	575	580	569	569	563
Capacity Used	84.76 %	85.69 %	91.76 %	94.40 %	89.89 %	89.42 %	90.20 %	88.49 %	88.49 %	87.56 %
East (1970)										
Square feet	54,486	54,486	54,486	54,486	54,486	54,486	54,486	54,486	54,486	54,486
Capacity	484	484	484	484	484	484	484	484	484	484
Enrollment	406	435	455	467	441	477	477	474	475	479
Capacity Used	83.88 %	89.88 %	94.01 %	96.49 %	91.12 %	98.55 %	98.55 %	97.93 %	98.14 %	98.97 %
Fruita (1936)										
Square feet	85,286	85,286	85,286	85,286	85,286	85,286	85,286	85,286	85,286	85,286
Capacity	733	733	733	733	733	733	733	733	733	733
Enrollment	530	544	609	641	630	606	554	546	577	549
Capacity Used	72.31 %	74.22 %	83.08 %	87.45 %	85.95 %	82.67 %	75.58 %	74.49 %	78.72 %	74.90 %

continue

SCHEDULE 18

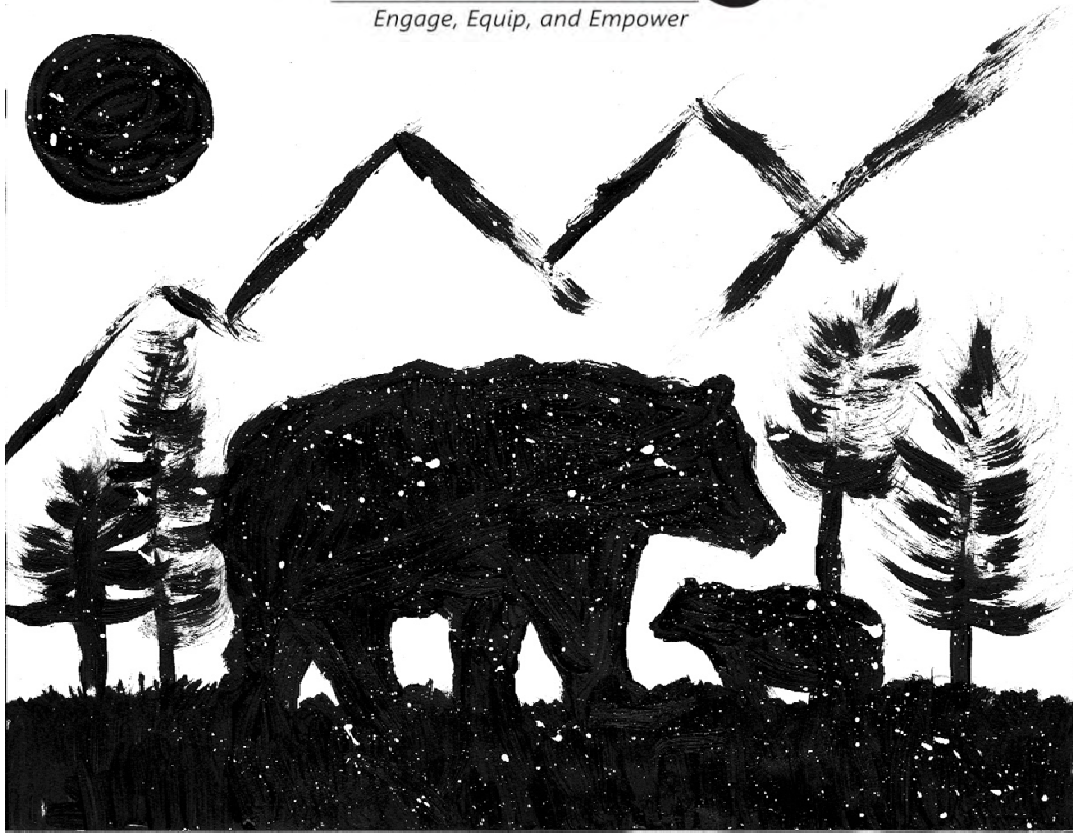
Mesa County Valley School District No. 51

School Building Information

Last Ten Fiscal Years
(Unaudited)

School	2020	2020	2020	2019	2018	2017	2016	2015	2014	2013
Grand Mesa (1998)										
Square feet	99,663	99,663	99,663	99,663	99,663	99,663	99,663	99,663	99,663	99,663
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	604	652	644	643	608	629	607	581	622	618
Capacity Used	96.64 %	104.32 %	103.04 %	102.88 %	97.28 %	100.64 %	97.12 %	92.96 %	99.52 %	98.88 %
Mt. Garfield (1982)										
Square feet	85,658	85,658	85,658	85,658	85,658	85,658	85,658	85,658	85,658	85,658
Capacity	596	596	596	596	596	596	596	596	596	596
Enrollment	565	592	641	676	657	639	617	602	568	594
Capacity Used	94.80 %	99.33 %	107.55 %	113.42 %	110.23 %	107.21 %	103.52 %	101.01 %	95.30 %	99.66 %
Orchard Mesa (1960)										
Square feet	55,661	55,661	55,661	55,661	55,661	55,661	55,661	55,661	55,661	55,661
Capacity	598	598	598	598	598	598	598	598	598	598
Enrollment	467	509	488	488	494	486	502	515	505	532
Capacity Used	78.09 %	85.12 %	81.61 %	81.61 %	82.61 %	81.27 %	83.95 %	86.12 %	84.45 %	88.96 %
Redlands (1991)										
Square feet	97,318	97,318	97,318	97,318	97,318	97,318	97,318	97,318	97,318	97,318
Capacity	643	643	643	643	643	643	643	643	643	643
Enrollment	535	534	600	561	556	550	565	572	583	547
Capacity Used	83.20 %	83.05 %	93.31 %	87.25 %	86.47 %	85.54 %	87.87 %	88.96 %	90.67 %	85.07 %
West (1971)										
Square feet	55,830	55,830	55,830	55,830	55,830	55,830	55,830	55,830	55,830	55,830
Capacity	466	466	466	466	466	466	466	466	466	466
Enrollment	341	342	379	393	385	382	389	404	400	432
Capacity Used	73.18 %	73.39 %	81.33 %	84.33 %	82.62 %	81.97 %	83.48 %	86.70 %	85.84 %	92.70 %
8/9:										
Fruita 8/9										
Square feet	103,784	103,784	103,784	103,784	103,784	103,784	103,784	103,784	103,784	103,784
Capacity	681	681	681	681	681	681	681	681	681	668
Enrollment	740	797	803	782	802	741	752	721	711	711
Capacity Used	108.66 %	117.03 %	117.91 %	114.83 %	117.77 %	108.81 %	110.43 %	105.87 %	104.41 %	106.44 %
High:										
Career Center (2006)										
Square feet	37,852	37,852	37,852	37,852	37,852	37,852	37,852	37,852	37,852	37,852
Capacity	265	265	265	265	265	265	265	265	265	265
Enrollment	School has no enrollment records because students enrolled at other schools are bussed in during the day for special programs									
Central (1960)										
Square feet	172,935	172,935	172,935	172,935	179,132	179,132	179,132	179,132	179,132	179,132
Capacity	1,495	1,495	1,495	1,495	1,495	1,495	1,495	1,495	1,495	1,495
Enrollment	1,630	1,583	1,647	1,598	1,520	1,536	1,515	1,473	1,463	1,486
Capacity Used	109.03 %	105.89 %	110.17 %	106.89 %	101.67 %	102.74 %	101.34 %	98.53 %	97.86 %	99.40 %
Fruita Monument (1969)										
Square feet	184,583	184,583	184,583	184,583	192,134	192,134	192,134	192,134	192,134	192,134
Capacity	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618
Enrollment	1,382	1,345	1,334	1,329	1,275	1,257	1,229	1,253	1,304	1,262
Capacity Used	85.41 %	83.13 %	82.45 %	82.14 %	78.80 %	77.69 %	75.96 %	77.44 %	80.59 %	78.00 %
Grand Junction (1956)										
Square feet	168,329	168,329	168,329	168,329	168,329	168,329	168,329	168,329	168,329	168,329
Capacity	1,786	1,786	1,786	1,786	1,786	1,786	1,786	1,786	1,786	1,786
Enrollment	1,479	1,378	1,452	1,534	1,573	1,684	1,742	1,741	1,715	1,676
Capacity Used	82.81 %	77.16 %	81.30 %	85.89 %	88.07 %	94.29 %	97.54 %	97.48 %	96.02 %	93.84 %
Palisade (1991)										
Square feet	125,412	125,412	125,412	125,412	125,412	125,412	125,412	125,412	125,412	125,412
Capacity	1,084	1,084	1,084	1,084	1,084	1,084	1,084	1,084	1,084	1,084
Enrollment	1,108	1,112	1,091	1,005	1,053	1,011	1,006	1,048	1,054	1,021
Capacity Used	102.21 %	102.58 %	100.65 %	92.71 %	97.14 %	93.27 %	92.80 %	96.68 %	97.23 %	94.19 %
R-5 Complex (2016)										
Square feet	29,133	29,133	29,133	29,133	29,133	29,133	17,684	17,684	17,684	17,684
Capacity	420	420	420	420	420	420	257	257	257	257
Enrollment	274	269	273	275	289	304	210	221	190	224
Capacity Used	65.24 %	64.05 %	65.00 %	65.48 %	68.81 %	72.38 %	81.71 %	85.99 %	73.93 %	87.16 %
K - 12:										
Gateway (1946)										
Square feet	18,470	18,470	18,470	18,470	18,470	18,470	18,470	18,470	18,470	18,470
Capacity	90	90	90	90	90	90	90	90	90	90
Enrollment	14	27	29	36	33	25	25	29	34	40
Capacity Used	15.56 %	30.00 %	32.22 %	40.00 %	36.67 %	27.78 %	27.78 %	32.22 %	37.78 %	44.44 %
Grand River Academy (previously Independence Academy Charter School and Lincoln Park Elementary) (1925)										
Square feet	23,378	23,378	23,378	23,378	23,378	23,378	23,378	23,378	23,378	23,378
Capacity	284	284	284	284	284	284	284	284	284	284
Enrollment	513	311	357	310	280	259	245	346	308	294
Capacity Used	180.63 %	109.51 %	125.70 %	109.15 %	98.59 %	91.20 %	86.27 %	121.83 %	108.45 %	103.52 %
Non-school enrollment	1,430	1,416	1,348	1,262	1,288	1,129	918	77	815	815
Total District enrollment	21,315	21,084	22,046	22,082	22,084	22,105	21,827	21,746	21,902	21,827

Source: Mesa County Valley School District No. 51 Maintenance Department
 Note: Building capacity may not change when additions to buildings are constructed because modular units are often removed
 update Student enrollment numbers only per October Student count



Victoria Mata Villegas 5th Grade – Appleton Elementary

COMPLIANCE SECTION



Colorado Department of Education
Auditors Integrity Report
 District: 2000 - Mesa County Valley 51
 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	28,094,673	199,094,367	191,290,961	35,898,080
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	194,885	2,797,497	2,855,319	137,064
Sub-Total	28,289,558	201,891,864	194,146,279	36,035,143
11 Charter School Fund	8,676,815	14,520,820	15,388,750	7,808,885
20,26-29 Special Revenue Fund	3,162,877	4,946,563	4,728,820	3,380,621
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	2,116,507	10,878,116	9,448,798	3,545,825
22 Govt Designated-Purpose Grants Fund	0	37,662,183	37,662,183	0
23 Pupil Activity Special Revenue Fund	186,295	821,712	908,901	99,107
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	16,793,483	23,184,882	18,507,794	21,470,571
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	20,332,268	115,849,620	9,645,503	126,536,386
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	15,384,814	7,830,157	7,321,788	15,893,182
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	94,942,617	417,585,918	297,758,816	214,769,719
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	6,300,997	1,549,838	1,843,472	6,007,363
60,65-69 Other Internal Service Funds	752,563	209,706	-1,694,130	2,656,399
Totals	7,053,560	1,759,544	149,342	8,663,762
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	0	0	0	0

FINAL

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Maya Bardo 2nd grad – New Emerson Elementary School

SINGLE AUDIT

Mesa County Valley School District No. 51
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 June 30, 2022

<u>CFDA PROGRAM TITLE</u>	<u>FEDERAL ASSISTANCE NUMBER</u>	<u>PASSTHRU IDENTIFYING NUMBER</u>	<u>AMOUNT OF EXPENDITURES</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed through Colorado Department of Education			
Summer Food Service Program for Children – COVID-19	10.559	4559	\$ 230,805
Seamless Summer Option (SSO)-Breakfast (SRE 94 Optional)	10.553	5553	1,911,166
Seamless Summer Option (SSO)-Lunch (SRE 94 Optional)	10.555	5555	7,480,804
Supply Chain Assistance (SCA)	10.555	6555	314,625
Passed through Colorado Department of Human Services			
Donated Commodities	10.555	21-70633	<u>573,412</u>
Total Child Nutrition Cluster			10,510,812
SNAP: P-BET Mini Grants	10.649	4649	5,814
Child and Adult Care Food Program	10.558	4558	<u>1,886</u>
Total Department of Agriculture			10,518,512
U.S. DEPARTMENT OF DEFENSE			
Direct			
Junior ROTC Program	12.xxx	10-9001	72,677
U.S. DEPARTMENT OF JUSTICE			
Passed through other government			
Build America Bonds and QECB Subsidy	21.xxx	10-9016	8,885
Passed through Colorado Department of Education			
COVID - 19 Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund	21.027	7127	<u>97,696</u>
Total Department of Justice			106,581
U.S. DEPARTMENT OF NATIONAL ENDOWMENT FOR THE HUMANITIES			
COVID - 19 American Rescue Plan (Library Services and Technology)	45.310	7310	12,923
U.S. DEPARTMENT OF EDUCATION			
Passed through Colorado Department of Education			
Title I Grants to Local Education Agencies	84.010	4010/5010/6010 /7010/8010	5,547,429
Title I Grants to Local Education Agencies	84.010A	22-5010	<u>95,665</u>
Total 84.010			5,643,094
Migrant Education - State Grant Program	84.011	4011	599,102
Education for Homeless Children and Youth	84.196	5196	54,186
Improving Teacher Quality State Grants	84.367	22-4367	944,172
Title II, Part A, English Language Acquisition Grants	84.365	22-4365,7365	83,289
Title IV-A, Student Support and Academic Enrichment	84.424A	4424	380,830
21st Century Community Learning Centers	84.287	5287	132,358

(Continue)

Mesa County Valley School District No. 51
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 June 30, 2022

CFDA PROGRAM TITLE	FEDERAL ASSISTANCE NUMBER	PASSTHRU IDENTIFYING NUMBER	AMOUNT OF EXPENDITURES
Special Education Cluster:			
Special Education - Grants to States	84.027	4027/5027	3,981,370
Special Education - Preschool Grants	84.173	4173/5173	135,218
COVID - 19 - American Rescue Plan (Special Education)	84.027X	6027	382,451
COVID - 19 - American Rescue Plan (Special Education - Preschool)	84.173X	6173	<u>2,609</u>
Total Special Education Cluster			4,501,648
MTSS Grant	84.328	5323	9,723
Colorado Multi-tiered Behavior Framework - Colorado School Climate Transformation Grant	84.184F	8174	181,025
COVID-19 Elementary and Secondary School Emergency Relief Funds (ESSER 2)	84.425D	4420	5,425,400
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	4414	11,274,560
COVID - 19 Education Stabilization Fund - Elementary and Secondary School Emergency Relief Funds 21st Century Expanded Learning Opportunities	84.425D	5625	48,325
COVID - 19 American Rescue Plan - Elementary and Secondary School Emergency Relief Fund (Mckinney Vento)	84.425W	8425	40,950
COVID - 19 - Education Stabilization Fund - Elementary and Secondary School Emergency Relief Funds (ESSER II)	84.425D	4419	<u>210,635</u>
Total 84.425			16,999,870
Passed through State College System:			
Career and Technical Education - Basic Grants to States	84.048	22-4048	<u>186,889</u>
Total U.S. Department of Education			29,716,186
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Colorado Department of Health and Human Services Epidemiology and Laboratory Capacity for Infectious Diseases			
CCDF Cluster:			
COVID – 19 Child Care and Development block Grant (Child Care Operations Stabilization and Workforce Sustainability Grants).	93.575	7575	616
Child Care Development Fund	93.596	22-396-7596	<u>30,059</u>
Total CCDF Cluster			30,675
Passed through other government			
Head Start Cluster:			
Early Head Start	93.600	8600	<u>37,167</u>
Total Head Start Cluster			<u>37,167</u>
Total U.S. Department of Health and Human Services			<u>85,240</u>
Total Expenditures of Federal Awards			<u>\$ 40,512,119</u>

Mesa County Valley School District No. 51
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2022

NOTE A – GENERAL

The accompanying schedule of expenditures of federal awards includes the amount of federal grants expended by Mesa County Valley School District No. 51, during the year ended June 30, 2018. The information in the schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. (Uniform Guidance). Therefore, some amounts presented in the 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 B – BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting. Non-cash expenditures are included in the schedule. 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 C – SUBRECIPIENTS

For the year ended June 30, 2020, the District did not pass through any federal grants to subrecipients.

NOTE D – INDIRECT COST RATE

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



INDEPENDENT AUDITOR'S 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*

To the Board of Education
Mesa County Valley School District No. 51
Grand Junction, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Mesa County Valley School District No. 50 (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, and have issued our report thereon dated December 20, 2022. The financial statements of the component units; Mesa County Valley School, Independence Academy, and Juniper Ridge Community School were not audited in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the component units.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the district's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and



Board of Education
Mesa County Valley School District No. 51

material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Chadwick, Steinkirchner, Davis & Co., P.C.

Chadwick, Steinkirchner, Davis & Co., P.C.
December 20, 2022



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

To the Board of Education
Mesa County Valley School District No. 51
Grand Junction, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Mesa County Valley School District No. 51's (the district'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 district's major federal programs for the year ended June 30, 2022. The district's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Mesa County Valley School District No. 51 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of district 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 the district's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the district's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and



Board of Education
Mesa County Valley School District No. 51

the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the district's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with 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 the district's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the district's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the district's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the 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.



Board of Education
Mesa County Valley School District No. 51

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.

Chadwick, Steinkirchner, Davis & Co., P.C.

Chadwick, Steinkirchner, Davis & Co., P.C.
December 20, 2022

Mesa County Valley School District No. 51
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 June 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	<u>Unmodified Opinion</u>		
Internal control over financial reporting:			
Material weakness(es) identified?	_____	yes	_____ <input checked="" type="checkbox"/> _____ no
Significant deficiency(ies) identified not considered to be material weaknesses?	_____	yes	_____ <input checked="" type="checkbox"/> _____ none reported
Noncompliance material to financial statements noted?	_____	yes	_____ <input checked="" type="checkbox"/> _____ no

Federal Awards

Internal Control over major programs:			
Material weakness(es) identified?	_____	yes	_____ <input checked="" type="checkbox"/> _____ no
Significant deficiency(ies) identified not considered to be material weaknesses?	_____	yes	_____ <input checked="" type="checkbox"/> _____ none reported

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 the Uniform Guidance?	_____	yes	_____ <input checked="" type="checkbox"/> _____ no
--	-------	-----	--

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027/84.173	Special Education Cluster
84.425	Education Stabilization Fund (ESF)

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 1,215,372
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Auditee qualified as low-risk auditee?	_____ <input checked="" type="checkbox"/> _____	yes	_____	no
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Mesa County Valley School District No. 51
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2022

SECTION II - FINANCIAL STATEMENT FINDINGS

There are no finding required to be reported under Generally Accepted Government Auditing Standards.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no findings or questioned costs for federal awards as defined in the Uniform Guidance.

Mesa County Valley School District No. 51
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
June 30, 2022

There were no prior year findings.

END OF REPORT
THANK YOU!