



**AURORA**  
PUBLIC SCHOOLS

# 2023-24

## ANNUAL COMPREHENSIVE FINANCIAL REPORT



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

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

**ANNUAL COMPREHENSIVE**  
**FINANCIAL REPORT**

**For the Fiscal Year Ended June 30, 2024**

**BOARD OF EDUCATION**

Dr. Anne Keke, President

Michael Carter, Vice President

Tiffany Tasker, Treasurer

Danielle Tomwing, Secretary

Tramaine Duncan, Director

Dr. Debra E. Gerkin, Director

Vicki Reinhard, Director

**Superintendent**

Michael Giles, Jr.

**Prepared by**

Division of Finance

**JOINT SCHOOL DISTRICT No. 28-J OF THE  
COUNTIES OF ADAMS AND ARAPAHOE, COLORADO  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
For the Year Ended June 30, 2024**

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**JOINT SCHOOL DISTRICT No. 28-J OF THE  
COUNTIES OF ADAMS AND ARAPAHOE, COLORADO  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
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## **INTRODUCTORY SECTION**



## Board of Education and Superintendent



Clockwise from top left:

Tiffany Tasker, Tramaine Duncan, Danielle Tomwing, Michael Carter, Vicki Reinhard  
Dr. Debra E. Gerkin, Superintendent Michael Giles, Jr., and Board President Dr. Anne Keke

The district is governed by a seven-member board of education. Directors are elected at successive biennial elections by registered voters residing in the district. Current directors serve staggered four-year terms of office. The board holds regular meetings on the third Tuesday of each month. Special meetings are held as needed. Directors elect board officers following each election. Members of the board of education receive no compensation for their services to the district. The district superintendent serves as the executive officer of the board. The superintendent does not maintain any voting privileges.

Among its duties, the board is empowered to:

- Employ all personnel required to maintain the operations and carry out the education programs of the district
- Determine and pay personnel compensatory wages
- Establish enrollment boundaries for each school's geographic area
- Determine educational programs to be provided by the district
- Prescribe textbooks for any course of instruction or study in such programs



# AUROLA

## PUBLIC SCHOOLS

— Power Your Potential —



Division of the Superintendent  
15701 E. First Ave.  
Suite 206  
Aurora, CO 80011

Phone: 303-365-7800  
Fax: 303-326-1280

November 25, 2024

### **To the Members of the Board of Education:**

The Annual Comprehensive Financial Report for Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado, is hereby presented to the Board of Education and stakeholders of Aurora Public Schools. This report for fiscal year ended June 30, 2024, was prepared by the Division of Finance and includes the audit opinion of the independent auditors, Plante & Moran, PLLC, who conducted the annual audit of the financial statements in accordance with generally accepted auditing standards and in compliance with state statutes.

Plante & Moran, PLLC, certified public accountants, issued an unmodified (clean) opinion on the financial statements of the district for the fiscal year ended June 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

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

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

### **Profile of the District**

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

The district is located in Aurora, Colorado, a city on the eastern border of Denver, Colorado, and covers 160 square miles. APS provides a full range of educational programs to a funded enrollment of 38,016 students, as authorized by Colorado state statutes. The district is an independent school district that is a public corporation duly organized and existing under the constitution and laws of the state of Colorado.

During 2023-24, the district consists of four child development centers, 20 elementary schools, ten combination elementary and middle schools, five middle schools, one combination grades 6-12 school, one combination grades P-12 school, five high schools, one vocational/technical college, one home school support program, one gifted and talented combination elementary and middle school, and nine charter schools. In school year 2023-24, 2,597 teachers were employed by the district.

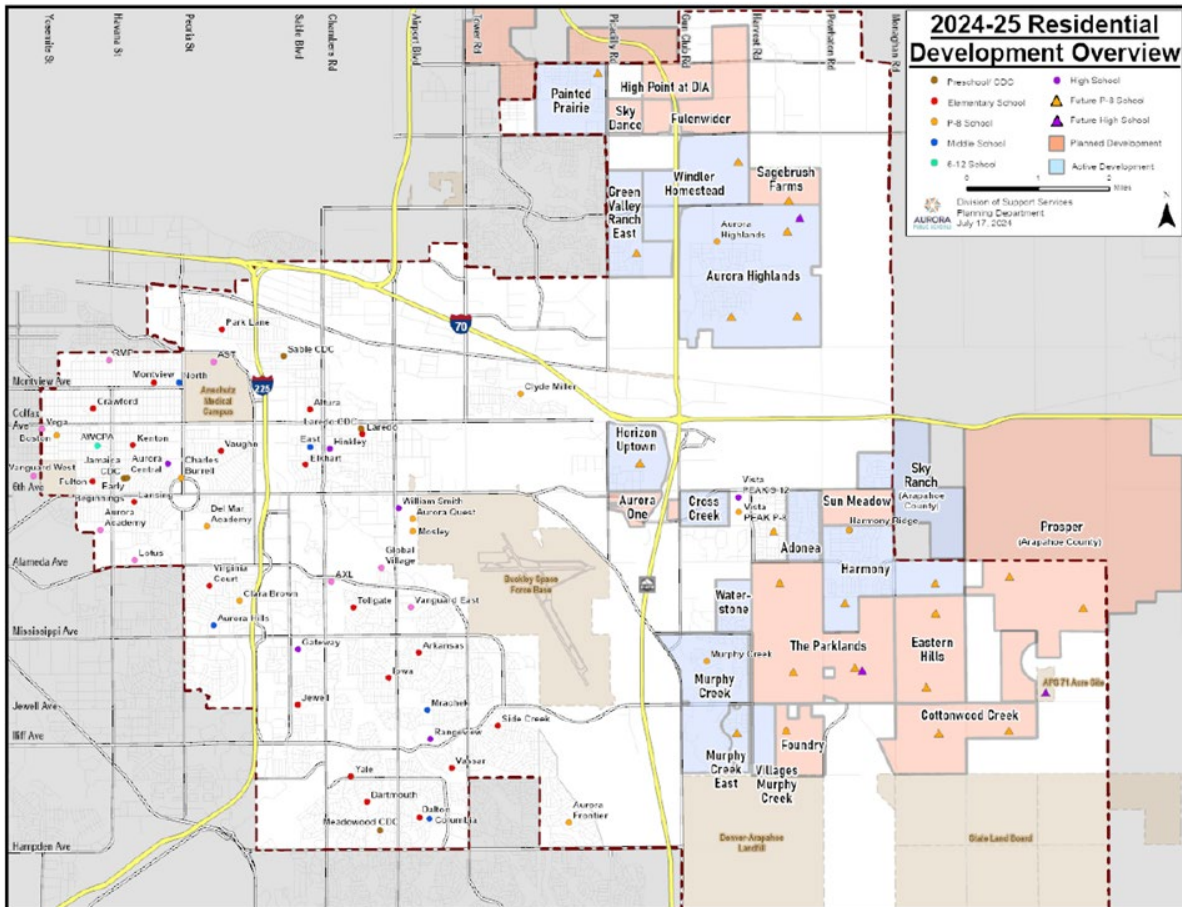
In addition to regular education, student offerings include special education, vocational education at the technical college, pre-school, gifted and talented, English language acquisition and International Baccalaureate programs.

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

## **Economy**

The district is located almost entirely within the city of Aurora and other portions are located in unincorporated Adams and Arapahoe counties. With over 404,000 residents, Aurora is the 52nd largest city in the nation and the third largest in the state of Colorado. Over 200,000 of residents aged 16 and above are employed. The city of Aurora covers 160 square miles. Approximately 13,286 businesses employ over 200,000 people. City demographics indicate that 41.5 percent are college graduates. Median household income is \$72,052, and the median age is 35. Most of Aurora's new residential development continues to take place in southeast and northeast Aurora along the E-470 tollway, shown on the map on the next page, providing a major north-south thoroughfare in the center of the district. Approximately 55 percent of the area within the district boundaries is not developed. The Aurora Highlands, Painted Prairie, Green Valley Ranch East and Horizon Uptown are examples of mixed-use developments currently operating or planned along the E-470 corridor.

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



Map provided by: Aurora Public Schools Planning Department

The Anschutz Medical Campus and Fitzsimons Innovation Community consists of one square mile undergoing a significant transformation in the heart of Aurora and the school district. The site, with almost 30,000 employees, is home to the University of Colorado Anschutz Medical Campus, UHealth University of Colorado Hospital, Children’s Hospital Colorado, U.S. Department of Veterans Affairs Rocky Mountain Regional VA Medical Center and several other centers for health care, biomedical research and workforce development. The Anschutz/Fitzsimons site currently generates about \$13 billion in economic impact and is expected to employ approximately 45,000 people when fully developed. The site includes residential, hotel and retail spaces.

Buckley Space Force Base significantly contributes to the economic development in the city and attracts core aerospace-related industries. The base is home to Buckley Garrison that is responsible for the operational mission of the Space Delta 4 Missile Warning Delta (DEL 4). DEL 4 provides strategic and theater missile warnings and provides tipping and cueing to missile defense forces, battlespace awareness, and technical intelligence. Buckley is home to more than 83 other tenants representing every branch of service and components – Active Duty, National Guard and Reserve as well as the Aerospace Data Facility – Colorado. The base has an annual economic impact of nearly \$2.5 billion to the region. Raytheon is a large private employer with more than 2,400 employees (Northrop Grumman has 1,000 and Lockheed Martin has 600). Amazon, Lockheed Martin and The Boeing Company all have major operations in the city of Aurora.

## **Long-Term Financial Planning**

The fund balance in the General Fund is a measure of the ability of the district's finances to sustain operations in the event of a financial downturn. Fund balance increased by \$1.1 million, from \$95.4 million to \$96.5 million. Total fund balance in the General Fund is 17.5 percent of total ordinary General Fund revenues (excluding other financing sources), which includes fund balances that are restricted (e.g., three percent TABOR emergency reserve), assigned for identified needs (e.g., the Board's cash fund emergency reserve), and unassigned fund balances to cover contingencies caused by unpredictable revenues and potentially volatile expenditures.

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

Outstanding general obligation debt as of June 30, 2024, is \$297.9 million. During 2023-24, \$17.4 million from the district's bond program authorized in 2016 and the BEST grant was expended to renovate existing schools. Approximately 88 percent of the district's 65 schools (and 88 percent of school buildings) are over 20 years old and roughly 47 percent (and 47 percent of school buildings) are over 40 years old. Every school will benefit from various projects funded from the 2016 bond program.

## **Financial Policies**

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

The district's accounting and budgeting systems are integrated, which facilitates budgetary control. Also, the systems include integrity checks and balances which help assure only valid transactions become permanent records. The district's existing systems of budgetary and accounting controls are designed to provide reasonable assurance that error or irregularities of a material nature are prevented or are detected within a reasonable period. We believe that the district's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The district's internal control structure is subject to periodic review by management and independent external auditors.

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

## **Colorado Public School Finance**

School funding in Colorado is primarily generated by the School Finance Act with per pupil revenues distributed to districts based upon a finance formula. This formula is designed to equalize school funding across districts for variations in local property values and student needs. Statewide, Colorado school district funding was reduced by \$141.2 million through the application of the budget stabilization factor. The state reduced the budget stabilization factor in 2023-24 from

3.7 percent to 1.5 percent. The reduction to the factor increased the district's per pupil revenue. During 2023-24, the district received \$11,555 per pupil, \$1,201 more per pupil than the prior year.

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

For fiscal year 2024-25, the district's per pupil funding is budgeted to increase by \$634, from \$11,555 to \$12,189. Overall, the district budgeted an increase in total per pupil funding of \$28.3 million. The increase in per pupil funding does not restore state funding to the level that would have occurred if the state could fully fund the school finance formula.

The Public School Finance Act of 1994 provides state funding for charter schools authorized by the local Board of Education. Funding flows from the state, through the district, and then to the charter schools. Charter schools receive per pupil funding, a proportionate share of local mill levy override funding, state capital construction funding and federal start-up funds, if applicable. The district had 9 charter schools operating in 2023-24: Academy of Advanced Learning, Aurora Academy, Aurora Science and Tech of Denver School of Science and Technology, Inc., AXL Charter School, Global Village Academy, Lotus School for Excellence, Rocky Mountain Preparatory School at Fletcher, Vanguard Classical School and Vega Collegiate Academy.

### **Local Property Tax Support**

Property taxes collected during the 2023-24 fiscal year were based on calendar 2023 assessed valuations which are budgeted to increase 35.4 percent (based on net assessed valuation) over the prior year.

The mill levy programs approved by APS voters in 1990, 2008, 2012 and 2018 provide funding for instruction-related programs that support student achievement. For example, mill levy dollars fund increased instruction in math, science and literacy, and classroom technology at most APS schools.

### **Major Initiatives**

In September 2022, the APS Board of Education adopted a set of Results to reflect the APS community's priorities in terms of what they can expect students to know and be able to do. These Results are focused on early literacy, high school graduation, and closing the opportunity gap with a particular focus on key transition years of 6th and 9th grade. The APS Board of Education also adopted a set of Limitations that reflect the values of the community. These Limitations serve as guardrails for the Superintendent to ensure the community's values are not compromised in pursuit of improved student outcomes.

APS continues to use its strategic plan, APS 2026: Faces of the Future as its key strategies for driving these improved outcomes and achieving our vision that: Every Student Shapes a Successful Future. APS 2026, which was launched in 2021-22, builds on the momentum, opportunity and impact that resulted from APS' previous strategic plan, APS 2020. APS 2026 includes four strategic goals to ensure that we achieve our vision. Every student will have:

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

Like school districts across the state and country, APS finds itself continuing to respond to the significant impacts that the COVID-19 pandemic has had on our students academically and behaviorally. In response to Lessons Learned from the COVID-19 Pandemic, APS is implementing the APS Resiliency and Recovery Plan, with financial support from the American Rescue Plan ESSER funds and prioritization of other district funds. APS' Resiliency and Recovery Plan will focus on closing the opportunity and resource divides created or exacerbated by the COVID-19 global pandemic by using one-time resources in a way that builds sustainable capacity to implement our strategic plan, meet the APS Board of Education directed results (student outcomes), and fulfill APS' mission. This will include focusing on responding to student learning loss—the continued social and academic progress that students would have made in absence of the disruption to student learning; supporting ongoing infrastructure needs and those elevated by the pandemic, and supporting system and capacity building for meeting student needs. However, in order to be fiscally responsible and minimize the potential impact of a fiscal cliff when ESSER funds are no longer available in Fall 2024, APS has been gradually reducing reliance on these funds.

In addition to the APS 2026 and Resiliency and Recovery, APS is implementing a new comprehensive, long-term education and facilities plan called Blueprint APS. The Blueprint APS considers the decline in enrollment for the district over the past several years that is particularly affecting schools in the western part of the district and anticipated growth in housing developments on the eastern part of the district. In June 2018, APS began engaging the community to get input on the future of APS and what they wanted for their children. With direction from the community and the APS Board of Education, APS is implementing its Blueprint APS Framework. The Blueprint APS Framework includes shifting neighborhood schools to boundary schools, implementation of regions with specialties aligned to community assets, and more district-run schools for families to choose from, such as magnet schools. For APS, this will mean changes to align with Blueprint APS and the changes the community is experiencing, including repurposing of existing schools and building of new schools. APS has begun implementation of several components of the Blueprint APS Framework, with identification of regional specializations for all seven regions and building two new P-8 school buildings in two regions which opened in the 2023-24 school year. Through Blueprint APS, APS has also made shifts to use our facilities in more effective, efficient and equitable ways by:

- repurposing two schools into magnet schools or programs which opened in 2022-23, one focused on arts and one on entrepreneurship and invention;
- repurposing one school building to serve students with behavioral health needs, repurposing one school into a Child Development Center that will open in the 2024-25 school year and position APS to expand preschool offerings; and
- closing four additional under enrolled schools at the end of the 2022-23 school year, for a total of 8 schools since the 2020-21 school year.

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

APS has continued to expand preschool offerings in line with the Colorado Universal Preschool Program, with additional classrooms added in the 2023-24 school year, more full-day offerings, and a new Child Development Center opening in 2024-25.

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

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the district for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the 40th consecutive year that the district received this prestigious award. In order to receive a certificate of achievement, the district must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to generally accepted accounting principles and applicable legal requirements. This report must satisfy accounting principles generally accepted in the United States of America and applicable legal requirements.

In addition, the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to Aurora Public Schools for its annual comprehensive financial report for fiscal year ended June 30, 2023. This was the 6th consecutive year that the district received this prestigious award. This certificate is awarded to government units that publish an easy-to-read and well-organized annual comprehensive financial report whose content conforms to the program's standards. This report must satisfy accounting principles generally accepted in the United States of America and applicable legal requirements.

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

The publishing of this document would not have been possible without many hours of work put forth by the district's finance department. In addition, the district appreciates its independent auditors, Plante & Moran, PLLC, for their professional assistance in preparing this report. Furthermore, we would like to express our appreciation to the district's planning and transportation departments, city of Aurora, Adams and Arapahoe counties and other governmental agencies that provided supplemental information used in the preparation of this report. Finally, supplemental information from the Internet home pages of several agencies, organizations and city and state governments was accessed during the compilation of this report. Garnering this information via the Internet was an efficient method to acquire relevant data for our report.

Respectfully submitted,



Michael Giles, Jr.  
Superintendent of Schools



Brett Johnson  
Chief Financial Officer

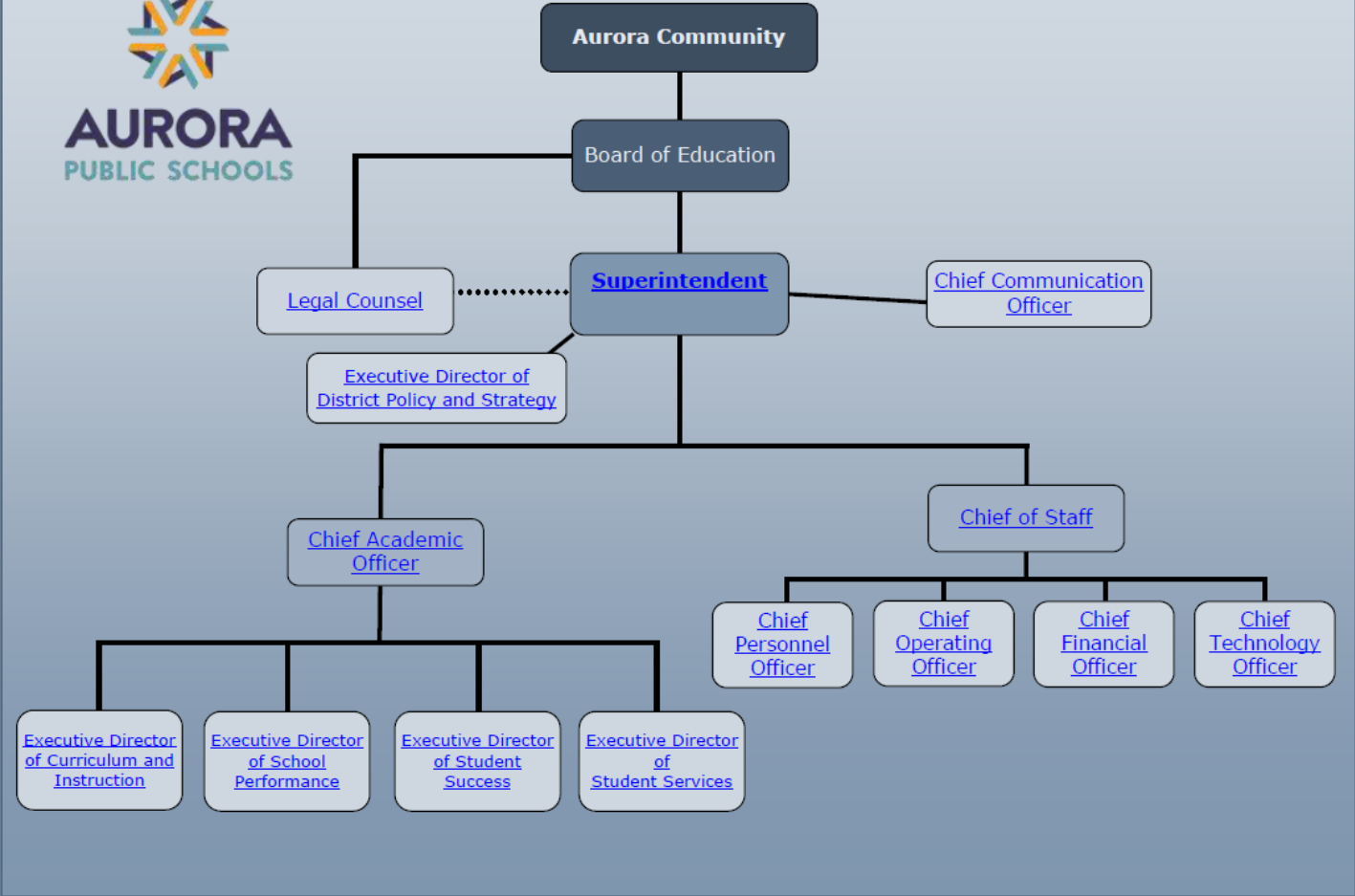


# AURORA

## PUBLIC SCHOOLS

— Power Your Potential —

# District Organizational Structure 2023-24 School Year





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

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

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morrill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**Joint School District 28J of the Counties of  
Adams and Arapahoe, Colorado**

**for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2023.**

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



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

**Ryan S. Stechschulte  
President**

A handwritten signature in black ink, reading 'James M. Rowan'.

**James M. Rowan, CAE, SFO  
CEO/Executive Director**



# AURORA PUBLIC SCHOOLS

— Power Your Potential —

**FINANCIAL  
SECTION**



## Independent Auditor's Report

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

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado (the "School District") as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado's basic financial statements, as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado as of June 30, 2024 and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Academy of Advanced Learning; Aurora Academy; Aurora Science and Tech of Denver School of Science and Technology, Inc.; AXL Charter School; Global Village Academy; Lotus School for Excellence; Rocky Mountain Preparatory School at Fletcher; Vanguard Classical School; or Vega Collegiate Academy, which represent 97.93 percent and 98.23 percent of the assets and revenue, respectively, of Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado's 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 Academy of Advanced Learning; Aurora Academy; Aurora Science and Tech of Denver School of Science and Technology, Inc.; AXL Charter School; Global Village Academy; Lotus School for Excellence; Rocky Mountain Preparatory School at Fletcher; Vanguard Classical School; and Vega Collegiate Academy, is based solely on the reports of the other auditors.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the School 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 financial statements of Vanguard Classical School and the Aurora Public Schools Foundation were not audited under *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.

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

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 School District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the School 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 School 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 and required supplementary information, as identified 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado's basic financial statements. The supplementary information, as identified in the table of contents, 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* (the "Uniform Guidance"), are presented for the purpose 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 supplementary information 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 financial 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 whether 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 November 25, 2024 on our consideration of Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado'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 Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado's internal control over financial reporting and compliance.



November 25, 2024



# AURORA

## PUBLIC SCHOOLS

— Power Your Potential —

**Management's Discussion and  
Analysis**  
(Unaudited)

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado**  
Management's Discussion and Analysis (Unaudited)  
For the Fiscal Year Ended June 30, 2024

The management of Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado (Aurora Public Schools or APS), offers to readers this discussion and analysis of the district's financial performance for the year ended June 30, 2024. This discussion and analysis focus on the primary government and does not include its discretely presented component units. We encourage readers to consider the information presented here in conjunction with the transmittal letter, basic financial statements, notes to the basic financial statements, the required supplementary information, supplementary information and the statistical section to further enhance their understanding of APS' financial performance.

### **Financial Highlights**

On the statement of net position, assets and deferred outflows of resources were less than the district's liabilities and deferred inflows of resources, resulting in a net position deficit of \$144.4 million. Total assets increased by \$17.7 million, deferred outflows of resources increased by \$74.7 million, total liabilities increased by \$55.4 million and deferred inflows of resources decreased by \$36.9 million.

On the statement of activities, general revenues totaling \$638.6 million accounted for 80.3 percent of all revenues of the primary government. Program revenues provided \$157.0 million, or 19.7 percent of all revenues, directly supporting the functions and programs of the primary government. Total expenses increased from \$717.3 million in 2022-23 to \$721.7 million in 2023-24.

Governmental funds reported combined ending fund balances of \$340.4 million, an increase of \$28.5 million from the prior year. Unassigned fund balance of \$29.3 million in the General Fund is available for district use. Nonspendable fund balance for prepaid items totaled \$4.1 million; fund balances restricted for statutory requirements and committed for contractual agreements totaled \$253.6 million; fund balance amounts assigned by district management for various operations and contingencies totaled \$53.3 million.

### **Overview of the Basic Financial Statements**

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

### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the district's finances using accounting methods similar to those used by private-sector business. The government-wide financial statements include the statement of net position and the statement of activities.

The statement of net position presents information about all of the district's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

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

### **Fund Financial Statements**

The fund financial statements focus on the district's major funds and provide more detailed information about the district. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The district has two kinds of funds: governmental funds and fiduciary funds.

#### *Governmental Funds*

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

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

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

#### *Fiduciary Fund*

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

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**Notes to Basic Financial Statements**

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

**Required Supplementary Information and Other Supplementary Information**

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

**Government-wide Overall Financial Analysis**

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. Liabilities and deferred inflows of resources exceed assets and deferred outflows of resources by \$144.4 million.

**Comparative Condensed Summary of Net Position**

	<b>Primary Government</b>			
	<b>Governmental Activities</b>			
	June 30, 2024	June 30, 2023	Increase (Decrease)	% Change from prior year
Current assets	\$ 208,005,632	\$ 206,600,629	\$ 1,405,003	0.7%
Noncurrent assets, excluding capital and lease assets	201,900,240	181,938,769	19,961,471	11.0%
Capital, lease and IT subscription assets, net	602,033,761	605,691,934	(3,658,173)	-0.6%
<b>Total assets</b>	<b>1,011,939,633</b>	<b>994,231,332</b>	<b>17,708,301</b>	<b>1.8%</b>
Deferred outflows of resources	235,834,928	161,121,693	74,713,235	46.4%
Current liabilities	136,174,613	137,474,088	(1,299,475)	-0.9%
Noncurrent liabilities outstanding	1,199,672,869	1,142,975,466	56,697,403	5.0%
<b>Total liabilities</b>	<b>1,335,847,482</b>	<b>1,280,449,554</b>	<b>55,397,928</b>	<b>4.3%</b>
Deferred inflows of resources	56,285,521	93,190,422	(36,904,901)	-39.6%
Net investment in capital assets	271,522,809	214,538,766	56,984,043	26.6%
Restricted	236,366,324	186,118,204	50,248,120	27.0%
Unrestricted (deficit)	(652,247,575)	(618,943,921)	(33,303,654)	5.4%
<b>Total net position (deficit)</b>	<b>\$ (144,358,442)</b>	<b>\$ (218,286,951)</b>	<b>\$ 73,928,509</b>	<b>-33.9%</b>

As of June 30, 2024, assets were not sufficient to fund liabilities. The sole reason for liabilities exceeding assets is due to amounts related to the PERA pension and OPEB. As required by GASB 68, the district recorded a noncurrent liability of \$884.6 million for its net pension liability. APS has no legal obligation to fund this shortfall, nor does it have any ability to affect funding, benefits or annual required contribution decisions made by PERA. The district also recorded a noncurrent liability of \$21.4 million as required by GASB 75 for net OPEB liability. Deferred

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outflows of resources related to the pension plan and OPEB increased by \$74.7 million, due to the difference between projected and actual earnings on investments, change in assumptions and change in proportionate share of contributions. Deferred inflows of resources related to the pension plan and OPEB decreased by \$35.0 million, due to the difference between projected and actual earnings on investments, change in assumptions and change in proportionate share of contributions. Overall, the district's total net position changed from a deficit of \$218.3 million to a deficit of \$144.4 million. See footnotes 1, 10 and 11 in Notes to the Financial Statements for additional information on GASB 68 and GASB 75.

A significant portion of the district's assets are its investments in capital assets, such as land, buildings, vehicles and equipment. The value of capital assets, including non-depreciable and depreciable assets, net of depreciation, decreased by \$3.7 million, from \$605.7 million to \$602.0 million. The change is primarily due to deletion of capital assets offset by depreciation and amortization. Noncurrent assets consisting of cash, cash equivalents and investments that are restricted for capital construction and renovations of schools and support buildings, bond debt service and charter school agreements totaled \$201.9 million, an increase of \$20.0 million over the previous year. This increase is due to capital spending of restricted cash offset by property tax receipts for bond debt service and restricted investment income receipts.

Current assets increased by \$1.4 million primarily due to an increase in accounts receivable, due to timing of the receipt of payments from grantors. Current liabilities decreased by \$1.3 million primarily due to reclasses of noncurrent liabilities due within one year. Noncurrent liabilities increased by \$56.7 million primarily due to the change in net pension liability.

Historically, the district's restricted net position includes six categories: 1) a TABOR emergency reserve mandated by the Article X, Section 20, of the Colorado constitution, 2) Medicaid grant funds restricted for the improvement of student achievement, 3) student fees charged for instructional programs, restricted by § 22 32 117(2)(c), C.R.S, 4) funds restricted for charter school agreements, 5) funds for long-term debt service generated by bond redemption property taxes, and 6) funds restricted for nutrition services. In accordance with the TABOR emergency reserve mandate, the primary government reserved 3.0 percent of applicable expenditures, totaling \$14.2 million.

The district's net position for governmental activities increased by \$73.9 million. The reasons for this overall increase are discussed in the following sections for governmental activities.

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**Comparative Summary of Activities and Changes in Net Position**

	<b>Primary Government</b>			
	<b>Governmental Activities</b>			
	Year Ended June 30, 2024	Year Ended June 30, 2023	Increase (Decrease)	from prior year
<b>REVENUES</b>				
Program revenues:				
Charges for services	\$ 27,868,499	\$ 24,885,451	\$ 2,983,048	12.0%
Operating grants & contributions	124,814,769	135,767,728	(10,952,959)	-8.1%
Capital grants & contributions	4,327,948	2,862,727	1,465,221	51.2%
General revenues:				
Property taxes	399,212,754	322,431,106	76,781,648	23.8%
State School Finance Act	226,783,626	235,972,204	(9,188,578)	-3.9%
Other	12,622,932	10,320,311	2,302,621	22.3%
<b>Total revenues</b>	<b>795,630,528</b>	<b>732,239,527</b>	<b>63,391,001</b>	
<b>EXPENSES</b>				
Instruction	318,536,739	299,172,358	19,364,381	6.5%
Pupil support	94,986,063	93,680,675	1,305,388	1.4%
Instructional staff support	45,411,955	49,067,375	(3,655,420)	-7.4%
General administration	9,965,933	12,118,181	(2,152,248)	-17.8%
School administration	41,950,536	46,435,347	(4,484,811)	-9.7%
Business administration	9,935,518	8,993,555	941,963	10.5%
Operations & maintenance	55,118,612	58,487,304	(3,368,692)	-5.8%
Transportation	24,287,508	19,035,591	5,251,917	27.6%
Personnel/data/risk management	39,264,914	30,395,944	8,868,970	29.2%
Other support services	45,266,817	45,466,321	(199,504)	-0.4%
Food service operations	28,732,992	24,440,342	4,292,650	17.6%
Interest on long-term debt	8,244,432	30,046,040	(21,801,608)	-72.6%
<b>Total expenses</b>	<b>721,702,019</b>	<b>717,339,033</b>	<b>4,362,986</b>	<b>0.6%</b>
<b>Change in net position</b>	<b>73,928,509</b>	<b>14,900,494</b>	<b>59,028,015</b>	<b>396.1%</b>
<b>Net position (deficit) - beginning of year</b>	<b>(218,286,951)</b>	<b>(233,187,445)</b>	<b>14,900,494</b>	<b>-6.4%</b>
<b>Net position (deficit) - end of year</b>	<b>\$ (144,358,442)</b>	<b>\$ (218,286,951)</b>	<b>\$ 73,928,509</b>	<b>-33.9%</b>

Most revenues to Colorado's school districts are provided through the Public School Finance Act of 1994 (as amended). The district's adjusted total program funding for 2023-24 was \$424.0 million based on a funded pupil count of 36,706 and per pupil total program funding of \$11,552, compared to total program funding of \$390.6 million based on a funded pupil count of 37,727 and per pupil total program funding of \$10,354 for 2022-23.

Of the \$424.0 million adjusted funding, \$274.1 million was funded through state equalization and the remainder through a combination of local property and specific ownership taxes compared to \$278.6 million funded through state equalization in 2022-23. The district distributes per pupil total program funding to its charters as state funding is received.

The primary government, which excludes charters, generated \$226.8 million in School Finance Act, unrestricted monies, for 2023-24 compared with \$236.0 million in 2022-23. General revenues also included property tax revenues of \$399.2 million in 2023-24 compared to \$322.4 million in 2022-23. Total property tax revenues include School Finance Act mills, Mill Levy Override Election mills, Tax Abatement mills and Bond Redemption Fund mills. Property tax revenue increased by

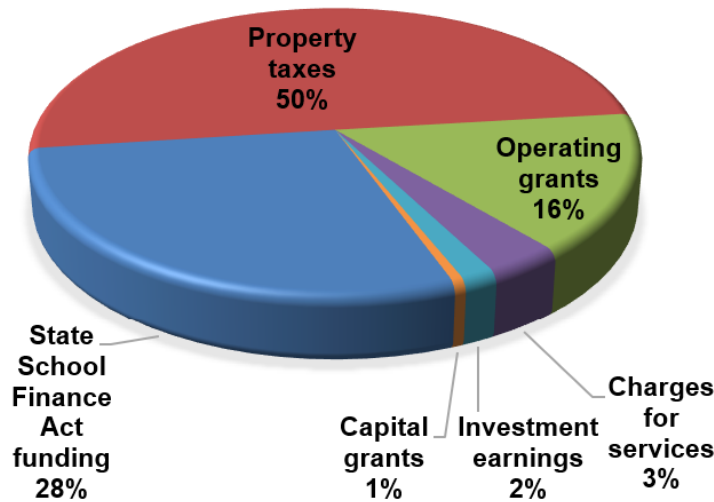
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\$76.8 million in 2023-24 due to mill levy overrides and increased net assessed valuation of property located within the district.

The state's budget balancing factor, the budget stabilization factor, decreased from the prior year. In 2023-24, the district's total per-pupil funding increased by 11.6 percent, or \$6.8 million prior to a state calculated allocation to state authorized charter schools, compared to a reduction of 7.7 percent, or \$15.3 million in the prior year due to the budget stabilization factor. The budget stabilization factor continues to have an adverse impact on the district's budget; state funding has not been restored to the level that would have occurred if the state could fully fund the state's school finance formula. If sufficient state revenues were available, the district would receive \$11,738 per pupil, compared to \$11,552 per pupil actually received in 2023-24.

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

**Revenues by Source - Primary Government  
Year Ended June 30, 2024**



Expenses for governmental activities increased by \$10.9 million as discussed in the governmental funds section below.

The net expenses of governmental activities after program revenues are applied was \$564.7 million in 2023-24 compared with \$553.8 million in 2022-23. General revenues, such as property taxes and school finance act revenue, fund these net expenses.

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**Financial Analysis of Governmental Funds**

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

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

**Governmental Funds**

Governmental funds had total revenues and other financing sources of \$801.8 million and expenditures including other financing uses of \$773.4 million. As of the end of the current fiscal year, the district's ten governmental funds reported combined ending fund balances of \$340.4 million, an increase of \$28.5 million.

The Colorado constitution requires a TABOR emergency reserve of 3.0 percent of fiscal year revenues, with revenues for gifts, federal funds, and bonded debt service excluded from this requirement. The constitution refers to "fiscal year spending" that, definitionally, refers to revenue. On the district's Balance Sheet for Governmental Funds, the required amount of \$14.2 million is shown as fund balance restricted for TABOR emergency reserve. The General Fund's unassigned fund balance is \$29.3 million, which provides a measure of the district's net resources available for spending at the end of the fiscal year. In general, unassigned fund balances are necessary to cover contingencies caused by unpredictable revenues and potentially volatile expenditures. The district's board of education established a policy in November 2003, and revised it in April 2017, that requires a minimum total fund balance of 5.0 percent of revenue using the TABOR calculation.

The Building Fund is used to account for construction projects financed by the sale of general obligation bonds and proceeds from the BEST grant. The fund recorded an ending fund balance of \$19.0 million, a decrease of \$14.4 million from the prior year. The district expended \$17.4 million that was offset by revenues of \$3.0 million. Aurora voters approved \$300 million in general obligations bonds in November 2016. The district issued the bonds in January 2017 (\$200.0 million), December 2019 (\$26.5 million), and July 2021 (\$73.5 million).

The Bond Redemption Fund had a fund balance increase of \$43.3 million due to property tax and other revenues exceeding required payments on outstanding debt. The Nutrition Services Fund had an increase of \$0.8 million in fund balance from operations primarily due to higher federal and state revenues in excess of operating expenditures. Finally, the Capital Reserve Fund had a decrease in fund balance of \$5.7 million due to expenditures exceeding other financing sources and revenue.

Property tax revenue increased by \$76.8 million compared to last year. The increase is due to increases in net assessed valuations on the real property located within the district. Specific ownership tax revenue, taxes paid annually on motor vehicles, increased by \$6.1 million from \$18.5 million to \$24.6 million, or an increase of 33.0 percent, in 2023-24. Federal grants

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decreased \$21.5 million as the post-COVID stimulus programs wind down. The decrease in other financing sources is due to the reduction in the issuance of general obligation bonds.

**Revenues and Other Financing Sources**

Governmental Funds

	Year Ended		Increase (Decrease)	% Change from prior year
	June 30, 2024	June 30, 2023		
Local:				
Property and specific ownership taxes	\$ 399,212,754	\$ 322,431,106	\$ 76,781,648	23.8%
Other	48,150,818	48,377,194	(226,376)	-0.5%
State	257,505,904	261,723,219	(4,217,315)	-1.6%
Federal	88,202,902	92,639,543	(4,436,641)	-4.8%
Subtotal	793,072,378	725,171,062	67,901,316	9.4%
Other financing sources	8,710,445	148,486,989	(139,776,544)	-94.1%
Total	<u>\$ 801,782,823</u>	<u>\$ 873,658,051</u>	<u>\$ (71,875,228)</u>	<u>-8.2%</u>

**Expenditures and Other Financing Uses**

Governmental Funds

	Year Ended		Increase (Decrease)	% Change from prior year
	June 30, 2024	June 30, 2023		
Instruction	\$ 292,993,098	\$ 288,127,121	\$ 4,865,977	1.7%
Pupil support	91,305,605	89,732,140	1,573,465	1.8%
Instructional staff support	43,502,426	46,826,553	(3,324,127)	-7.1%
General administration	9,469,028	11,559,482	(2,090,454)	-18.1%
School administration	40,246,496	44,233,662	(3,987,166)	-9.0%
Business administration	6,906,513	7,082,023	(175,510)	-2.5%
Operations and maintenance	48,739,397	51,876,844	(3,137,447)	-6.0%
Transportation services	21,936,728	20,735,786	1,200,942	5.8%
Personnel/data/risk management	38,443,990	29,130,257	9,313,733	32.0%
Other support services	27,892,747	25,732,841	2,159,906	8.4%
Food service operations	28,643,184	25,125,506	3,517,678	14.0%
Facilities acquisition/improvement	33,970,094	121,991,863	(88,021,769)	-72.2%
Debt service	81,073,205	88,092,903	(7,019,698)	-8.0%
Subtotal	765,122,511	850,246,981	(85,124,470)	-10.0%
Other financing uses	8,237,465	144,895,580	(136,658,115)	-94.3%
Total	<u>\$ 773,359,976</u>	<u>\$ 995,142,561</u>	<u>\$ (221,782,585)</u>	<u>-22.3%</u>

Governmental fund expenditures decreased by 10.0 percent or \$85.1 million not including a substantial decrease in other financing uses. Other financing uses of 8.2 million included transfers out for capital reserve expenditures (\$2.1 million) and other governmental funds (\$6.1 million). The district reduced expenditures for facilities improvement by \$88 million as the APS Blueprint project was nearing completion. Debt service decreased by \$7 million as principal and interest payments were applied. Other decreases are due to the discontinuation of federal stimulus dollars.

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The district increases to expenditures included these items:

- Salaries and benefits increased by \$7.1 million which included the PERA on behalf payment from the state allocated to the district.
- Risk related expenses increased by \$9.3 million.
- Food Services expenses increased by \$3.5 million with the introduction of the Healthy Meals for All initiative.
- Contracted transportation increased by \$1.2 million due to the inability to hire bus drivers. Much of this cost was able to be covered through one-time Federal grant funds this year.
- The remaining increases are due to an increase in other purchased services, indirect costs, travel, technology equipment, and supplies accounts.

The majority of the district's governmental expenditures, 67.8 percent, are directed to the delivery of student instruction, providing additional student and staff support, student nutrition and transportation. These programs increased expenditures by \$55.6 million compared to 2022-23 and are accounted for in the instruction, pupil support, instructional staff support, school administration, food service operations and transportation programs. The district's administrative expenditures increased year over year by \$2.1 million and are 5.8 percent of total costs. These programs are accounted for in the general administration, business administration and other support services. The remaining 26.4 percent of expenditures relates to operations and maintenance, personnel/data/risk management, facilities acquisition and improvement, and debt service. These expenditures decreased by \$7.4 million as facilities improvement projects were completed in the prior year.

### **General Fund Budgetary Highlights**

#### **General Fund – Original budget compared to final budget**

Differences between the original budget and the final budget are included in the January 2024 budget appropriations as approved by the Board of Education. Changes to the budget take into consideration the availability of revenues from certifying the mill levy, finalizing the pupil count and receiving updated estimates on state funding. The general fund revenue budget increased due to the statutorily imposed limit on mill levy overrides, expected increases in state revenue, increase in earnings in investments, and increases to amounts charged to charters. The final budget allocates appropriated reserves once the amount and purpose are finalized. For example, expenditure budgets are increased once salary and benefit increases are finalized. The final budget allocated \$48.3 million of reserves into operating expenditures.

#### **General Fund – Budget to Actual Analysis**

General fund revenues exceeded budget by \$15.6 million. State revenues exceeded budget by \$12.6 million due to increases in state share (i.e., the state's share of the district's per pupil total program funding) and other categorial and grant revenues from the state. General fund federal revenue was lower by \$0.29 million as certain federal grants were originally budgeted in the grants fund. Local tax revenue exceeded budget by \$3.2 million due to adjustments in assessed valuations and increased collections.

Current general fund expenditures were lower than budget expenditures. Contingencies are budgeted as the actual programmatic investments are not always known during the budgeting process. \$48.3 million of contingencies were allocated during the final budget adoption. This year,

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Management's Discussion and Analysis (Unaudited)  
For the Fiscal Year Ended June 30, 2024

with the assistance of state grants, federal funds and additional property taxes, significant one-time investments were made in instruction, operations and maintenance, and information technology. Instructional expenditures, including special education services, special programs, pre-school, after school programming, school administration, pupil support, instructional staff support, and instructional technology were higher by \$18.0 million. General and business administration expenditures were less than budget by \$3.7 million. Operations and maintenance were more than budget by \$4.0 million as utilities, security, and maintenance projects increased due to more cost pressures.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Actual expenditures of the General Fund including other financing uses totaled \$548.3 million. Unassigned fund balance represents 3.5 percent of actual expenditures while total fund balance represents 17.6 percent of budget-based expenditures. A significant portion of fund balance is assigned for specific purposes because of the APS Blueprint set-asides (i.e., magnet school projects), instructional carryover and textbook adoption, and materials for new schools. These funds are assigned to these purposes and, contingent upon appropriations, would be spent on the designations listed. Additionally, assignments are made to mitigate future risks related to exceptional student services, insurance risks, and underfunding of the universal preschool program. The estimated expenditure budget for the universal preschool program is greater than the amount of the estimated funding.

**Capital and Lease Assets and Debt Administration**

**Capital and Lease Assets**

Net of depreciation and amortization, the district's capital assets, including right-to-use assets, as of June 30, 2024, totaled \$602.0 million, which is invested in land, buildings, equipment, software, lease assets, subscription assets and construction-in-progress. Depreciation and amortization charges this year totaled \$27.5 million.

**Capital Assets, Leases and Subscriptions**  
(Net of Depreciation and Amortization)

	Primary Government		Increase	% Change
	Governmental Activities			
	June 30, 2024	June 30, 2023	(Decrease)	from prior year
Capital assets:				
Land	\$ 25,224,399	\$ 25,244,194	\$ (19,795)	-0.1%
Buildings & improvements	437,756,113	360,172,751	77,583,362	21.5%
Equipment, software & vehicles	12,589,325	14,889,022	(2,299,697)	-15.4%
Subtotal	475,569,837	400,305,967	75,263,870	18.8%
Construction-in-progress	120,205,508	197,246,415	(77,040,907)	-39.1%
Lease assets:				
Land	1,473,221	1,510,051	(36,830)	-2.4%
Buildings	295,571	761,481	(465,910)	-61.2%
Machinery and equipment	532,964	691,211	(158,247)	-22.9%
Subscription assets:				
Subscription-based IT Arrangements	3,956,660	5,176,809	(1,220,149)	-23.6%
Total	<u>\$ 602,033,761</u>	<u>\$ 605,691,934</u>	<u>\$ (3,658,173)</u>	-0.6%

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado**  
Management's Discussion and Analysis (Unaudited)  
For the Fiscal Year Ended June 30, 2024

The most significant impact on capital assets this year was the additions made to construction-in-progress due to the continuation of renovations and improvements to school buildings and other facilities funded by the sale of general obligation bonds in January 2017, December 2019 and July 2021. Additions to construction in progress totaled \$21.4 million. For more information on the district's capital and lease assets, refer to Note 5 Capital and Lease Assets in the Notes to the Financial Statements.

**Long-Term Debt**

Long-term debt principal, accreted interest and premiums on general obligation debt totaled \$338.0 million in general obligations bonds, with \$70.2 million due in one year. Certificates of participation, leases, subscriptions, direct borrowing and debt financings totaled \$16.3 million, with \$4.3 million due in one year. For more information on the district's long-term debt, refer to Note 6 Noncurrent Liabilities in the Notes to the Financial Statements.

**Outstanding Debt as of June 30, 2024**

	Primary Government		Increase (Decrease)	% Change from prior year
	Governmental Activities			
	June 30, 2024	June 30, 2023		
General obligation bonds	\$ 297,912,496	\$ 359,179,436	\$ (61,266,940)	-17.1%
Premiums/(discounts)	40,129,213	46,730,524	(6,601,311)	-14.1%
Certificates of participation	6,580,000	7,575,000	(995,000)	-13.1%
Debt financing for capital assets	3,077,005	3,918,904	(841,899)	-21.5%
Debt financing for land purchase	905,286	905,286	-	0.0%
Arbitrage Liability	1,722,367	-	1,722,367	0.0%
Leases	2,627,208	3,100,804	(473,596)	-15.3%
Subscription-based IT Arrangements	1,342,017	1,943,792	(601,775)	-31.0%
Total	<u>\$ 354,295,592</u>	<u>\$ 423,353,746</u>	<u>\$ (69,058,154)</u>	-16.3%

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

**Economic Factors and Fiscal Year 2024-25 Budget**

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

The district follows a multi-step budget development process that involves receiving input on values and priorities from staff, parents and community members. District leadership prepares a budget plan that balances priorities of the community with federal, state and local regulations, desired academic outcomes, student safety and fiscal responsibility. The budget plan for 2024-2025 supports the educational commitments of student learning, professional practice and collective responsibility.

In 2010-11, the Colorado General Assembly implemented a budget stabilization factor for total per-pupil program funding. For 2024-25, the budget stabilization factor has been eliminated. In 2023-24, the district's total program funding was reduced by 1.6 percent, or \$6.8 million before allocations to state authorized charter schools. The budget stabilization factor continues to have an adverse impact on the district's budget; state funding has not been restored to the level that

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would have occurred if the state could fully fund the school finance formula. If sufficient revenue were available in Colorado's General Fund, for 2023-24 the district would receive \$11,738 per pupil, compared to the projected amount of \$11,552.

As with any plan, the 2024-25 budget is based upon key assumptions. These range from changes in enrollment and per pupil revenue amounts to assessed valuations and staffing ratios. Assumptions upon which the 2024-25 budget are based include an increase of state per-pupil revenue to \$12,189.

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

### **Contacting the District's Financial Management**

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



# AUROLA

## PUBLIC SCHOOLS

— Power Your Potential —

## **Basic Financial Statements**

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Statement of Net Position  
June 30, 2024**

	<u>Primary Government</u> <u>Governmental Activities</u>	<u>Component Units</u> <u>Charter Schools</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 159,953,340	\$ 29,021,686
Due from other governments	-	564,745
Receivables (net of allowance for uncollectibles)	41,891,985	8,971,660
Inventories	1,655,328	-
Prepaid and deposit items	4,504,979	739,503
Total current assets	<u>208,005,632</u>	<u>39,297,594</u>
Noncurrent assets:		
Restricted: cash, cash equivalents and investments	201,900,240	8,433,456
Nondepreciable capital assets	145,429,907	5,142,873
Depreciable capital assets	456,603,854	96,501,163
Total noncurrent assets	<u>803,934,001</u>	<u>110,077,492</u>
<b>Total assets</b>	<u>1,011,939,633</u>	<u>149,375,086</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred loss on bond refunding	-	685,765
Items related to pension plan	231,246,919	40,379,921
Items related to OPEB	4,588,009	1,276,604
Total deferred outflows of resources	<u>235,834,928</u>	<u>42,342,290</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and other current liabilities	13,211,041	4,846,010
Accrued salaries and benefits	28,862,554	3,673,605
Liability claims and premiums	1,673,983	-
Intergovernmental payable	3,269,457	-
Unearned revenue	11,418,635	469,069
Accrued interest payable	1,249,311	1,247,332
General obligation bonds	70,179,725	-
Certificates of participation	1,025,000	-
Compensated absences	2,025,398	-
Notes, leases, IT subscription and mortgages payable	3,259,509	12,626,986
Total current liabilities	<u>136,174,613</u>	<u>22,863,002</u>
Noncurrent liabilities:		
Notes, leases, IT subscription and mortgages payable	4,692,007	88,306,286
General obligation bonds	267,861,984	-
Certificates of participation	5,555,000	-
Arbitrage liability	1,722,367	-
Net pension liability	884,610,675	127,415,025
Net OPEB liability	21,359,822	3,021,034
Compensated absences	13,871,014	-
Total noncurrent liabilities	<u>1,199,672,869</u>	<u>218,742,345</u>
<b>Total liabilities</b>	<u>1,335,847,482</u>	<u>241,605,347</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred gain on bond refunding	1,113,362	-
Items related to pension plan	45,092,730	3,629,749
Items related to OPEB	8,259,027	1,096,886
Items related to leases	1,820,402	2,741,663
Total deferred inflows of resources	<u>56,285,521</u>	<u>7,468,298</u>
<b>NET POSITION</b>		
Net investment in capital assets	271,522,809	1,916,030
Restricted for:		
Universal preschool program	1,826	-
TABOR emergency reserve	14,210,174	3,138,500
Medicaid	13,538,006	-
Student fees	11,236,184	-
Charter school agreements	1,336,287	-
Debt service	176,701,260	-
Nutrition services	19,342,587	-
Other	-	5,586,823
Unrestricted (deficit)	(652,247,575)	(67,997,622)
<b>Total net position (deficit)</b>	<u>\$ (144,358,442)</u>	<u>\$ (57,356,269)</u>

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

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Statement of Financial Position – Aurora Public Schools Foundation  
June 30, 2024**

**ASSETS**

Cash and cash equivalents	\$ 1,747,061
Investments	966,764
Other receivables	348,100
Other current assets	<u>6,039</u>
Total current assets	<u>3,067,964</u>
Contribution Receivables	<u>265,000</u>
<b>Total assets</b>	<b><u><u>\$ 3,332,964</u></u></b>

**LIABILITIES AND NET ASSETS**

Liabilities:

Other payables	\$ 59,575
Deferred revenue	<u>56,700</u>
Total liabilities	<u>116,275</u>

Net Assets:

Without donor restrictions	1,128,472
With donor restrictions	<u>2,088,217</u>
Total net assets	<u>3,216,689</u>
<b>Total liabilities and net assets</b>	<b><u><u>\$ 3,332,964</u></u></b>

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

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Statement of Activities  
For the Fiscal Year Ended June 30, 2024**

	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Units Charter Schools
<b>Functions/Programs</b>						
<b>Primary government:</b>						
Governmental activities:						
Instruction	\$ 318,536,739	\$ 10,894,260	\$ 82,339,480	\$ -	\$ (225,302,999)	\$ -
Pupil support	94,986,063	-	11,995,302	-	(82,990,761)	-
Instructional staff support	45,411,955	-	1,095,873	-	(44,316,082)	-
General administration	9,965,933	-	73,023	-	(9,892,910)	-
School administration	41,950,536	-	233,925	-	(41,716,611)	-
Business administration	9,935,518	-	22,397	-	(9,913,121)	-
Operations and maintenance	55,118,612	1,647,662	239,635	-	(53,231,315)	-
Transportation	24,287,508	-	168,098	-	(24,119,410)	-
Personnel/data services/risk management	39,264,914	-	57,321	-	(39,207,593)	-
Other support services	45,266,817	14,820,975	70,259	4,327,948	(26,047,635)	-
Food service operations	28,732,992	505,602	28,519,456	-	292,066	-
Interest on long-term debt	8,244,432	-	-	-	(8,244,432)	-
Total governmental activities	<u>721,702,019</u>	<u>27,868,499</u>	<u>124,814,769</u>	<u>4,327,948</u>	<u>(564,690,803)</u>	<u>-</u>
<b>Component units:</b>						
Charter schools	<u>\$ 133,059,384</u>	<u>\$ 10,516,399</u>	<u>\$ 11,210,733</u>	<u>\$ 2,926,767</u>	<u>-</u>	<u>(108,405,485)</u>
<b>General revenues:</b>						
Property taxes, levied for general use					284,797,718	-
Property taxes, levied for debt service					114,415,036	-
School Finance Act, unrestricted					226,783,626	74,541,836
Net earnings on investments					12,622,932	1,622,272
Grants and contributions not restricted to programs					-	388,411
Other - component units					-	22,201,765
Total general revenues					<u>638,619,312</u>	<u>98,754,284</u>
Change in net position					73,928,509	(9,651,201)
Net position (deficit) as previously reported - July 1, 2023					(218,286,951)	(50,331,528)
Restatement for change in reporting entity					-	2,626,460
Net position (deficit) as restated - July 1, 2023					<u>(218,286,951)</u>	<u>(47,705,068)</u>
Net position (deficit) - June 30, 2024					<u>\$ (144,358,442)</u>	<u>\$ (57,356,269)</u>

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

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Statement of Activities – Aurora Public Schools Foundation  
For the Fiscal Year Ended June 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, gains and other support:</b>			
Contributions – general	\$ 137,489	\$ 1,401,408	\$ 1,538,897
Contributions non-financial assets	92,171	2,300	94,471
Administrative fee income	18,547	-	18,547
Special events revenue	338,442	196,789	535,231
Less special events direct expenses	(109,516)	-	(109,516)
Investment income, net	82,519	86,011	168,530
Net assets released from restrictions	982,186	(982,186)	-
	<u>1,541,838</u>	<u>704,322</u>	<u>2,246,160</u>
Total revenues, gains and other support			
	<u>1,541,838</u>	<u>704,322</u>	<u>2,246,160</u>
<b>Expenses:</b>			
Program services:			
College and Career Centers	382,214	-	382,214
Scholarships	119,381	-	119,381
Special projects	394,629	-	394,629
	<u>896,224</u>	<u>-</u>	<u>896,224</u>
Total program services			
	<u>896,224</u>	<u>-</u>	<u>896,224</u>
Support services:			
General and administrative	160,885	-	160,885
Fundraising	162,440	-	162,440
	<u>1,219,549</u>	<u>-</u>	<u>1,219,549</u>
Total expenses			
	<u>1,219,549</u>	<u>-</u>	<u>1,219,549</u>
Change in net assets	322,289	704,322	1,026,611
Net assets, beginning of the year	806,183	1,383,895	2,190,078
Net assets, end of the year	<u>\$ 1,128,472</u>	<u>\$ 2,088,217</u>	<u>\$ 3,216,689</u>

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

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Balance Sheet – Governmental Funds  
June 30, 2024**

	General	Debt Service	Special Revenue	
		Bond Redemption	Grants	Nutrition Services
<b>ASSETS</b>				
Assets:				
Cash and cash equivalents	\$ 108,439,506	\$ -	\$ -	\$ 18,146,214
Receivables (net of allowance for uncollectibles):				
Property taxes	15,724,590	3,711,712	-	-
Grants	218,674	-	18,025,488	527,583
Interfund receivable	8,555,701	-	-	-
Other	3,383,895	-	-	79,806
Prepaid items	4,281,135	-	-	462
Inventories	-	-	-	1,655,328
Restricted: Cash, cash equivalents and investments	1,546,973	172,989,548	-	-
Total assets	<u>\$ 142,150,474</u>	<u>\$ 176,701,260</u>	<u>\$ 18,025,488</u>	<u>\$ 20,409,393</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 8,166,254	\$ -	\$ 252,576	\$ 176,159
Intergovernmental payable	3,269,457	-	-	-
Retainages payable	71,154	-	-	-
Interfund payable	-	-	8,555,701	-
Accrued compensation	25,412,933	-	2,238,837	702,560
Unearned revenue - grants	10,357	-	6,978,374	64,832
Unearned revenue - other	-	-	-	122,793
Future claims liability	1,673,983	-	-	-
Compensated absences	719,533	-	-	-
Total liabilities	<u>39,323,671</u>	<u>-</u>	<u>18,025,488</u>	<u>1,066,344</u>
Deferred inflows of resources:				
Unavailable fund resources	4,538,329	1,829,555	-	-
Leases	1,820,402	-	-	-
Fund balances:				
Nonspendable - Prepaid items	3,876,166	-	-	462
Restricted for:				
Universal preschool program	1,826	-	-	-
TABOR emergency reserve	14,210,174	-	-	-
Medicaid	-	-	-	-
Student fees	-	-	-	-
Charter school agreements	1,336,287	-	-	-
Debt service	-	174,871,705	-	-
Capital projects	-	-	-	-
Nutrition services	-	-	-	19,342,587
Committed for - Contractual agreement	150,000	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Magnet school projects carryover	2,500,000	-	-	-
Leadership priorities	5,000,000	-	-	-
Athletic activity	-	-	-	-
Pupil activity	-	-	-	-
Exceptional student services	3,500,000	-	-	-
Universal preschool program	7,000,000	-	-	-
Instructional carryover	440,000	-	-	-
Instructional textbook adoption	8,900,000	-	-	-
New school curriculum and supplies carryover	1,500,000	-	-	-
Risk related activity	9,288,110	-	-	-
Fiscal management	9,473,449	-	-	-
Unassigned	29,292,060	-	-	-
Total fund balances	<u>96,468,072</u>	<u>174,871,705</u>	<u>-</u>	<u>19,343,049</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 142,150,474</u>	<u>\$ 176,701,260</u>	<u>\$ 18,025,488</u>	<u>\$ 20,409,393</u>

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

Capital Projects			
Building	Capital Reserve	Other Governmental	Total Governmental
\$ -	\$ 4,555,338	\$ 28,812,282	\$ 159,953,340
-	-	-	19,436,302
161,302	-	-	18,933,047
-	-	-	8,555,701
-	17,042	41,893	3,522,636
-	150,861	72,521	4,504,979
-	-	-	1,655,328
27,363,719	-	-	201,900,240
<u>\$ 27,525,021</u>	<u>\$ 4,723,241</u>	<u>\$ 28,926,696</u>	<u>\$ 418,461,573</u>
\$ 2,507,362	\$ 1,480,213	\$ 427,968	\$ 13,010,532
-	-	-	3,269,457
112,497	16,858	-	200,509
-	-	-	8,555,701
-	-	508,224	28,862,554
3,755,782	486,497	-	11,295,842
-	-	-	122,793
-	-	-	1,673,983
-	-	-	719,533
<u>6,375,641</u>	<u>1,983,568</u>	<u>936,192</u>	<u>67,710,904</u>
2,200,000	-	-	8,567,884
-	-	-	1,820,402
-	150,861	72,521	4,100,010
-	-	-	1,826
-	-	-	14,210,174
-	-	13,538,006	13,538,006
-	-	11,236,184	11,236,184
-	-	-	1,336,287
-	-	-	174,871,705
18,949,380	-	-	18,949,380
-	-	-	19,342,587
-	-	-	150,000
-	2,588,812	-	2,588,812
-	-	-	2,500,000
-	-	-	5,000,000
-	-	849	849
-	-	3,142,944	3,142,944
-	-	-	3,500,000
-	-	-	7,000,000
-	-	-	440,000
-	-	-	8,900,000
-	-	-	1,500,000
-	-	-	9,288,110
-	-	-	9,473,449
-	-	-	29,292,060
<u>18,949,380</u>	<u>2,739,673</u>	<u>27,990,504</u>	<u>340,362,383</u>
<u>\$ 27,525,021</u>	<u>\$ 4,723,241</u>	<u>\$ 28,926,696</u>	<u>\$ 418,461,573</u>

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Reconciliation of the Governmental Funds Balance Sheet to the  
Statement of Net Position  
June 30, 2024**

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

Total fund balances for governmental funds		\$ 340,362,383
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		602,033,761
Deferred losses/(gains) on debt refundings are not recognized in the fund statements but are deferred outflows/(inflows) of resources in the government-wide financial statements.		(1,113,362)
Noncurrent liabilities related to debt applicable to the district's governmental activities are not reported in the fund statements. However, these items are reported in the statement of net position.		(354,295,592)
Certain deferred inflows related to unavailable fund resources do not provide current financial resources and the revenues are not recognized on the fund financial statements but are recognized on the government-wide financial statements.		8,567,884
Certain long-term activities related to the district's pension plan are not reported in the governmental funds as they are not available in the current period, do not provide financial resources to the district, or are not due and payable in the current period. Those long-term activities include:		
Deferred outflows of resources	\$ 231,246,919	
Deferred inflows of resources	(45,092,730)	
Net pension liability	<u>(884,610,675)</u>	
Total pension effects		(698,456,486)
Certain long-term activities related to the district's OPEB plan are not reported in the governmental funds as they are not available in the current period, do not provide financial resources to the district, or are not due and payable in the current period. Those long-term activities include:		
Deferred outflows of resources	4,588,009	
Deferred inflows of resources	(8,259,027)	
Net OPEB liability	<u>(21,359,822)</u>	
Total OPEB effects		(25,030,840)
The current operating resources measurement focus in the governmental fund statements does not require the recognition of accrued interest payable for long-term debt. This amount represents the amount of interest payable accrued in the government-wide financial statements for long-term debt for general obligation debt.		(1,249,311)
Compensated absences are included in the fund statements to the extent they are due and payable and the remainder are only included in the government-wide statement of net position.		<u>(15,176,879)</u>
Total net position (deficit) of governmental activities		<u>\$ (144,358,442)</u>

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



# AUROLA

## PUBLIC SCHOOLS

— Power Your Potential —

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Fund  
For the Fiscal Year Ended June 30, 2024**

	General	Debt Service Bond Redemption	Special Revenue	
			Grants	Nutrition Services
<b>REVENUES</b>				
Local:				
Property taxes	\$ 260,228,401	\$ 114,415,036	\$ -	\$ -
Specific ownership	24,569,317	-	-	-
Pupil activities	4,378	-	-	-
Tuition	158,718	-	-	-
Gifts and grants	17,896	-	1,903,203	5,168
Charges for services	10,566,310	-	-	505,602
Other	7,909,827	-	-	16,129
Cash in lieu of land dedication	-	-	-	-
Rental of buildings	1,595,073	-	-	-
Net earnings on investments	4,140,917	6,129,535	-	827,006
State:				
State equalization	199,504,486	-	-	-
Vocational education	850,098	-	-	-
Special education	15,620,907	-	66,172	-
Grants	16,234,835	-	6,555,038	5,738,286
Transportation	3,430,563	-	-	-
English Language Proficiency Act	4,537,244	-	-	-
READ Act	2,432,501	-	-	-
Gifted and talented	407,827	-	-	-
Federal grants	165,295	-	57,280,038	22,767,428
Medicaid reimbursements	-	-	-	-
Total revenues	<u>552,374,593</u>	<u>120,544,571</u>	<u>65,804,451</u>	<u>29,859,619</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	260,492,049	-	20,702,394	-
Pupil support	69,169,261	-	16,828,579	5,299
Instructional staff support	31,799,684	-	9,310,967	-
General administration	7,304,773	7,275	1,663,406	-
School administration	39,164,151	-	687,634	-
Business administration	5,819,902	-	18,227	710,416
Operations and maintenance	45,934,711	-	1,943,134	772
Transportation services	8,388,045	-	12,837,373	-
Personnel/data/risk management	38,066,582	-	144,523	-
Other support services	26,239,133	-	1,146,288	-
Food service operations	7,523	-	334,200	28,301,461
Facilities acquisition and improvements	9,409,697	-	186,896	-
Debt service:				
Principal	1,524,094	61,266,940	734	21,733
Interest	182,357	15,958,133	96	582
Total expenditures	<u>543,501,962</u>	<u>77,232,348</u>	<u>65,804,451</u>	<u>29,040,263</u>
Excess (deficiency) of revenues over (under) expenditures	8,872,631	43,312,223	-	819,356
<b>OTHER FINANCING SOURCES (USES)</b>				
Financing from leases and subscriptions	472,980	-	-	-
Transfers in:				
General fund	-	-	-	-
Transfers out:				
Capital Reserve Fund	(2,117,925)	-	-	-
Nonmajor governmental funds	(6,119,540)	-	-	-
Total other financing sources (uses)	<u>(7,764,485)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,108,146	43,312,223	-	819,356
Fund balances - July 1, 2023	95,359,926	131,559,482	-	18,523,693
Fund balances - June 30, 2024	<u>\$ 96,468,072</u>	<u>\$ 174,871,705</u>	<u>\$ -</u>	<u>\$ 19,343,049</u>

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

Capital Projects			
Building	Capital Reserve	Other Governmental	Total Governmental
\$ -	\$ -	\$ -	\$ 374,643,437
-	-	-	24,569,317
-	-	2,904,435	2,908,813
-	-	7,785,415	7,944,133
125,000	-	135,068	2,186,335
-	-	305,194	11,377,106
-	-	290,791	8,216,747
-	1,299,679	-	1,299,679
-	-	-	1,595,073
1,173,135	352,339	-	12,622,932
-	-	-	199,504,486
-	-	-	850,098
-	-	-	15,687,079
1,703,645	424,302	-	30,656,106
-	-	-	3,430,563
-	-	-	4,537,244
-	-	-	2,432,501
-	-	-	407,827
-	-	-	80,212,761
-	-	7,990,141	7,990,141
<u>3,001,780</u>	<u>2,076,320</u>	<u>19,411,044</u>	<u>793,072,378</u>
-	-	11,798,655	292,993,098
-	-	5,302,466	91,305,605
-	-	2,391,775	43,502,426
-	46,210	447,364	9,469,028
-	-	394,711	40,246,496
-	-	357,968	6,906,513
-	807,326	53,454	48,739,397
-	-	711,310	21,936,728
125,793	-	107,092	38,443,990
-	-	507,326	27,892,747
-	-	-	28,643,184
17,317,550	6,945,197	110,754	33,970,094
-	1,836,899	1,004	64,651,404
-	280,502	131	16,421,801
<u>17,443,343</u>	<u>9,916,134</u>	<u>22,184,010</u>	<u>765,122,511</u>
(14,441,563)	(7,839,814)	(2,772,966)	27,949,867
-	-	-	472,980
-	2,117,925	6,119,540	8,237,465
-	-	-	(2,117,925)
-	-	-	(6,119,540)
<u>-</u>	<u>2,117,925</u>	<u>6,119,540</u>	<u>472,980</u>
(14,441,563)	(5,721,889)	3,346,574	28,422,847
<u>33,390,943</u>	<u>8,461,562</u>	<u>24,643,930</u>	<u>311,939,536</u>
<u>\$ 18,949,380</u>	<u>\$ 2,739,673</u>	<u>\$ 27,990,504</u>	<u>\$ 340,362,383</u>

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund  
Balances of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2024**

Amounts reported for governmental activities in the statement of activities differ because:

Net changes in fund balances - total governmental funds	\$ 28,422,847
Repayment of long-term debt is an expenditure in the governmental funds but reduces the liability in the statement of net position.	64,651,404
<p>Governmental funds report the effect of bond issuances, premiums, discounts, deferred gain (loss) on refunding issued, leases and subscriptions as an other financing source (use). However, in the statement of activities, the funds associated with the issuances are recorded as long-term liabilities and amounts associated with premiums, discounts, and deferred gain (loss) on refunding are allocated over the life of the debt and netted with interest expense. Also, in the statement of activities interest is accreted on the capital appreciation bonds, but is not reported in the governmental funds.</p>	
Issuance of financing from leases and subscriptions	(472,980)
Amortization of bond discount/premium and deferred gain on refunding	<u>6,853,235</u>
	6,380,255
<p>Unavailable revenue does not provide current financial resources on the governmental fund financial statements, but this change in unavailable revenue from year to year is recognized on the government-wide financial statements.</p>	
	2,780,941
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>	
Capital outlays	23,137,160
Depreciation expense	(24,914,197)
Asset retirement activity	-
Total capital outlay reported as expenditures	<u>(1,777,037)</u>
<p>Governmental funds report right-to-use assets (leases and subscription-based IT arrangements) as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as amortization expense. This is the amount by which capital outlays exceeded amortization in the current period and also includes asset retirement activity and non-cash capital contributions, which is reported differently between the fund and government-wide financial statements.</p>	
Capital outlays - Right-to-use Assets	700,081
Prepayments made on SBITA	(73,022)
Amortization expense	<u>(2,581,217)</u>
Total capital outlay reported as expenditures	(1,954,158)
<p>A portion of the expense or expense offset related to pension (pension expense debit of \$27,452,056) and OPEB (OPEB expense credit of \$3,916,618) recorded in the statement of activities does not require use of current financial resources and therefore is not reported as an expenditure in the governmental funds.</p>	
	(23,535,438)
<p>The current operating resources measurement focus in the governmental fund statements does not require the recognition of accrued interest payable for long-term debt. This amount represents the change in amount of interest payable accrued in the government-wide statements for long-term debt for general obligation debt (\$1,249,311) from the previous year's balance (\$1,514,871).</p>	
	265,560
<p>A portion of the change in compensated absences is not recognized as an expenditure in the fund financial statements but is recognized in the statement of activities.</p>	
	<u>(1,305,865)</u>
Change in net position of governmental activities	<u>\$ 73,928,509</u>

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

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Statement of Fiduciary Net Position  
Fiduciary Fund – Health Trust Fund  
June 30, 2024**

	<u>Health Trust</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 2,865,611
Receivables	<u>2,838</u>
Total assets	<u><u>\$ 2,868,449</u></u>
<b>LIABILITIES</b>	
Accounts payable	<u>236,102</u>
Total liabilities	<u><u>236,102</u></u>
<b>NET POSITION</b>	
Net position restricted and held in trust for employee benefits	<u>2,632,347</u>
Total net position and liabilities	<u><u>\$ 2,868,449</u></u>

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

**Joint School District No. 28-J of the  
 Counties of Adams and Arapahoe, Colorado  
 Statement of Changes in Fiduciary Net Position  
 Fiduciary Fund – Health Trust Fund  
 For the Fiscal Year Ended June 30, 2024**

	<u>Health Trust</u>
<b>ADDITIONS</b>	
Contributions:	
Employer contributions	\$ 1,130,030
Employee contributions	<u>1,423,691</u>
Total contributions and additions	2,553,721
<b>DEDUCTIONS</b>	
Benefits	2,330,326
Administrative expense	<u>164,864</u>
Total deductions	<u>2,495,190</u>
Change in net position	58,531
Total net position, July 1, 2023	<u>2,573,816</u>
Total net position, June 30, 2024	<u><u>\$ 2,632,347</u></u>

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

**NOTES TO BASIC  
FINANCIAL STATEMENTS**

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Notes to Basic Financial Statements  
June 30, 2024**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Reporting Entity**

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

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

**Discretely Presented Component Units – Charter Schools**

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

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

<b><u>School Name</u></b>	<b><u>Address</u></b>	
Academy of Advanced Learning	431 N. Sable Blvd.	Aurora, CO 80011
Aurora Academy	10251 E. First Ave.	Aurora, CO 80010
Aurora Expeditionary Learning Academy (AXL)	450 S. Chambers Rd.	Aurora, CO 80017
Aurora Science and Technology of Denver School of Science and Technology, Inc.	2510 N. Scranton St.	Aurora, CO 80045
Global Village Academy	16401 E. Alameda Pl.	Aurora, CO 80017

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Notes to Basic Financial Statements  
June 30, 2024**

Lotus School for Excellence	11001 E. Alameda Ave.	Aurora, CO 80012
Rocky Mountain Preparatory School at Fletcher	10455 E. 25th Ave.	Aurora, CO 80010
Vanguard Classical Schools	801 Yosemite St.	Aurora, CO 80230
Vega Collegiate Academy	1400 Yosemite St.	Aurora, CO 80010

Effective June 30, 2023, the board of Empower Community High School voted to close the school. Due to the closure, Empower Community High School is no longer included in this report. This resulted in a restatement of the beginning of the year net position for the discretely presented component units of \$2,626,460. Effective June 30, 2024, Academy of Advanced Learning's charter contract with the district was terminated as the school chose to be authorized by the Charter School Institute moving forward.

**Discretely Presented Component Unit – Aurora Public Schools Foundation**

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

The foundation follows all applicable FASB standards. Since they do not follow governmental accounting, for presentation purposes, certain transactions may be reflected differently in these financial statements than in the separately issued discretely presented component unit financial statements in order for them to conform to the presentation of the primary government. Complete financial statements for this component unit may be obtained from Aurora Public Schools Foundation administrative offices located at 15701 E. First Avenue, Suite 206, Aurora, Colorado 80011.

**Government-wide and Fund Financial Statements**

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

The statement of activities demonstrates the degree to which the direct expenses for a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Capital asset depreciation is reported as a direct expense of the functional program that benefits from the use of the capital asset. Program revenues include 1) charges to customers who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Notes to Basic Financial Statements  
June 30, 2024**

segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. When both restricted and unrestricted resources are available for use, it is the district's policy to use restricted resources first, then unrestricted resources as they are needed.

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

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

**Governmental Funds**

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

The Bond Redemption Fund is the government's debt service fund. It accounts for the accumulation of resources to pay general long-term debt principal, interest, and related costs.

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Notes to Basic Financial Statements  
June 30, 2024**

Because of its large cash balance, the Bond Redemption Fund is presented as a major fund on the governmental statements.

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

The Nutrition Services Fund is classified as a major special revenue fund and is used to account for revenues and expenditures related to providing students with healthy and nutritious meals. Special revenue funds are used to account for proceeds that are legally or otherwise restricted to expenditures for specified purposes. Revenues in the Nutrition Services Fund are primarily from federal, state, and local sources specifically for school cafeteria operations. The fund balance of Nutrition Services operations is restricted for that fund's use only.

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

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

**Fiduciary Fund**

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

**Major and Nonmajor Funds**

The district reports the following major funds.

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

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

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

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Notes to Basic Financial Statements  
June 30, 2024**

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

Cash and Investments

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

The district maintains accountability for each fund's equity in pooled cash and investments. Interest earnings for combined deposits are generally distributed based on monthly cash balances. All pooled cash investments are considered cash equivalents for accounting purposes. Investments are carried at fair value based on current market quotations.

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

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

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

Interfund Transactions

Transactions between funds that are representative of lending or borrowing arrangements result in interfund balances. Balances representing the current portion of interfund loans are reported as due to/from other funds, while advances to/from other funds represent the noncurrent portion of interfund loans. Another type of interfund transaction is a transfer, which occurs when resources of one fund are transferred to another fund. For the fiscal year ended June 30, 2024, the district reported both interfund transfers and current interfund loans.

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Notes to Basic Financial Statements  
June 30, 2024**

Receivables and Payables

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

In the governmental statements, which use the modified accrual basis of accounting, property taxes are reported as receivables and deferred inflows of resources when taxes are levied. Taxes received within 60 days after year-end are reported as revenue and as county treasurers' receivables. In the government-wide financial statements, which use the full accrual basis of accounting, property taxes are recognized as revenue for the full levy amount in the period for which they are levied. All property tax receivables are shown net of an allowance for doubtful accounts, calculated as 1.10 percent of the year's total levy amount.

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

Unearned Revenue – Grants and Other

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

Inventories

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

Prepayments

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The district records prepaid items using the consumption method. Fund balance is classified as nonspendable for certain prepayments. At June 30, 2024, prepaid amounts of \$404,969 are considered spendable as they relate to excess cash in an insurance pool that can either be applied to future claims or refunded to the district.

Capital Assets

The primary government considers capital equipment and vehicles to be those items having a useful life greater than one year and having an original item value greater than \$5,000. Capital renovations are considered to be those items that significantly enhance the value of previously

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existing assets and have a project value greater than \$25,000. In addition, capital improvements are those items that add new functionality to existing assets and have a project value greater than \$10,000. All capital assets are recorded at either original cost or an estimated historical cost in the case of assets for which actual cost was not determinable. Intangible assets, such as purchased software licenses or internally generated software applications having a cost or development value of \$5,000 or more, are capitalized and amortized over a three- to fifteen-year period. Donated assets have been recorded at acquisition value on the date of receipt. Expenditures that significantly enhance the value of an asset whether land, building, or equipment are capitalized according to the district's policies. However, expenditures for repairs, maintenance and expendable supplies are not capitalized.

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

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

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

Deferred Outflows/Inflows of Resources

Deferred inflows of resources represent acquisition of net assets that applies to future periods and deferred outflows of resources represent consumption of net assets that applies to future periods. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

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

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

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

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**Lessor Leases**

The district is the lessor for noncancellable leases of buildings and land. The district recognizes a lease receivable and a deferred inflows of resources in the government-wide and governmental fund financial statements. The district recognizes lease receivables with an initial, individual value of \$15,000 or more.

At the commencement of a lease, the district initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the district determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The district uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the leases. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessees.

The district monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**Lessee Leases**

The district is the lessee for noncancellable leases of vehicles, equipment, buildings, and land. The district recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The district recognizes lease assets with an initial, individual value of \$5,000 or more for vehicles and equipment. The district recognizes lease assets with an initial, individual value of \$25,000 or more for buildings and land.

At the commencement of a lease, the district initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Key estimates and judgments related to leases include how the district determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

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

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The district monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with capital assets and lease liabilities are reported with noncurrent liabilities on the statement of net position.

Subscription-based Information Technology Arrangement

The district is the end user of subscription-based information technology arrangements (SBITA) for the noncancellable right to use cloud enterprise resource programs, curriculum materials for teachers and students, and other information technology subscription arrangements. The district recognizes a SBITA liability and an intangible right-to-use asset (SBITA asset) in the government-wide financial statements. The district recognizes SBITA assets with an initial, individual annual value of \$5,000 or more for each SBITA.

At the commencement of a SBITA, the district initially measures the SBITA liability at the present value of payments expected to be made during the arrangement term. Subsequently, the liability is reduced by the principal portion of payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the arrangement commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying asset.

Key estimates and judgments related to SBITA include how the district determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments.

- The district uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the district uses its estimated incremental borrowing rate as the discount rate for the SBITA.
- The SBITA term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option price that the district is reasonably certain to exercise.

The district monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA assets and liabilities if certain changes occur that are expected to significantly affect the amount of the SBITA liability. SBITA assets are reported with capital assets and SBITA liabilities are reported with noncurrent liabilities on the statement of net position.

Accrued Compensation

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

Compensated Absences – Accumulated Unused Paid Leave and Vacation Pay

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

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

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

Noncurrent Liabilities

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

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

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

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

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

Fund Balances and Net Position

Fund balances are the excess of assets plus deferred outflows of resources minus liabilities and deferred inflows of resources and are shown only in the governmental fund statements. Governmental fund balances are classified into five categories: restricted, committed, assigned, unassigned or nonspendable. Fund balance is reported as restricted when constraints placed on the use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Assets that are required by outside sources to be used for a specific purpose are shown on the balance sheet as restricted assets. Any formal action, ordinance or resolution, of the board of education, the highest level of decision-making authority, which places constraints on the use of funds to a specific purpose is categorized as committed fund balance. Actions to remove the constraints, regardless if they were imposed by an ordinance or a resolution, would require the same level of difficulty needed to place constraints on the use of funds to a specific purpose. Fund balance is reported as assigned when the board or board designee intends to use the funds for a specific purpose. Under the board's adopted policy, only the board of education, superintendent, or the chief financial officer may assign amounts for specific purposes. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Unassigned fund

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balance is the residual classification for the General Fund and represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes and may only be reported in the General Fund.

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

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

**On-Behalf Payments**

U.S. GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of Colorado makes direct on-behalf payments for retirement benefits to Colorado PERA. Beginning on July 1, 2018, the State of Colorado is required to make a payment to PERA each year equal to \$225 million. PERA allocates the contribution to the trust funds of the State, School, Denver Public Schools, and Judicial Division Trust Funds of PERA, as proportionate to the annual payroll of each division. This annual payment is required on July 1st of each year thereafter until there are no unfunded actuarial accrued liabilities of any division of PERA that receives the direct distribution. The amount of on-behalf payments made for the district by the State of Colorado has been recorded as expenditures and revenue of \$1.48 million in the fund financial statements.

**Estimates**

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

**Upcoming Accounting Pronouncements**

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, Compensated Absences, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2025.

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In December 2023, the Governmental Accounting Standards Board issued Statement No. 102, Certain Risk Disclosures, which requires governments to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. It also requires governments to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If certain criteria are met for a concentration or constraint, disclosures are required in the notes to the financial statements. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2025.

In April 2024, the Governmental Accounting Standards Board issued Statement No. 103, Financial Reporting Model Improvements, which establishes new accounting and financial reporting requirements, or modifies existing requirements, related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2026.

**NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Encumbrances

Outstanding encumbrances represent a commitment for the estimated amount of expenditures, which could ultimately result from the fulfillment of uncompleted purchase orders and contracts. Encumbrances lapse at the end of each fiscal year. Lapsed encumbrances are then reviewed by department supervisors to determine which will remain canceled and which will be reinstated and paid from the subsequent year's appropriations. Encumbrances are not considered expenditures until an actual liability is incurred.

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

To comply with the Taxpayer Bill of Rights (TABOR) amendment, the district has budgeted and continues to report an emergency reserve. Recognition of this year's reserve of \$14,210,174 is shown as restricted fund balance in the General Fund. The emergency reserve cannot be used for adverse economic conditions, revenue shortfalls, or district salary or fringe benefit increases. The TABOR reserve is a permanent cash reserve that can only be used for declared unforeseen emergencies excluding adverse economic conditions, revenue shortfalls, and district salary, or fringe benefit increases. The district interprets the declared emergency limitation as prohibiting the use of the TABOR reserve for any purpose.

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**TABOR Fund Balance Reserve for Emergencies**

Qualifying revenues, all district funds		\$ 802,229,669
Less excludable amounts:		
Federal Sources	\$ 88,202,902	
Override Funding	117,405,438	
Gifts	2,220,233	
Property Sales	184,057	
Bond Redemption	120,544,571	
Total excludable amounts	328,557,201	
Revenues subject to TABOR		473,672,468
TABOR reserve percentage		3%
Amount reserved for emergencies - district		14,210,174
Total amount reserved for emergencies		\$ 14,210,174

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

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

Minimum Fund Balance/Cash Fund Emergency Policy

As designated in district policy, DA-Fiscal Management Goals/Priority Objectives, the superintendent is required to maintain a minimum General Fund or cash fund emergency reserve of 5.0 percent of current year General Fund revenues less the 3.0 percent restricted amount required by the TABOR. The policy does not specify the circumstances under which these funds can be used or the method of repayment, if the funds are used. For the current fiscal year, the 5.0 percent reserve total for the district is \$23,683,623 presented as the district's TABOR and fiscal management of \$14,210,174 and \$9,473,449, respectively. The fiscal management amount of \$9,473,449 is shown as an assigned fund balance on the Balance Sheet for Governmental Funds.

Subsequent Year Expenditures

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

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**NOTE 3: DEPOSITS AND INVESTMENTS**

Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments as of June 30, 2024, are classified in the financial statements as follows.

	Primary Government	Fiduciary Fund	Total
Cash and cash equivalents	\$ 159,953,340	\$ -	\$ 159,953,340
Restricted: Cash, cash equivalents and investments	201,900,240	-	201,900,240
Fiduciary fund	-	2,865,611	2,865,611
<b>Total</b>	<b>\$ 361,853,580</b>	<b>\$ 2,865,611</b>	<b>\$ 364,719,191</b>

Unspent proceeds of the 2019 and 2021 general obligation bonds in the Building Fund, the cash balances in the Bond Redemption Fund and cash balances related to charter school and other contractual agreements are restricted cash on the basic financial statements.

Deposits and Cash with Fiscal Agent

The Colorado General Assembly passed the Public Deposit Protection Act (the PDPA) in 1975. The purpose of the PDPA is to protect all public funds held on deposit in financial institutions. In the event eligible banks or savings and loan institutions default, statutes provide for the expedited repayment of public deposits not covered by the Federal Deposit Insurance Corporation. The district has no custodial credit risk because all deposits are insured by the Federal Deposit Insurance Corporation or are held in PDPA-eligible institutions. The district's cash deposits had a carrying amount of \$37,221,506 and a corresponding bank balance of \$44,363,495. Of the bank balance, \$44,113,495 was uninsured but collateralized in accordance with provisions of the PDPA.

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

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

<u>Description</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Checking, money market and trust accounts	\$ 37,221,506	\$ 44,363,495
Cash with fiscal agent	10,545,341	-
Cash on hand	14,000	-
<b>Total</b>	<b>\$ 47,780,847</b>	<b>\$ 44,363,495</b>

Investments

During the year, the district investments comprised of fixed income accounts and COLOTRUST and are rated at least AA+ by Standard & Poor's. The district's investment policy requires all investments to comply with federal, state and local statutes governing the investment of public funds. As of June 30, 2024, the district investments of \$316,938,344 are invested in COLOTRUST.

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

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

At June 30, 2024, the District’s investment balances and maturities, in years for those investments subject to interest rate risk were as follows:

<b>Asset</b>	<b>Value</b>	<b>Investment Maturities</b>
		<b>(in years)</b>
		<b>Less Than 1</b>
ColoTrust Plus+ (external investment pool)	\$ 316,938,344	\$ 316,938,344
Total	\$ 316,938,344	\$ 316,938,344

Overall credit risk is the chance that the issuer of an investment will not fulfill its obligations. To minimize overall credit risk, state law and district policies require that the district limit its investments to issuers, which have received one of the three highest rating categories by one, or more nationally recognized organizations that rate such issuers. Presented below is the actual rating at year-end for each investment type.

<b>Asset</b>	<b>Value</b>	<b>Standard &amp; Poor's</b>
		<b>Rating</b>
		<b>AAAm</b>
ColoTrust Plus+ (external investment pool)	\$ 316,938,344	\$ 316,938,344
Total investments	\$ 316,938,344	\$ 316,938,344

Investment in Local Government Investment Pool

At June 30, 2024, the district holds investments at COLOTRUST in the amount of \$316,938,344 which are measured at net asset value. The district utilizes one local government investment pool when a high degree of liquidity is prudent. COLOTRUST is a local government investment pool with a stable net asset value (NAV) and its NAV is measured at fair value per share. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00, although not guaranteed. Investment objectives and strategies focus on safety, liquidity, transparency, and competitive yields through investment in a diversified portfolio of short-term marketable securities. COLOTRUST may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of the U.S. government agencies and highly rated commercial paper. A designated custodial bank serves as a custodian

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for COLOTRUST’s portfolio pursuant to a custodian agreement. The custodian acts as a safekeeping agent for COLOTRUST’s investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by COLOTRUST. COLOTRUST does not have any limitations or restrictions on participant withdrawals.

**Fair Value Measurements**

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

- Level 1** Quoted prices in active markets for identical assets or liabilities.
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

At June 30, 2024, the district had no investments with recurring fair value measurements.

**NOTE 4: RECEIVABLES, PAYABLES AND INTERFUND TRANSACTIONS**

**Receivables**

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

	Governmental Funds							Total Governmental Funds
	General	Bond Redemption	Grants	Nutrition Services	Building	Capital Reserve	Nonmajor Governmental	
<b>Receivables:</b>								
Property taxes, paid within 60 days of year-end	\$ 6,841,326	\$ 1,882,157	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,723,483
Property taxes, due within one year	11,770,170	3,108,576	-	-	-	-	-	14,878,746
Reimbursements for federal and state grants	218,674	-	18,025,488	527,583	161,302	-	-	18,933,047
Interfund	8,555,701	-	-	-	-	-	-	8,555,701
Other	3,383,895	-	-	79,806	-	17,042	41,893	3,522,636
Gross receivables	30,769,766	4,990,733	18,025,488	607,389	161,302	17,042	41,893	54,613,613
Less allowance for uncollectibles	(2,886,906)	(1,279,021)	-	-	-	-	-	(4,165,927)
Net total receivables	<u>\$ 27,882,860</u>	<u>\$ 3,711,712</u>	<u>\$ 18,025,488</u>	<u>\$ 607,389</u>	<u>\$ 161,302</u>	<u>\$ 17,042</u>	<u>\$ 41,893</u>	<u>\$ 50,447,686</u>

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Balances due to/from other funds are presented as interfund receivable and payable amounts on the balance sheet for governmental funds. Many federal and state grants operate on a reimbursement basis, causing the need for a short-term loan from the General Fund. Balance due to the General Fund from the Grants Fund at June 30, 2024 was \$8,555,701.

Interfund Transactions

Transfers are used to move unrestricted revenues from the fund that collects them to specific programs accounted for in other funds in accordance with budget authorizations. The General Fund transferred money to the Pickens Post-Secondary Fund and Athletic Fund to provide subsidies for operations and transfer revenues related to programs offered by those specific funds. The General Fund transferred money to the Capital Reserve Fund to meet current and future capital needs. Transfers processed during the fiscal year ended June 30, 2024, were as follows:

Transfers in:				
<u>Transfers out:</u>	<u>Pickens- Post Secondary Fund</u>	<u>Capital Reserve Fund</u>	<u>Athletic Fund</u>	<u>Total</u>
General Fund	\$ 219,540	\$ 2,117,925	\$ 5,900,000	\$ 8,237,465
Total	<u>\$ 219,540</u>	<u>\$ 2,117,925</u>	<u>\$ 5,900,000</u>	<u>\$ 8,237,465</u>

Lease Receivables

The district leases buildings and land to third parties. The lease period ranges from three to eighty-nine years and the district receives periodic payments with a total of \$300,000 per annum from these leases. The district recognized \$386,222 in lease revenue and \$167,890 in interest revenue during the fiscal year related to these leases. In addition, the district has various short term rental arrangements that are also included in rental of buildings.

As of June 30, 2024, the district's receivable for lease payments was \$2,439,295 included in other receivables in the general fund. Also, the district has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of June 30, 2024, the balance of the deferred inflow of resources was \$1,820,402.

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**NOTE 5: CAPITAL, LEASE AND SUBSCRIPTION ASSETS AND NET INVESTMENT IN  
CAPITAL ASSETS**

A summary of the changes in capital, lease and subscription assets during the fiscal year ended June 30, 2024, follows:

	Balance July 1, 2023	Additions	Deletions	Transfers	Adjustment	Balance June 30, 2024
<b>Governmental activities:</b>						
<b>Capital assets, not being depreciated:</b>						
Land	\$ 25,244,194	\$ -	\$ -	\$ -	\$ (19,795)	\$ 25,224,399
Construction in progress	197,246,415	21,368,579	-	(98,406,247)	(3,239)	120,205,508
Total capital assets, not being depreciated	<u>222,490,609</u>	<u>21,368,579</u>	<u>-</u>	<u>(98,406,247)</u>	<u>(23,034)</u>	<u>145,429,907</u>
<b>Capital assets, being depreciated:</b>						
Buildings and site improvements	789,217,162	-	-	98,406,247	(3,466)	887,619,943
Machinery, equipment and vehicles	46,679,319	2,484,598	(2,719,038)	-	(676,132)	45,768,747
Intangible assets	7,399,208	-	-	-	(13,385)	7,385,823
Total capital assets, being depreciated	<u>843,295,689</u>	<u>2,484,598</u>	<u>(2,719,038)</u>	<u>98,406,247</u>	<u>(692,983)</u>	<u>940,774,513</u>
<b>Less accumulated depreciation for:</b>						
Building and site improvements	(429,044,411)	(20,884,670)	-	-	65,251	(449,863,830)
Machinery, equipment and vehicles	(32,603,143)	(3,847,298)	2,719,038	-	154,359	(33,577,044)
Intangible assets	(6,586,362)	(165,223)	-	-	(236,616)	(6,988,201)
Total accumulated depreciation	<u>(468,233,916)</u>	<u>(24,897,191)</u>	<u>2,719,038</u>	<u>-</u>	<u>(17,006)</u>	<u>(490,429,075)</u>
<b>Lease assets (right-to-use assets), being amortized:</b>						
Land	1,583,711	-	-	-	-	1,583,711
Buildings	1,447,353	-	-	-	-	1,447,353
Machinery and equipment	1,097,221	78,349	-	-	-	1,175,570
Total lease assets, being amortized	<u>4,128,285</u>	<u>78,349</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,206,634</u>
<b>Less accumulated amortization for lease assets:</b>						
Land	(73,660)	(36,830)	-	-	-	(110,490)
Buildings	(685,872)	(465,910)	-	-	-	(1,151,782)
Machinery and equipment	(406,010)	(236,596)	-	-	-	(642,606)
Total accumulated amortization	<u>(1,165,542)</u>	<u>(739,336)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,904,878)</u>
<b>Subscriptions (right-to-use assets), being amortized:</b>						
Subscription-based IT Arrangements	6,494,267	621,732	-	-	-	7,115,999
<b>Less accumulated amortization for:</b>						
Subscription-based IT Arrangements	(1,317,458)	(1,841,881)	-	-	-	(3,159,339)
Total capital assets, being depreciated, net	<u>383,201,325</u>	<u>(24,293,729)</u>	<u>-</u>	<u>98,406,247</u>	<u>(709,989)</u>	<u>456,603,854</u>
Governmental activities capital and lease assets, net	<u>\$ 605,691,934</u>	<u>\$ (2,925,150)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (733,023)</u>	<u>\$ 602,033,761</u>

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Depreciation and amortization expenses were charged to functions/programs of the primary government as follows:

Governmental activities:	Depreciation	Amortization
Instruction	\$ 10,809,075	\$ -
Instructional staff support	77,047	-
General administration	240,374	-
Business administration	164,963	2,581,217
Operations & maintenance	5,238,827	-
Transportation	2,426,793	-
Personnel/data services/risk management	81,440	-
Food service operations	399,721	-
Facilities Acquisition and Construction Services	5,476,551	-
Total depreciation expense - governmental activities	\$ 24,914,791	\$ 2,581,217

Net investment in capital assets consists of capital, lease and subscription assets, net of accumulated depreciation/amortization, unspent bond proceeds and reduced by outstanding balances of bonds, notes, leases, subscription liabilities and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in the determination of net investment in capital assets.

**Net Investment in Capital Assets:**

Governmental activities capital, lease and subscription assets,	\$ 602,033,761
net reductions:	
Outstanding principal of capital-related borrowings related to the government's own capital and lease assets	(338,041,709)
2020 Certificates of participation	(6,580,000)
Debt financing for capital assets	(3,077,005)
Debt financing for land purchase	(905,286)
Leases	(2,627,208)
Subscription-based IT Arrangements	(1,342,017)
Deferred (gain)/loss on bond refunding	(1,113,362)
Building Fund accounts payable	(2,507,362)
Capital Reserve Fund accounts payable	(1,480,213)
Retainages payable for all funds	(200,509)
Additions:	
Building Fund restricted cash	27,363,719
Net investment in capital assets	\$ 271,522,809

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**NOTE 6: NONCURRENT LIABILITIES**

General Obligation Bonds

The district issues bonds to finance construction, renovation, and repair of schools and support site facilities. When market and interest rates are favorable, the district may refinance outstanding debt with new debt to reduce interest payments or restructure the debt service requirement of the Bond Redemption Fund. The bonds are serviced from property tax revenues. As of June 30, 2024, total general obligation bonds outstanding are \$297,912,496, and total unamortized premium is \$40,129,213.

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

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

General Obligation Bonds

A description of each issue follows.

- In January 2017, the district issued \$200,000,000 in the 2017A General Obligation Bonds. The current outstanding balance is \$122,445,000. These bonds began maturing on December 1, 2017, with the final principal payment due on December 1, 2036. The interest rate is 5.0 percent. Remaining annual payments for principal and interest range from \$1,025,000 to \$40,400,750.
- In December 2019, the district issued \$26,521,099 in the 2019 General Obligation Bonds. The current outstanding balance is \$22,367,496. These bonds began maturing on December 1, 2020, with the final principal payment due on December 1, 2039. The interest rate is 2.952 percent. Remaining annual payments for principal and interest range from \$1,748,731 to \$1,757,726.
- On July 27, 2021, the district issued \$73,475,000 in the General Obligation Bonds, Series 2021A. These bonds begin maturing on December 1, 2025, with the final principal payment due on December 1, 2029. The interest rate is 5.0 percent. Remaining annual payments for principal and interest range from \$3,673,750 to \$35,393,250. Estimated arbitrage liability as of June 30, 2024 is \$918,100. The final arbitrage liability report will be calculated as of July 2026, when the total amount of interest earnings will be available.
- On July 27, 2021, the district issued \$47,620,000 in the General Obligation Refunding Bonds, Series 2021B. The current outstanding balance is \$12,390,000. These bonds began maturing on December 1, 2021, with the final principal payment due on December 1, 2024. The interest rate on the bonds is 5.0 percent. The remaining annual payment for principal and interest is \$12,699,750. Estimated arbitrage liability as of June 30, 2024 is \$612,067. The final arbitrage liability report will be calculated as of July 2026, when the total amount of interest earnings will be available.

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- On September 20, 2022, the district issued \$126,260,000 in the General Obligation Refunding Bonds, Series 2022. Current outstanding balance is \$67,235,000. These bonds began maturing on December 1, 2022, with the final principal payment due on December 1, 2028. The interest rate is 5.0 percent. Remaining annual payments for principal and interest range from \$8,292,250 to \$39,553,750. Estimated arbitrage liability as of June 30, 2024 is \$192,200. The final arbitrage liability report will be calculated as of September 2027, when the total amount of interest earnings will be available

Certificates of Participation

On June 25, 2020, the district sold certificates of participation (COP) with a par value of \$7,575,000. The proceeds from the COP are being used to build a new grades 6-12 school. The outstanding amount due on the COP is collateralized by related future rental income and the property that the funds are being used to construct. The COP matures on December 1, 2029, and bears interest at a per annum fixed rate of 2.77 percent. Remaining annual payments for principal and interest range from \$1,188,337 to \$1,193,070.

Debt Financing for Capital Assets

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

On September 1, 2016, the district financed 14 buses and 36 support vehicles in the amount of \$2,411,380 with an interest rate of 1.726 percent per year to be repaid over the next 10 years.

On September 11, 2017, the district financed 16 buses and 7 support vehicles in the amount of \$1,931,000 with an interest rate of 2.098 percent per year to be repaid over the next 10 years.

On June 21, 2018, the district financed 18 buses and 3 support vehicles in the amount of \$1,837,761 with an interest rate of 3.414 percent per year to be repaid over the next 10 years.

On January 26, 2021, the district financed 16 buses and 3 support vehicles in the amount of \$2,240,571 with an interest rate of 1.670 percent per year to be repaid over the next 10 years.

Debt Financing for Land Purchase (AST Building)

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

Lease Payables

The district is lessee to various vehicles, equipment, buildings and land for the use of such leased assets. As of June 30, 2024, the value of the lease liability was \$2,627,208. The district is required to make monthly principal and interest payments of \$55,000. The leases have interest rates in the range of 4.70% to 7.66% per annum.

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SBITA Liability

The district is the end user to various subscription-based IT arrangement assets. As of June 30, 2024, the value of the SBITA liability was \$1,342,017. The district is required to make monthly principal and interest payments of \$150,000. The SBITA have an interest rate of 4.80% per annum.

Compensated Absences

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the district has recorded the accrued liability for compensated absences in the accompanying basic financial statements. The subsequent table summarizes total liabilities and current year activity for compensated absences. Per GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, the amount of \$719,533 recorded in the General Fund in the governmental statements represents the mature portion of total compensated absences liabilities.

Computation of Legal Debt Margin

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

The percentages and amounts used in the following calculation are based on the December 2023 actual valuation and the June 30, 2024, outstanding general obligation bonds payable.

<u>Debt Limit Factors</u>	<u>Actual Valuation</u>	<u>Percentage of Actual Valuation</u>
Valuation - Adams County	\$ 12,249,666,591	-
Valuation - Arapahoe County	<u>30,068,811,251</u>	-
Total valuation	42,318,477,842	-
Apply percentage	6.0%	-
Legal debt limit	<u>2,539,108,671</u>	6.0%
Less general obligation bonds payable	<u>297,912,496</u>	<u>0.7%</u>
Debt margin	<u>\$ 2,241,196,175</u>	<u>5.3%</u>

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Changes in Noncurrent Liabilities

Noncurrent liability activity for the year ended June 30, 2024, was as follows:

<u>Issues:</u>	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Amount Due Within One Year
2017A General obligation bonds	135,480,000	-	13,035,000	122,445,000	13,690,000
2019 Matching money bonds	23,449,436	-	1,081,940	22,367,496	1,113,879
2021A General obligation bonds	73,475,000	-	-	73,475,000	-
2021B Refunding bonds	24,190,000	-	11,800,000	12,390,000	12,390,000
2022 Refunding bonds	102,585,000	-	35,350,000	67,235,000	37,120,000
Subtotal general obligation debt	<u>359,179,436</u>	<u>-</u>	<u>61,266,940</u>	<u>297,912,496</u>	<u>64,313,879</u>
Premiums/(discounts) on GO debt	46,730,524	-	6,601,311	40,129,213	5,865,846
Subtotal general obligation debt, net	<u>405,909,960</u>	<u>-</u>	<u>67,868,251</u>	<u>338,041,709</u>	<u>70,179,725</u>
2020 Certificates of participation	7,575,000	-	995,000	6,580,000	1,025,000
Subtotal COPs	<u>7,575,000</u>	<u>-</u>	<u>995,000</u>	<u>6,580,000</u>	<u>1,025,000</u>
Direct borrowing for capital assets	3,918,904	-	841,899	3,077,005	860,173
Subtotal debt financing	<u>3,918,904</u>	<u>-</u>	<u>841,899</u>	<u>3,077,005</u>	<u>860,173</u>
Debt financing for land purchase	905,286	-	-	905,286	905,286
Subtotal debt for land purchase	<u>905,286</u>	<u>-</u>	<u>-</u>	<u>905,286</u>	<u>905,286</u>
Arbitrage liability	-	1,722,367	-	1,722,367	-
Subtotal arbitrage liability	<u>-</u>	<u>1,722,367</u>	<u>-</u>	<u>1,722,367</u>	<u>-</u>
Leases	3,100,804	78,349	551,945	2,627,208	528,894
Subtotal leases	<u>3,100,804</u>	<u>78,349</u>	<u>551,945</u>	<u>2,627,208</u>	<u>528,894</u>
SBITAs	1,943,792	394,632	996,407	1,342,017	965,156
Subtotal SBITAs	<u>1,943,792</u>	<u>394,632</u>	<u>996,407</u>	<u>1,342,017</u>	<u>965,156</u>
Total debt outstanding	423,353,746	2,195,348	71,253,502	354,295,592	74,464,234
<u>Compensated absences:</u>					
Unpaid vacation	6,886,633	1,848,791	1,400,147	7,335,277	1,084,964
Unpaid sick leave	7,795,737	1,600,747	835,349	8,561,135	940,434
Total compensated absences	<u>14,682,370</u>	<u>3,449,538</u>	<u>2,235,496</u>	<u>15,896,412</u>	<u>2,025,398</u>
Total changes in noncurrent liabilities	<u>\$ 438,036,116</u>	<u>\$ 5,644,886</u>	<u>\$ 73,488,998</u>	<u>\$ 370,192,004</u>	<u>\$ 76,489,632</u>

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Summary of Debt Service Requirements to Maturity

The following schedules reflect the debt service requirements of the district's long-term debt. The long-term debt is included in the governmental activities, as of June 30, 2024:

Date	General Obligation Debt	Total Interest	Total
2025	64,313,879	12,841,098	77,154,977
2026	13,636,761	10,915,481	24,552,242
2027	14,290,613	10,241,129	24,531,742
2028	23,390,465	9,323,637	32,714,102
2029	24,536,345	8,150,727	32,687,072
2030-2034	145,118,118	16,113,235	161,231,353
2035-2039	10,903,018	1,076,171	11,979,189
2040-2044	1,723,297	25,436	1,748,733
Total outstanding principal	<u>\$ 297,912,496</u>	<u>\$ 68,686,914</u>	<u>\$ 366,599,410</u>

Date	Certificates of Participation	Total Interest	Total
2025	1,025,000	168,070	1,193,070
2026	1,050,000	139,331	1,189,331
2027	1,080,000	109,830	1,189,830
2028	1,110,000	79,499	1,189,499
2029	1,140,000	48,337	1,188,337
2030	1,175,000	16,272	1,191,272
Total	<u>\$ 6,580,000</u>	<u>\$ 561,339</u>	<u>\$ 7,141,339</u>

Date	Direct Borrowing for Capital Assets	Total Interest	Total
2025	860,173	64,682	924,855
2026	878,882	45,973	924,855
2027	638,092	26,826	664,918
2028	229,433	11,688	241,121
2029	233,265	7,856	241,121
2030	237,160	3,961	241,121
Total	<u>\$ 3,077,005</u>	<u>\$ 160,986</u>	<u>\$ 3,237,991</u>

Date	Lease Principal	Total Interest	Total
2025	528,894	104,791	633,685
2026	215,752	86,874	302,626
2027	74,703	79,382	154,085
2028	20,648	77,163	97,811
2029	943	76,658	77,601
2030-2034	(4,050)	384,672	380,622
2035-2039	39,167	381,070	420,237
2040-2044	98,367	365,608	463,975
2045-2049	178,237	334,030	512,267
2050-2054	284,744	280,840	565,584
2055-2059	425,485	198,965	624,450
2060-2064	764,318	79,329	843,647
Total	<u>\$ 2,627,208</u>	<u>\$ 2,449,382</u>	<u>\$ 5,076,590</u>

Date	SBITA Principal	Total Interest	Total
2025	965,156	47,914	1,013,070
2026	376,861	14,833	391,694
Total	<u>\$ 1,342,017</u>	<u>\$ 62,747</u>	<u>\$ 1,404,764</u>

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**NOTE 7: SHORT-TERM DEBT**

To meet short-term General Fund cash flow needs, the district participates in the state of Colorado Interest-Free Loan Program. There were two draws made in January and February 2024. The payment back to the state was made on March 12, 2024. Short-term debt activity relating to this program for the year ended June 30, 2024 was as follows:

Balance July 1, 2023	Draws	Payments	Balance June 30, 2024
\$ -	\$ 44,843,162	\$ 44,843,162	\$ -

**NOTE 8: RISK MANAGEMENT**

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

The Colorado Governmental Immunity Act provides protection against several types of claims and establishes damage limits for claims not protected under the Act. In accordance with C.R.S. 24-10-114(l)(b), the limitations on judgments set forth in C.R.S. 24-10-114(1(a)(I)&(II) are as follows:

*For all claims for relief that accrue before January 1, 2018, the adjusted limitation is:*

- \$350,000 for any injury to one person in any single occurrence.
- \$990,000 for any injury to two or more persons in any single occurrence; except that, in such instance, no person may recover in excess of \$350,000.

*For all claims for relief that accrue on or after January 1, 2018, and before January 1, 2022, the adjusted limitation is:*

- \$387,000 for any injury to one person in any single occurrence.
- \$1,093,000 for any injury to two or more persons in any single occurrence; except that, in such instance, no person may recover in excess of \$387,000.

*For all claims for relief that accrue on or after January 1, 2022, and before January 1, 2026, the adjusted limitation is:*

- \$424,000 for any injury to one person in any single occurrence.
- \$1,195,000 for any injury to two or more persons in any single occurrence; except that, in such instance, no person may recover in excess of \$424,000.

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Self-insurance Programs and Purchased Insurance Coverages

The district self-insures the first \$100,000 of each property loss/claim and purchases insurance for any additional property loss/claim up to \$1,000,000,000. For any loss caused by wind or hail, the deductible is 5% of the value of property damaged, with a \$250,000 minimum deductible. The district purchases other insurance policies for crime, first and third party cyber, fiduciary, foreign travel, pollution, boiler & machinery and student professional liability with varying deductibles and limits.

Workers' Compensation

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

Liability

The district self-insures the first \$250,000 of each liability loss/claim and purchases insurance for the next \$10,000,000 of each loss/claim. General liability, auto liability and errors and omissions coverage are purchased through the Excess-of-Loss Self Insurance Pool (ELSIP), a public entity risk pool. ELSIP is managed by an independent manager chosen by ELSIP's board of directors. The board is comprised of one member from each of three participating districts. Each member's initial and subsequent share of expenses is determined by its student enrollment, as approved by the board. This pool is audited each year by Clifton Larson Allen LLP. Provision for estimated insurance claims incurred but not reported includes components for each type of coverage in effect (see Note 9.) Requests for ELSIP financial statements can be sent to Secteur Insurance Consulting, 10541 Kicking Horse Drive, Littleton, CO 80125.

**NOTE 9: COMMITMENTS AND CONTINGENCIES**

Grants

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

Litigation

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

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Insurance Claims

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

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Unpaid claims, beginning of the year	\$ 712,362	\$ 1,641,413
Incurred claims, including changes in IBNR	1,431,186	(838,366)
Claim payments	<u>(469,565)</u>	<u>(90,685)</u>
Unpaid claims, end of year	<u>\$ 1,673,983</u>	<u>\$ 712,362</u>

Construction Commitments

As of June 30, 2024, the district had various commitments for the acquisition and construction of capital projects. Resources in the Building and Capital Reserve Capital Projects Funds are restricted for construction commitments. The following table provides a detail of significant commitments:

<u>Project Description</u>	<u>Project to Date Expenditures</u>	<u>Commitments at June 30, 2024</u>
2022 BEST Grant - District Wide Safety and Security	\$ 1,807,950	\$ 776,444
2022 BEST Grant North Gym Floor	658,153	15,115
AST Phase II	15,274,735	1,012,904
Aurora Highlands P-8	51,491,577	84,578
AWCPA Classroom Add., Roof Repairs, Renewal	744,770	8,436
BEST Fire Alarms + Supplemental	4,661,413	263,130
Boston K8 ECE Addition, Turf Field & Renewal	54,705	1,495
Crossroads Building Renewal	7,645	3,614
Dartmouth Building Renewal	102,246	355
Del Mar Academy P-8	45,938,742	140,227
District Building Renewal Admin	336,082	1,146
Districtwide Improvements - Safety	5,525,607	31,085
Health Sciences High School Master Plan	127,840	119,850
Horizon Uptown P-8 Design	737,275	3,895,238
Mobile Moves	1,469,664	2,781,609
Nutrition Services Freezer/Cooler Design	242,458	913,505
Paris ECE Addition, Turf Field & Renewal	42,083	175
Printer Reprogramming for Security Cards	18,000	18,000
Technology Equipment Renewal	10,564,553	34,165
Virginia Court Concrete Repair	4,723	2,450
Virginia Court Whole Building Remodel	10,144,719	67,779
Wheeling Building Renewal	132,919	576
Total	<u>\$ 150,087,859</u>	<u>\$ 10,171,876</u>

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**NOTE 10: DEFINED BENEFIT PENSION PLAN**

Summary of Significant Accounting Policies - Pension

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

General Information about the Pension Plan

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

*Benefits provided as of December 31, 2023.* PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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

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

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible

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

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

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

*Contributions provisions as of June 30, 2024.* Eligible employees of the district and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401 et seq. and § 24-51-413. Eligible employees are required to contribute 11.00 percent of their PERA-includable salary during the period of July 1, 2023 through June 30, 2024. Employer contribution requirements are summarized in the table below:

	July 1, 2023 to June 30, 2024
Employer contribution rate <sup>1</sup>	11.40%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) <sup>1</sup>	-1.02%
Amount apportioned to the SCHDTF	10.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	5.50%
Total employer contribution rate to the SCHDTF <sup>1</sup>	20.38%

<sup>1</sup>Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the district is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the district were \$70,657,664 for the year ended June 30, 2024.

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For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute a \$225 million (actual dollars) direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. The direct distribution from the State was suspended in 2020. To compensate PERA for the suspension, C.R.S. §§ 24-51-414(6-8) required restorative payment by providing an accelerated payment in 2022. In 2022, the State Treasurer issued payment for the direct distribution of \$225 million plus an additional amount of \$380 million. Due to the advanced payment made in 2022, the State reduced the distribution in 2023 to \$35 million. Additionally, the newly added C.R.S. § 24-51-414(9) providing compensatory payment of \$14.561 million for 2023 only.

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

The net pension liability for the SCHDTF was measured as of December 31, 2023, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TPL to December 31, 2023. The district proportion of the net pension liability was based on the district contributions to the SCHDTF for the calendar year 2023 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2024, the district reported a liability of \$884,610,675 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the district as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the district were as follows:

District's proportionate share of the net pension liability	\$ 884,610,675
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	<u>19,396,887</u>
Total	<u><u>\$ 904,007,562</u></u>

At December 31, 2023, the district's proportion was 5.002 percent, which was an increase of 0.898 percent from its proportionate share measured as of December 31, 2022.

For the year ended June 30, 2024, the district recognized pension expense of \$98,109,721 and revenue of \$1,815,660 for the support from the State as a nonemployer contributing entity. At June 30, 2024, the district reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 41,947,294	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	63,412,811	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	88,898,597	45,092,730
Contributions subsequent to the measurement date	36,988,217	-
Total	<u>\$ 231,246,919</u>	<u>\$ 45,092,730</u>

\$36,988,217 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the Fiscal Year Ending June 30,	Amount
2025	\$ 19,948,477
2026	74,069,901
2027	72,828,776
2028	(17,681,186)
2029	-
	<u>\$ 149,165,968</u>

*Actuarial assumptions.* The TPL in the December 31, 2022 actuarial valuation was determined using the following actuarial cost methods, actuarial assumptions and other inputs:

**Actuarial Assumptions:**

Actuarial cost method	Entry age
Price inflation	2.30%
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 <sup>1</sup>	Financed by the AIR

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

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

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

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

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

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

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

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

The actuarial assumptions used in the December 31, 2022, valuation were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

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

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

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

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

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

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

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- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 1,182,871,635	\$ 884,610,675	\$ 635,897,136

*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/forms-resources/financial-reports-and-studies](http://www.copera.org/forms-resources/financial-reports-and-studies).

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

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

The district participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the PERA. The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (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.

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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 C.R.S., as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available ACFR that can be obtained at [www.copera.org/forms-resources/financial-reports-and-studies](http://www.copera.org/forms-resources/financial-reports-and-studies).

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

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

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

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

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

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plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the district is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the district were \$3,536,354 for the year ended June 30, 2024.

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

At June 30, 2024, the district reported a liability of \$21,359,822 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the OTL to December 31, 2023. The district's proportion of the net OPEB liability was based on the district's contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the district's proportion was 2.99 percent, which was a decrease of 0.13 percent from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the district recognized OPEB expense of \$(380,264). At June 30, 2024, the district reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 4,377,901
Changes of assumptions or other inputs	251,179	2,264,861
Net difference between projected and actual earnings on OPEB plan investments	660,613	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,824,992	1,616,265
Contributions subsequent to the measurement date	1,851,225	-
Total	<u>\$ 4,588,009</u>	<u>\$ 8,259,027</u>

The amount of \$1,851,225 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows

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

For the Fiscal Year Ending June 30,	Amount
2025	\$ (2,058,802)
2026	(1,078,141)
2027	(497,525)
2028	(1,215,696)
2029	(504,782)
Thereafter	(167,298)
	<u>\$ (5,522,244)</u>

*Actuarial assumptions.* The TOL in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

**Actuarial Assumptions:**

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	3.40%-11.00%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans <sup>1</sup>	7.00% in 2023, gradually decreasing to 4.50% in 2033
Medicare Part A premiums	3.50% in 2023, gradually increasing to 4.50% in 2035

<sup>1</sup>UnitedHealthcare MAPD PPO plans are 0% for 2023.

Each year the per capita health care costs are developed by plan option; currently based on 2023 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age,

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gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

**Age-Related Morbidity Assumptions**

<b>Participant Age</b>	<b>Annual Increase (Male)</b>	<b>Annual Increase (Female)</b>
65-68	2.20%	2.30%
69	2.80%	2.20%
70	2.70%	1.60%
71	3.10%	0.50%
72	2.30%	0.70%
73	1.20%	0.80%
74	0.90%	1.50%
75-85	0.90%	1.30%
86 and older	0.00%	0.00%

<b>Sample Age</b>	<b>MAPD PPO #1 with Medicare Part A</b>		<b>MAPD PPO #2 with Medicare Part A</b>		<b>MAPD HMO (Kaiser) with Medicare Part A</b>	
	<b>Retiree/Spouse</b>		<b>Retiree/Spouse</b>		<b>Retiree/Spouse</b>	
	<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>
65	\$1,692	\$1,406	\$579	\$481	\$1,913	\$1,589
70	\$1,901	\$1,573	\$650	\$538	\$2,149	\$1,778
75	\$2,100	\$1,653	\$718	\$566	\$2,374	\$1,869

<b>Sample Age</b>	<b>MAPD PPO #1 without Medicare Part A</b>		<b>MAPD PPO #2 without Medicare Part A</b>		<b>MAPD HMO (Kaiser) without Medicare Part A</b>	
	<b>Retiree/Spouse</b>		<b>Retiree/Spouse</b>		<b>Retiree/Spouse</b>	
	<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>
65	\$6,469	\$5,373	\$4,198	\$3,487	\$6,719	\$5,581
70	\$7,266	\$6,011	\$4,715	\$3,900	\$7,546	\$6,243
75	\$8,026	\$6,319	\$5,208	\$4,101	\$8,336	\$6,563

The 2023 Medicare Part A premium is \$506 (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, 2022, the health care cost trend rates for Medicare Part A

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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
2023	7.00%	3.50%
2024	6.75%	3.50%
2025	6.50%	3.75%
2026	6.25%	3.75%
2027	6.00%	4.00%
2028	5.75%	4.00%
2029	5.50%	4.00%
2030	5.25%	4.25%
2031	5.00%	4.25%
2032	4.75%	4.25%
2033	4.50%	4.25%
2034	4.50%	4.25%
2035+	4.50%	4.50%

Mortality assumptions used in the December 31, 2022, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

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

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

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

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 for members other than Safety Officers 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 following health care costs assumptions were updated and used in the roll-forward calculation for the HCTF:

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.
- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

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

The actuarial assumptions used in the December 31, 2022, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

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

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

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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 rate of return assumption of 7.25 percent.

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate <sup>1</sup>	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 20,746,764	\$ 21,359,822	\$ 22,026,690

<sup>1</sup>For the January 1, 2024, plan year.

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, 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.

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- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 25,228,632	\$ 21,359,822	\$ 18,050,053

*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/forms-resources/financial-reports-and-studies](http://www.copera.org/forms-resources/financial-reports-and-studies).

**NOTE 12: DEFINED CONTRIBUTION PLANS & DEFERRED COMPENSATION PLAN**

Voluntary Investment Program (PERAPlus 401(k) Plan)

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

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Funding Policy – The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. The plan uses a third-party administrator, and all costs of administration and funding are borne by the plan participants. The district does not match contributions made by participants of the plan. Employees are immediately vested in their own contributions, and investment earnings. For the year ended June 30, 2024, program members contributed \$1,464,597 to the plan.

**Deferred Compensation Plan (PERAPlus 457 Plan)**

Plan Description – Employees of the district may voluntarily contribute to the Deferred Compensation Plan (PERAPlus 457 Plan), an Internal Revenue Code Section 457 deferred compensation plan administered by PERA. Title 24, Article 51, Part 16 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 457 Plan. That report can be obtained at [www.copera.org/forms-resources/financial-reports-and-studies](http://www.copera.org/forms-resources/financial-reports-and-studies).

Funding Policy - The PERAPlus 457 Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1603 of the C.R.S., as amended. Plan participation is voluntary and contributions are separate from others made to PERA. The plan uses a third-party administrator, and all costs of administration and funding are borne by the plan participants. The district does not match contributions made by participants of the plan. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2024, program members contributed \$868,243 to the plan.

**403(b) Defined Contribution Plan**

In addition, employees may contribute to a tax-sheltered annuity in accordance with 403(b) plan and district policies and regulations, an Internal Revenue Code 403(b) defined contribution plan. The plan is held for the benefits of the participants and beneficiaries and all investments are participant-directed. The 403(b) plan is funded by voluntary member contributions up to the maximum limit set by the Internal Revenue Service. The district does not match contributions made by participants of the plan. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2024, program members contributed \$2,604,290 to the plan.

**NOTE 13: RELATED-PARTY TRANSACTIONS**

The district provides administrative and other services to its eleven charter schools, shown as discretely presented component units. The amount of charges for services, in accordance with governing state statutes, for the fiscal year ended June 30, 2024 was \$10,664,454 which have been recorded in the district's financial statements.

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**NOTE 14: SUBSEQUENT EVENTS**

In August 2024, the district issued \$7.8 million in Certificates of Participation to participate in an Energy Performance Contract to make upgrades to LED lighting and optimizing irrigation systems to create energy efficiencies district wide.

In the November 2024 election, voters approved a \$1 billion general obligation bond to pay for enhanced health, safety and security, a new healthcare focused job skills training high school, career and technical education expansion, mental health support spaces, renovations and modernizations plus much more. The bond passed with 74% approval from our community.

The voters also approved a \$30 million debt free schools mill levy in the November election. This mill levy will help fund ongoing maintenance needs and free up general fund dollars to pay for attracting and retaining teachers by increasing salaries, mental health resources and counseling services and career, technology and skilled trades classes that offer students real-world learning. This measure passed with a 63% approval rating from our community.



# AUROLA

## PUBLIC SCHOOLS

— Power Your Potential —

## **Required Supplementary Information**

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

### **Budgetary Comparisons**

#### **General Fund**

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

#### **Grants Fund**

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

#### **Nutrition Services Fund**

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

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Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
General Fund  
For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
<b>REVENUES</b>				
Local:				
Property taxes	\$ 229,455,062	\$ 258,509,302	\$ 260,228,401	\$ 1,719,099
Specific ownership	18,000,000	18,000,000	24,569,317	6,569,317
Pupil Activities	5,000	5,000	4,378	(622)
Tuition	225,000	225,000	158,718	(66,282)
Gifts and grants	-	-	17,896	17,896
Charges for services	11,592,871	11,592,871	10,566,310	(1,026,561)
Other	8,780,000	12,701,960	7,909,827	(4,792,133)
Rental of buildings	1,500,000	1,500,000	1,595,073	95,073
Net earnings on investments	3,400,000	3,400,000	4,140,917	740,917
State:				
State equalization	240,633,764	191,058,731	199,504,486	8,445,755
Vocational education	870,629	850,098	850,098	-
Special education	15,828,000	15,602,197	15,620,907	18,710
Transportation	2,535,834	3,108,549	3,430,563	322,014
English Language Proficiency Act	3,492,131	4,537,244	4,537,244	-
READ Act	2,397,648	2,432,500	2,432,501	1
Gifted and talented	377,605	377,605	407,827	30,222
Grants	247,437	12,402,090	16,234,835	3,832,745
Federal grants	454,204	454,204	165,295	(288,909)
Total revenues	<u>539,795,185</u>	<u>536,757,351</u>	<u>552,374,593</u>	<u>15,617,242</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	263,331,300	259,157,350	260,492,049	(1,334,699)
Pupil support	58,287,084	59,861,291	69,169,261	(9,307,970)
Instructional staff support	29,598,333	27,806,235	31,799,684	(3,993,449)
General administration	8,492,978	8,762,070	7,304,773	1,457,297
School administration	33,532,501	35,812,646	39,164,151	(3,351,505)
Business administration	8,036,823	8,036,823	5,819,902	2,216,921
Operations and maintenance	41,255,795	41,876,546	45,934,711	(4,058,165)
Transportation services	15,549,274	15,549,274	8,388,045	7,161,229
Personnel/data/risk management	29,752,276	39,019,972	38,066,582	953,390
Other support services	30,149,251	30,642,251	26,239,133	4,403,118
Food service operations	-	-	7,523	(7,523)
Facilities acquisition and improvements	579,782	5,579,782	9,409,697	(3,829,915)
Debt service:				
Principal	449,463	449,463	1,524,094	(1,074,631)
Interest	132,243	132,243	182,357	(50,114)
Contingencies and appropriated reserves	89,729,356	91,556,431	-	91,556,431
Total expenditures	<u>608,876,459</u>	<u>624,242,377</u>	<u>543,501,962</u>	<u>80,740,415</u>
Excess (deficiency) of revenues over (under) expenditures	(69,081,274)	(87,485,026)	8,872,631	96,357,657
<b>OTHER FINANCING SOURCES (USES)</b>				
Financing from leases and subscriptions	180,000	180,000	472,980	292,980
Transfers out	(7,354,900)	(8,054,900)	(8,237,465)	(182,565)
Total other financing sources (uses)	<u>(7,174,900)</u>	<u>(7,874,900)</u>	<u>(7,764,485)</u>	<u>110,415</u>
Net change in fund balance	<u>\$ (76,256,174)</u>	<u>\$ (95,359,926)</u>	<u>1,108,146</u>	<u>\$ 96,468,072</u>
Fund balance - July 1, 2023			95,359,926	
Fund balance - June 30, 2024			<u>\$ 96,468,072</u>	

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

**Joint School District No. 28-J of the  
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Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Special Revenue Fund – Grants Fund  
For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget - Over (Under)
<b>REVENUES</b>				
Local:				
Gifts and grants	\$ 15,704,943	\$ 14,767,606	\$ 1,903,203	\$ (12,864,403)
State:				
Special education	-	-	66,172	66,172
State grants	12,278,835	11,329,455	6,555,038	(4,774,417)
Federal grants	55,928,512	66,973,509	57,280,038	(9,693,471)
Total revenues	<u>83,912,290</u>	<u>93,070,570</u>	<u>65,804,451</u>	<u>(27,266,119)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	45,547,773	36,437,629	20,702,394	15,735,235
Pupil support	12,810,578	23,514,257	16,828,579	6,685,678
Instructional staff support	16,394,904	14,234,058	9,310,967	4,923,091
General administration	2,209,901	4,299,728	1,663,406	2,636,322
School administration	234,835	2,788,112	687,634	2,100,478
Business administration	-	-	18,227	(18,227)
Operations and maintenance	800,000	2,446,008	1,943,134	502,874
Transportation services	-	3,902,468	12,837,373	(8,934,905)
Personnel/data/risk management	2,830,000	2,642,748	144,523	2,498,225
Other support services	2,575,734	2,391,000	1,146,288	1,244,712
Food service operations	508,565	318,804	334,200	(15,396)
Facilities acquisition and improvements	-	95,758	186,896	(91,138)
Debt service:				
Principal	-	-	734	(734)
Interest	-	-	96	(96)
Total expenditures	<u>83,912,290</u>	<u>93,070,570</u>	<u>65,804,451</u>	<u>27,266,119</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - July 1, 2023			-	
Fund balance - June 30, 2024			<u>\$ -</u>	

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

**Joint School District No. 28-J of the  
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Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Special Revenue Fund – Nutrition Services Fund  
For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
<b>REVENUES</b>				
Local:				
Gifts and grants	\$ -	\$ -	\$ 5,168	\$ 5,168
Charges for services	301,292	419,520	505,602	86,082
Other	-	-	16,129	16,129
Net earnings on investments	500,000	700,000	827,006	127,006
State:				
State grants	602,090	7,167,000	5,738,286	(1,428,714)
Federal grants	18,718,948	21,759,882	22,767,428	1,007,546
Total revenues	<u>20,122,330</u>	<u>30,046,402</u>	<u>29,859,619</u>	<u>(186,783)</u>
<b>EXPENDITURES</b>				
Current:				
Pupil support	-	3,808	5,299	(1,491)
Business administration	-	767,051	710,416	56,635
Operations and maintenance	-	614	772	(158)
Food service operations	33,439,169	47,776,022	28,301,461	19,474,561
Debt service:				
Principal	-	21,000	21,733	(733)
Interest	-	1,600	582	1,018
Total expenditures	<u>33,439,169</u>	<u>48,570,095</u>	<u>29,040,263</u>	<u>19,529,832</u>
Excess (deficiency) of revenues over (under) expenditures	(13,316,839)	(18,523,693)	819,356	19,343,049
Net change in fund balance	<u>\$ (13,316,839)</u>	<u>\$ (18,523,693)</u>	<u>819,356</u>	<u>\$ 19,343,049</u>
Fund balance - July 1, 2023			18,523,693	
Fund balance - June 30, 2024			<u>\$ 19,343,049</u>	

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

**Joint School District No. 28-J of the  
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Schedule of the District's Proportionate Share of the Net Pension Liability  
PERA – School Division Trust Fund  
For the Year Ended December 31**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
District's proportion of the net pension liability	5.002%	4.104%	4.866%	5.263%	4.424%	4.259%	5.070%	5.378%	5.383%	5.243%
District's proportionate share of the net pension liability	\$ 884,610,675	\$ 747,281,881	\$ 566,325,130	\$ 795,638,277	\$ 660,924,055	\$ 754,076,588	\$ 1,639,450,659	\$ 1,601,209,456	\$ 823,387,622	\$ 710,633,013
State's proportionate share of the net pension liability	19,396,887	217,765,450	64,921,943	-	83,829,810	103,109,501	-	-	-	-
Total	\$ 904,007,562	\$ 965,047,331	\$ 631,247,073	\$ 795,638,277	\$ 744,753,865	\$ 857,186,089	\$ 1,639,450,659	\$ 1,601,209,456	\$ 823,387,622	\$ 710,633,013
District's covered payroll	\$ 330,709,834	\$ 316,517,613	\$ 304,138,860	\$ 281,367,527	\$ 259,915,969	\$ 234,119,925	\$ 233,872,275	\$ 241,369,031	\$ 234,613,404	\$ 219,654,425
District's proportionate share of the net pension liability as a percentage of its covered payroll	267.49%	236.09%	186.21%	282.78%	254.28%	322.00%	701.00%	663.39%	350.96%	323.52%
Plan fiduciary net position as a percentage of the total pension liability	64.74%	61.79%	74.86%	66.99%	64.52%	57.01%	43.96%	43.13%	59.16%	62.84%

Note 1: Information above is presented as of the measurement date.

Note 2: Information is not available for years prior to 2014; additional years will be displayed as they become available.

Note 3: The notes to the required supplementary information are an integral part of this statement.

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 70,657,665	\$ 66,342,852	\$ 61,507,704	\$ 58,802,255	\$ 52,623,554	\$ 46,667,818	\$ 43,185,850	\$ 44,036,255	\$ 42,960,962	\$ 38,200,248
Contributions in relation to the contractually required contribution	<u>(70,657,665)</u>	<u>(66,342,852)</u>	<u>(61,507,704)</u>	<u>(58,802,255)</u>	<u>(52,623,554)</u>	<u>(46,667,818)</u>	<u>(43,185,850)</u>	<u>(44,036,255)</u>	<u>(42,960,962)</u>	<u>(38,200,248)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 346,701,345	\$ 325,524,557	\$ 309,391,589	\$ 295,788,912	\$ 271,535,443	\$ 243,951,629	\$ 228,710,727	\$ 239,566,489	\$ 242,250,288	\$ 226,217,490
Contributions as a percentage of covered payroll	20.38%	20.38%	19.88%	19.88%	19.38%	19.13%	18.88%	18.38%	17.73%	16.89%

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

Note 2: Information is not available for years prior to 2015; additional years will be displayed as they become available.

Note 3: The notes to the required supplementary information are an integral part of this statement.

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	2.993%	3.119%	3.177%	3.043%	2.891%	2.768%	2.881%
District's proportionate share of the net OPEB liability	\$ 21,359,822	\$ 25,466,977	\$ 27,399,177	\$ 28,911,987	\$ 32,490,947	\$ 37,661,634	\$ 37,438,154
District's covered payroll	\$ 330,709,834	\$ 316,517,613	\$ 304,138,860	\$ 281,367,527	\$ 259,915,969	\$ 234,119,925	\$ 233,872,275
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	6.46%	8.05%	9.01%	10.28%	12.50%	16.09%	16.01%
Plan fiduciary net position as a percentage of the total OPEB liability	46.16%	38.57%	39.40%	32.78%	24.49%	17.03%	17.50%

Note 1: Information above is presented as of the measurement date.

Note 2: Information is not currently available for years prior to 2017; additional years will be displayed as they become available.

Note 3: The notes to the required supplementary information are an integral part of this statement.

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ 3,536,354	\$ 3,320,351	\$ 3,155,794	\$ 3,017,047	\$ 2,769,661	\$ 2,488,307	\$ 2,332,850
Contributions in relation to the statutorily required contribution	<u>(3,536,354)</u>	<u>(3,320,351)</u>	<u>(3,155,794)</u>	<u>(3,017,047)</u>	<u>(2,769,661)</u>	<u>(2,488,307)</u>	<u>(2,332,850)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 346,701,345	\$ 325,524,557	\$ 309,391,589	\$ 295,788,912	\$ 271,535,443	\$ 243,951,629	\$ 228,710,727
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

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

Note 2: Information is not currently available for years prior to 2018; additional years will be displayed as they become available.

Note 3: The notes to the required supplementary information are an integral part of this statement.

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Notes to the Required Supplementary Information  
June 30, 2024**

**NOTE 1: BUDGETARY INFORMATION**

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

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

**NOTE 2: SIGNIFICANT CHANGES AFFECTING TRENDS IN ACTUARIAL INFORMATION**

*2023 changes of assumptions or other inputs since the December 31, 2022 actuarial valuation are as follows:*

**Defined Benefit Pension Plan:**

- Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the \$225 million direct distribution originally scheduled for receipt July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379, but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the State Treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in §24-51-416, plus \$10 million from the General Fund, totaling \$14.561 million.
- As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.
- There were no changes made to the actuarial methods or assumptions.

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

- As of the December 31, 2023, measurement date, the fiduciary net position (FNP) and related disclosure components for the Health Care Trust Fund (HCTF) reflect payments

**Joint School District No. 28-J of the  
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June 30, 2024**

related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

- There were no changes made to the actuarial methods or assumptions.

*2022 changes of assumptions or other inputs since the December 31, 2021 actuarial valuation are as follows:*

**Defined Benefit Pension Plan:**

- There were no changes made to the actuarial methods or assumptions.

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

- The timing of the retirement decrement was adjusted to middle-of-year.

*2021 changes of assumptions or other inputs since the December 31, 2020 actuarial valuation are as follows:*

**Defined Benefit Pension Plan:**

- The assumption used to value the AI cap benefit provision was changed from 1.25 percent to 1.00 percent.

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

- There were no changes made to the actuarial methods or assumptions.

*2020 changes of assumptions or other inputs since the December 31, 2019 actuarial valuation are as follows:*

**Defined Benefit Pension Plan:**

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

**Joint School District No. 28-J of the  
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Notes to the Required Supplementary Information  
June 30, 2024**

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

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

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

*2019 changes of assumptions or other inputs since the December 31, 2018 actuarial valuation are as follows:*

**Defined Benefit Pension Plan:**

- The assumption used to value the annual increase cap benefit provision was changed from 1.50 percent to 1.25 percent.

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

- There were no changes made to the actuarial methods or assumptions.

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Notes to the Required Supplementary Information  
June 30, 2024**

*2018 changes of assumptions or other inputs since the December 31, 2017 actuarial valuation are as follows:*

**Defined Benefit Pension Plan:**

- The single equivalent interest rate (SEIR) for the School Division was increased from 4.78 percent to 7.25 percent to reflect the changes to the projection's valuation basis which no longer resulted in a projected year of depletion of the fiduciary net position (FNP), thereby eliminating the need to apply the municipal bond index rate.

**Defined Benefit Other Post Employment Benefits (OPEB) Pension Plan:**

- There were no changes made to the actuarial methods or assumptions.

*2017 changes in assumptions or other inputs since the December 31, 2016 actuarial valuation are as follows:*

**Defined Benefit Pension Plan:**

- The single equivalent interest rate (SIER) for the School Division was lowered from 5.26 percent to 4.78 percent to reflect the changes to the projection's valuation basis, a projected year of depletion of the fiduciary net position (FNP), and the resulting application of the municipal bond rate.
- The municipal bond index rate used in the determination of the SIER for the State, School, and Judicial Divisions changed from 3.86 percent to 3.43 percent on the measurement date.

**Defined Benefit Other Post Employment Pension (OPEB) Plan:**

- There were no changes made to the actuarial methods of assumptions.

*2016 changes in assumptions or other inputs since the December 31, 2015 actuarial valuation are as follows:*

**Defined Benefit Pension Plan:**

- Investment rate of return assumption was lowered from 7.5 percent to 7.25 percent.
- Price inflation assumption decreased was lowered from 2.80 percent to 2.40 percent.
- Wage inflation assumption was lowered from 3.90 percent to 3.50 percent.
- Real rate of investment return assumption increased from 4.70 percent per year, net of investment expenses, to 4.85 percent.
- Healthy and disabled mortality assumptions are based on the RP-2014 Mortality Tables, updated from the RP-2000 Mortality Tables.
- The discount rate was lowered from 7.50 percent to 5.26 percent.

*2015 changes in assumptions or other inputs since the December 31, 2014 actuarial valuation are as follows:*

**Defined Benefit Pension Plan:**

- The following programming changes were made:
  - Valuation of the full survivor benefit without any reduction for possible remarriage.
  - Reflection of the employer match on separation benefits for all eligible years.
  - Reflection of one year of service eligibility for survivor annuity benefit.
  - Refinement of the 18-month AI timing.

**Joint School District No. 28-J of the  
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Notes to the Required Supplementary Information  
June 30, 2024**

- Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.
- The following methodology changes were made:
  - Recognition of merit salary increases in the first projection year.
  - Elimination of the assumption that 35% of future disabled members elect to receive a refund.
  - Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
  - Adjustment to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year.



# AURORA

## PUBLIC SCHOOLS

— Power Your Potential —

## **SUPPLEMENTARY INFORMATION**

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

## Major Governmental Funds

### Bond Redemption Fund

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

### Building Fund

This fund is used to account for expenditures related to major construction, repair, or remodel of district sites. Funding for these projects was provided by the sale of the 2010, 2017, 2019 and 2021 General Obligation Bonds.

### Capital Reserve Fund

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

## Nonmajor Governmental Funds

### Athletic Fund

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

### Medicaid Fund

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

### Pickens Post-Secondary Fund

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

### Pupil Activity Fund

This fund is used to record financial transactions related to school-sponsored pupil organizations and activities. These activities are self-supporting and do not receive direct or indirect district support. Effective July 1, 2019, in accordance with GASB No. 84, *Fiduciary Activities*, this fund is reported as a special revenue fund.

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Debt Service Fund – Bond Redemption Fund  
For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
<b>REVENUES</b>				
Local:				
Property taxes	\$ 95,947,307	\$ 116,274,550	\$ 114,415,036	\$ (1,859,514)
Net earnings on investments	2,750,000	4,250,000	6,129,535	1,879,535
Total revenues	<u>98,697,307</u>	<u>120,524,550</u>	<u>120,544,571</u>	<u>20,021</u>
<b>EXPENDITURES</b>				
Current:				
General administration	10,000	-	7,275	(7,275)
Debt service:				
Principal	61,266,940	61,266,940	61,266,940	-
Interest	15,958,133	15,958,133	15,958,133	-
Bond issuance costs	-	10,000	-	10,000
Contingency	151,707,254	174,848,959	-	174,848,959
Total expenditures	<u>228,942,327</u>	<u>252,084,032</u>	<u>77,232,348</u>	<u>174,851,684</u>
Excess (deficiency) of revenues over (under) expenditures	(130,245,020)	(131,559,482)	43,312,223	174,871,705
Net change in fund balance	<u>\$ (130,245,020)</u>	<u>\$ (131,559,482)</u>	<u>43,312,223</u>	<u>\$ 174,871,705</u>
Fund balance - July 1, 2023			131,559,482	
Fund balance - June 30, 2024			<u>\$ 174,871,705</u>	

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Capital Projects Fund – Building Fund  
For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
<b>REVENUES</b>				
Local:				
Gifts and grants	\$ -	\$ 125,000	\$ 125,000	\$ -
Net earnings on investments	500,000	1,000,000	1,173,135	173,135
State:				
State Grants	7,051,888	6,486,837	1,703,645	(4,783,192)
Total revenues	<u>7,551,888</u>	<u>7,611,837</u>	<u>3,001,780</u>	<u>(4,610,057)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel/data/risk management	-	123,478	125,793	(2,315)
Facilities acquisition and improvements	52,147,817	40,879,302	17,317,550	23,561,752
Total expenditures	<u>52,147,817</u>	<u>41,002,780</u>	<u>17,443,343</u>	<u>23,559,437</u>
Excess (deficiency) of revenues over (under) expenditures	(44,595,929)	(33,390,943)	(14,441,563)	18,949,380
Net change in fund balance	<u>\$ (44,595,929)</u>	<u>\$ (33,390,943)</u>	<u>(14,441,563)</u>	<u>\$ 18,949,380</u>
Fund balance - July 1, 2023			33,390,943	
Fund balance - June 30, 2024			<u>\$ 18,949,380</u>	

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Capital Projects Fund – Capital Reserve Fund  
For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
<b>REVENUES</b>				
Local:				
Other	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Cash in lieu of land dedication	1,000,000	1,000,000	1,299,679	299,679
Net earnings on investments	250,000	250,000	352,339	102,339
State:				
State grants	-	977,365	424,302	(553,063)
Total revenues	<u>1,350,000</u>	<u>2,327,365</u>	<u>2,076,320</u>	<u>(251,045)</u>
<b>EXPENDITURES</b>				
Current:				
General administration	-	55,000	46,210	8,790
Operations and maintenance	-	396,600	807,326	(410,726)
Transportation services	-	200,000	-	200,000
Facilities acquisition and improvements	1,350,000	10,139,350	6,945,197	3,194,153
Debt:				
Principal	1,836,899	1,836,899	1,836,899	-
Interest	279,003	279,003	280,502	(1,499)
Contingencies and appropriated reserves	2,117,925	-	-	-
Total expenditures	<u>5,583,827</u>	<u>12,906,852</u>	<u>9,916,134</u>	<u>2,990,718</u>
Excess (deficiency) of revenues over (under) expenditures	(4,233,827)	(10,579,487)	(7,839,814)	2,739,673
<b>OTHER FINANCING SOURCES</b>				
Transfers in	2,117,925	2,117,925	2,117,925	-
Total other financing sources	<u>2,117,925</u>	<u>2,117,925</u>	<u>2,117,925</u>	<u>-</u>
Net change in fund balance	<u>\$ (2,115,902)</u>	<u>\$ (8,461,562)</u>	<u>(5,721,889)</u>	<u>\$ 2,739,673</u>
Fund balance - July 1, 2023			<u>8,461,562</u>	
Fund balance - June 30, 2024			<u>\$ 2,739,673</u>	

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Combining Balance Sheet – Nonmajor Governmental Funds  
June 30, 2024**

	Special Revenue				Total Nonmajor Governmental Funds
	Athletic	Medicaid	Pickens Post- Secondary	Pupil Activity	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 68,378	\$ 13,898,092	\$ 11,618,555	\$ 3,227,257	\$ 28,812,282
Receivables - other	66	-	31,328	10,499	41,893
Prepaid items	20,151	26,142	6,832	19,396	72,521
Total assets	<u>\$ 88,595</u>	<u>\$ 13,924,234</u>	<u>\$ 11,656,715</u>	<u>\$ 3,257,152</u>	<u>\$ 28,926,696</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 56,050	\$ 183,634	\$ 93,472	\$ 94,812	\$ 427,968
Accrued compensation	11,545	176,452	320,227	-	508,224
Total liabilities	<u>67,595</u>	<u>360,086</u>	<u>413,699</u>	<u>94,812</u>	<u>936,192</u>
Fund balances:					
Nonspendable:					
Prepaid items	20,151	26,142	6,832	19,396	72,521
Restricted for:					
Medicaid	-	13,538,006	-	-	13,538,006
Student fees	-	-	11,236,184	-	11,236,184
Assigned to:					
Athletic activity	849	-	-	-	849
Pupil activity	-	-	-	3,142,944	3,142,944
Unassigned	-	-	-	-	-
Total fund balances	<u>21,000</u>	<u>13,564,148</u>	<u>11,243,016</u>	<u>3,162,340</u>	<u>27,990,504</u>
Total liabilities and fund balances	<u>\$ 88,595</u>	<u>\$ 13,924,234</u>	<u>\$ 11,656,715</u>	<u>\$ 3,257,152</u>	<u>\$ 28,926,696</u>

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2024**

	Special Revenue				Total Nonmajor Governmental Funds
	Athletic	Medicaid	Pickens Post- Secondary	Pupil Activity	
<b>REVENUES</b>					
Local:					
Pupil activities	\$ 416,913	\$ -	\$ 608,814	\$ 1,878,708	\$ 2,904,435
Tuition	7,534	-	7,771,991	5,890	7,785,415
Gifts and grants	240	-	22,586	112,242	135,068
Charges for services	-	-	305,194	-	305,194
Other	57,899	-	-	232,892	290,791
Medicaid reimbursements	-	7,990,141	-	-	7,990,141
Total revenues	<u>482,586</u>	<u>7,990,141</u>	<u>8,708,585</u>	<u>2,229,732</u>	<u>19,411,044</u>
<b>EXPENDITURES</b>					
Current:					
Instruction	4,636,844	85,092	5,060,379	2,016,340	11,798,655
Pupil support	223,100	4,797,004	122,378	159,984	5,302,466
Instructional staff support	1,358,131	209,484	824,160	-	2,391,775
General administration	9,394	417,588	72	20,310	447,364
School administration	2,739	-	372,216	19,756	394,711
Business administration	-	-	357,968	-	357,968
Operations and maintenance	50,834	-	1,445	1,175	53,454
Transportation services	-	711,310	-	-	711,310
Personnel/Data/Risk Management	-	-	107,092	-	107,092
Other support services	32,410	21,049	453,867	-	507,326
Facilities acquisition and improvements	61,037	-	49,717	-	110,754
Debt service:					
Principal	-	270	734	-	1,004
Interest	-	35	96	-	131
Total expenditures	<u>6,374,489</u>	<u>6,241,832</u>	<u>7,350,124</u>	<u>2,217,565</u>	<u>22,184,010</u>
Excess (deficiency) of revenues over (under) expenditures	(5,891,903)	1,748,309	1,358,461	12,167	(2,772,966)
<b>OTHER FINANCING SOURCES</b>					
Transfers in	5,900,000	-	219,540	-	6,119,540
Total other financing sources	<u>5,900,000</u>	<u>-</u>	<u>219,540</u>	<u>-</u>	<u>6,119,540</u>
Net change in fund balances	8,097	1,748,309	1,578,001	12,167	3,346,574
Fund balance - July 1, 2023	12,903	11,815,839	9,665,015	3,150,173	24,643,930
Fund balance - June 30, 2024	<u>\$ 21,000</u>	<u>\$ 13,564,148</u>	<u>\$ 11,243,016</u>	<u>\$ 3,162,340</u>	<u>\$ 27,990,504</u>

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Special Revenue Fund – Athletic Fund  
For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
<b>REVENUES</b>				
Local:				
Pupil activities	\$ 640,300	\$ 627,398	\$ 416,913	\$ (210,485)
Tuition	-	-	7,534	7,534
Gifts and grants	-	-	240	240
Other	40,000	40,000	57,899	17,899
Total revenues	<u>680,300</u>	<u>667,398</u>	<u>482,586</u>	<u>(184,812)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	4,549,014	3,973,989	4,636,844	(662,855)
Pupil support	94,791	244,026	223,100	20,926
Instructional staff support	2,035,625	2,035,625	1,358,131	677,494
General administration	43,243	43,243	9,394	33,849
School administration	-	-	2,739	(2,739)
Operations and maintenance	-	-	50,834	(50,834)
Other support services	283,418	283,418	32,410	251,008
Contingencies and appropriated reserves	-	-	-	-
Facilities acquisition and improvements	-	-	61,037	(61,037)
Total expenditures	<u>7,006,091</u>	<u>6,580,301</u>	<u>6,374,489</u>	<u>205,812</u>
Excess (deficiency) of revenues over (under) expenditures	(6,325,791)	(5,912,903)	(5,891,903)	21,000
<b>OTHER FINANCING SOURCES</b>				
Transfers in	5,200,000	5,900,000	5,900,000	-
Total other financing sources	<u>5,200,000</u>	<u>5,900,000</u>	<u>5,900,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,125,791)</u>	<u>\$ (12,903)</u>	<u>8,097</u>	<u>\$ 21,000</u>
Fund balance - July 1, 2023			<u>12,903</u>	
Fund balance - June 30, 2024			<u>\$ 21,000</u>	

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Special Revenue Fund – Medicaid Fund  
For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
<b>REVENUES</b>				
Medicaid reimbursements	\$ 6,700,000	\$ 6,878,554	\$ 7,990,141	\$ 1,111,587
Total revenues	<u>6,700,000</u>	<u>6,878,554</u>	<u>7,990,141</u>	<u>1,111,587</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	-	83,128	85,092	(1,964)
Pupil support	17,614,778	17,111,933	4,797,004	12,314,929
Instructional staff support	-	208,427	209,484	(1,057)
General administration	-	453,009	417,588	35,421
Transportation services	1,001,000	753,698	711,310	42,388
Other support services	-	84,198	21,049	63,149
Debt service:				
Principal	-	-	270	(270)
Interest	-	-	35	(35)
Total expenditures	<u>18,615,778</u>	<u>18,694,393</u>	<u>6,241,832</u>	<u>12,452,561</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,915,778)</u>	<u>(11,815,839)</u>	<u>1,748,309</u>	<u>13,564,148</u>
Net change in fund balance	<u>\$ (11,915,778)</u>	<u>\$ (11,815,839)</u>	<u>1,748,309</u>	<u>\$ 13,564,148</u>
Fund balance - July 1, 2023			<u>11,815,839</u>	
Fund balance - June 30, 2024			<u>\$ 13,564,148</u>	

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Special Revenue Fund – Pickens Post-Secondary Fund  
For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
<b>REVENUES</b>				
Local:				
Pupil activities	\$ 950,000	\$ 223,401	\$ 608,814	\$ 385,413
Tuition	6,150,000	7,437,768	7,771,991	334,223
Gifts and grants	-	-	22,586	22,586
Charges for services	400,000	193,799	305,194	111,395
Total revenues	<u>7,500,000</u>	<u>7,854,968</u>	<u>8,708,585</u>	<u>853,617</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	6,337,739	3,633,772	5,060,379	(1,426,607)
Pupil support	275,056	106,798	122,378	(15,580)
Instructional staff support	8,397,186	12,283,566	824,160	11,459,406
General administration	-	216	72	144
School administration	460,000	312,080	372,216	(60,136)
Business administration	327,619	372,016	357,968	14,048
Operations and maintenance	-	261	1,445	(1,184)
Personnel/data/risk management	103,621	111,768	107,092	4,676
Other support services	108,572	689,176	453,867	235,309
Facilities acquisition and improvements	150,000	10,330	49,717	(39,387)
Debt service:				
Principal	-	-	734	(734)
Interest	-	-	96	(96)
Total expenditures	<u>16,159,793</u>	<u>17,519,983</u>	<u>7,350,124</u>	<u>10,169,859</u>
Excess (deficiency) of revenues over (under) expenditures	(8,659,793)	(9,665,015)	1,358,461	11,023,476
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	36,975	-	219,540	219,540
Total other financing sources (uses)	<u>36,975</u>	<u>-</u>	<u>219,540</u>	<u>219,540</u>
Net change in fund balance	<u>\$ (8,622,818)</u>	<u>\$ (9,665,015)</u>	<u>1,578,001</u>	<u>\$ 11,243,016</u>
Fund balance - July 1, 2023			<u>9,665,015</u>	
Fund balance - June 30, 2024			<u>\$ 11,243,016</u>	

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Special Revenue Fund – Pupil Activity Fund  
For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
<b>REVENUES</b>				
Local:				
Pupil activities	\$ 1,855,434	\$ 1,392,402	\$ 1,878,708	\$ 486,306
Tuition	-	-	5,890	5,890
Gifts and grants	-	195,424	112,242	(83,182)
Other	-	132,983	232,892	99,909
Total revenues	<u>1,855,434</u>	<u>1,720,809</u>	<u>2,229,732</u>	<u>508,923</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	4,993,440	4,531,882	2,016,340	2,515,542
Pupil support	77,146	215,949	159,984	55,965
Instructional staff support	9,655	9,904	-	9,904
General administration	945	62,135	20,310	41,825
School administration	-	33,426	19,756	13,670
Business administration	-	147	-	147
Operations and maintenance	592	592	1,175	(583)
Personnel/data/risk management	5,967	5,967	-	5,967
Other support services	10,638	10,980	-	10,980
Total expenditures	<u>5,098,383</u>	<u>4,870,982</u>	<u>2,217,565</u>	<u>2,653,417</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,242,949)</u>	<u>(3,150,173)</u>	<u>12,167</u>	<u>3,162,340</u>
Net change in fund balance	<u>\$ (3,242,949)</u>	<u>\$ (3,150,173)</u>	<u>12,167</u>	<u>\$ 3,162,340</u>
Fund balance - July 1, 2023			<u>3,150,173</u>	
Fund balance - June 30, 2024			<u>\$ 3,162,340</u>	



# AUROLA

## PUBLIC SCHOOLS

— Power Your Potential —

## **Supplementary Schedules – Nonmajor Component Units Charter Schools**

### **Academy of Advanced Learning**

Academy of Advanced Learning began operations with the district July 1, 2017. The school serves students in kindergarten through eighth grades. Effective June 30, 2024, Academy of Advanced Learning's charter school contract with the district was terminated.

### **Aurora Academy**

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

### **Aurora Science and Tech of Denver School of Science and Technology, Inc.**

Aurora Science and Tech began operations with the district on July 1, 2019. The school operates on two campuses, a middle school and a high school, and serves students in sixth through twelfth grades.

### **AXL Charter School**

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

### **Global Village Academy**

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

### **Lotus School for Excellence**

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

### **Rocky Mountain Preparatory at Fletcher**

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

### **Vanguard Classical School**

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

### **Vega Collegiate Academy**

Vega Collegiate Academy began operations with the district on July 1, 2017. The school serves students in kindergarten through eighth grades.

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Combining Statement of Net Position  
Component Units – Charter Schools  
June 30, 2024**

	Academy of Advanced Learning	Aurora Academy	Aurora Science and Tech of DSST	AXL Charter School	Global Village Academy	Lotus School for Excellence	Rocky Mountain Preparatory School at Fletcher	Vanguard Classical School	Vega Collegiate Academy	Total
<b>ASSETS</b>										
Current assets:										
Cash and cash equivalents	\$ 33,432	\$ 3,436,484	\$ (30,180)	\$ 648,603	\$ 5,986,747	\$ 3,804,817	\$ 4,220,822	\$ 8,562,460	\$ 2,358,501	\$ 29,021,686
Due from other governments	84,247	-	-	-	-	148,377	-	276,825	55,296	564,745
Receivables (net of allowance for uncollectibles)	252,021	121,486	3,635,412	195,117	3,025,633	188,362	1,066,340	320,269	167,020	8,971,660
Prepaid items and other assets	181,206	53,961	12,763	89,822	24,121	77,927	26,374	197,517	75,812	739,503
Total current assets	550,906	3,611,931	3,617,995	933,542	9,036,501	4,219,483	5,313,536	9,357,071	2,656,629	39,297,594
Noncurrent assets:										
Restricted: Cash and cash equivalents and investments	345,124	709,128	25,286	254,257	2,823,417	135,627	-	1,817,570	2,323,047	8,433,456
Capital assets (net of accumulated depreciation/amortization):										
Land	-	310,000	-	-	1,101,789	590,820	-	-	-	2,002,609
Construction in progress	-	1,906,342	-	1,233,922	-	-	-	-	-	3,140,264
Buildings and improvements	8,614,526	4,927,350	387,616	280,380	19,194,874	14,060,573	-	22,883,755	11,999,293	82,348,367
Equipment and vehicles	-	343,618	-	91,464	18,866	923,722	-	72,460	88,177	1,538,307
Right-to-use assets - leases, IT subscriptions, vehicles	7,299,017	-	473,148	4,006,897	383,278	-	-	60,479	391,670	12,614,489
Total noncurrent assets	16,258,667	8,196,438	886,050	5,866,920	23,522,224	15,710,742	-	24,834,264	14,802,187	110,077,492
<b>Total assets</b>	<b>16,809,573</b>	<b>11,808,369</b>	<b>4,504,045</b>	<b>6,800,462</b>	<b>32,558,725</b>	<b>19,930,225</b>	<b>5,313,536</b>	<b>34,191,335</b>	<b>17,458,816</b>	<b>149,375,086</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>										
Deferred loss on bond refunding	-	186,793	-	-	498,972	-	-	-	-	685,765
Items related to pension plan	7,722,608	2,966,911	5,676,356	1,908,171	4,648,455	4,904,463	4,189,475	5,329,626	3,033,856	40,379,921
Items related to OPEB	282,619	44,870	286,006	30,580	78,289	84,025	159,736	108,230	202,249	1,276,604
<b>Total deferred outflows of resources</b>	<b>8,005,227</b>	<b>3,198,574</b>	<b>5,962,362</b>	<b>1,938,751</b>	<b>5,225,716</b>	<b>4,988,488</b>	<b>4,349,211</b>	<b>5,437,856</b>	<b>3,236,105</b>	<b>42,342,290</b>
<b>LIABILITIES</b>										
Current liabilities:										
Accounts payable and other current liabilities	777,616	1,045,696	102,139	266,489	1,680,167	215,886	173,998	518,487	65,532	4,846,010
Accrued salaries and benefits	565,662	452,999	354,629	396,323	621,773	587,698	-	694,521	-	3,673,605
Unearned revenue	257,617	-	-	-	151,923	675	19,698	-	39,156	469,069
Accrued interest payable	31,514	42,701	-	37,080	325,268	21,878	-	525,984	262,907	1,247,332
Notes, leases, IT subscriptions and mortgages payable	971,713	305,047	64,271	1,181,431	9,058,183	295,614	-	411,210	339,517	12,626,986
Total current liabilities	2,604,122	1,846,443	521,039	1,881,323	11,837,314	1,121,751	193,696	2,150,202	707,112	22,863,002
Noncurrent liabilities:										
Net pension liability	22,028,950	10,575,782	12,342,138	6,794,844	16,027,587	18,833,818	12,142,744	18,918,307	9,750,855	127,415,025
Net OPEB liability	532,196	255,363	298,013	164,068	331,190	454,761	293,198	456,801	235,444	3,021,034
Notes, leases, IT subscriptions and mortgages payable	15,955,232	3,242,310	379,726	4,122,922	18,465,486	7,591,378	-	23,743,270	14,805,962	88,306,286
Total noncurrent liabilities	38,516,378	14,073,455	13,019,877	11,081,834	34,824,263	26,879,957	12,435,942	43,118,378	24,792,261	218,742,345
<b>Total liabilities</b>	<b>41,120,500</b>	<b>15,919,898</b>	<b>13,540,916</b>	<b>12,963,157</b>	<b>46,661,577</b>	<b>28,001,708</b>	<b>12,629,638</b>	<b>45,268,580</b>	<b>25,499,373</b>	<b>241,605,347</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Items related to pension plan	210,831	370,420	-	338,561	783,115	806,807	478,655	641,360	-	3,629,749
Items related to OPEB	165,517	81,143	92,680	64,531	176,473	165,808	91,183	157,952	101,599	1,096,886
Items related to leases	-	-	-	-	2,741,663	-	-	-	-	2,741,663
<b>Total deferred inflows of resources</b>	<b>376,348</b>	<b>451,563</b>	<b>92,680</b>	<b>403,092</b>	<b>3,701,251</b>	<b>972,615</b>	<b>569,838</b>	<b>799,312</b>	<b>101,599</b>	<b>7,468,298</b>
<b>NET POSITION</b>										
Net investment in capital assets	(1,013,402)	4,126,746	416,767	308,310	(6,824,862)	7,688,123	-	(1,024,238)	(1,761,414)	1,916,030
Restricted for:										
TABOR emergency reserve	206,489	253,412	419,460	221,236	449,116	477,500	309,087	521,000	281,200	3,138,500
Other	263,610	-	61,247	-	2,823,417	-	-	1,228,038	1,210,511	5,586,823
Unrestricted (deficit)	(16,138,745)	(5,744,676)	(4,064,663)	(5,156,582)	(9,026,058)	(12,221,233)	(3,845,816)	(7,163,501)	(4,636,348)	(67,997,622)
<b>Total net position (deficit)</b>	<b>\$ (16,682,048)</b>	<b>\$ (1,364,518)</b>	<b>\$ (3,167,189)</b>	<b>\$ (4,627,036)</b>	<b>\$ (12,578,387)</b>	<b>\$ (4,055,610)</b>	<b>\$ (3,536,729)</b>	<b>\$ (6,438,701)</b>	<b>\$ (4,906,051)</b>	<b>\$ (57,356,269)</b>

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Combining Statement of Activities  
Component Units – Charter Schools  
For the Fiscal Year Ended June 30, 2024**

	Academy of Advanced Learning	Aurora Academy	Aurora Science and Tech of DSST	AXL Charter School	Global Village Academy	Lotus School for Excellence	Rocky Mountain Preparatory School at Fletcher	Vanguard Classical School	Vega Collegiate	Total
<b>Expenses</b>										
Governmental activities	\$ 26,727,429	\$ 8,123,871	\$ 15,421,375	\$ 6,648,276	\$ 16,725,558	\$ 15,483,932	\$ 13,029,777	\$ 19,261,720	\$ 11,637,446	\$ 133,059,384
Total expenses	<u>26,727,429</u>	<u>8,123,871</u>	<u>15,421,375</u>	<u>6,648,276</u>	<u>16,725,558</u>	<u>15,483,932</u>	<u>13,029,777</u>	<u>19,261,720</u>	<u>11,637,446</u>	<u>133,059,384</u>
<b>Program revenues</b>										
Charges for services	7,175,887	54,782	59,575	12,884	79,011	732,833	884,599	1,500,876	15,952	10,516,399
Operating grants and contributions	2,275,363	349,722	1,480,780	500,381	1,028,674	881,151	1,424,960	1,409,335	1,860,367	11,210,733
Capital grants and contributions	311,813	202,857	-	137,483	338,359	376,791	912,263	429,288	217,913	2,926,767
Total program revenues	<u>9,763,063</u>	<u>607,361</u>	<u>1,540,355</u>	<u>650,748</u>	<u>1,446,044</u>	<u>1,990,775</u>	<u>3,221,822</u>	<u>3,339,499</u>	<u>2,094,232</u>	<u>24,653,899</u>
Net expenses	(16,964,366)	(7,516,510)	(13,881,020)	(5,997,528)	(15,279,514)	(13,493,157)	(9,807,955)	(15,922,221)	(9,543,214)	(108,405,485)
<b>General revenues:</b>										
School finance act, unrestricted	8,883,512	6,053,264	8,706,271	4,343,563	9,937,188	11,029,121	6,562,724	12,626,369	6,399,824	74,541,836
Net earnings on investments	22,101	245,148	99,380	10,537	403,591	195,969	78,142	506,843	60,561	1,622,272
Grants and contributions not restricted to programs	-	-	366,747	-	-	-	-	21,664	-	388,411
Other	2,413,073	1,833,364	2,688,928	2,103,372	3,640,603	2,851,012	1,685,208	3,290,498	1,695,707	22,201,765
Total general revenues	<u>11,318,686</u>	<u>8,131,776</u>	<u>11,861,326</u>	<u>6,457,472</u>	<u>13,981,382</u>	<u>14,076,102</u>	<u>8,326,074</u>	<u>16,445,374</u>	<u>8,156,092</u>	<u>98,754,284</u>
Change in net position	(5,645,680)	615,266	(2,019,694)	459,944	(1,298,132)	582,945	(1,481,881)	523,153	(1,387,122)	(9,651,201)
Net position (deficit) as restated - July 1, 2023	<u>(11,036,368)</u>	<u>(1,979,784)</u>	<u>(1,147,495)</u>	<u>(5,086,980)</u>	<u>(11,280,255)</u>	<u>(4,638,555)</u>	<u>(2,054,848)</u>	<u>(6,961,854)</u>	<u>(3,518,929)</u>	<u>(47,705,068)</u>
Net position (deficit) - June 30, 2024	<u>\$ (16,682,048)</u>	<u>\$ (1,364,518)</u>	<u>\$ (3,167,189)</u>	<u>\$ (4,627,036)</u>	<u>\$ (12,578,387)</u>	<u>\$ (4,055,610)</u>	<u>\$ (3,536,729)</u>	<u>\$ (6,438,701)</u>	<u>\$ (4,906,051)</u>	<u>\$ (57,356,269)</u>



**Colorado Department of Education**

**Auditors Integrity Report**

District: 0180 - Adams-Arapahoe 28J

Fiscal Year 2023-24  
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	90,359,926	514,984,177	518,236,951	87,107,152
18 Risk Mgmt Sub-Fund of General Fund	5,000,000	13,471,278	9,147,679	9,323,599
19 Colorado Preschool Program Fund	0	16,154,653	16,117,332	37,321
<b>Sub- Total</b>	<b>95,359,926</b>	<b>544,610,107</b>	<b>543,501,962</b>	<b>96,468,072</b>
11 Charter School Fund	28,685,715	123,214,947	122,277,182	29,623,480
20,26-29 Special Revenue Fund	21,493,756	23,300,853	19,966,445	24,828,164
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	18,523,693	29,859,619	29,040,262	19,343,049
22 Govt Designated-Purpose Grants Fund	0	65,804,451	65,804,451	0
23 Pupil Activity Special Revenue Fund	3,150,173	2,229,732	2,217,565	3,162,340
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	131,559,482	120,544,571	77,232,348	174,871,705
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	33,390,943	3,001,780	17,443,343	18,949,381
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	8,461,562	4,194,245	9,916,135	2,739,673
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
<b>Totals</b>	<b>340,625,251</b>	<b>916,760,306</b>	<b>887,399,694</b>	<b>369,985,863</b>
<b>Proprietary</b>				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	-242,275	6,811,929	6,985,106	-415,452
<b>Totals</b>	<b>-242,275</b>	<b>6,811,929</b>	<b>6,985,106</b>	<b>-415,452</b>
<b>Fiduciary</b>				
70 Other Trust and Agency Funds	2,573,816	1,423,691	1,365,160	2,632,347
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	2,190,078	2,246,160	1,219,549	3,216,689
<b>Totals</b>	<b>4,763,894</b>	<b>3,669,851</b>	<b>2,584,709</b>	<b>5,849,036</b>

FINAL

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

11/22/24

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## **STATISTICAL SECTION (UNAUDITED)**

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

<b>Contents</b>	<b>Page</b>
Financial Trends	129
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	136
These schedules contain information to help the reader assess one of the district’s most significant local revenue sources, the property tax.	
Debt Capacity	142
These schedules present information to help the reader to assess the affordability of the district’s current levels of outstanding debt and the district’s ability to issue additional debt in the future.	
Demographic and Economic Information	146
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	148
These schedules contain service and infrastructure data to help the reader understand how the information in the district’s financial report relates to services the district provides and the activities it performs.	

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



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

	Fiscal Year									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Governmental activities:										
Net investment in capital assets	\$ 18,748,887	\$ 24,061,345	\$ 33,582,219	\$ 64,577,395	\$ 74,657,134	\$ 103,888,391	\$ 117,415,039	\$ 125,656,525	\$ 214,538,766	\$ 271,522,809
Restricted	50,648,446	57,065,755	68,241,264	76,663,926	97,255,276	121,774,324	145,580,575	177,789,182	186,118,204	236,366,324
Unrestricted	(615,197,910)	(668,057,787)	(946,564,450)	(1,261,588,811)	(1,112,597,303)	(952,998,885)	(724,033,638)	(536,633,152)	(618,943,921)	(652,247,575)
Total governmental activities net position (deficit)	(545,800,577)	(586,930,687)	(844,740,967)	(1,120,347,490)	(940,684,893)	(727,336,170)	(461,038,024)	(233,187,445)	(218,286,951)	(144,358,442)
Primary government										
Net investment in capital assets	18,748,887	24,061,345	33,582,219	64,577,395	74,657,134	103,888,391	117,415,039	125,656,525	214,538,766	271,522,809
Restricted	50,648,446	57,065,755	68,241,264	76,663,926	97,255,276	121,774,324	145,580,575	177,789,182	186,118,204	236,366,324
Unrestricted	(615,197,910)	(668,057,787)	(946,564,450)	(1,261,588,811)	(1,112,597,303)	(952,998,885)	(724,033,638)	(536,633,152)	(618,943,921)	(652,247,575)
Total governmental activities net position (deficit)	<u>\$ (545,800,577)</u>	<u>\$ (586,930,687)</u>	<u>\$ (844,740,967)</u>	<u>\$ (1,120,347,490)</u>	<u>\$ (940,684,893)</u>	<u>\$ (727,336,170)</u>	<u>\$ (461,038,024)</u>	<u>\$ (233,187,445)</u>	<u>\$ (218,286,951)</u>	<u>\$ (144,358,442)</u>

Note 1: This schedule consolidates data from the government-wide financial statements that utilize the full accrual basis of accounting.  
 Note 2: During 2014-15, the district adopted GASB 68. Prior year and earlier have not been restated for the adoption of GASB 68 because it is impractical to do so.

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

	Fiscal Year									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
<b>EXPENSES</b>										
Governmental activities:										
Instruction	\$ 244,552,029	\$ 267,967,412	\$ 387,982,826	\$ 380,254,999	\$ 170,369,692	\$ 174,053,652	\$ 167,588,694	\$ 176,911,630	\$ 299,172,358	\$ 318,536,739
Supporting services	183,829,425	210,162,350	318,968,190	329,952,503	183,868,742	202,640,036	227,614,744	266,973,325	388,120,635	394,920,848
Interest	15,552,211	14,960,302	17,363,928	20,695,296	19,877,104	19,565,840	19,452,373	24,263,034	30,046,040	8,244,432
Total governmental activities expense	443,933,665	493,090,064	724,314,944	730,902,798	374,115,538	396,259,528	414,655,811	468,147,989	717,339,033	721,702,019
Total primary government expenses	\$ 443,933,665	\$ 493,090,064	\$ 724,314,944	\$ 730,902,798	\$ 374,115,538	\$ 396,259,528	\$ 414,655,811	\$ 468,147,989	\$ 717,339,033	\$ 721,702,019
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Charges for services--instruction programs	\$ 5,929,784	\$ 6,215,052	\$ 6,542,641	\$ 7,993,537	\$ 8,173,184	\$ 10,035,034	\$ 5,844,519	\$ 9,635,658	\$ 9,898,672	\$ 10,894,260
Charges for services--other programs	5,892,764	5,436,096	6,002,869	7,341,251	8,615,894	10,516,367	10,719,662	12,944,044	14,986,779	16,974,239
Operating grants and contributions	51,189,828	55,215,023	57,223,026	58,038,488	65,770,177	65,875,346	160,437,356	133,110,243	135,767,728	124,814,769
Capital grants and contributions	1,094,341	1,637,303	4,181,729	5,532,458	4,213,538	1,567,907	4,881,784	7,736,643	2,862,727	4,327,948
Total governmental activities	64,106,717	68,503,474	73,950,265	78,905,734	86,772,793	87,994,654	181,883,321	163,426,588	163,515,906	157,011,216
Total primary government program revenues	\$ 64,106,717	\$ 68,503,474	\$ 73,950,265	\$ 78,905,734	\$ 86,772,793	\$ 87,994,654	\$ 181,883,321	\$ 163,426,588	\$ 163,515,906	\$ 157,011,216
Net (expense) / revenue										
Governmental activities	\$ (379,826,948)	\$ (424,586,590)	\$ (650,364,679)	\$ (651,997,064)	\$ (287,342,745)	\$ (308,264,874)	\$ (232,772,490)	\$ (304,721,401)	\$ (553,823,127)	\$ (564,690,803)
Total primary government net expense	\$ (379,826,948)	\$ (424,586,590)	\$ (650,364,679)	\$ (651,997,064)	\$ (287,342,745)	\$ (308,264,874)	\$ (232,772,490)	\$ (304,721,401)	\$ (553,823,127)	\$ (564,690,803)

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

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

	Fiscal Year									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Net (expense) / revenue</b>										
Governmental activities	\$ (379,826,948)	\$ (424,586,590)	\$ (650,364,679)	\$ (651,997,064)	\$ (287,342,745)	\$ (308,264,874)	\$ (232,772,490)	\$ (304,721,401)	\$ (553,823,127)	\$ (564,690,803)
Total primary government net expense	<u>\$ (379,826,948)</u>	<u>\$ (424,586,590)</u>	<u>\$ (650,364,679)</u>	<u>\$ (651,997,064)</u>	<u>\$ (287,342,745)</u>	<u>\$ (308,264,874)</u>	<u>\$ (232,772,490)</u>	<u>\$ (304,721,401)</u>	<u>\$ (553,823,127)</u>	<u>\$ (564,690,803)</u>
<b>General revenue and other changes in net position</b>										
Governmental activities:										
Property taxes, levied for debt service and general fund use	\$ 128,152,396	\$ 152,056,002	\$ 161,122,405	\$ 189,896,466	\$ 226,785,004	\$ 274,402,739	\$ 287,173,369	\$ 310,743,869	\$ 322,431,106	\$ 399,212,754
School finance act, unrestricted	226,238,914	230,042,314	228,988,569	221,921,447	233,366,711	239,175,271	210,519,931	220,807,146	235,972,204	226,783,626
Earnings on investments	1,317,941	1,358,164	2,443,425	2,975,954	6,853,627	6,014,603	1,377,336	1,020,965	10,320,311	12,622,932
Total governmental activities	<u>355,709,251</u>	<u>383,456,480</u>	<u>392,554,399</u>	<u>414,793,867</u>	<u>467,005,342</u>	<u>519,592,613</u>	<u>499,070,636</u>	<u>532,571,980</u>	<u>568,723,621</u>	<u>638,619,312</u>
Total primary government	<u>\$ 355,709,251</u>	<u>\$ 383,456,480</u>	<u>\$ 392,554,399</u>	<u>\$ 414,793,867</u>	<u>\$ 467,005,342</u>	<u>\$ 519,592,613</u>	<u>\$ 499,070,636</u>	<u>\$ 532,571,980</u>	<u>\$ 568,723,621</u>	<u>\$ 638,619,312</u>
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$ (24,117,697)	\$ (41,130,110)	\$ (257,810,280)	\$ (237,203,197)	\$ 179,662,597	\$ 211,327,739	\$ 266,298,146	\$ 227,850,579	\$ 14,900,494	\$ 73,928,509
Total primary government	<u>\$ (24,117,697)</u>	<u>\$ (41,130,110)</u>	<u>\$ (257,810,280)</u>	<u>\$ (237,203,197)</u>	<u>\$ 179,662,597</u>	<u>\$ 211,327,739</u>	<u>\$ 266,298,146</u>	<u>\$ 227,850,579</u>	<u>\$ 14,900,494</u>	<u>\$ 73,928,509</u>

Note 1: This schedule consolidates data from the government-wide financial statements that utilize the full accrual basis of accounting.  
Note 2: During 2014-15, the district adopted GASB 68. Prior year and earlier have not been restated for the adoption of GASB 68 because it is impractical to do so.

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

	Fiscal Year									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
General Fund										
Nonspendable	\$ 488,776	\$ 712,565	\$ 795,964	\$ 1,095,346	\$ 2,806,380	\$ 5,167,959	\$ 7,140,952	\$ 5,204,104	\$ 3,510,320	\$ 3,876,166
Restricted	13,195,211	11,875,233	10,363,161	11,062,921	13,241,919	13,894,073	12,447,581	15,122,508	14,568,994	15,548,287
Committed	150,000	150,000	100,000	150,000	100,000	200,000	200,000	200,000	200,000	150,000
Assigned	5,010,250	14,420,987	11,192,817	18,402,041	63,187,007	107,522,600	136,169,656	112,470,911	54,228,910	47,601,559
Unassigned	26,880,124	14,583,354	18,220,045	35,567,392	29,328,573	20,475,322	24,577,483	26,927,156	22,851,702	29,292,060
Total General Fund	<u>\$ 45,724,361</u>	<u>\$ 41,742,139</u>	<u>\$ 40,671,987</u>	<u>\$ 66,277,700</u>	<u>\$ 108,663,879</u>	<u>\$ 147,259,954</u>	<u>\$ 180,535,672</u>	<u>\$ 159,924,679</u>	<u>\$ 95,359,926</u>	<u>\$ 96,468,072</u>
All other governmental funds										
Nonspendable										
Capital projects funds	\$ 7,150	\$ 19,470	\$ 25,866	\$ 28,584	\$ 7,403	\$ 184,689	\$ 24,513	\$ 60,712	\$ 52,153	\$ 150,861
Special revenue funds	1,078,950	874,829	742,987	772,685	48,630	222,835	276,490	64,544	22,557	72,983
Restricted										
Debt service fund	28,456,159	37,115,173	47,512,633	51,523,245	60,364,179	82,484,507	103,251,594	123,462,543	131,559,482	174,871,705
Capital projects funds	26,636,634	15,065,187	196,871,552	153,767,285	105,054,553	65,821,814	47,120,445	93,883,891	33,390,943	18,949,380
Special revenue funds	8,946,826	8,075,349	10,365,470	14,077,760	23,649,178	25,395,744	29,881,400	39,204,131	39,989,728	44,116,777
Assigned										
Capital projects funds	-	-	-	-	-	-	-	13,136,632	8,409,409	2,588,812
Special revenue funds	2,678,371	2,599,744	3,114,034	4,493,837	72,905	2,833,234	2,661,588	3,686,914	3,155,338	3,143,793
Total all other governmental funds	<u>\$ 67,804,090</u>	<u>\$ 63,749,752</u>	<u>\$ 258,632,542</u>	<u>\$ 224,663,396</u>	<u>\$ 189,196,848</u>	<u>\$ 176,942,823</u>	<u>\$ 183,216,030</u>	<u>\$ 273,499,367</u>	<u>\$ 216,579,610</u>	<u>\$ 243,894,311</u>

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

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

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

	Fiscal Year									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>REVENUES</b>										
Local:										
Property taxes	\$ 119,346,751	\$ 141,525,838	\$ 148,295,014	\$ 174,315,023	\$ 214,206,504	\$ 254,366,657	\$ 269,935,874	\$ 294,205,891	\$ 303,918,269	\$ 374,643,437
Specific ownership	9,573,329	10,611,885	12,318,599	14,446,509	15,082,796	17,322,570	17,666,331	17,086,269	18,512,837	24,569,317
Pupil activities	1,310,229	2,240,689	554,641	813,557	908,762	3,185,305	1,376,804	3,180,889	2,876,847	2,908,813
Tuition	3,526,516	2,844,866	4,973,150	6,085,701	6,244,780	6,360,458	4,373,274	6,408,046	6,982,220	7,944,133
Activity fees	94,408	85,047	-	-	-	-	-	-	-	-
Gifts and grants	888,309	1,100,481	1,482,892	1,158,764	1,451,724	2,761,526	1,918,498	5,514,387	3,409,273	2,186,335
Charges for services	4,539,735	4,357,224	4,750,397	5,409,139	6,544,404	8,499,280	9,676,821	10,631,366	12,954,984	11,377,106
Other	4,354,389	4,364,590	6,028,312	7,714,606	6,074,528	6,041,904	10,784,056	5,267,795	6,842,171	8,216,747
Cash in lieu of land	-	1,990,884	67,306	1,490,347	1,151,926	921,131	2,306,372	2,898,671	3,603,118	1,299,679
Rental of buildings	890,042	958,461	1,161,395	1,202,016	1,167,419	1,210,681	1,096,666	1,536,000	1,388,270	1,595,073
Earnings on investments	1,317,941	1,358,164	2,443,425	2,975,954	6,853,627	6,014,603	1,377,336	1,020,965	10,320,311	12,622,932
State:										
State equalization	207,645,277	209,551,552	208,750,813	201,192,094	211,476,666	216,880,041	187,866,846	201,900,907	211,787,454	199,504,486
Vocational education	1,358,220	1,244,500	1,137,630	1,561,128	1,206,662	1,528,169	1,336,601	424,649	1,113,894	850,098
Special education	7,780,271	8,236,298	8,190,131	8,382,197	8,462,930	9,625,174	9,724,497	10,938,820	14,171,561	15,687,079
Grants	3,072,535	3,323,848	5,420,466	7,800,278	12,801,217	11,024,062	12,852,536	25,274,663	25,744,357	30,656,106
Transportation	1,574,762	1,607,630	1,519,782	1,580,675	1,919,532	1,858,097	1,929,817	2,058,211	2,638,569	3,430,563
Other	7,880,384	9,402,334	9,390,213	9,205,353	15,618,495	14,928,637	15,894,496	12,783,975	13,342,605	15,367,713
Federal grants	45,223,446	46,324,463	50,158,343	47,423,359	44,080,546	46,043,110	130,429,572	86,827,051	85,564,322	80,212,761
<b>Total revenues</b>	<b>\$ 420,376,544</b>	<b>\$ 451,128,754</b>	<b>\$ 466,642,509</b>	<b>\$ 492,756,700</b>	<b>\$ 555,252,518</b>	<b>\$ 608,571,405</b>	<b>\$ 680,546,397</b>	<b>\$ 687,958,555</b>	<b>\$ 725,171,062</b>	<b>\$ 793,072,378</b>

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

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

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

	Fiscal Year									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>EXPENDITURES</b>										
Current:										
Instruction	\$ 212,727,383	\$ 223,246,824	\$ 214,929,614	\$ 200,128,521	\$ 216,460,847	\$ 231,164,129	\$ 260,329,744	\$ 265,668,240	\$ 288,127,121	\$ 292,993,098
Pupil support	24,883,559	28,060,095	38,355,985	36,619,052	43,777,500	57,906,194	62,141,361	70,750,214	89,732,140	91,305,605
Instructional staff support	22,696,647	25,469,964	24,725,079	24,661,603	27,521,478	30,714,217	32,873,855	35,704,057	46,826,553	43,502,426
General administration	7,041,855	6,479,915	7,608,582	8,798,086	9,064,071	8,481,315	14,387,236	9,352,106	11,559,482	9,469,028
School administration	30,309,562	33,813,391	33,598,915	32,107,009	33,213,830	37,029,025	38,851,188	44,665,294	44,233,662	40,246,496
Business administration	4,724,303	5,014,697	3,903,091	4,495,054	5,036,502	5,460,609	5,531,441	5,683,009	7,082,023	6,906,513
Operations and maintenance	32,585,359	33,336,642	34,003,115	32,112,476	34,535,919	37,258,429	38,599,563	49,531,098	51,876,844	48,739,397
Transportation services	7,963,135	11,529,861	11,842,509	11,661,225	12,792,552	14,080,077	14,431,018	17,804,668	20,735,786	21,936,728
Personnel/data services/risk management	14,849,390	16,939,560	19,374,198	17,720,182	18,437,417	19,138,589	24,424,242	29,146,677	29,130,257	38,443,990
Other support services	3,271,478	6,241,166	6,468,817	7,839,104	16,033,182	23,121,107	27,535,663	27,147,772	25,732,841	27,892,747
Food service operations	16,918,407	16,572,946	16,993,913	16,181,459	16,212,168	18,378,137	21,463,580	28,387,402	25,125,506	28,643,184
Facilities acquisition and improvements	33,178,873	17,593,415	24,542,014	57,472,970	61,855,699	85,239,640	46,705,577	63,158,231	121,991,863	33,970,094
Debt service:										
Principal	15,795,000	18,490,000	51,904,947	31,828,300	31,414,526	30,361,983	36,002,485	46,594,841	53,233,240	64,651,404
Interest	19,353,754	16,376,838	18,482,488	23,263,853	21,971,790	20,918,273	19,961,090	20,540,790	34,206,272	16,421,801
Other	-	-	1,287,557	-	5,406	-	-	622,181	653,391	-
<b>Total expenditures</b>	<b>\$ 446,298,705</b>	<b>\$ 459,165,314</b>	<b>\$ 508,020,824</b>	<b>\$ 504,888,894</b>	<b>\$ 548,332,887</b>	<b>\$ 619,251,724</b>	<b>\$ 643,238,043</b>	<b>\$ 714,756,580</b>	<b>\$ 850,246,981</b>	<b>\$ 765,122,511</b>
Excess (deficiency) of revenues over (under) expenditures	\$ (25,922,161)	\$ (8,036,560)	\$ (41,378,315)	\$ (12,132,194)	\$ 6,919,631	\$ (10,680,319)	\$ 37,308,354	\$ (26,798,025)	\$ (125,075,919)	\$ 27,949,867
Total debt service	35,148,754	34,866,838	71,674,992	55,092,153	53,391,722	51,280,256	55,963,575	67,757,812	88,092,903	81,073,205
Total expenditures	446,298,705	459,165,314	508,020,824	504,888,894	548,332,887	619,251,724	643,238,043	714,756,580	850,246,981	765,122,511
Capital outlay/expenditures	(35,753,263)	(17,593,415)	(24,542,014)	(57,472,970)	(61,855,699)	(85,239,640)	(24,438,013)	(43,389,343)	(112,713,245)	(23,837,241)
Expenditures net of capital outlay	410,545,442	441,571,899	483,478,810	447,415,924	486,477,188	534,012,084	618,800,030	671,367,237	737,533,736	741,285,270
Debt service as a percentage of noncapital expenditures (2)	8.6%	7.9%	14.8%	12.3%	11.0%	9.6%	9.0%	10.1%	11.9%	10.9%

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

Note 2: Revised percentages for fiscal year ended 2015 to 2020 to reflect change in capital outlays.

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

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

	Fiscal Year									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Excess (deficiency) of revenues over (under) expenditures</b>	\$ (25,922,161)	\$ (8,036,560)	\$ (41,378,315)	\$ (12,132,194)	\$ 6,919,631	\$ (10,680,319)	\$ 37,308,354	\$ (26,798,025)	\$ (125,075,919)	\$ 27,949,867
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in:										
General fund	316,750	436,748	1,235,471	6,870,789	8,613,250	8,363,812	20,684,635	5,818,617	5,845,198	6,119,540
Print Services fund	83,094	-	32,175,781	-	-	-	-	-	-	-
Grants fund	-	35,104	-	-	-	-	-	-	-	-
Capital Reserve fund	-	-	-	-	-	-	7,500,000	7,750,000	6,900,000	2,117,925
Transfers out:										
General fund	-	(35,104)	-	-	-	-	-	-	-	-
Capital Reserve fund	-	-	(29,614,933)	(5,835,958)	(6,495,130)	(6,899,657)	(23,750,000)	(7,750,000)	(6,900,000)	(2,117,925)
Grants fund	(3,000)	-	-	-	-	-	-	-	-	-
Nutrition Services fund	-	(44,980)	(499,972)	(500,000)	(1,486,873)	(361,915)	(424,211)	-	(395,198)	-
Nonmajor governmental funds	(313,750)	(391,768)	(3,296,347)	(534,831)	(631,247)	(1,102,240)	(4,010,424)	(5,818,617)	(5,450,000)	(6,119,540)
Debt financing for land purchase	-	-	-	-	-	905,286	-	-	-	-
Certificates of participation	-	-	-	-	-	7,575,000	-	-	-	-
Debt financing from leases	-	-	-	-	-	-	2,240,571	720,360	2,931,579	472,980
General obligation debt:										
Debt issued	-	-	206,076,380	3,768,761	-	26,521,099	-	121,095,000	126,260,000	-
Premium on debt issued	-	-	33,219,862	-	-	-	-	26,264,253	6,550,212	-
Payment to escrow agent	-	-	(4,105,289)	-	-	-	-	(51,609,244)	(132,150,382)	-
Total other financing sources (uses)	<u>83,094</u>	<u>-</u>	<u>235,190,953</u>	<u>3,768,761</u>	<u>-</u>	<u>35,001,385</u>	<u>2,240,571</u>	<u>96,470,369</u>	<u>3,591,409</u>	<u>472,980</u>
<b>Net change in fund balances</b>	(25,839,067)	(8,036,560)	193,812,638	(8,363,433)	6,919,631	24,321,066	39,548,925	69,672,344	(121,484,510)	28,422,847
Fund balance - beginning	134,883,349	113,528,451	105,491,891	299,304,529	290,941,096	297,860,727	324,202,777	363,751,702	433,424,046	311,939,536
Restatement for change in accounting principle	-	-	-	-	-	2,020,984	-	-	-	-
Fund balance as restated	<u>134,883,349</u>	<u>113,528,451</u>	<u>105,491,891</u>	<u>299,304,529</u>	<u>290,941,096</u>	<u>299,881,711</u>	<u>324,202,777</u>	<u>363,751,702</u>	<u>433,424,046</u>	<u>311,939,536</u>
Fund balance - ending	<u>\$ 109,044,282</u>	<u>\$ 105,491,891</u>	<u>\$ 299,304,529</u>	<u>\$ 290,941,096</u>	<u>\$ 297,860,727</u>	<u>\$ 324,202,777</u>	<u>\$ 363,751,702</u>	<u>\$ 433,424,046</u>	<u>\$ 311,939,536</u>	<u>\$ 340,362,383</u>

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

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

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

Fiscal Year Ended	Calendar Year Property Assessed	Vacant	Residential	Commercial	Industrial	Agricultural	Natural Resources	Oil and Gas	State Assessed	Less: Tax Exempt Property	Preliminary Taxable Assessed Value (1)	Net Final Assessed Value (2)	Estimated Actual Value (3)	Total Direct Rate
2015	2014													
	Adams County	14,670,700	97,336,700	441,699,880	27,140,930	518,020	6,850	-	81,017,420	8,264,580	654,125,920	655,619,390	3,176,799,850	67.635
	Arapahoe County	34,841,823	585,996,161	417,510,623	722,902	1,469,695	29,898	7,075	104,619,348	9,438,637	1,135,758,888	1,133,168,613	9,280,422,797	67.635
2016	2015													
	Adams County	15,236,290	122,634,720	489,363,360	35,573,180	616,870	6,850	11,140	79,802,290	10,280,820	732,963,880	731,819,140	3,677,723,278	66.648
	Arapahoe County	37,228,951	828,838,969	460,286,489	646,496	1,716,538	29,898	7,806,696	93,866,710	-	1,430,420,747	1,426,071,395	12,448,836,334	66.648
2017	2016													
	Adams County	15,920,650	122,914,300	499,010,720	34,977,010	643,770	6,850	11,610	78,927,590	-	752,412,500	746,607,270	3,730,788,977	69.685
	Arapahoe County	37,364,276	827,310,495	459,950,829	752,889	1,731,064	29,898	25,718,186	95,557,720	-	1,448,415,357	1,681,105,428	12,471,753,351	69.685
2018	2017													
	Adams County	26,770,570	168,134,540	584,591,280	51,216,270	763,810	575,680	23,140	86,358,520	-	918,433,810	896,826,260	4,915,704,882	69.006
	Arapahoe County	40,798,169	1,008,589,256	521,976,299	862,361	1,782,425	29,754	11,526,484	95,540,680	-	1,681,105,428	1,698,211,965	16,321,567,491	69.006
2019	2018													
	Adams County	31,340,080	172,867,290	630,092,920	49,224,080	933,580	6,850	17,570	88,765,710	-	973,248,080	946,229,670	5,160,669,920	82.014
	Arapahoe County	40,909,924	1,025,238,492	515,736,302	847,003	1,716,228	29,907	14,914,279	98,819,830	-	1,698,211,965	1,694,515,149	16,523,830,803	82.014
2020	2019													
	Adams County	48,590,240	239,346,610	683,192,840	136,853,400	1,443,000	6,850	2,463,800	83,850,580	-	1,195,747,320	1,145,556,930	6,633,181,479	81.275
	Arapahoe County	69,696,084	1,275,484,335	584,674,488	1,260,480	1,810,753	32,385	63,634,736	73,507,060	-	2,070,100,321	2,032,421,075	20,468,246,402	81.275
2021	2020													
	Adams County	39,852,290	248,184,000	788,126,690	137,598,080	1,432,210	6,850	6,180,120	95,901,980	-	1,317,282,220	1,266,173,850	7,080,614,107	82.034
	Arapahoe County	70,470,531	1,295,258,070	593,317,007	1,243,595	1,765,415	33,272	49,512,457	93,308,010	-	2,104,908,357	2,058,713,355	20,799,092,088	82.034
2022	2021													
	Adams County	61,425,420	274,216,110	992,351,240	84,253,030	803,670	6,850	6,056,300	111,777,410	-	1,530,890,030	1,484,027,230	8,157,172,875	78.918
	Arapahoe County	69,873,845	1,426,869,841	680,335,196	423,410	1,696,835	33,415	21,654,318	95,776,260	-	2,296,663,120	2,294,482,416	22,909,237,468	78.918
2023	2022													
	Adams County	78,252,180	284,320,870	1,068,838,350	78,596,740	757,130	6,850	51,868,960	125,205,300	-	1,687,846,380	1,637,471,830	8,835,391,359	77.850
	Arapahoe County	77,762,884	1,417,655,565	709,874,762	422,978	1,585,394	33,887	47,568,662	102,778,770	-	2,357,682,902	2,356,499,961	23,611,739,063	77.850
2024	2023													
	Adams County	83,938,570	357,955,740	1,507,587,820	194,384,670	717,250	6,580	51,248,530	121,897,210	-	2,317,736,370	2,260,654,380	12,249,666,591	71.414
	Arapahoe County	103,858,613	1,731,811,087	858,640,866	613,404	1,902,661	32,768	337,673,317	98,431,220	-	3,132,963,936	3,048,685,786	30,068,811,251	71.414

Note 1: Final taxable assessed values by category are not available until December each year, so preliminary taxable assessed values are presented as of August.

Source: <https://cdola.colorado.gov/publications/annual-reports>

Note 2: Final assessed values may not agree in total with the August preliminary taxable values. Final assessed values provided by county assessors' office.

Sources: 1) [www.co.arapahoe.co.us/](http://www.co.arapahoe.co.us/) and 2) [www.adcogov.org](http://www.adcogov.org)

Note 3: County assessors have provided actual valuations in accordance with C.R.S. 39-5-128(1).



# AURORA PUBLIC SCHOOLS

— Power Your Potential —

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

	Year Taxes Are Payable (4)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Aurora Public Schools Rates (1)</b>										
General fund	49.514	54.850	55.918	59.034	58.275	59.014	46.006	46.685	46.648	47.635
Debt service fund	21.900	23.000	23.000	23.000	23.000	23.000	23.000	23.000	20.000	20.000
Total (2)	71.414	77.850	78.918	82.034	81.275	82.014	69.006	69.685	66.648	67.635
Arapahoe County	12.206	13.750	12.762	13.013	12.685	14.301	13.817	15.090	14.856	16.950
Adams County	26.835	26.967	27.069	26.897	26.917	26.864	26.929	27.055	26.817	27.042
City of Aurora	8.407	7.816	8.073	8.076	8.605	8.605	8.605	8.605	8.569	8.886
Urban Drainage & Flood Control	0.900	0.900	0.900	0.900	0.900	0.726	0.500	0.559	0.553	0.632
Arapahoe County total	92.927	100.316	100.653	104.023	103.465	105.646	91.928	93.939	90.626	94.103
Adams County total	107.556	113.533	114.960	117.907	117.697	118.209	105.040	105.904	102.587	104.195
<b>Overlapping tax entities (3)</b>										
ACC Metropolitan District	37.000	37.000	-	37.000	37.000	37.000	37.000	37.000	37.000	37.000
Adonea Metro District No. 2	50.187	53.133	53.103	71.279	74.279	79.232	79.232	74.000	74.000	74.000
Airways Business Center	3.000	10.000	10.000	12.000	12.000	34.500	34.500	34.500	34.500	34.500
Arapahoe County Law Enforcement	4.982	4.982	4.982	4.982	4.982	4.982	4.982	4.982	4.982	4.982
Arapahoe Library District	5.413	5.771	5.790	5.810	5.799	5.845	5.853	5.926	5.916	4.794
Aurora CentreTech Metropolitan District	38.232	38.799	37.064	37.266	37.547	42.395	41.284	40.173	39.000	39.000
Bennett Fire Protection District	13.279	13.152	13.122	13.070	13.062	13.012	13.041	9.063	8.907	8.907
Cherry Hills City Metro District	98.043	80.391	73.777	73.777	62.342	61.910	59.460	56.000	56.000	56.000
Central Adams Water & Sanitation	23.564	22.331	22.111	22.111	-	-	90.000	90.000	90.000	-
Colorado Science Technology Park Metro District No.1	63.011	61.000	60.000	60.000	60.000	60.000	50.000	50.000	50.000	-
Colorado Science Technology Park Metro District No.2	71.981	70.349	60.000	60.000	60.000	60.000	60.000	60.000	60.000	-
Colorado Science Technology Park Metro District No.3	63.010	61.000	60.000	60.000	60.000	60.000	50.000	50.000	50.000	-
Conservatory Metro District	36.012	47.141	47.114	47.114	52.114	52.106	52.106	71.800	71.800	71.800
Cross Creek Metropolitan District No. 2	39.130	48.136	48.101	51.101	51.098	60.097	70.956	66.000	66.000	68.500
Cunningham Fire Protection District - Dissolved 2020	-	-	-	-	9.250	14.600	14.603	14.598	14.676	14.623
Eastgate Commercial Metro District	-	-	-	-	-	-	-	-	-	35.000
Eastern Hills Metropolitan District No. 2	70.000	70.000	-	70.000	70.000	70.000	70.000	70.000	70.000	70.000
Eastern Hills Metropolitan District No. 4	70.000	70.000	70.000	70.000	70.000	70.000	-	-	-	-
Eastern Hills Metropolitan District No. 6	70.000	70.000	70.000	70.000	70.000	70.000	70.000	70.000	70.000	-
Eastern Hills Metropolitan District No. 9	-	-	-	-	-	-	-	-	70.000	70.000
Eastpark 70 Metro District	25.000	25.000	30.000	38.000	38.000	33.000	33.000	31.000	31.000	31.000
First Creek Ranch Metropolitan District	-	-	78.486	78.486	75.833	75.277	90.000	90.000	90.000	90.000
Fitzsimons Village Metro District No. 1	73.000	61.000	61.000	51.000	51.000	51.000	51.000	41.000	51.000	-
Fitzsimons Village Metro District No. 2	63.723	46.000	46.000	41.000	41.000	41.000	41.000	41.000	41.000	41.000
Flat Rock Metropolitan District No. 4	-	57.958	57.958	57.958	57.958	57.556	57.556	52.061	52.061	-
Flat Rock Metropolitan District No. 8	-	-	-	-	-	-	-	-	-	52.061

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

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

	Year Taxes Are Payable (4)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Overlapping tax entities (3)										
Green Valley Ranch Metro District 1	-	-	-	-	-	-	-	60.000	60.000	60.000
Havana Business Improvement District	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500
Heather Gardens Metropolitan District	10.539	11.105	10.704	10.987	12.389	14.308	12.555	16.781	16.798	25.812
Himalaya Water & Sanitation	2.500	2.500	2.500	5.000	5.000	5.000	5.000	5.000	5.000	10.000
Horizon Metro District #2	77.710	65.595	67.909	66.796	65.664	65.277	65.277	-	-	-
Iliff Commons Metro District #2	68.954	63.085	61.580	61.580	56.086	55.696	55.003	51.000	51.000	-
Iliff Commons Metro District #3	57.826	57.070	54.724	67.747	67.848	67.379	67.373	61.000	50.000	-
Murphy Creek Metro District No. 2	63.712	61.017	61.000	50.000	50.000	50.000	50.000	36.000	36.000	36.000
Murphy Creek Metro District No. 3	34.240	54.327	54.327	54.327	54.327	53.107	80.803	74.944	48.944	48.944
Murphy Creek Metro District No. 4	70.154	67.495	61.664	55.664	55.664	55.277	55.277	48.944	48.944	48.944
Park 70 Metropolitan District	31.539	31.500	31.500	31.500	37.000	37.000	37.000	37.000	37.000	37.000
Rangeview Library District (5)	25.000	3.615	3.689	3.670	3.677	3.666	3.669	3.659	3.659	3.659
Sable-Altura Fire Protection District	12.060	12.638	14.992	16.752	16.760	17.000	17.000	17.000	17.000	21.000
Sand Creek Metropolitan District	21.200	22.750	22.750	23.750	24.250	27.500	27.500	32.000	33.500	55.500
Second Creek Ranch	25.369	22.519	22.111	22.111	-	-	90.000	90.000	90.000	90.000
Singletree Metro District (Aurora)	-	-	-	-	42.000	45.868	-	48.944	48.944	48.944
Sterling Hills Metropolitan District	-	-	-	-	7.000	16.000	16.000	19.000	19.000	23.000
Sterling Hills West Metropolitan District	45.014	51.000	53.000	53.000	55.000	50.000	50.000	62.465	62.465	65.965
Tower Metropolitan District	20.000	20.000	20.000	20.000	20.000	20.000	20.000	25.000	25.000	25.000
Traditions Metro Dist. No. 2	24.605	32.487	32.487	32.487	32.487	40.725	44.738	52.060	52.060	52.060
Urban Drainage & Flood Control-Adams	0.900	0.900	0.900	0.900	0.900	0.726	0.500	0.559	0.553	0.632
Urban Drainage & Flood Control-South Platte	0.100	0.100	0.100	0.100	0.097	0.094	0.057	0.061	0.058	0.068
Velocity Metro District 1	46.772	45.000	45.000	36.000	35.000	35.000	29.000	109.000	9.000	5.000
Velocity Metro District 2	58.207	41.000	41.000	41.000	38.000	37.000	29.000	44.784	9.000	5.000
Velocity Metro District 3	53.010	36.000	36.000	36.000	36.000	35.000	29.000	109.000	9.000	5.000
Velocity Metro District 4	41.576	40.000	40.000	40.000	38.000	37.000	29.000	109.000	9.000	5.000
Velocity Metro District 5	41.552	40.000	40.000	40.000	36.000	35.000	29.000	109.000	9.000	5.000
Velocity Metro District 6	41.576	40.000	40.000	40.000	36.000	35.000	29.000	109.000	9.000	40.000
Velocity Metro District 7	37.416	36.000	36.000	36.000	36.000	35.000	29.000	109.000	9.000	5.000
Velocity Metro District 8	37.418	36.000	36.000	36.000	36.000	35.000	29.000	29.021	9.000	5.000
Velocity Metro District 9	58.207	41.000	41.000	41.000	38.000	37.000	29.000	29.058	9.000	5.000
Westerly Creek Metropolitan District	66.852	61.785	60.867	59.753	59.811	60.194	60.217	56.899	56.619	55.986

Note 2: APS Total Rate information updated as of June 30, 2024  
Source: Aurora Public Schools Budget Office.

Note 3: Includes only those entities with overlapping rates in existence at December 31, 2023.  
Source: Arapahoe County Assessor's Office Source: Adams County Assessor's Office

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

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

<u>Taxpayer</u>	<u>Fiscal Year 2023-24</u>			<u>Fiscal Year 2013-14</u>		
	<u>Taxable Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Value</u>	<u>Taxable Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Value</u>
Public Service of Colorado (1)	\$ 126,908,455	1	2.4%	\$ 96,396,080	1	5.4%
Crestone Peak Resources LLC	49,449,550	2	0.9%	-	-	-
LIT Gateway Portfolio	45,080,550	3	0.8%	-	-	-
Shamrock Foods CO Inc.	36,159,700	4	0.7%	-	-	-
FR Aurora Commerce Center LLC	33,769,530	5	0.6%	-	-	-
Park 70 Building Venture LLC	31,906,980	6	0.6%	-	-	-
Shamrock Foods Company	27,924,390	7	0.5%	-	-	-
Majestic Commercenter	26,760,410	8	0.5%	-	-	-
Dillon Companies LLC	24,474,730	9	0.5%	-	-	-
B9 Polar Aurora LLC	22,157,570	10	0.4%	-	-	-
Cellco Partnership	-	-	-	19,745,060	2	1.1%
CenturyLink	-	-	-	18,943,700	3	1.1%
Colorado Interstate Gas Co	-	-	-	15,396,400	4	0.9%
CPT Operating Partnership	-	-	-	12,352,850	5	0.7%
WGR Asset Holding Co. LLC	-	-	-	9,313,030	6	0.5%
Quarry Assets LLC	-	-	-	6,831,680	7	0.4%
MCI Telecommunications Corp.	-	-	-	6,580,590	8	0.4%
Glenborough Properties, LP	-	-	-	6,488,180	9	0.4%
Furniture Row Colo LLC	-	-	-	6,419,410	10	0.4%
	<u>\$ 424,591,865</u>		<u>7.9%</u>	<u>\$ 198,466,980</u>		<u>11.3%</u>

Source: Adams County and Arapahoe County assessors' offices.

Note 1: Taxpayer locations in Adams and Arapahoe Counties are combined.

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

Calendar Year		Taxes Levied for the Calendar Year	Tax Collections for Calendar Year Tax Levied (2)	Percentage of Original Levy	Collections in Subsequent Years (3)	Total Tax Collections (4)	Percent of Total Tax Collections to Levy	Outstanding Delinquent Taxes (5)	Outstanding Delinquent Taxes as a Percent of Current Levy
2015	(1)	120,984,677	119,906,691	99.1%	(115,953)	119,790,738	99.0%	1,077,985	0.9%
2016		143,048,512	140,436,339	98.2%	232,355	140,668,694	98.3%	2,612,173	1.8%
2017		151,536,231	150,507,168	99.3%	(679,080)	149,828,088	98.9%	1,029,063	0.7%
2018	(6)	176,521,603	175,210,679	99.3%	193,284	175,403,963	99.4%	1,310,924	0.7%
2019		216,578,046	213,446,438	98.6%	(59,747)	213,386,691	98.5%	3,131,608	1.4%
2020		258,290,162	256,039,619	99.1%	(675,799)	255,363,820	98.9%	2,250,543	0.9%
2021		272,753,797	271,520,584	99.5%	(759,412)	270,761,172	99.3%	1,233,213	0.5%
2022		293,496,286	291,577,893	99.3%	(188,143)	291,389,750	99.3%	1,918,393	0.7%
2023		305,267,988	299,636,675	98.2%	(382,031)	299,254,644	98.0%	5,631,313	1.8%
2024		378,720,542	368,688,574	97.4%	(199,262)	368,489,312	97.3%	10,031,969	2.6%

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

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

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

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

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

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

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

	<b>Fiscal Year (2)</b>				
	2014-15	2015-16	2016-17	2017-18	2018-19
General obligation bonds	\$ 366,417,566	\$ 342,814,596	\$ 549,053,401	\$ 511,611,694	\$ 474,954,654
Certificates of participation	30,378,172	30,397,796	-	-	-
Debt financing for land purchase	-	-	-	-	-
Direct borrowing for capital assets	-	-	2,154,433	5,721,895	4,707,369
Leases	-	-	-	-	-
<b>Total debt outstanding</b>	<b>\$ 396,795,738</b>	<b>\$ 373,212,392</b>	<b>\$ 551,207,834</b>	<b>\$ 517,333,589</b>	<b>\$ 479,662,023</b>
Total debt outstanding as a percentage of:					
Personal income (1, 2, & 3):					
Adams County	0.4%	0.5%	0.3%	0.4%	0.4%
Arapahoe County	0.6%	0.7%	0.5%	0.5%	0.6%
Per capita outstanding debt	\$ 1,799	\$ 1,623	\$ 2,411	\$ 2,232	\$ 2,069

	<b>Fiscal Year (2)</b>				
	2019-20	2020-21	2021-22	2022-23	2023-24 (3)
General obligation bonds	\$ 466,544,715	\$ 427,176,265	\$ 474,783,920	\$ 405,909,960	\$ 338,041,709
Certificates of participation	7,575,000	7,575,000	7,575,000	7,575,000	6,580,000
Debt financing for land purchase	908,286	905,286	905,286	905,286	905,286
Direct borrowing for capital assets	4,135,386	5,549,571	4,742,955	3,918,904	3,077,005
Arbitrage liability	-	-	-	-	1,722,367
Leases	-	-	3,401,291	7,754,855	3,969,225
<b>Total debt outstanding</b>	<b>\$ 479,163,387</b>	<b>\$ 441,206,122</b>	<b>\$ 491,408,452</b>	<b>\$ 426,064,005</b>	<b>\$ 354,295,592</b>
Total debt outstanding as a percentage of:					
Personal income (1, 2, & 3):					
Adams County	0.5%	0.9%	0.5%	0.6%	-
Arapahoe County	0.6%	0.7%	0.7%	0.8%	-
Per capita outstanding debt	\$ 2,022	\$ 1,862	\$ 2,122	\$ 1,846	\$ 1,456

Note 1: Personal income for each county was based on population estimates provided by district planning office and personal income population data provided by the United States Census Bureau.

Source: <https://www.bea.gov/>

Note 2: This schedule consolidates data from the governmental statements that utilize the modified accrual basis of accounting.

Note 3: Personal income data was not available at time of printing.

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

	<b>Fiscal Year (1)</b>				
	2014-15	2015-16	2016-17	2017-18	2018-19
General obligation bonds	\$ 366,417,566	\$ 342,814,596	\$ 549,053,401	\$ 511,611,694	\$ 474,954,654
Net position restricted for debt service	(28,456,159)	(37,115,173)	(47,512,633)	(51,523,245)	(60,364,179)
<b>Total net general bonded debt</b>	<b>\$ 337,961,407</b>	<b>\$ 305,699,423</b>	<b>\$ 501,540,768</b>	<b>\$ 460,088,449</b>	<b>\$ 414,590,475</b>
Total net general bonded debt outstanding as a percentage of:					
Estimated actual property value	2.7%	1.9%	3.1%	2.2%	1.9%
Final assessed property value	18.9%	14.2%	20.7%	17.7%	15.7%
Per capita outstanding debt	\$ 1,532	\$ 1,330	\$ 2,194	\$ 1,985	\$ 1,788
	<b>Fiscal Year (1)</b>				
	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
General obligation bonds	\$ 466,544,715	\$ 427,176,265	\$ 474,783,920	\$ 405,909,960	\$ 338,041,709
Net position restricted for debt service	(82,484,507)	(103,251,594)	(123,462,543)	(131,559,482)	(174,871,705)
<b>Total net general bonded debt</b>	<b>\$ 384,060,208</b>	<b>\$ 323,924,671</b>	<b>\$ 351,321,377</b>	<b>\$ 274,350,478</b>	<b>\$ 163,170,004</b>
Total net general bonded debt outstanding as a percentage of:					
Estimated actual property value	1.4%	1.2%	1.1%	0.8%	0.4%
Final assessed property value	12.1%	9.7%	9.3%	6.9%	3.1%
Per capita outstanding debt	\$ 1,621	\$ 1,367	\$ 1,517	\$ 1,189	\$ 671

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

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Direct and Overlapping Governmental Activities Debt  
Current Year (Unaudited)**

Jurisdiction (1)	General Obligation Debt	Bonds	Notes Payable	Direct borrowing for capital assets	Certificates of Participation	Other	Gross Debt Outstanding	Percentage Applicable to Aurora Public Schools (2)	Amount Applicable to Aurora Public Schools
<b>Direct:</b>									
Aurora Public Schools	\$ 338,041,709	\$ -	\$ -	\$ 3,077,005	\$ 6,580,000	\$ 4,874,511	\$ 352,573,225	100.00%	\$ 352,573,225
<b>Overlapping:</b>									
Adams County	-	-	-	-	131,525,000	-	131,525,000	100.00%	131,525,000
Arapahoe County	114,545,000	-	-	8,907,612	-	-	123,452,612	100.00%	123,452,612
Arapahoe Library District	-	-	-	4,682,200	1,440,000	-	6,122,200	0.66%	40,407
Aurora CentreTech Metropolitan District	7,230,000	-	-	-	-	-	7,230,000	100.00%	7,230,000
City of Aurora	-	621,110,000	1,061,572	21,057,334	175,775,000	-	819,003,906	100.00%	819,003,906
Conservatory Metro District	18,115,000	-	-	-	-	-	18,115,000	100.00%	18,115,000
Cross Creek Metropolitan District No.2	10,205,000	-	-	-	-	-	10,205,000	100.00%	10,205,000
Fitzsimons Village Metropolitan District No.1	-	6,240,000	-	-	-	-	6,240,000	100.00%	6,240,000
Fitzsimons Village Metropolitan District No.3	-	55,070,000	-	-	-	-	55,070,000	100.00%	55,070,000
Heather Gardens Metropolitan District	-	7,405,000	-	-	-	-	7,405,000	59.12%	4,377,836
Iliff Commons Metro District No. 2	4,133,000	-	-	-	-	-	4,133,000	100.00%	4,133,000
Iliff Commons Metro District No. 3	1,845,000	-	-	-	-	-	1,845,000	100.00%	1,845,000
Park 70 Metropolitan District	33,570,000	-	-	-	-	-	33,570,000	100.00%	33,570,000
Rangeview Library District	-	-	-	-	60,480,000	-	60,480,000	100.00%	60,480,000
Regional Transportation District	-	1,987,870,000	-	-	314,600,000	-	2,302,470,000	14.58%	335,700,126
Sand Creek Metropolitan District	67,905,000	-	-	-	-	-	67,905,000	77.82%	52,843,671
Sterling Hills West Metropolitan District	9,370,000	-	-	-	-	-	9,370,000	100.00%	9,370,000
Total overlapping debt	<u>266,918,000</u>	<u>2,677,695,000</u>	<u>1,061,572</u>	<u>34,647,146</u>	<u>683,820,000</u>	<u>-</u>	<u>3,664,141,718</u>		<u>1,673,201,558</u>
Total direct and overlapping debt	<u>\$ 604,959,709</u>	<u>\$ 2,677,695,000</u>	<u>\$ 1,061,572</u>	<u>\$ 37,724,151</u>	<u>\$ 690,400,000</u>	<u>\$ 4,874,511</u>	<u>\$ 4,016,714,943</u>		<u>\$ 2,025,774,783</u>

Note 1: Source information provided by individual jurisdictions. Overlapping governments without debt are not shown.

Note 2: Percentages based on geographical estimates. Arapahoe Library District percentage based on assessed values.

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

Fiscal Year Ended		Gross Certified Assessed Valuation (1)	Debt Limitation (20% of Assessed)	High Growth Debt Limitation (25% of Assessed Value)	Gross Bonded Debt Outstanding (2)	Percent of Legal Debt Incurred	Legal Debt Margin	Debt Service Funds Available (3)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2015	(4)	1,806,491,220	361,298,244	-	330,053,066	91.35%	31,245,178	12,153,365	301,596,907	16.70%	1,367
2016	(4)	2,168,171,355	433,634,271	-	312,092,167	71.97%	121,542,104	31,245,178	274,976,994	12.68%	1,196
2017	(5)	16,202,542,328	972,152,540	-	491,840,604	50.59%	480,311,936	121,542,104	444,327,971	2.74%	1,944
2018	(5)	21,226,907,626	1,273,614,458	-	461,733,482	36.25%	811,880,976	480,311,936	(18,578,454)	-0.09%	(80)
2019	(5)	21,684,500,723	1,301,070,043	-	432,411,027	33.24%	868,659,016	811,880,976	372,046,848	1.72%	1,605
2020	(5)	27,101,427,881	1,626,085,673	-	431,317,408	26.52%	1,194,768,265	868,659,016	(437,341,608)	-1.61%	(1,845)
2021	(5)	27,879,706,195	1,672,782,372	-	399,204,985	23.86%	1,273,577,387	103,251,594	295,953,391	1.06%	1,249
2022	(5)	31,066,410,343	1,863,984,621	-	428,239,853	22.97%	1,435,744,768	123,462,543	304,777,310	0.98%	1,316
2023	(5)	32,447,130,422	1,946,827,825	-	359,179,436	18.45%	1,587,648,389	131,559,482	227,619,954	0.70%	986
2024	(5)	42,318,477,842	2,539,108,671	-	297,912,496	11.73%	2,241,196,175	174,871,705	123,040,791	0.29%	506

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

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

Note 2: Represents general obligation bonds.

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

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

Note 5: In November 2016, voters approved the district's ability to use 6% of actual valuation to calculate its debt limitation.

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

Fiscal Year	District Population Estimate (1)	Per Capita Income		Personal Income		Unemployment Rate (3)	October Funded Pupil Count (4)	Charter School Funded Pupil Count (4)	High School Graduates (5)
		Adams County (2)	Arapahoe County (2)	Adams County (2)	Arapahoe County (2)				
2014-15	220,556	35,385	56,294	17,010,005	34,835,883	5.6%	35,277	3,715	1,457
2015-16	229,905	36,962	52,545	18,160,959	33,160,632	3.6%	35,318	4,076	1,671
2016-17	228,610	38,378	54,452	19,119,527	34,689,868	3.5%	34,935	4,224	1,729
2017-18	231,810	41,215	56,642	20,738,261	36,423,679	2.9%	34,077	4,797	2,020
2018-19	231,810	43,315	60,180	22,171,317	39,190,019	4.2%	33,626	4,959	1,835
2019-20	236,984	45,481	64,477	23,532,735	42,334,967	2.5%	33,681	5,905	1,960
2020-21	236,984	48,115	66,691	25,014,141	43,846,410	8.2%	32,513	6,038	1,838
2021-22	231,574	53,183	74,267	27,769,198	48,637,263	5.3%	31,729	6,292	1,796
2022-23	230,823	54,681	76,304	28,848,586	50,041,017	2.8%	30,104	6,471	1,832
2023-24	243,280	-	-	-	-	3.5%	30,268	6,439	-

Note 1: District population data were obtained from the U.S. Census data.

Source: <https://censusreporter.org/profiles/97000US0802340-adams-arapahoe-school-district-28j-co/>

Note 2: The data for Adams and Arapahoe counties obtained from the Bureau of Economic Analysis. Data for 2023-24 not available at the time of print.

Source: <https://www.bea.gov/>

Note 3: Source is the City of Aurora's Annual Comprehensive Financial Report.

Note 4: Funded pupil count provided by Colorado Department of Education official October first enrollment data. Adjusted to exclude Charter Institute Pupil Counts.

Note 5: High school graduate counts obtained from Colorado Department of Education. Data for 2023-24 graduates not available at the time of print.

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

2024 (1)				2014			
<u>Industry</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of workforce</u>	<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of workforce</u>
Health Care and Social Assistance	34,759	1	20.2%	Buckley Air Force Base	11,640	1	6.9%
Retail Trade	27,314	2	15.9%	University of Colorado - Medical Campus	7,230	2	4.3%
Administrative and Support and Waste Management and Remediation Services	16,566	3	9.6%	Children's Hospital	5,020	3	3.0%
Transportation and Warehousing	13,492	4	7.8%	Aurora Public Schools	5,000	4	3.0%
Accommodation and Food Services	13,449	5	7.8%	University of Colorado - Hospital	4,890	5	2.9%
Educational Services	12,127	6	7.0%	Cherry Creek Schools	3,840	6	2.3%
Professional, Scientific, and Technical Services	12,079	7	7.0%	City of Aurora	3,780	7	2.2%
Construction	6,962	8	4.0%	Raytheon	2,410	8	1.4%
Wholesale Trade	6,300	9	3.7%	Kaiser Permanente	1,690	9	1.0%
Manufacturing	6,272	10	3.6%	HealthONE	1,580	10	0.9%
	149,320		86.6%	Total Employees	47,080		27.9%

Source: Aurora Economic Development Council and the City of Aurora Annual Comprehensive Financial Report

(1) Presentation of the top ten principal employers changed in 2023 due to the determination that this is protected information. The 2024 information is based on industry classification while the 2014 information is presented by employer as it was reported in the 2014 annual financial report.

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

	Fiscal Year									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Administrative</b>										
Principals	49.00	50.00	50.00	50.00	50.00	52.00	53.00	52.00	51.00	51.00
Assistant principals	57.00	58.00	61.00	60.00	67.00	79.00	77.00	69.65	76.65	70.00
Other	39.00	44.00	46.00	55.00	40.00	14.00	14.00	13.00	-	23.00
<b>Total administration</b>	<b>145.00</b>	<b>152.00</b>	<b>157.00</b>	<b>165.00</b>	<b>157.00</b>	<b>145.00</b>	<b>144.00</b>	<b>134.65</b>	<b>127.65</b>	<b>144.00</b>
<b>Instruction</b>										
Elementary school teachers	799.98	837.69	846.57	738.57	721.88	714.75	750.33	693.41	741.10	677.00
K-8 Teachers	164.62	170.88	206.25	207.68	213.75	221.85	239.97	243.34	414.50	419.00
Middle school teachers	397.53	415.34	431.98	388.51	392.13	376.80	397.00	376.80	254.00	193.00
High school teachers	441.02	460.54	471.64	445.77	421.39	446.12	455.05	447.92	582.20	510.00
Other teachers	148.21	187.69	216.85	228.95	235.09	229.60	226.30	219.05	244.96	289.00
Educational assistants	446.62	497.31	578.20	543.54	555.95	566.14	586.77	533.59	554.25	478.00
Community liaison	31.00	28.31	42.13	36.75	42.06	43.44	47.13	54.73	49.87	70.00
Other	3.00	5.00	3.00	3.00	4.00	12.00	14.50	15.80	-	-
<b>Total instruction</b>	<b>2,431.98</b>	<b>2,602.76</b>	<b>2,796.62</b>	<b>2,592.77</b>	<b>2,586.25</b>	<b>2,610.70</b>	<b>2,717.05</b>	<b>2,584.64</b>	<b>2,840.88</b>	<b>2,636.00</b>
<b>Pupil services</b>										
Dean of students	37.80	42.00	38.00	22.00	26.50	32.00	33.00	27.50	38.00	45.00
Counselors	44.95	56.90	57.70	49.70	54.60	67.40	80.60	78.40	77.55	95.00
Health professionals	56.50	58.53	61.69	64.25	62.13	59.44	63.38	58.86	64.06	65.00
Media specialists	11.00	8.64	11.31	10.75	8.69	9.69	7.75	5.63	-	-
Social/psychology workers	59.60	65.80	68.90	65.97	63.27	105.20	128.20	126.45	117.20	119.00
Other	174.28	198.00	203.81	204.30	208.39	239.84	249.65	222.48	365.62	441.00
<b>Total pupil services</b>	<b>384.13</b>	<b>429.87</b>	<b>441.41</b>	<b>416.97</b>	<b>423.58</b>	<b>513.57</b>	<b>562.58</b>	<b>519.32</b>	<b>662.43</b>	<b>765.00</b>
<b>Other support</b>										
Clerical/secretarial	281.19	284.26	293.38	280.00	274.35	266.41	274.79	258.19	191.31	204.00
Custodial	163.13	170.38	171.88	194.63	196.25	209.00	213.75	207.00	185.25	214.00
Other	310.85	333.99	346.38	350.88	358.63	438.15	438.44	451.59	453.30	709.00
<b>Total other support</b>	<b>755.17</b>	<b>788.63</b>	<b>811.64</b>	<b>825.51</b>	<b>829.23</b>	<b>913.56</b>	<b>926.98</b>	<b>916.78</b>	<b>829.86</b>	<b>1,127.00</b>
<b>Total</b>	<b>3,716.28</b>	<b>3,973.26</b>	<b>4,206.67</b>	<b>4,000.25</b>	<b>3,996.06</b>	<b>4,182.83</b>	<b>4,350.61</b>	<b>4,155.39</b>	<b>4,460.82</b>	<b>4,672.00</b>

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

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

General Fund Expenses	Fiscal Year									
	2014-15 (5)	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Instruction	\$ 194,331,144	\$ 204,436,613	\$ 195,371,903	\$ 183,563,711	\$ 193,776,497	\$ 207,085,251	\$ 235,392,187	\$ 231,152,469	\$ 245,809,493	\$ 260,492,049
Pupil services	17,075,917	19,605,908	28,210,627	27,288,441	32,633,910	44,521,936	50,416,688	49,367,122	61,775,302	69,169,261
Instructional staff support	15,628,538	17,785,523	17,676,391	17,722,877	20,499,772	22,813,073	27,530,702	25,466,186	35,399,661	31,799,684
General administration	5,652,784	4,728,324	5,710,424	5,933,877	6,461,773	6,046,787	12,761,097	7,437,811	7,301,360	7,304,773
School administration	29,932,093	33,539,515	33,355,525	31,940,343	32,048,934	35,901,981	38,160,030	41,847,434	41,851,301	39,164,151
Business administration	4,607,375	4,933,196	3,806,971	4,322,623	4,623,092	4,851,477	5,266,732	5,381,523	5,863,872	5,819,902
Operations and maintenance	32,529,804	33,283,315	33,066,841	31,401,259	33,398,155	35,195,547	37,701,070	42,608,284	43,460,998	45,934,711
Transportation services	7,962,099	11,526,689	10,324,559	9,685,256	9,971,232	10,739,826	9,464,323	14,553,211	9,627,723	8,388,045
Personnel data services	13,627,503	16,417,484	17,909,420	15,956,464	17,767,779	17,407,696	23,178,490	28,332,227	27,547,199	38,066,582
Food service operations	-	-	-	-	-	-	-	5,740	10,027	7,523
Other support services	2,269,592	5,448,368	5,575,263	7,061,048	15,059,609	21,653,445	26,202,511	25,447,925	23,903,826	26,239,133
<b>Total operating expenses (1)</b>	<b>\$ 323,616,849</b>	<b>\$ 351,704,935</b>	<b>\$ 351,007,924</b>	<b>\$ 334,875,899</b>	<b>\$ 366,240,753</b>	<b>\$ 406,217,019</b>	<b>\$ 466,073,830</b>	<b>\$ 471,599,932</b>	<b>\$ 502,550,762</b>	<b>\$ 532,385,814</b>
Funded pupil count (2)	35,277	35,318	34,935	34,077	33,626	33,681	32,513	31,729	30,104	30,268
Cost per pupil, per basis of accounting modified accrual basis	\$ 9,174	\$ 9,958	\$ 10,048	\$ 9,827	\$ 10,892	\$ 12,061	\$ 14,335	\$ 14,863	\$ 16,694	\$ 17,589
Percentage change	7.39%	8.55%	0.90%	-2.19%	10.83%	10.73%	18.86%	3.69%	12.32%	5.36%
Total operating expenses per governmental statement of activities (3)	\$ 443,933,665	\$ 493,090,064	\$ 724,314,944	\$ 730,902,798	\$ 374,115,538	\$ 396,259,528	\$ 414,655,811	\$ 468,147,989	\$ 717,339,033	\$ 721,702,019
Full accrual basis	\$ 12,584	\$ 13,962	\$ 20,734	\$ 21,449	\$ 11,126	\$ 11,765	\$ 12,754	\$ 14,755	\$ 23,829	\$ 23,844
Percentage change	17.98%	10.95%	48.50%	3.45%	-48.13%	5.75%	8.40%	15.69%	61.50%	0.06%
Percentage of students receiving free or reduced-price meals (4)	69.4%	66.0%	66.5%	68.7%	66.0%	74.0%	72.3%	71.4%	74.7%	80.1%

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

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

Average Teacher Salaries (1)	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Aurora Public Schools	\$ 48,704	\$ 54,230	\$ 54,406	\$ 54,742	\$ 56,405	\$ 60,946	\$ 63,141	\$ 65,018	\$ 70,035	\$ 71,369
State of Colorado	48,277	51,204	51,810	52,728	54,950	57,746	58,219	60,168	63,224	68,647
Teaching staff (2) (4) (5)	2,432	2,603	2,797	2,593	2,586	2,611	2,717	2,585	2,841	2,167
Pupil-teacher ratio (4)	19	19	18	19	18	18	16	16	18	18

Salary Grades	Base Salary (3)						Average Salary in Each Range (3)					
	2019	2020	2021	2022	2023	2024	2019	2020	2021	2022	2023	2024
BA	\$ 42,598	\$ 43,471	\$ 43,471	\$ 44,449	\$ 46,894	\$ 51,394	\$ 48,151	\$ 52,288	\$ 55,316	\$ 56,561	\$ 60,652	\$ 63,980
BA + 15 hours	43,770	44,667	44,667	45,672	48,184	52,684	54,456	60,411	64,878	66,338	70,043	74,281
BA + 30 hours	44,928	45,849	45,849	46,881	49,459	53,959	61,556	67,984	70,526	72,113	76,892	78,669
BA + 45 hours	46,096	47,041	47,041	48,099	50,744	55,244	61,666	68,068	71,836	73,452	77,834	82,560
MA	47,277	48,246	48,246	49,332	52,045	56,545	58,056	62,697	65,721	67,199	73,837	77,710
MA + 15 hours	48,438	49,431	49,431	50,543	53,323	57,823	66,809	72,689	75,396	77,092	72,878	77,254
MA + 30 hours	49,598	50,615	50,615	51,754	54,600	59,100	67,446	74,081	77,993	79,748	82,667	86,383
MA + 45 hours	50,773	51,814	51,814	52,980	55,894	60,394	73,989	82,425	81,593	83,429	83,790	86,287
MA + 60 hours	51,937	53,002	53,002	54,195	57,176	61,676	72,925	78,366	82,983	84,950	89,901	91,500
MA + 75 hours	53,100	54,189	54,189	55,408	58,455	62,955	79,225	87,583	89,086	91,090	91,949	96,353
PhD	54,270	55,383	55,383	56,629	59,744	64,244	68,733	73,593	78,414	80,178	83,473	86,014

Note 1: Data obtained from Colorado Department of Education website.

Source: <https://www.cde.state.co.us/>

Note 2: Represents full-time, licensed classroom teachers as quantified by Colorado Department of Education, includes Charter Schools.

Note 3: Data provided by district Human Resources Department.

Note 4: Data provided has been updated based upon CDE data changes.

Note 5: Beginning in 2015, the teaching staff includes the full-time equivalent for total instruction, as provided by the district Human Resources Department.

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

	Fiscal Year (1)									
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Elementary Schools</b>										
Number of sites	28	28	28	28	28	28	28	28	24	21
Square feet	1,532,729	1,534,745	1,543,246	1,541,806	1,541,806	1,538,705	1,534,385	1,548,355	1,364,337	1,204,389
Capacity	16,764	16,764	16,914	16,864	16,839	16,250	16,150	16,150	14,700	12,710
Enrollment	15,242	14,561	13,119	12,175	11,038	11,320	10,374	9,482	10,041	9,644
<b>K-8 Schools</b>										
Number of sites	6	7	7	7	7	7	8	8	9	12
Square feet	451,853	557,925	550,823	550,823	558,599	569,743	673,436	673,436	741,913	1,026,659
Capacity	4,428	5,204	5,204	5,204	5,379	5,500	6,400	6,400	7,225	9,572
Enrollment	4,170	4,776	4,677	4,653	4,822	4,907	4,781	5,150	5,751	6,809
<b>P-12 and 6-12 Schools (2)</b>										
Number of sites	-	-	-	-	-	-	-	-	2	2
Square feet	-	-	-	-	-	-	-	-	195,921	139,660
Capacity	-	-	-	-	-	-	-	-	1,951	1,253
Enrollment	-	-	-	-	-	-	-	-	1,349	1,013
<b>Middle Schools</b>										
Number of sites	7	7	7	7	7	7	7	7	6	5
Square feet	854,098	855,538	868,862	870,302	853,808	853,808	853,808	712,708	727,127	622,967
Capacity	8,507	8,557	8,557	8,607	8,032	8,032	8,132	6,806	6,669	5,065
Enrollment	6,637	6,548	6,367	6,216	6,062	5,922	5,591	4,158	3,955	3,638
<b>High Schools (2)</b>										
Number of sites	6	6	6	6	6	6	6	6	6	6
Square feet	1,300,011	1,302,891	1,315,561	1,315,561	1,351,267	1,413,924	1,411,044	1,411,044	1,411,044	1,411,044
Capacity	9,681	9,781	9,831	9,831	10,730	11,015	11,000	11,000	10,900	10,305
Enrollment	9,379	9,577	9,884	9,504	9,179	9,160	8,776	8,715	8,719	8,991
<b>Technical Schools</b>										
Number of sites	1	1	1	1	1	1	1	1	1	1
Square feet	172,486	172,486	174,502	174,502	182,278	182,278	182,278	182,278	182,278	182,278
Capacity	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Enrollment	1,216	1,510	1,314	1,204	1,211	1,211	1,211	846	875	1,019
<b>Total</b>										
Number of sites	48	49	49	49	49	49	50	50	48	47
Square feet	4,311,177	4,423,585	4,452,994	4,452,994	4,487,758	4,558,458	4,654,951	4,527,821	4,622,620	4,586,997
Capacity	41,230	42,156	42,356	42,356	42,830	42,647	43,532	42,206	43,295	40,755
Enrollment	36,644	36,972	35,361	33,752	32,312	32,520	30,733	28,351	30,690	31,114

Note 1: Student count based on actual enrollment.

Note 2: Charles Burrell 9-12 students share a space at Central High School. Square footage and capacity included in High Schools total.

Source: Aurora Public Schools Division of Support Services Planning Department provided square footage amounts (includes mobile units).

Source: Pickens Technical College - student services.



# AURORA

## PUBLIC SCHOOLS

— Power Your Potential —

## **REPORTS REQUIRED BY UNIFORM GUIDANCE**



**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Expenditures of Federal Awards  
June 30, 2024**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-through Identifying Number	2023-2024 Federal Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through Colorado Department of Education:			
<u>Child Nutrition Cluster</u>			
School Breakfast Program	10.553	4553	\$ 4,626,415
Summer Food Service Program for Children	10.559	4559	746,897
Passed through Colorado Department of Education:			
<u>Child Nutrition Cluster</u>			
National School Lunch Program	10.555	4555	13,381,682
National School Lunch Program: Supply Chain Assistance Funds	10.555	6555	1,168,936
Passed through Colorado Department Human Services:			
<u>Child Nutrition Cluster</u>			
National School Lunch Program: Donated Commodities	10.555	4555	1,577,945
Total National School Lunch Program			16,128,563
Total Child Nutrition Cluster			21,501,875
Passed through Colorado Department of Education:			
Local Food for Schools (LFS) Cooperative	10.185	4185	175,934
Child Nutrition Discretionary Grants Limited Availability	10.579	5579	7,983
State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grants	10.649	4649	6,180
Passed through Colorado Department of Public Health & Environment:			
Child and Adult Care Food Program	10.558	4558	1,083,437
U.S. Department of Agriculture Total			22,775,409
<u>U.S. Department of Education</u>			
Direct:			
Indian Education - Grants to Local Education Agencies	84.060	N/A	10,550
<u>Student Financial Assistance Cluster</u>			
Federal Supplementary Educational Opportunity Grants	84.007	N/A	41,651
Federal Work-Study Program	84.033	N/A	4,989
Federal Pell Grant Program	84.063	N/A	1,522,636
Total Student Financial Assistance Cluster			1,569,276
Passed through Colorado Department of Education:			
<u>Special Education Cluster</u>			
Special Education - Grants to States	84.027A	4027	8,836,949
COVID-19 - ARP: Special Education - Grants to States	84.027X	6027	508,432
Total Special Education - Grants to States			9,345,381
Special Education - Preschool Grants	84.173A	4173	267,285
COVID-19 - ARP: Special Education - Preschool Grants	84.173X	6173	71,527
Total Special Education - Preschool Grants			338,812
Total Special Education Cluster			9,684,193
		4010, 5010 &	
Title I Grants to Local Educational Agencies	84.010	7010	\$ 9,461,841
Title I Part C - Migrant Education State Grant Program	84.011	4011	1,752,176
Title I, Career and Technical Education - Basic Grants to States	84.048	4048	538,795
Special Education - State Personnel Development	84.323	5323	17,436
		4365 & 5365 &	
English Language Acquisition Grants	84.365	6365 & 7365	1,521,045
Title II Part A - Improving Teacher Quality State Grants	84.367	4367	1,171,483
Striving Readers	84.371C	5371	515,193
Title IV	84.424A	4424	540,250
Title IV			
Stronger Connections Grant Program (SCG)	84.424F	4451	182,384
Total Title IV			722,634
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER II - 9.5% State Reserve)	84.425D	4419	4,349
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - 90% LEA Allocation Non Learning Loss)	84.425U	4414	14,548,785
ADJUSTMENT COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - 90% LEA Allocation Non Learning Loss)	84.425U	4414	(293,064)

The accompanying notes are an integral part of this Schedule.

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Expenditures of Federal Awards  
June 30, 2024**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-through Identifying Number	2023-2024 Federal Expenditures
Passed through Colorado Department of Education (continued):			
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - LEA Learning Loss Set Aside)	84.425U	9414	11,425,004
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - ARP 9.5% State Set-Aside Supplemental)	84.425U	4418	54,809
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - ARP 9.5% State Set-Aside Supplemental Learning Loss)	84.425U	9418	164,513
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - K-8 Mathematics Curricula and K-3 READ Act Instructional Programming)	84.425U	4431	49,813
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - ARP 9.5% State Set-Aside, Early-Ser Edu Mentoring Program)	84.425U	4436	195,820
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - ARP 9.5% State Set-Aside, Expanded Learning Opp Summer)	84.425U	4438	72,217
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III 21st CCLC E3 Learning Loss)	84.425U	4455	151,200
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III 21st CCLC E3 Summer Program)	84.425U	4459	31,503
COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III 21st CCLC E3 Afterschool Program)	84.425U	4460	112,073
COVID-19 - ARP Homeless Children and Youth (ARP-HCY II) Group 2	84.425W	8426	363,154
Passed through Colorado Governor's Office			
COVID-19 - GEER Governor's Emergency Education Relief Fund-Supporting Colorado Teachers: Governor's Office	84.425R/V	6429	50,000
Total Education Stabilization Fund			26,930,176
U.S. Department of Education Total			<u>53,894,798</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through Colorado Department of Education:			
Drug Free Communities Support Program	93.276	7276	128,090
Public Health Emergency Response:	93.354	7354	128,411
Cooperative Agreement for Emergency Response: Public Health Crisis Response			<u>128,411</u>
U.S. Department of Health and Human Services Total			<u>256,501</u>
<u>U.S. Department of Treasury</u>			
Passed through Colorado Community Colleges System:			
COVID-19 - Workforce Innovation Grant: Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027	7127	247,013
COVID-19 - CSLFRF State Fiscal Recovery Funds Adult Edu (HB 21-1264)	21.027	9019	77,250
Passed through Colorado Office of Economic Development & International Trade			
COVID-19 - Workforce Innovation Grant: Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) Opportunity Now Colorado	21.027	7130	23,831
Passed through The Board of County Commissioners of the County of Arapahoe, State of Colorado			
COVID-19 - Behavioral Health Care: Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) Integration Services for Children	21.027	6127	448,404
Passed through The Board of County Commissioners of the County of Adams, State of Colorado			
COVID-19 - Workforce Innovation Grant: Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) County Funds	21.027	8127	34,118
U.S. Department of Treasury Total			<u>830,616</u>
<u>U.S. Federal Communications Commission</u>			
Emergency Connectivity Fund Program	32.009	8009	1,636,841
<u>Other Federal Assistance</u>			
Air Force Jr. ROTC	12.000		165,295
Total Expenditures of Federal Awards			<u>\$ 79,559,460</u>

The accompanying notes are an integral part of this Schedule.

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Notes to Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended June 30, 2024**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

1. The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the district under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the district, it is not intended to and does not present the financial position, changes in net position or cash flows of the district.
2. The district has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.
3. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.
4. The district provided no federal awards to subrecipients.
5. The district receives food commodities from the U.S. Department of Agriculture for use in its food service program. The commodities are recognized as revenue when received and are recorded at fair value at the time of receipt. The commodities are recognized as expenditures when used by schools. The majority of the commodities are stored at individual schools instead of a central warehouse. As such, the district has determined that the title to the commodities passes to the district upon receipt of the commodities. Since the district has received title to the commodities, the unused commodities are not reflected as unearned revenue. The commodities are reported under the National School Lunch Program (Assistance Listing Number 10.555) on the Schedule. The district recognized noncash awards of \$1,577,945 for the year ended June 30, 2024.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado (the "School District") as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 25, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School 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 School District's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Report on Compliance and Other Matters**

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

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

**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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plante & Moran, PLLC*

November 25, 2024

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required  
by the Uniform Guidance

**Independent Auditor's Report**

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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Joint School District No. 28-J of the Counties of Adams and Arapahoe, Colorado's (the "School District") 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 the School District's major federal programs for the year ended June 30, 2024. The School 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, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 the School 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 School 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 School District's federal programs.

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School 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 School 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 School 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.

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.

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

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.

*Plante & Moran, PLLC*

November 25, 2024

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Findings and Questioned Costs  
Section I – Summary of Auditor’s Results  
For the Fiscal Year Ended June 30, 2024**

**Section I – Summary of Auditor’s Results**

***Financial Statements***

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP):

(Check each description that applies)

Unmodified     Qualified     Adverse     Disclaimer

2. Internal control over financial reporting:

Significant deficiency(ies) identified?

Yes

None reported

Material weakness(es) identified?

Yes

No

3. Noncompliance material to the financial statements noted?

Yes

No

***Federal Awards***

4. Internal control over major federal awards programs:

Significant deficiency(ies) identified?

Yes

None reported

Material weakness(es) identified?

Yes

No

5. Type of auditor’s report issued on compliance for major federal programs:

(Check each description that applies. If any other than unmodified apply, also list the name of each major program by the type of opinion applicable to that program.)

Unmodified     Qualified     Adverse     Disclaimer

6. Any audit findings disclosed required to be reported by 2 CFR 200.516(a)?

Yes

No

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Findings and Questioned Costs  
Section I – Summary of Auditor’s Results  
For the Fiscal Year Ended June 30, 2024**

7. Identification of major federal programs:

<b>Assistance Listing Number</b>	<b>Name of Federal Program or Cluster</b>
84.027A, 84.173A, 84.027X and 84.173X	Special Education Cluster
84.425D	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - ARP 9.5% State Set-Aside, Expanded Learning Opp Summer)
84.425U	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - 90% LEA Allocation Non Learning Loss)
84.425U	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - LEA Learning Loss Set Aside)
84.425U	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - ARP 9.5% State Set-Aside Supplemental)
84.425U	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - ARP 9.5% State Set-Aside Supplemental Learning Loss)
84.425U	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - K-8 Mathematics Curricula and K-3 READ Act Instructional Programming)
84.425U	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - ARP 9.5% State Set-Aside, Early-Ser Edu Mentoring Program)
84.425U	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III - ARP 9.5% State Set-Aside, Expanded Learning Opp Summer)
84.425U	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III 21st CCLC E3 Learning Loss)
84.425U	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III 21st CCLC E3 Summer Program)
84.425U	COVID-19 - Education Stabilization Fund Program Elementary and Secondary School Emergency Relief Fund (ESSER III 21st CCLC E3 Afterschool Program)
84.425W	COVID-19 - ARP Homeless Children and Youth (ARP-HCY II) Group 2

8. Dollar threshold used to distinguish between Type A and Type B programs: \$2,386,784.

9. Auditee qualified as a low-risk auditee?  Yes  No

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Findings and Questioned Costs  
Section II – Financial Statement Findings  
For the Fiscal Year Ended June 30, 2024**

**Section II – Financial Statement Findings**

<b>Reference Number</b>	<b>Finding</b>
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No matters are reportable.

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Schedule of Findings and Questioned Costs  
Section III – Federal Award Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2024**

**Section III – Federal Award Findings and Questioned Costs**

<b>Reference Number</b>	<b>Finding</b>
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No matters are reportable.

**Joint School District No. 28-J of the  
Counties of Adams and Arapahoe, Colorado  
Summary Schedule of Prior Audit Findings  
For the Fiscal Year Ended June 30, 2024**

**Summary Schedule of Prior Audit Findings**

<b>Reference Number</b>	<b>Finding</b>	<b>Status</b>
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No matters are reportable.