

NOTICE OF REGULAR MEETING AND AGENDA



November 12, 2014

**Educational Services Center
395 South Pratt Parkway
Longmont, Colorado 80501**

Robert J. Smith, President, Board of Education

Dr. Don Haddad, Superintendent of Schools

DISTRICT VISION STATEMENT

*To be an exemplary school district
which inspires and promotes high
standards of learning and student
well-being in partnership with
parents, guardians and the
community.*

DISTRICT MISSION STATEMENT

*To educate each student in a safe
learning environment so that they
may develop to their highest
potential and become contributing
citizens.*

ESSENTIAL BOARD ROLES

*Guide the superintendent
Engage constituents
Ensure alignment of resources
Monitor effectiveness
Model excellence*

BOARD MEMBERS

*John Ahrens, Member
John Creighton, Member
Debbie Lammers, Secretary
Paula Peairs, Treasurer
Mike Schiers, Asst Secretary
Joie Siegrist, Vice President
Robert J. Smith, President*

1. CALL TO ORDER:

6:30 pm Review of Comprehensive Annual Financial Report (CAFR)
7:00 pm Regular Business Meeting

2. ADDENDUMS/CHANGES TO THE AGENDA:

3. AUDIENCE PARTICIPATION:

4. VISITORS:

1. Communications Award

5. SUPERINTENDENT'S REPORT:

6. REPORTS:

1. Frederick High School Student Advisory Council Feeder Report
2. District-Wide Savings on Procurement Activities for FY 2014
3. Update on Purchasing Department Certification

7. CONSENT ITEMS:

1. Approval: Staff Terminations/Leaves
2. Approval: Staff Appointments
3. Approval: Approval of Minutes for the October 8, 2014 Regular Meeting, the October 15, 2014 Study Session, and the October 22, 2014 Regular Meeting
4. Approval: First Reading, Adoption, Board Policy CCA-St. Vrain Valley Organizational Chart
5. Approval: Approval of Architect Selection-Indian Peaks Elementary Renovation Project
6. Approval: Approval of Construction Manager/General Contractor (CMGC)-Indian Peaks Elementary
7. Approval: Approval of Architect Selection-Rocky Mountain Elementary Renovation Project
8. Approval: Approval of Construction Manager/General Contractor (CMGC)-Rocky Mountain Elementary
9. Approval: Approval of Consultant Fee Adjustment-Facility Audits Project
10. Approval: Approval of Purchase of Audio Visual Systems
11. Approval: Approval of Vendors Providing Purchased Services
12. Approval: Approval of School Health Professional Grant Program

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8. ACTION ITEMS:

1. Recommendation: Approval of Appointment of Dean of Students for Centennial and Prairie Ridge Elementary
2. Recommendation: Approval of Joint Use Agreement with Carbon Valley Recreation District
3. Recommendation: Acceptance of Comprehensive Annual Financial Report (CAFR)
4. Recommendation: Adoption of Resolution Proclaiming American Education Week, November 16-22, 2014

9. DISCUSSION ITEMS:

1. First Reading, Introduction, Board Policy BEAA – Electronic Participation in School Board Meetings
2. Feedback on Technology in Education-John Couch Presentation

10. ADJOURNMENT:

Board of Education Meetings: Held at 395 South Pratt Parkway, Board Room, unless otherwise noted:

| | |
|------------------------|------------------------------|
| Wednesday, November 19 | 6:00 – 8:00 pm Study Session |
| Wednesday, December 10 | 7:00 pm Regular Meeting |
| Wednesday, December 17 | 6:00 – 8:00 pm Study Session |

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Frederick High School Feeder Report-High School Student Advisory Council

PURPOSE

To provide students the opportunity to practice leadership skills and report out on the successes of the Frederick High School feeder system to the Board of Education.

BACKGROUND

The Student Advisory Committee is comprised of 3-4 high school students from each of our high schools that were chosen by teachers and administrators. The Student Advisory Committee was started by Don Haddad eight years ago so that students could give input to the superintendents about what students were feeling about the District.

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: District-Wide Savings on Procurement Activities for Fiscal Year 2014

PURPOSE

To provide the Board of Education an annual report regarding the key functions and efficiencies in the Purchasing Department. The Purchasing Department provides buying and contracting services in support of all district schools and departments and coordinates the sale and disposal of district surplus property. This is our opportunity to demonstrate the value purchasing services provides the district as shown through established key performance measures including procurement cost savings data, vendor participation, solicitation process lead time, procurement card rebate potential, and surplus property sale proceeds and disposal process.

BACKGROUND

Procurement Cost Savings: The attached cost savings report is a summary detailing the competitive bid activity completed by the procurement staff in Fiscal Year 2014. The spreadsheet details total purchases and contracts of \$10,322,789 reflecting total cost savings of \$1,226,000. This is a 12% savings rate over all purchases. Cost savings are calculated as the difference between the total amount of the awarded contract and the average cost of all submitted bid proposals. The report is not inflated and truly represents only savings generated through the efforts of the purchasing staff.

The purchasing staff facilitated 75 formal invitations to bid (ITB) and requests for proposal (RFP) solicitations to select qualified contractors. The value procurement brings is ensuring the integrity of the process that all interested suppliers are treated fairly and encouraged to compete as evidenced by the number of participating vendors submitting a response to each individual solicitation. The average turn-around time is 27 days from release date of a solicitation to submission deadline date.

Purchasing Card (P-card) Activity: Small dollar purchases are recommended to be processed as a purchasing card transaction as no competitive bidding is required. The p-card is used to purchase supplies and materials instead of generating small dollar or blanket purchase orders. We track the annual purchase volume of the procurement staff p-card use. The procurement staff processed transactions totaling \$579,034

through multiple funding sources. The benefits to the district are not only cost savings and more effective use of staff time, but increased rebate potential of all qualified sales to support operating budgets.

Surplus Property Sales: It is the responsibility of the Purchasing Department to oversee the declaration and disposal of the district's surplus equipment, furniture and materials (including textbooks and technology items). The disposal of district surplus is fundamentally an issue of demonstrating proper stewardship of public resources in accordance with district policies and ethical standards. Items not needed in the system are sold through online auction or offered without cost to charitable and civic organizations per Board policy. Sale proceeds are used to supplement the district capital projects fund.

The following provides a summary of the proceeds from the sales of surplus assets received from July 2013 through June 2014.

| <u>AUCTION DATE</u> | <u># ITEMS SOLD</u> | <u>NET PROCEEDS</u> |
|------------------------|---------------------|---------------------|
| July 2013 | 46 | \$ 7,225 |
| August 2013 | 4 | \$ 862 |
| September 2013 | 3 | \$ 800 |
| October 2013 | 21 | \$ 1,924 |
| November 2013 | 4 | \$ 2,657 |
| December 2013 | 2 | \$ 541 |
| January 2014 | 13 | \$ 1,406 |
| February 2014 | 12 | \$ 6,758 |
| March 2014 | 31 | \$ 11,388 |
| April 2014 | 23 | \$ 7,960 |
| May 2014 | 14 | \$ 9,436 |
| June 2014 | 1 | \$ 3,159 |
| TOTAL SURPLUS REVENUE: | | \$ 54,124 |

To assure the district is utilizing the best resources, we continue to look for ways to improve processes that gain efficiencies in streamlining surplus property disposal. Through the support of the local community, such as Goodwill Industries of Denver, the district is able to divert 65,443 pounds of electronics to be recycled or repurposed instead of reaching the landfill.

The Purchasing Department total cost (regular & temporary salary, benefits and department budget) to the district for the fiscal year 2014 was \$374,260. The net savings to the district by providing purchasing services were \$905,864.

The department will continue tracking key performance measures to ensure we are, at a minimum, a cost-effective use of district resources. The bottom line is that the Purchasing Department is a value-added service that makes every effort to receive optimum value for the dollars spent through sound Board-approved procurement policies and procedures.

PRICING AGREEMENTS

| <u>Project / Category</u> | <u>Requestor</u> | <u>Bid Amount</u> | <u>Total P.O. Value</u> | <u>Total Savings</u> |
|---------------------------|------------------|-------------------|-------------------------|----------------------|
| Warehouse Central Supply | District-wide | \$565,813 | \$342,445 | \$223,368 |

REQUEST FOR QUOTE PROCESS:

| <u>Project / Category</u> | <u># Bids</u> | <u>Requestor</u> | <u>Bid Amount</u> | <u>Total P.O. Value</u> | <u>Total Savings</u> |
|-----------------------------------|---------------|------------------|-------------------|-------------------------|----------------------|
| Classroom Furniture-Portables | 3 | O&M | \$23,207 | \$20,152 | \$3,055 |
| Photography Equip-LHS | 7 | DTS | \$19,695 | \$17,047 | \$2,648 |
| Key & Lock Equipment-SCHS | 9 | O&M | \$20,170 | \$11,189 | \$8,981 |
| Capital Reserve Furnishings | 12 | O&M | \$114,659 | \$102,625 | \$12,034 |
| Convertible Benches (Café Tables) | 1 | O&M | \$46,856 | \$40,504 | \$6,352 |
| Custodial Equipment | 4 | O&M | \$16,814 | \$15,649 | \$1,165 |
| Nevco Scoreboard | 4 | Athletics | \$4,715 | \$3,400 | \$1,315 |
| RF Proximity Reader | 3 | Finance | \$15,555 | \$13,700 | \$1,855 |
| Skutt Kilns | 3 | Athletics | \$10,317 | \$9,075 | \$1,242 |
| Computer Components | 3 | O&M | \$12,047 | \$11,108 | \$939 |
| TOTAL: | | | \$284,035 | \$244,449 | \$39,586 |

FORMAL BID PROCESS:

| <u>Project Description</u> | <u># Bids</u> | <u>Requestor</u> | <u>Market Average Bid</u> | <u>Contract Award</u> | <u>Total Savings</u> |
|--------------------------------|---------------|------------------|---------------------------|-----------------------|----------------------|
| Cisco Switches | 9 | O&M | \$66,063 | \$63,906 | \$2,157 |
| Samsung Chromebooks | 5 | DTS | \$218,177 | \$211,415 | \$6,762 |
| Traffic Signal - Hygiene | 2 | O&M | \$121,565 | \$107,224 | \$14,341 |
| Cisco Products/Network | 4 | DTS | \$344,339 | \$337,977 | \$6,362 |
| Exterior Painting - Niwot HS | 3 | O&M | \$15,486 | \$11,748 | \$3,738 |
| Drainage Improvements | 3 | O&M | \$155,366 | \$122,395 | \$32,971 |
| Trucks/Cargo Vans | 4 | Transp | \$116,143 | \$113,212 | \$2,931 |
| Cisco Switches/Security Sys | 8 | O&M | \$39,467 | \$35,184 | \$4,283 |
| Axis Network Cameras | 12 | O&M | \$137,221 | \$122,367 | \$14,854 |
| Elevator Maintenance | 6 | O&M | \$19,513 | \$9,916 | \$9,597 |
| Cisco Smartnet Annual Maint. | 3 | DTS | \$210,195 | \$204,810 | \$5,385 |
| AED Purchase/Maintenance | 4 | O&M | \$27,930 | \$25,480 | \$2,450 |
| iPad Mini Cases | 13 | LS | \$77,325 | \$68,429 | \$8,896 |
| Office Space Portables | 5 | O&M | \$332,219 | \$311,164 | \$21,055 |
| Samsung Chromebooks | 8 | DTS | \$173,311 | \$162,225 | \$11,086 |
| Custodial Equipment | 4 | O&M | \$34,893 | \$31,608 | \$3,285 |
| Gym Floor Replacement-Skyline | 2 | O&M | \$79,055 | \$68,355 | \$10,700 |
| Site Utility Package-Portables | 3 | O&M | \$192,320 | \$116,300 | \$76,020 |
| Computer Monitors/Peripherals | 16 | DTS | \$57,361 | \$52,980 | \$4,381 |
| Epson Projectors | 12 | DTS | \$154,982 | \$130,880 | \$24,102 |
| Generator & Transfer Switches | 3 | O&M | \$46,057 | \$34,886 | \$11,171 |
| Chiller Unit | 2 | O&M | \$101,559 | \$80,950 | \$20,609 |
| Portable Classroom Units | 6 | O&M | \$271,311 | \$246,330 | \$24,981 |
| Sharp Precision Lathe | 2 | CDC | \$21,474 | \$20,512 | \$962 |
| Asbestos Abatement-Central | 6 | O&M | \$57,240 | \$35,625 | \$21,615 |
| Redstone Museum Restoration | 3 | O&M | \$83,287 | \$74,574 | \$8,713 |
| Cisco Switches/Security Sys | 8 | O&M | \$17,475 | \$16,495 | \$980 |
| Axis Network Cameras | 19 | O&M | \$108,333 | \$92,900 | \$15,433 |
| Playground Improvements - ECE | 3 | O&M | \$353,428 | \$336,246 | \$17,182 |
| Turf Replacement - EHS/LHS | 1 | O&M | \$1,149,000 | \$1,149,000 | \$0 |
| Cabling Services | 3 | DTS | \$186,504 | \$164,597 | \$21,907 |
| Classroom Furniture-District | 7 | O&M | \$224,154 | \$198,724 | \$25,430 |
| Classroom Furniture-CDC | 7 | CDC | \$19,897 | \$15,645 | \$4,252 |
| Cisco Switches - 4500 Series | 6 | DTS | \$34,284 | \$30,361 | \$3,923 |
| Cisco Products/VOIP Upgrade | 5 | DTS | \$426,433 | \$398,904 | \$27,529 |
| Conduit Boring/Install Fiber | 4 | DTS | \$44,629 | \$29,988 | \$14,641 |
| Fiber Extensions | 2 | DTS | \$23,919 | \$19,470 | \$4,449 |
| Portable Classroom Relocation | 3 | O&M | \$32,985 | \$31,041 | \$1,944 |
| iPad Mini Cases | 11 | DTS | \$173,290 | \$126,405 | \$46,885 |
| Computer Monitors/Peripherals | 17 | DTS | \$67,973 | \$63,800 | \$4,173 |
| Samsung Chromebooks | 10 | DTS | \$884,980 | \$810,559 | \$74,421 |
| Summer Painting Projects | 1 | O&M | \$62,514 | \$62,514 | \$0 |
| School Bus Purchase | 3 | Transp | \$815,346 | \$796,494 | \$18,852 |

FORMAL BID PROCESS:

| <u>Project Description</u> | <u># Bids</u> | <u>Requestor</u> | <u>Market Average Bid</u> | <u>Contract Award</u> | <u>Total Savings</u> |
|----------------------------------|---------------|------------------|---------------------------|-----------------------|----------------------|
| Fencing Projects | 2 | O&M | \$65,144 | \$62,788 | \$2,356 |
| Cisco VOIP Products | 3 | DTS | \$1,065,660 | \$885,512 | \$180,148 |
| Microsoft Software Licenses | 3 | DTS | \$104,910 | \$102,447 | \$2,463 |
| Cisco Switches/Security Sys | 7 | O&M | \$46,419 | \$44,655 | \$1,764 |
| Axis Network Cameras | 15 | O&M | \$153,654 | \$140,800 | \$12,854 |
| Professional Auditing Services | 7 | Finance | \$415,749 | \$376,000 | \$39,749 |
| Plumbing/Electrical Repairs-EHS | 1 | O&M | \$496,347 | \$496,347 | \$0 |
| Asbestos Abatement-Mtn View Elem | 5 | O&M | \$286,033 | \$219,500 | \$66,533 |
| Security Services | 2 | O&M | \$3,269 | \$2,300 | \$969 |
| Asbestos Abatement-Mead MS | 6 | O&M | \$40,940 | \$32,400 | \$8,540 |
| Tennis Court Repairs-LHS/NHS | 4 | O&M | \$56,381 | \$46,800 | \$9,581 |
| Auditorium AV Upgrades-NHS | 2 | O&M | \$185,433 | \$182,751 | \$2,682 |
| TOTAL: | | | \$10,698,942 | \$9,735,895 | \$963,047 |

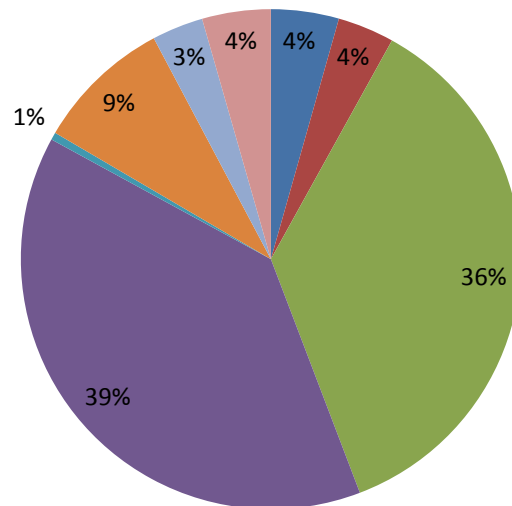
TOTAL ALL AREAS:

| <u>Average Bid Amount</u> | <u>Contract P.O. Value</u> | <u>Total Savings</u> |
|---------------------------|----------------------------|----------------------|
| \$11,548,790 | \$10,322,789 | \$1,226,001 |

Savings realized over total contract value: 12%

Track All Purchases by Area

■ Bond ■ Furniture ■ DTS ■ O&M ■ Schools ■ Transp ■ Whse ■ Other



MEMORANDUM

DATE: November 12, 2014
TO: Board of Education
FROM: Dr. Don Haddad, Superintendent of Schools
SUBJECT: Purchasing Department Receives 100% Certification Award

PURPOSE

Excellence in Achievement 2014 - The St. Vrain Valley School District is a 2014 recipient of the Universal Public Procurement Certification Council (UPPCC) Agency Certification Award. This award was created to formally recognize an agency's commitment to the value of acquiring certification in the public sector. The SVVSD professional procurement team achieved fully certified public procurement status in August 2014. This accomplishment indicates the level of commitment and dedication to the profession, enhancing customer service to internal customers, plus the skills and expertise brought to the public procurement industry. Earning the professional certification conferred by the UPPCC is just one more way that procurement professionals build the public's confidence, respect and trust.

Traci Burtnett, CPPO, CPPB, Director
Tim Wellmann, CPPB, Purchasing Manager
Diana Cantu, CPPB, Senior Buyer
Bill Oliver, CPPB, Senior Buyer

The UPPCC now offers an even greater distinction for agencies committed to professionalism in public purchasing. The Sterling Agency Award recognizes agencies that maintain Agency Award status for three consecutive years. The goal of the purchasing staff is to pursue the Sterling Agency Award designation in 2016.

November 12, 2014
Terminations Leaves of Absence

7.1

| EFFECTIVE | NAME | POSITION/LOCATION | FMLA | NON-FMLA | PERSONAL | EXTENDED | RESIGNED | RETIRED | COMMENTS |
|------------|--|---|------|----------|----------|----------|----------|---------|----------|
| | ADMINISTRATIVE/PROFESSIONAL/TECHNICAL | | | | | | | | |
| | | | | | | | | | |
| | LICENSED | | | | | | | | |
| 10/8/2014 | Allen, Mark | Science Teacher / Frederick HS | X | | | | | | |
| 9/27/2014 | Barbosa, Veronica | Science Teacher/Westview MS | X | | | | | | |
| 10/1/2014 | Boone, Mary | Teacher, SE / Alpine ES | | | | | X | | |
| 12/31/2014 | Burch, Sara | Teacher, SE / Student Services | | | | | X | | |
| 10/31/2014 | Holder, Elizabeth | Building Team Leader / Student Services | | | | | X | | |
| 10/24/2014 | Manzanares, Brian | Speech/Language Pathologist/Student Services | | | | | X | | |
| 9/22/2014 | Margolin, Stephen | Social Science Teacher/Longmont HS | X | | | | | | |
| 10/20/2014 | Oliver, Laurena | Gifted & Talented Teacher/Erie ES | | X | | | | | |
| 8/13/2014 | Stolken, Lynn | Second Grade Teacher/Alpine ES | X | | | | | | |
| | | | | | | | | | |
| | CLASSIFIED | | | | | | | | |
| 11/6/2014 | Barkan, Noah | Accompanist / Longmont HS | | | | | X | | |
| 10/2/2014 | Bushey, Loyce | Paraeducator, PS / Mountain View ES | X | | | | | | |
| 10/24/2014 | Capper, Kathleen | Nutrition Services Worker / Coal Ridge MS | | | | | X | | |
| 10/1/2014 | Colclasure, Jennifer | Paraeducator, SE / Erie HS | X | | | | | | |
| 10/24/2014 | Degerlia, Brandy | Nutrition Services Manager / Nutrition Services | | | | | X | | |
| 10/16/2014 | DeLanoit, Teresa | Clerk, Health / Student Assistance Services | | | | | X | | |
| 10/22/2014 | Edwards, Katie Jo | Clerk, Media / Longmont HS | | | | | X | | |
| 11/14/2014 | Gomez, Megan | Secretary, Principal / Longmont Estates ES | | | | | X | | |
| 10/24/2014 | Helt, Jamie | Paraeducator, SE / Timberline PK-8 | | | | | X | | |
| 10/14/2014 | Kepchar, Alice | Clerk, Attendance / Erie MS | | | | | X | | |
| 10/17/2014 | Loveland, Mary | Paraeducator, ECSE / Red Hawk ES | | | | | X | | |
| 10/10/2014 | Martinez, Marlo | Paraeducator, Non Instructional / Olde Columbine HS | | | | | X | | |
| 9/26/2014 | Portis, Valerie | Group Leader / Burlington ES | | | | | X | | |
| 10/31/2014 | Ratliff, Amy | Paraeducator, SE / Student Services | | | | | X | | |
| 11/7/2014 | Reid, Deana | Paraeducator, Instructional / Niwot ES | | | | | X | | |
| 11/7/2014 | Swanson, Laura | Paraeducator, Instructional / Red Hawk ES | | | | | X | | |
| 9/18/2014 | Tudor, Tonya | Paraeducator, SE / Niwot ES | | | | | X | | |
| 10/24/2014 | Wade, Erica | Paraeducator, SE / Prairie Ridge ES | | | | | X | | |
| | | | | | | | | | |
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| | | | | | | | | | |

*Will work a 110 Day Contract for 2014-15

November 12, 2014

7.2

Staff Appointments

| HIRE DATE | NAME | POSITION | LOCATION | NEW POSITION | REPLACEMENT |
|------------|--|---------------------------------|--------------------------|--------------|-------------|
| | ADMINISTRATIVE/PROFESSIONAL/TECHNICAL | | | | |
| | | | | | |
| | LICENSED | | | | |
| 9/22/2014 | Chamberlin, Meghan | Teacher, Language Arts | Niwot HS | X | |
| 10/2/2014 | Mayo-Cody, Rebecca | Counselor | Erie MS / Erie HS | | X |
| 10/8/2014 | Stafford, James | Teacher, Seventh Grade | Thunder Valley K-8 | X | |
| 10/15/2014 | Thompson, Michael | Teacher, Multi Grades | Westview MS | X | |
| 11/3/2014 | Trinkler, Krystal | Counselor | Red Hawk ES | | X |
| | | | | | |
| | CLASSIFIED | | | | |
| 10/20/2014 | Arlington, Deborah | Paraeducator, Instructional | Black Rock ES | X | |
| 9/24/2014 | Baker, Debra | Paraeducator, Instructional | Eagle Crest ES | | X |
| 10/28/2014 | Bossert, Rebecca | Paraeducator, SE | Timberline PK-8 | | X |
| 10/7/2014 | Bradford, Paulette | Paraeducator, SE | Black Rock ES | X | |
| 10/31/2014 | Capili, Jessica | Director, Child Care | Alpine ES | X | |
| 10/2/2014 | DeLuke, Hortencia | Nutrition Service Worker | Frederick HS | X | |
| 10/8/2014 | Dominguez, Leticia | Nutrition Service Worker | Skyline HS | | X |
| 10/8/2014 | Drnovsek, Mallory | Paraeducator, SE | Longmont HS | | X |
| 10/16/2014 | Fee, Rene | Nutrition Service Worker | Niwot ES | | X |
| 10/3/2014 | Ford, Coralyn | Clerk, Health | Westview MS | | X |
| 9/30/2014 | Franz, Judith | Bus Driver | Transportation | | X |
| 11/3/2014 | Garcia, Gina | Clerk, Attendance | Erie MS | | X |
| 11/3/2014 | Grande, Karen | Paraeducator, ECSE | Red Hawk ES | | X |
| 10/15/2014 | Heerdegen, Alexandra | Group Leader, Child Care | Niwot ES | X | |
| 11/10/2014 | Hernandez, Maria D. | Paraeducator, Non-Instructional | Olde Columbine HS | | X |
| 10/20/2014 | Himler, Tracy | Paraeducator, Non-Instructional | Black Rock ES | X | |
| 10/15/2014 | Howells, Katherine | Clerk, Health | Burlington ES | | X |
| 10/20/2014 | Igler, Valerie | Paraeducator, Instructional | Black Rock ES | X | |
| 10/3/2014 | Johnston, Cynthia | Paraeducator, SE | Niwot ES | | X |
| 10/7/2014 | Kiemele, John Matthew | Paraeducator, MS | Timberline PK-8 | | X |
| 10/6/2014 | Michel, Janet | Clerk, Health | Columbine ES | | X |
| 11/5/2014 | Moreno, Margarita | Clerk, Health | Olde Columbine HS | X | |
| 10/20/2014 | Ortiz, Edward | Custodian | Niwot ES | | X |
| 9/29/2014 | Paquet, John | Carpenter | Operations & Maintenance | | X |
| 10/20/2014 | Pastore, Krista | Paraeducator, Instructional | Black Rock ES | X | |
| 11/4/2014 | Schwartz, Alice | Clerk, Media | Longmont HS | | X |
| 10/1/2014 | Shuman, James | Paraeducator, SE | Longmont HS | | X |
| 10/22/2014 | Shykula, Lisa | Paraeducator, Instructional | Mountain View ES | X | |
| 10/20/2014 | Stever, Holly | Paraeducator, Instructional | Black Rock ES | X | |
| 10/20/2014 | Westbrook, Valerie | Paraeducator, Instructional | Black Rock ES | X | |

November 12, 2014
Staff Appointments

7.2

| | | | | | |
|------------|----------------|--------------------------|-----------|--|---|
| 10/16/2014 | Whipkey, Tracy | Nutrition Service Worker | Altona MS | | X |
|------------|----------------|--------------------------|-----------|--|---|

MEMORANDUM

DATE: November 12, 2014
TO: Board of Education
FROM: Dr. Don Haddad, Superintendent of Schools
SUBJECT: Approval of Board of Education Meeting Minutes

RECOMMENDATION

That the Board of Education approve the minutes from the October Board Meetings.

BACKGROUND

The Board will be asked to approve the minutes of the October 8, 2014 Regular Meeting, the October 15, 2014 Study Session, and the October 22, 2014 Regular Meeting.

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: First Reading, Adoption, Board Policy CCA – St. Vrain Valley
Organizational Chart

RECOMMENDATION

That the Board of Education adopt the revision to Board Policy CCA – St. Vrain Valley Organizational Chart.

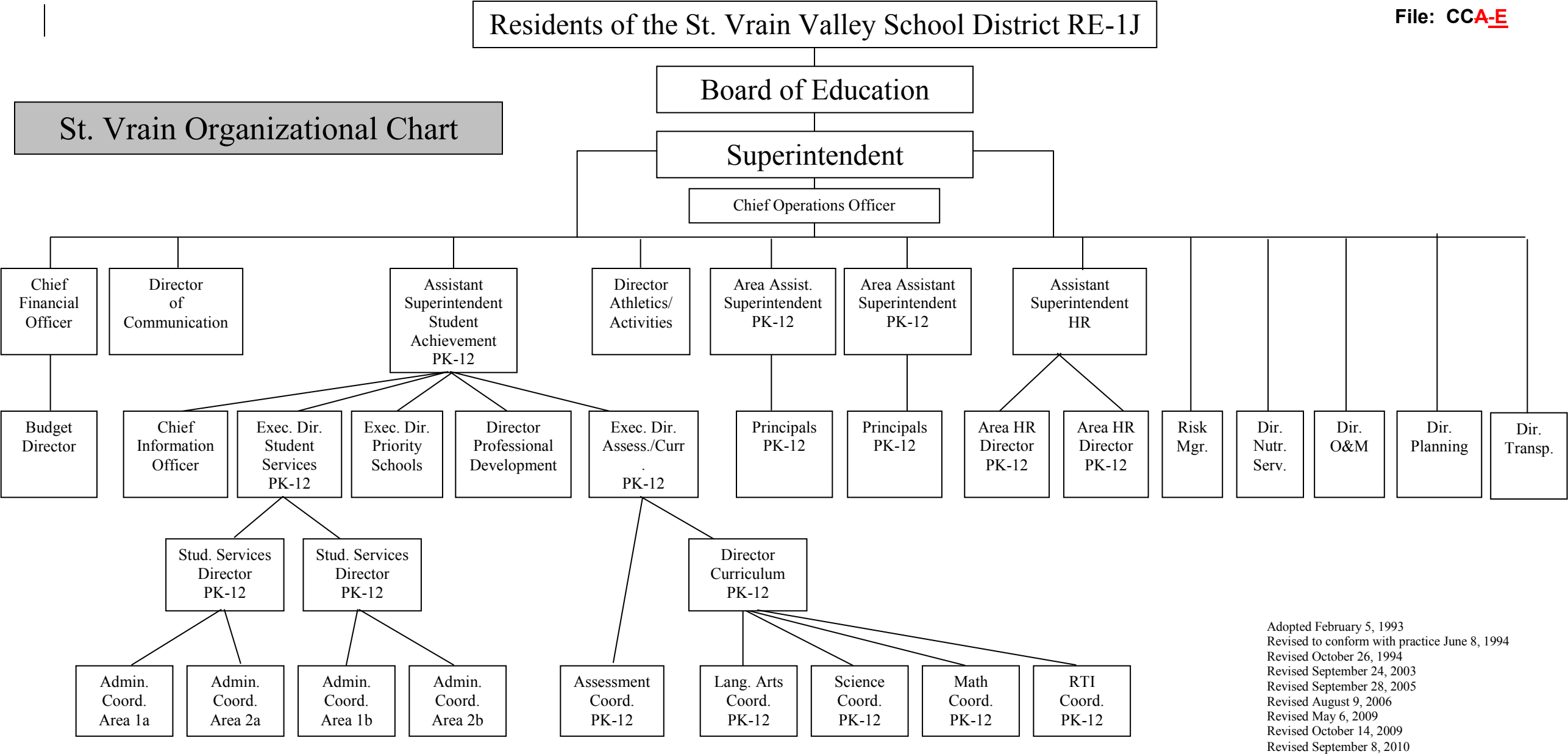
BACKGROUND

This Board Policy is being recoded from CCA to Board Exhibit CC-E in order that it may be easily revised and reviewed by the Board annually. The Board Policy Review Committee has reviewed this Exhibit and is recommending this change.

STRATEGIC PLAN CORRELATION

Focus Area – All
Category – All

St. Vrain Organizational Chart



Adopted February 5, 1993
Revised to conform with practice June 8, 1994
Revised October 26, 1994
Revised September 24, 2003
Revised September 28, 2005
Revised August 9, 2006
Revised May 6, 2009
Revised October 14, 2009
Revised September 8, 2010

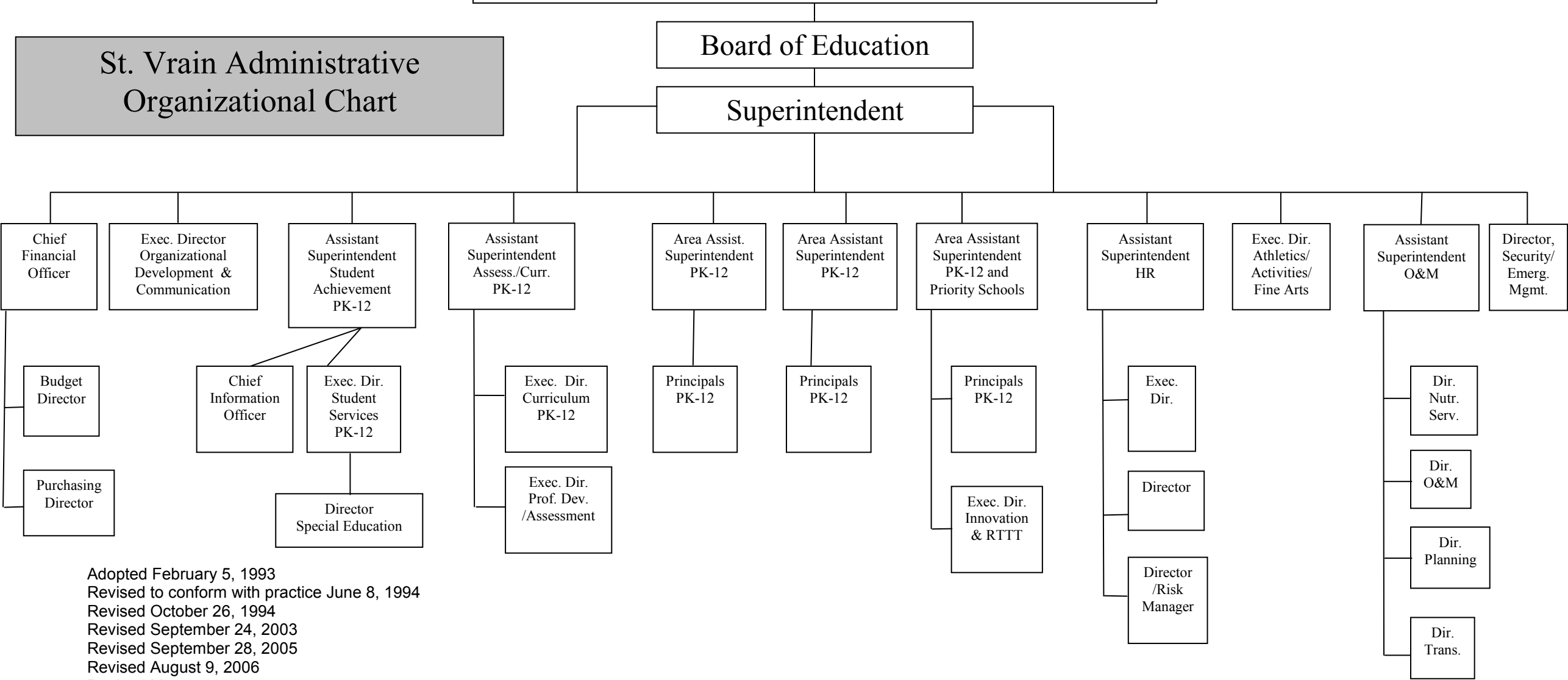
Statement of Purpose

The leadership structure of the St. Vrain Valley School District represents a systems approach to student achievement. This structure is designed to maximize organizational performance and optimize resources dedicated to the alignment of standards, curriculum, instruction and assessment, as well as technology, professional development, communications, and partnerships with business and industry, post-secondary institutions, parents and other stakeholders.

Residents of the St. Vrain Valley School District RE-1J

File: CCA-E

St. Vrain Administrative
Organizational Chart



Adopted February 5, 1993
Revised to conform with practice June 8, 1994
Revised October 26, 1994
Revised September 24, 2003
Revised September 28, 2005
Revised August 9, 2006
Revised May 6, 2009
Revised October 14, 2009
Revised September 8, 2010

Statement of Purpose

The leadership structure of the St. Vrain Valley School District represents a systems approach to student achievement. This structure is designed to maximize organizational performance and optimize resources dedicated to the alignment of standards, curriculum, instruction and assessment, as well as technology, professional development, communications, and partnerships with business and industry, post-secondary institutions, parents and other stakeholders.

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Architect Selection for Indian Peaks Elementary School Renovation Project

RECOMMENDATION

That the Board of Education authorize the administration to enter into contract negotiations with SlaterPaull Architects, Inc., for the design of the Indian Peaks Elementary School Renovation Project, and further authorize Brian Lamer, Assistant Superintendent of Operations, to sign contract documents for an amount not-to-exceed \$182,000.

BACKGROUND

The architect review committee reviewed responses to RFQ 2008-016 "Architectural Services for Remodel/Additions." SlaterPaull Architects, Inc., was selected as the most qualified for the project based on their experience, proposed team, and availability.

Funding for the project is available in the 2008 Bond program.

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Construction Manager/General Contractor (CMGC) for Indian Peaks Elementary School Renovation Project

RECOMMENDATION

That the Board of Education authorize the administration to enter into contract negotiations with FCI Constructors, Inc., for Construction Manager/General Contractor (CMGC) services for the Indian Peaks Elementary School Renovation Project for a contract amount not-to-exceed \$1,200,000 which includes a 10% contingency. Further, that the Board authorize Brian Lamer, Assistant Superintendent of Operations, to sign contract documents and initiate scope changes in accordance with Board of Education policy.

BACKGROUND

The CMGC review committee received and reviewed responses to RFQ 2008-007 "Construction Manager/General Contractor for Remodels/Additions." FCI Constructors, Inc., was selected as the most qualified for the project.

The project will provide upgrades to electrical wiring, light fixtures, solar tubes, ADA hardware, carpeting, casework, and front entrance.

Funding for the project is available in the 2008 Bond program.

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Architect Selection for Rocky Mountain Elementary School Renovation Project

RECOMMENDATION

That the Board of Education authorize the administration to enter into contract negotiations with RB+B Architects, Inc., for the design of the Rocky Mountain Elementary School Renovation Project, and further authorize Brian Lamer, Assistant Superintendent of Operations, to sign contract documents for an amount not-to-exceed \$219,000.

BACKGROUND

The architect review committee reviewed responses to RFQ 2008-016 "Architectural Services for Remodel/Additions." RB+B Architects, Inc., was selected as the most qualified for the project based on their experience, proposed team, and availability.

Funding for the project is available in the 2008 Bond program.

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Construction Manager/General Contractor (CMGC) for Rocky Mountain Elementary School Renovation Project

RECOMMENDATION

That the Board of Education authorize the administration to enter into contract negotiations with FCI Constructors, Inc., for Construction Manager/General Contractor (CMGC) services for the Rocky Mountain Elementary School Renovation Project for a contract amount not-to-exceed \$1,730,000 which includes a 10% contingency. Further, that the Board authorize Brian Lamer, Assistant Superintendent of Operations, to sign contract documents and initiate scope changes in accordance with Board of Education policy.

BACKGROUND

The CMGC review committee received and reviewed responses to RFQ 2008-007 "Construction Manager/General Contractor for Remodels/Additions." FCI Constructors, Inc., was selected as the most qualified for the project.

The project will provide upgrades to electrical wiring, light fixtures, solar tubes, ADA hardware, carpeting, casework, front entrance, irrigation, and preschool playground.

Funding for the project is available in the 2008 Bond program.

MEMORANDUM

DATE: November 12, 2014
TO: Board of Education
FROM: Dr. Don Haddad, Superintendent of Schools
SUBJECT: Approval of Fee Adjustment – Facility Audits Project

RECOMMENDATION

That the Board of Education authorize a fee adjustment to the Owner/Consultant agreement with Architecture Plus for Phase 2 of the District Facility Audits Project for an additional \$145,660 creating a maximum contract value not-to-exceed \$228,936, and further authorize Brian Lamer, Assistant Superintendent of Operations, to sign appropriate documents.

BACKGROUND

The contract with Architecture Plus for the Facility Audits project authorized the consultant to provide an assessment of the physical condition of all District buildings and sites. Phase 1 was completed for nine buildings for a cost of \$83,266. The fee adjustment to the Architecture Plus contract for Phase 2 provides auditing services of an additional 19 buildings. Phase 3 will provide assessment of 24 sites next year.

The Facility Audits project is funded through the Capital Reserve program.

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Purchase of District Wide Audio Visual Systems – Bid 2015-015

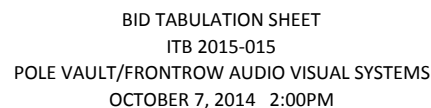
RECOMMENDATION

That the Board of Education authorize the purchase of audio visual systems and associated items from 5280 Digital Inc. for an amount not-to-exceed \$580,500 per the unit pricing for components and installations submitted on Bid 2014-015 and authorize Brian Lamer, Assistant Superintendent of Operations, to sign appropriate documents.

BACKGROUND

The Purchasing Department issued Bid No. 2015-015 for audio visual systems and bids were received and opened on October 7, 2014. Award is recommended to 5280 Digital, the low responsive and responsible vendor. The bid tabulation is attached for reference.

Funds for the purchase are included in the 2008 Bond.



| GROUP B: FRONTROW SYSTEMS | | | | | | |
|---|-------------------|--------------------|---------------|-------------------|--------------------|---------------|
| CALYPSO SYSTEM | Component Pricing | Installation Price | Total Price | Component Pricing | Installation Price | Total Price |
| 2 VGA input Frontrow ezRoom System (with CB2050 button panel, PA Detection, Lay-in speakers (2/ea), all mounting hardware, mic receiver, and 50' of cabling per input or control surface) | \$ 1,450.00 | \$ 410.00 | \$ 1,860.00 | \$ 1,525.00 | \$ 750.00 | \$ 2,275.00 |
| Five Year Warranty (Required) | (INCLUDED) | (INCLUDED) | (INCLUDED) | (INCLUDED) | (INCLUDED) | (INCLUDED) |
| CALYPSO OPTIONS | Component Pricing | Installation Price | Total Price | Component Pricing | Installation Price | Total Price |
| Wireless microphone kit (w/ wall charger) | \$ 255.00 | \$ 150.00 | \$ 405.00 | \$ 283.24 | \$ 375.00 | \$ 658.24 |
| Additional charge for a pair of Lay-in speakers, above what is provided in a complete system | \$ 175.00 | \$ 150.00 | \$ 325.00 | \$ 204.70 | \$ 150.00 | \$ 354.70 |
| Wall mounted speakers of equal power and quality as base bid ceiling speakers | \$ 105.00 | \$ 150.00 | \$ 255.00 | \$ 370.88 | \$ 165.00 | \$ 535.88 |
| Touch Screen Pad (CB6000) | \$ 440.00 | \$ 150.00 | \$ 590.00 | \$ 435.30 | \$ 90.00 | \$ 525.30 |
| Short throw projector mount (Premier Mounts UNI-EPDS mount preferred) | \$ 290.00 | \$ 300.00 | \$ 590.00 | \$ 287.65 | \$ 180.00 | \$ 467.65 |
| INSTALLATION COSTS-PER CLASSROOM | Component Pricing | Installation Price | Total Price | Component Pricing | Installation Price | Total Price |
| Unit Price for single duplex power outlet | No Bid | No Bid | No Bid | \$ - | \$ 239.00 | \$ 239.00 |
| Per foot of cable cost for having input or controller more than 50' of cable away from switcher | \$ 1.00 | \$ 50.00 | \$ 51.00 | \$ - | \$ 4.33 | \$ 4.33 |
| Provide surface mounted conduit and bell boxes on solid walls with standard 2' x 4' sat ceilings at 9' | \$ 100.00 | \$ 150.00 | \$ 250.00 | \$ - | NO BID | NO BID |
| Unit Price for installing District supplied wall mounted projection screen (Da-lite 16:10 aspect ratio format) with CRS function | \$ - | \$ 75.00 | \$ 75.00 | \$ - | \$ 180.00 | \$ 180.00 |
| Total Per System Cost with Installation and Screen (No options) | | | \$ 1,935.00 | | | \$ 2,455.00 |
| Total Cost (300 Systems) | | | \$ 580,500.00 | | | \$ 736,500.00 |

| PROPOSED MAINTENANCE CONTRACT/SERVICE RATE OPTIONS: | | 5280 Digital | CCS Presentation Systems |
|--|--|--------------|--------------------------|
| 1 | Proposed one (1) year maintenance contract price (Twenty-four (24) hour verbal response and one (1) week service call) | \$ 6,000.00 | \$ 108,000.00 |
| 2 | Proposed three (3) year maintenance contract price (4 hour response time) (Twenty-four (24) hour verbal response and one (1) week service call) | \$ 15,000.00 | \$ 360,000.00 |
| 3 | Guaranteed Maximum Percentage Up-charge on Parts (maintenance contract price-1 yr) | 15% | 15% |
| 4 | Guaranteed Maximum Percentage Up-charge on Parts (maintenance contract price-3 yr) | 15% | 15% |
| 5 | Standard Hourly Service Rate if <u>NO</u> maintenance contract is selected (4 hour response time). Hourly rate will be based on "normal business hours" of 8:00am to 5:00pm (MST) Monday through Friday, except holidays | \$ 125.00 | \$ 125.00 |
| 6 | After Hours Service Rate (hourly) if <u>NO</u> maintenance contract is selected (4 hour response time). Hourly rate will be based on anything outside of "normal business hours" of 8:00am to 5:00pm (MST) Monday through Friday | \$ 175.00 | \$ 225.00 |
| 7 | Guaranteed Maximum Percentage of Up-charge on Parts (<u>non</u> -maintenance contract price) | 15% | 15% |

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Vendors Providing Purchased Services

RECOMMENDATION

That the Board of Education approve the following vendors who are anticipated to provide purchased services over \$100,000 during Fiscal Year 2015.

| Vendor Name | Services Provided | Pricing Method |
|--------------------|---------------------------------|-----------------------|
| Laradon Hall | Out-of-District Placement | Contract |
| MyTherapyCompany | Therapists/Student Svcs. | Contract |
| Sunbelt | Therapist/Student Svcs. | Contract |
| eSpark Learning | iPad Apps/Literacy Intervention | Contract |

BACKGROUND

At the August 13, 2014 Board Meeting, information was presented to the Board in an effort to streamline the District's policy requirement that the Board approve all vendors to whom the District pays over \$100,000 in a single fiscal year, per Board Policy DJ—Purchasing Authorization. This was to specifically address vendors who provide services that are not competitively bid or competitive bids that are extended into a new fiscal year.

It is anticipated that the vendors listed above will exceed \$100,000, and they were not included in the original list on August 13, 2014. Laradon Hall provides special education out-of-district placement services, and are higher than expected for FY15 due to an increase in placement of students from one student in 2013-2014 to three students in 2014-2015. MyTherapyCompany and Sunbelt are companies providing purchased services (Occupational Therapist, Psychologists, and Speech/Language Pathologist and Special Education Teachers), and are also expected to exceed \$100,000 for FY15. Student Services is contracting with these agencies to support positions we were unable to hire and fill this school year. eSpark Learning provides teachers with training and ongoing support in adapting instructional practices to integrate iPads as a literacy intervention tool, and helps create a personalized learning plan for students by including playlists of apps, videos, performance challenges and quizzes delivered at the student's diagnosed learning level to provide literacy intervention. Funds from the READ Act will support 2,000 students District-wide with this literacy intervention from January 2015 through January 2016.

MEMORANDUM

DATE: November 12, 2014
TO: Board of Education
FROM: Dr. Don Haddad, Superintendent of Schools
SUBJECT: School Health Professional Grant Program

RECOMMENDATION

Student Services is requesting that the Board of Education approve the acceptance of the award for the School Health Professional Grant and the award of funds.

BACKGROUND

Student Services applied for and received a grant to fund three District-level Social Workers to provide high acuity care for students with extreme anxiety prohibiting them from attending school and substance abuse. The social workers would be hired contingent upon grant funding. We will have the opportunity to apply for continuation grants each spring for the following school year. The District is required as part of the grant to have a 10% in-kind match that we have in place with existing resources.

Total Award: \$96,650.

Part IB: Assurances

(Complete and attach after signature page)

School Health Professional Grant Program 2014-2015

The School Board President and Board-Appointed Authorized Representative must sign below to indicate their approval of the contents of the application, and the receipt of program funds.

On _____ (date), 2014, the Board of _____ (district, BOCES or charter school)
hereby agrees to the following assurances:

1. The grantee will annually provide the Colorado Department of Education the evaluation information required on page 4 and in the Progress Report (Attachment B) of the Request for Proposal.
2. The grantee will work with and provide requested data to CDE for the School Health Professional Grant Program within the time frames specified.
3. In addition to the Education Provider's proposed plan for training and resources, the grantee will budget for a team to attend grant trainings during the term of the grant.
4. The grantee will participate in Healthy Kids Colorado Survey.
5. The grantee will participate in the School Health Profiles Survey.
6. The grantee will not discriminate against anyone regarding race, gender, national origin, color, disability, or age.
7. That funds will be used to supplement and not supplant any moneys currently being used to provide school health professionals or services for students in secondary schools and grant dollars will be administered by the appropriate fiscal agent.
8. That funded projects will maintain appropriate fiscal and program records and that fiscal audits of this program will be conducted by the grantees as a part of their regular audits.
9. That if any findings of misuse of these funds are discovered, project funds will be returned to CDE.
10. The grantee will maintain sole responsibility for the project even though subcontractors may be used to perform certain services.

The Colorado Department of Education may terminate a grant award upon thirty (30) days notice if it is deemed by CDE that the applicant is not fulfilling the requirements of the funded program as specified in the approved project application, or if the program is generating less than satisfactory results.

Project modifications and changes in the approved budget must be requested in writing and be approved in writing by the Colorado Department of Education before modifications are made to the expenditures. Please contact Marti Rodriguez (rodriguez_m@cde.state.co.us / 303-866-6769) of CDE's Grants Fiscal Management for any modifications.

Name of School Board President/BOCES

Signature of School Board President/BOCES

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Appointment of Dean of Students at Centennial Elementary and Prairie Ridge Elementary

RECOMMENDATION

That the Board of Education approve the appointment of Laura Anna as Dean of Students at Centennial Elementary and Prairie Ridge Elementary, effective November 10, 2014.

BACKGROUND

Ms. Anna graduated from University of Colorado, Boulder, with a Bachelor of Science in Journalism. She then continued her education at the University of Phoenix, completing her Master's in Educational Counseling. Ms. Anna then went on to the University of Colorado, Denver, where she received her Education Specialist endorsement in Administration.

For the past four years Ms. Anna was a Counselor/Interventionist at Mead Elementary School, where she implemented the school-wide MTSS program. She has also been involved in the Kids' Hope Program, and coordinating the New Counselor Orientation for the St. Vrain Valley School District. Prior to that, she was the Lead Counselor at Legacy High School in Adams 12 for six years.

SALARY

Annual salary will be according to schedule.

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Joint Use Agreement with Carbon Valley Recreation Department

RECOMMENDATION

That the Board of Education approve the Joint Use Agreement (JUA) of Facilities between the Carbon Valley Recreation District, the Town of Frederick and the St. Vrain Valley School District, and further authorize the President of the Board of Education to sign contract documents.

BACKGROUND

The St. Vrain Valley School District negotiates Joint Use Agreements with the municipalities in which District facilities are located. Joint Use Agreements are intended to foster partnerships, cooperation and outline shared use of both town/city and District facilities and programs.

The JUA with the Carbon Valley Recreation District will be renewed every two years.

**AGREEMENT FOR JOINT USE OF FACILITIES
BETWEEN THE CARBON VALLEY RECREATION DISTRICT AND
THE ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J**

WHEREAS, the parties to this Agreement are the St. Vrain Valley School District RE-1J, acting by and through its Board of Education, hereinafter referred to as the “District.”, and the Carbon Valley Park and Recreation District, a special district, acting by and through its Board of Directors, hereinafter referred to as “Carbon Valley.”

Also a signatory hereto is the Town of Frederick, acting by and through its Board of Trustees, for the sole purpose of reaffirming that the 1977 District/Town of Frederick Agreement and the 1984 Assignment of same by Town of Frederick to Carbon Valley, all as referred to in the paragraph below entitled “District Facilities.”

WHEREAS, the District and Carbon Valley desire to create and foster a mutually beneficial relationship which will benefit the citizens of both parties. Both the District and Carbon Valley own and operate facilities, which the other party may wish to utilize on a scheduled-in-advance basis to provide limited access to publicly funded facilities on a reasonable basis.

NOW THEREFORE, in consideration of the terms, conditions and mutual covenants contained herein, the parties agree as follows:

Section 1. TERM. This Agreement shall be effective on _____ and shall be continuous until cancelled in accordance with the termination provision of this Agreement. The Agreement shall be reviewed by the parties every two (2) years. Both parties shall accept and approve any and all written amendments by execution thereof. Upon such execution by the parties, said written documents shall act as amending items to this Agreement. Any such amendments shall extend the terms and considerations of this Agreement as set forth herein. All other terms of this Agreement shall remain the same.

Section 2. DISTRICT FACILITIES. The District agrees to continue to make available to Carbon Valley all District facilities located within the boundaries of Carbon Valley, as recorded with the Weld County Clerk and Recorder, including the block bounded by 6th St., Walnut St., 8th St. and Locust St., Town of Frederick, which is owned by the District, in accordance with the separate agreement signed on January 19, 1977 and recorded in the records of the Weld County Clerk and Recorder on January 21, 1977, in Book 787 as Reception No. 1709442 and assigned to Carbon Valley by the Town of Frederick on October 30, 1984, and recorded in Book 104, as Reception No. 01986843 with the exception of the new Frederick High School located at 5690 Tipple Parkway. Further said agreements are attached as Exhibit “A” and “B” of this Agreement. These facilities include Frederick Elem., Legacy Elem., Centennial Elem., Prairie Ridge Elem., Coal Ridge Middle, Thunder Valley K-8, and the grassy area north of Spark! Preschool. Use of the varsity baseball and softball fields at Thunder Valley are not included in this agreement.

Section 3. CARBON VALLEY FACILITIES. Carbon Valley agrees to make the Carbon Valley Recreation Center available to the District at no charge for swim team practices, ranging from a minimum of 2 ½ hours per day, PE classes as requested and other District sponsored activities such as fitness classes, end-of-year school parties, proms, and evacuations of District

schools in the Carbon Valley area. District programs will be billed \$10 per hour per staff member when Carbon Valley determines that extra staffing is required for certain activities such as end-of-year school parties.

Section 4. TERMINATION.

- a. It is mutually understood and agreed by the parties, that if the District sells, assigns, conveys, leases or otherwise disposes of its facilities and/or buildings as herein established, this Agreement shall be void unless the express written consent of the District provides otherwise for assignment to a successor party; however, this provision shall in no way alter or affect the 1977 District/Town of Frederick Agreement and 1984 assignment of same by Town of Frederick to Carbon Valley, all as referred to in the paragraph above entitled "District Facilities."
- b. This Agreement may be terminated by either party giving the other party at least 60 days written notice, including an explanation of the necessity for termination; however, the parties shall meet within 14 days of receipt of the notice to attempt to remedy any violations of this Agreement, and discuss any other reasons given for termination.

Section 5. SCHEDULING DISTRICT FACILITIES.

- a. The District agrees to make said facilities available to Carbon Valley during non-school times except when the District's own programs and activities would be adversely affected by such use by Carbon Valley. To facilitate clear communication and avoid scheduling conflicts, Carbon Valley will reserve District facilities through the District Facility Use office. Carbon Valley will endeavor to make reservations at least two weeks prior to the start of any league season.
- b. The District requires that an approved Contract for Community Use of School Facilities and Grounds shall be on file for each use of said District facilities. Group Supervisors for all Carbon Valley activities using District facilities or grounds shall have in their possession a copy of the approved contract.
- c. Carbon Valley agrees that the District and its activities, including Community School activities shall have "first priority" for the use of any and all District buildings and fields. Further, Carbon Valley agrees that a District event or activity shall have the right to supersede a Carbon Valley event or activity previously scheduled in a District building, without argument or recourse. The District will endeavor to provide as much notice as possible to Carbon Valley managerial staff, in advance of scheduling conflicts.

Section 6. SCHEDULING CARBON VALLEY FACILITIES. To facilitate clear communication and avoid scheduling conflicts, the District will reserve Carbon Valley facilities through the Executive Director or designee, during regular business hours. The district will endeavor to make reservations at least two weeks prior to the start of any league season.

Section 7. SUPERVISION.

- a. The District agrees to make available its facilities to the Carbon Valley, provided that Carbon Valley designates a person as the group supervisor of such use of said facilities. Said group supervisor shall be present at the facility(s) and be one of the following individuals:
 - i. Carbon Valley Rec Department official
 - ii. Recreation Department designee employee at least 21 years of age
 - iii. The group supervisor shall not be directly involved with facilitation of any event (i.e.: coach or instructor) during weekend use. (Event includes tournaments or activities that involve multiple teams in competition but does not include a small group of less than 25 people engaged in practices where one or more coaches or instructors are available to supervise the activity.)
- b. Carbon Valley's group supervisor shall have the following qualifications:
 - i. Be minimally qualified to handle emergency situations and injuries that may arise.
 - ii. Be vested with and authorized to use, upon their own discretion and judgment, a sufficient level of authority to control and effect discipline of the participants, including terminating the activity or removing any and all persons who violate rules, endanger others, or damage District facilities or property.
- c. District supervision is required and shall follow guidelines established in Board policies KF, KF-R, KF-E, Facility Use (Exhibit B). During times when a District custodian is not on duty, a facility use supervisor and/or custodian will be hired by the District in accordance with Section 2. In the event a District facility use supervisor and/or custodian is not available, the event will be cancelled or denied.
- d. Further, Carbon Valley agrees to instruct participants not to enter District facilities prior to the arrival of Carbon Valley's designated group supervisor for the event.
- e. Carbon Valley agrees to consider and take appropriate disciplinary action for group supervisors who fail to comply with these requirements and the District's rules and regulations for group supervisors, attached as Exhibit C of this Agreement, up to and including their removal as a supervisor.

Section 8. FEE WAIVER. The District agrees that it shall not charge Carbon Valley any fees for activities, which directly involve the students of the District. The District Facility Use Office may, at its discretion, waive fees for other Carbon Valley activities. Further, activities which utilize District facilities and at which Carbon Valley charges spectators, teams and/or participants or both, such as basketball tournaments, softball/baseball tournaments, camps and clinics and similar activities, shall be charged a user's fee in accordance with District Policy KF, KF-R and KF-E and paid by Carbon Valley.

Section 9. ASSIGNMENT. Carbon Valley shall not assign any provision of this Agreement to other organizations, nor shall it sponsor other organizations or activities under its name with respect to this Agreement.

Section 10. DISTRICT SERVICES. The District shall charge Carbon Valley for any direct costs it incurs for any custodial or supervisory services. Such services will be provided

exclusively by the District. Further, such costs will be charged in accordance with the charges set forth in Policy KF, KF-R, and KF-E, attached as Exhibit "D" of this Agreement, which may be updated periodically by the District and its Board.

Section 11. COMMUNICATIONS. All communications, which affect the terms, conditions, covenants and/or the effect of any written portion of this Agreement, shall be in writing.

Section 12. INSURANCE. Each party shall procure and maintain in full force and effect such insurance or self-insurance that will ensure its obligations and liabilities under this Agreement, including general and vehicle liability insurance, and workers' compensation and employers' liability insurance. Certificates of insurance shall be issued when these insurance policies are placed or renewed.

Section 13. INDEMNIFICATION. Each party assumes responsibility for the actions and/or omissions of its agents and its employees in the use of the other's facilities, and further, each party, to the extent authorized by the law, agrees to hold the other harmless for actions or omissions of their respective employees and/or agents.

Section 14. STORAGE. Carbon Valley agrees that the District is not obligated to provide, and does not intend to provide, any storage space for materials or equipment belonging to Carbon Valley. Further, it shall not be the responsibility of the District or its employees to prevent loss or damages or any materials or equipment belonging to Carbon Valley, which are not removed from District premises. It is understood and agreed that the storage shed located at the softball field was placed there by Carbon Valley and may continue in place and use during the course of this Agreement.

Section 15. CARBON VALLEY EMPLOYEES. It is mutually understood and agreed by the parties, that employees, patrons, participants, and clients of Carbon Valley shall not be, for any purposes, including payroll, construed to be employees or agents of the District and as such, are not entitled to any of the benefits of a District employee.

Section 16. SUPERSEDES PRIOR AGREEMENT. This Agreement supersedes and replaces in all respects that certain Agreement between the parties dated January 1, 1994.

Section 17. VENUE. Venue for any and all legal actions arising out of this Agreement shall lie in the District Court in and for the County of Weld, State of Colorado, and this Agreement shall be governed by the laws of Colorado.

Section 18. IMMUNITY. Nothing in this Agreement shall be construed as a waiver by either party of any rights, immunities, privileges, monetary limitations to Judgments, and defenses available to the parties under common law or the Colorado Governmental Immunity Act, Sec. 24-10-101 et seq., C.R.S.

Section 19. INTEGRATION. This written Agreement constitutes the entire understanding of the parties hereto. No promises, representation, terms, conditions, or obligations whatsoever referring to the subject matter hereof, other than those expressly set forth herein, shall be of any binding legal force or effect whatsoever. No modification, change, or alteration of this written Agreement shall be of any legal force or affect whatsoever unless in writing and signed by the

parties hereto. Any and all previous agreements and agreements between the parties shall be considered null and void upon execution of this Agreement.

IN WITNESS WHEREOF, the parties have hereunto executed and made effective this Agreement.

**ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J
STATE OF COLORADO**

President, Board of Education

Secretary, Board of Education

Asst. Superintendent of Operations

Date Signed

**CARBON VALLEY RECREATION DISTRICT
COUNTY OF WELD
STATE OF COLORADO**

Executive Director

President, Board of Directors

Secretary Board of Directors

Date Signed

**APPROVED AND AGREED TO BY:
TOWN OF FREDERICK
COUNTY OF WELD
STATE OF COLORADO**

President, Board of Trustee

Secretary, Board of Trustees

Date Signed

D 1047 REC 01986843 10/30/84 12:47 \$9.00 1/003
F 2241 MARY ANN FEUERSTEIN CLERK & RECORDER WELD CO, CO

AR1986843

AGREEMENT AND ASSIGNMENT

New

1. PARTIES. The parties to this Agreement are the TOWN OF FREDERICK (Town), CARBON VALLEY RECREATION DISTRICT (Recreation District) and the ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J (School District).
2. RECITALS AND PURPOSE. The parties have previously entered into certain inter-governmental agreements with respect to property and facilities owned by the School District. The parties desire to facilitate cooperation between themselves in the use of said property and facilities. Now, therefore, the parties agree to the terms and conditions set forth in the following paragraphs.
3. ASSIGNMENT OF AGREEMENT DATED JANUARY 19, 1977. The Town and the School District entered into an Agreement dated January 19, 1977, recorded in the records of the Weld County Clerk and Recorder on January 21, 1977, at Book 787, Reception No. 1709442. The Town hereby assigns to the Recreation District said Agreement in its entirety, except that the Town retains the right, as set out in paragraph 5 on page 2 of said Agreement, to purchase Blocks 29 and 32 in the Town of Frederick, County of Weld, State of Colorado, should the School District ever desire to sell said premises. However, the parties agree that said assignment shall be for the same term as the Joint Use Agreement between the School District and the Recreation District. In the event that the Joint Use Agreement between the School District and the Recreation District is terminated, the parties agree that this Assignment shall also terminate and all rights under said Agreement shall revert to the Town. By its execution of this Agreement, the Recreation District and the School District both agree to said assignment of said Agreement.
4. OBLIGATIONS OF THE RECREATION DISTRICT. The Recreation District agrees to do the following at the ballfield located on Block 29, Town of Frederick, County of Weld, State of Colorado, for the benefit of the Town and the School District:
 - A. Mow and water the grassed areas of the ballfield on a weekly basis during the season;
 - B. Provide for daily trash pickup and maintenance of the ballfield during the season;
 - C. Pay the Town for the use of lights and water for said ball field; and
 - D. Be responsible for cleaning and maintaining all areas and facilities used by it, and to supervise its players and programs.
 - E. Hold the Town and the School District harmless from any and all liability resulting from its improvements and activities thereon.
5. ASSIGNMENT. This Agreement shall not be assigned without the prior written consent of the parties.

B 1047 REC 01986843 10/30/84 12:47 \$9.00 2/003
F 2242 MARY ANN FEUERSTEIN CLERK & RECORDER WELD CO, CO

6. PARAGRAPH CAPTIONS. The captions of the paragraphs are set forth only for convenience and reference, and are not intended in any way to define, limit, or describe the scope or intent of this Agreement.

7. ADDITIONAL DOCUMENTS OR ACTION. The parties agree to execute any additional documents and to take any additional action necessary to carry out this Agreement.

8. INTEGRATION AND AMENDMENT. This Agreement represents the entire agreement between the parties and there are no oral or collateral agreements or understandings. This Agreement may be amended only by an instrument in writing signed by the parties. If any provision of this Agreement is held invalid or unenforceable, no other provision shall be affected by such holding, and all of the remaining provisions of this Agreement shall continue in full force and effect.

9. GOVERNING LAW. This Agreement shall be governed by the laws of Colorado.

DATED: October 24, 1984.

THE TOWN OF FREDERICK

By

Holly Wm Hall

ST. YRAIN VALLEY SCHOOL DISTRICT RE-1J

By

Wade Jackson
President, Board of Education

Secretary, Board of Education

CARBON VALLEY RECREATION DISTRICT

W.H. Muhl
80

Samia Nelson

STATE OF COLORADO)

) ss.

COUNTY OF WELD)

The foregoing instrument was acknowledged before me this 11th day of October, 1984, by Hollis Hall as Mayor and Glenda DeSantis as Clerk-Administrator of the Town of Frederick.

Witness my hand and official seal.

My commission expires: 3/20/88

Robert S. Gater
Notary Public

STATE OF COLORADO)

) ss.

COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 24th day of October, 1984, by Wade Carlson as President and Henri Kinson as Secretary of St. Vrain Valley School District RE-1J.

Witness my hand and official seal.

My commission expires: 11/9/87

Betty L. Cole
Notary Public

STATE OF COLORADO)

) ss.

COUNTY OF WELD)

The foregoing instrument was acknowledged before me this 11th day of October, 1984, by William McMurray as President and Patricia Nelson as Secretary of Carbon Valley Recreation District.

Witness my hand and official seal.

My commission expires: 6/10/87

Glenda DeSantis
Notary Public

AGREEMENT.

THIS AGREEMENT, made this day of December, 1976, between ST. VRAIN VALLEY SCHOOL DISTRICT NO. RE-LJ, of the Counties of Boulder, Larimer and Weld, State of Colorado, herein termed "School District", and the Town of Frederick, County of Weld, State of Colorado, herein termed "Frederick",

WITNESSETH:

- A. The School District is the owner of the S½ of Block 21, and all of Blocks 29, 30, 31 and 32 in the Town of Frederick, County of Weld, State of Colorado.
- B. The School District uses Block 29 and 32 for playgrounds and play fields during normal school hours.
- C. Frederick now uses a lighted ball field located on Block 29 after school hours.
- D. The School District desires to continue to use said premises for playgrounds and play fields during normal school hours.
- E. The School District desires that the Walnut Street right of way from Sixth Street to Eighth Street be vacated to School District, which owns the property on both sides of said right of way. The School District further desires that Seventh Street between Locust Street and Maple Street also be vacated. The School District owns the property on both sides of this right of way also.
- F. Frederick desires that the use of Blocks 29 and 32 not be changed. Frederick further desires to continue to use the lighted ball field and to install further improvements to enhance the use of said lighted ball field.

WHEREFORE, the parties mutually agree as follows:

1. Frederick agrees to permanently vacate to the School District the Walnut Street right of way between Sixth and Eighth Streets, and the Seventh Street right of way between Locust Street and Maple Street.
2. The School District grants to Frederick the right to use Blocks 29 and 32, including the vacated right of ways, for recreational purposes; provided, however, that the School District shall have the right of first use of said property during normal school hours.
3. Frederick may install improvements to enhance the use of Blocks 29 and 32 for a lighted ball field and for other recreational purposes so long as such improvements do not interfere with the School District's use of the premises for playgrounds and play fields.
4. The School District may install improvements on Blocks 29 and 32 so long as said improvements do not change the present use of said property or interfere with Frederick's use of the lighted ball field.
5. If the School District should ever desire to sell Blocks 29 and 32, Frederick shall have the first right to purchase said premises upon the terms and conditions mutually agreed upon by the School District and the Town of Frederick. The Selling price of said property will not exceed the appraisal value of Blocks 29 and 32 minus the appraised value of the vacated land. Appraised values will be determined by a qualified appraiser mutually agreed upon by the School District and the Town of Frederick.
6. Upon the signing of this agreement by the School District and the Town of Frederick, Zoning of Blocks 29 and 32 will change from single family residential to public use. This public use zoning will remain in effect until changed by the Town Council of Frederick, Colorado.
7. The covenants and agreements herein contained shall run with the land and shall be binding upon all parties and all persons claiming under them for a period of fifty years from the date this agreement is recorded, after which time said covenants shall be automatically extended for successive periods of ten years each until amended or revoked in writing by the then record owners of the property covered by this agreement.

IN WITNESS WHEREOF, the parties have set their hands and seals the day and year first above written.

ST VRAIN VALLEY SCHOOL DISTRICT
NO. RE-1J,

Attest:

Sandra H. Chella
Secretary.

By Winston L. Hile
President.

THE TOWN OF FREDERICK,

Attest:

Betty L. Figueroa
Clerk.

By Edward J. Tagliente
Mayor.

STATE OF COLORADO,)
County of Boulder,) ss.

Acknowledged before me by Winston L. Hile
as President, and by Sandra H. Chella, as Secretary
of St. Vrain Valley School District No. RE-1J.

Witness my hand and official seal.

My commission expires My Commission Expires Sept. 25, 1979

Sherry M. Schlegel
Notary Public.

STATE OF COLORADO,)
County of Weld,) ss.

Acknowledged before me by Edward J. Tagliente
as Mayor, and by Betty L. Figueroa, as Town Clerk, of the
Town of Frederick.

Witness my hand and official seal.

My Commission expires Sept. 25, 1979
Sherry M. Schlegel
Notary Public

EXHIBIT C

District Rules and Regulations for Carbon Valley Group Supervisors

A Group Supervisor working on behalf of and representing the Carbon Valley Recreation District shall be present at all Carbon Valley activities and events occurring on District property, both indoors and outdoors.

1. The Group Supervisor shall be a Carbon Valley official, a Recreation Department designee employee at least 21 years of age.
2. For events with fewer than 25 participants, the Group Supervisor may be the coach or instructor.
3. For events with more than 25 participants, the Group Supervisor must be an individual not directly involved with the event itself.
4. The Group Supervisor shall be minimally qualified to handle emergency situations and injuries that may arise.
5. The Group Supervisor shall be vested with and authorized to use, upon their own discretion and judgment, a sufficient level of authority to control and effect discipline of the participants, including terminating the activity or removing any and all persons who violate these rules, endanger others, or damage District facilities or property.
6. The Group Supervisor shall be the first one to arrive, be present the entire time, and the last one to depart the facility for all events.
7. The Group Supervisor shall insure that all participants, siblings and spectators (users) remain in the assigned area at all times.
8. The Group Supervisor shall insure that school property is respected and left in the condition that it was found.
9. The Group Supervisor shall insure that all users exit the property on time, and that no children are left behind waiting for parents to pick them up.

Emergencies

1. The Group Supervisor shall be familiar with the location of a phone, fire alarms, and fire exits.
2. In case of fire, tornado, lightning strikes, or a grave medical emergency, pull the fire alarm. Then call 911 and explain the emergency. Send someone outside to direct emergency personnel to the situation.
3. If a fire alarm is activated inadvertently, do not call 911. Evacuate the building and call Facility Management immediately at 303-589-2739. The building may be re-entered after an "All Clear" is given by District Administration or by First Responders.

Gym Use Rules

1. No food or drink (other than water) is allowed in gyms.
2. Use of school sports equipment other than volleyball nets/standards and basketball hoops/nets is prohibited.
3. Only gym shoes are to be worn on wood gym floors.
4. Folding chairs or lawn chairs are not permitted on wood gym floors.
5. Only custodians are permitted to pull out bleachers. Parents are not permitted to pull out a row or two to sit on.

Field Use Rules

1. Users should bring their own water and use the restroom before arriving. The building is not available for restroom use.
2. The gyms are not available for practices in times of inclement weather.
3. The deadline for general announcements via the school's PA system is one hour before dismissal of school for the day.
4. Parents are responsible for supervising their children on playground equipment that is adjacent to fields. Playground equipment is off limits to others if there is a school program or Community School child care program using that equipment, per State of Colorado licensing requirements.

5. Users should not shut off, touch, or drink from sprinklers.
6. Parking or driving is not permitted on the fields, tracks, or grassy areas at any school. Park in designated areas only. Users must not park in the fire lanes, on adjacent private property, or in posted "no parking" areas.
7. Pets are not permitted on school grounds at any time.
8. All trash generated by users or spectators must be removed from the site by the group.

Community Use of School Facilities

School district property in Colorado is state property held in trust for the state by local boards of education. The local school board may permit use of District facilities for other than District purposes according to established policies.

The St. Vrain Valley School District is an integral part of each community it serves. District facilities are centrally located in most neighborhoods and are a logical focal point for community activities. The school district supports community activities and encourages use of its facilities as community centers.

This policy and the accompanying regulation are intended to encourage facility use, reflect the District's priority for quality education and recognize the community as a partner. The separate fee structure for user groups shall ensure that the District will spend its money directly on the education of youth while promoting community use of District facilities and community involvement in the schools. Direct costs and additional fees for use/services will be assessed pursuant to this policy.

The Board of Education recognizes the importance of prioritizing use of District facilities for youth related activities, and has established its fee structure to reflect that priority, encouraging direct benefit to the youth in our community.

Any individual, group or organization using school property as provided under this policy shall hold the Board of Education, individual Board members and all District officers, agents and employees free and harmless from any loss, damage, liability, cost or expense that may arise during, or be in any way caused by, such use or occupancy. When using school facilities, organizations may be required to furnish satisfactory liability insurance protection.

Approval for use of District facilities does not constitute District endorsement of any organization, the beliefs of the organization or group, the expression of any opinion regarding the nomination, retention, election, or defeat of any candidate, nor the expression of any opinion as to passage or defeat of any election issue.

Permitted Uses Not Subject to Fees Other Than Direct Costs:

1. District sponsored activities
2. District recognized parent organizations engaging in educational (co-curricular) activities
3. Precinct caucuses
4. Government elections
5. Police/Fire Department training
6. Activities of agencies not subject to fees as defined by a current joint use agreement with the District

Permitted Uses Subject to the Fee Schedules Shown in KF-E:

1. Community youth and adult activities sponsored by:
 - a. Non profit organizations and District recognized parent organizations engaging in extra-curricular activities

- b. Service clubs
- c. Community groups
- d. Recreational organizations
- e. Activities of agencies who are not a partner in a current joint use agreement with the District
- f. Religious organizations
- g. Partisan political organizations
2. Corporate or private profit making activities for educational purposes when sponsored by or held in cooperation with a school
3. Corporate or private group events such as recitals, performances, graduation ceremonies, and holiday or themed programs

Prohibited Uses

District facilities shall not be used:

1. for any purpose which could result in unlawful picketing, rioting, disturbing the peace, or damage to District or neighboring property, or for any other purpose that is prohibited by law.
2. for activities defined as gambling by the State statutes.
3. for private social gatherings such as birthday parties, weddings, receptions, funerals, and memorials.
4. for any activity which would be in competition with a District program.
5. during the regular school day or during extra curricular activities.
6. during periods when schools and/or grounds are closed due to construction, maintenance, or repairs.
7. during non student contact days, winter break, spring break, or the summer months except for ongoing year round activities as approved by the administration or designee. **This applies to indoor use only.**
8. for activities which would be incompatible with the school neighborhood.
9. for activities that could jeopardize the safety or security of individuals or District property.
10. for corporate or private profit making activities or events except as defined above.

The District reserves the right to deny or cancel all contracts and agreements for community use of school facilities and fields without penalty to the District when it is determined by the administration or designee that such action is in the best interest of the District.

The following facilities shall not be subject to this policy:

1. Vance Brand Civic Auditorium
2. Longmont High School Auditorium
3. Niwot High School Auditorium
4. Frederick High School Auditorium

Requests for use of these facilities shall be made directly to the corresponding auditorium manager.

Adopted February 8, 1984

Revised August 13, 1986

Revised August 25, 1993

Revised to conform with practice: date of manual revision

Revised July 1, 1996

Revised June 24, 1998

Revised May 24, 2006

Revised August 22, 2007

LEGAL REF.: C.R.S. 22-32-110 (1)(f) Board of education – specific powers
20 U.S.C. 7905 (Boy Scouts of America Equal Access Act contained in
No Child Left Behind Act of 2001)

CROSS REFS.: ADC, Tobacco-Free Schools
EDC, Authorized Use of School-Owned Materials and Equipment
KBE, Relations with Parent Organizations
KHC, Distribution/Posting of Promotional Materials

CONTRACT REF.: SVVEA Agreement, Article 30–Association Rights, Section 30.4–
School Facilities,

St. Vrain Valley School District RE-1J, Longmont, Colorado

Community Use of School Facilities

These regulations and procedures shall govern the use of St. Vrain Valley School District property for purposes not directly related to the District's implementation of its educational and administrative programs and shall apply to all facilities, grounds, and equipment owned and/or operated by the District.

A. Administration Responsibility

The Facility Use Office shall be responsible for the administration of these regulations and procedures and the associated Board of Education facility use policies.

B. Procedure

1. Use of District facilities by community groups is not permitted during regular school hours or when extracurricular activities occur.
2. All requests for use of District facilities will be made to the Facility Use Office at least 10 calendar days prior to the requested use. A contract must be signed by a representative authorized to conduct business on behalf of the sponsoring organization or individual who is at least 21 years old. This representative will be considered the legal agent of the group and as such will be responsible for compliance with all conditions for facility use and for all damage to the facility.
3. By signing the Contract for Community Use of District Facilities and Grounds, the applicant agrees:
 - a. to indemnify, hold harmless, and release the St. Vrain Valley School District RE-1J and its personnel from any damages, loss of property within the premises, and/or liability for the injury or death of any person arising from the utilization of the premises approved for use in the contract.
 - b. to be legally responsible for the conduct and control of both patrons and participants
 - c. to use the school facilities according to Board Policy and these administrative regulations
 - d. to be financially responsible for the repair or replacement, at the discretion of the District, of damaged facilities and/or equipment resulting from approved use
4. The contract will not be approved unless the applicant meets the District's insurance requirements in effect at the time of the request. A certificate of insurance showing the District as an additional insured may be required.
5. Users must have a Contract for Community Use of District Facilities and Grounds signed and approved by the Facility Use Office prior to using a facility. If any user begins using a facility before a contract is signed and approved, use of the facility will be denied.

6. A copy of the contract will serve as identification at the time of use. If the contract is for more than one date or time, the user shall be prepared to present a copy of the approved contract to the school administrator or designee at each scheduled time. If for any reason a question arises concerning facility use, the school administrator or designee will deny use of the facility unless the approved contract is presented.
7. When a contract is approved, an invoice for costs associated with the use will be sent to the applicant. Payment in full is due upon receipt of the invoice. In certain circumstances when approved by the Facility Use Office, installments may be made. Checks or money orders should be made payable to "SVVSD" and forwarded to the Facility Use Office. In certain circumstances, the invoice will be generated after the event and sent to the applicant.

C. Cancellation of Facility Use

1. All facility users must notify the Facility Use Office in the event a cancellation is necessary. If a user gives less than two working days' notice of a cancellation, direct costs may be charged.
2. Approved contracts for use of District fields may be canceled by the District at any time if it is determined that extreme wear or field deterioration is occurring at a site. Growing conditions and seasonal considerations may also result in cancellation of contracts.
3. An approved contract will be canceled by the Facility Use Office if the required certificate of insurance has expired prior to the final date on the contract and an updated certificate is not provided. The District shall not be responsible for any losses sustained by the applicant and/or sponsoring organization resulting from such cancellation.
4. Approved contracts may be canceled and future requests denied for:
 - a. Repeated or material violation of the policy, regulations, or terms and conditions of the contract
 - b. Repeated short notification of cancellations
 - c. Failure to pay fees within the current fiscal year
 - d. Use of inappropriate behavior or language
 - e. Damage to District property
5. Facility use canceled because of inclement weather or an emergency closing of schools may be rescheduled at no additional cost. School functions may cause a change or cancellation of a contract or portion thereof. The school will give as much notice as possible for a change or cancellation. If it is not possible to schedule a replacement date, fees paid will be refunded or credited towards future use by the same group.

D. Rules

The following rules will apply to all community use of District facilities and grounds:

1. Activities must be confined to the facilities listed on the approved contract. Clean up of paper, cans and other materials brought to the site shall be the responsibility of the user. Excessive trash generated by a group and left at the site may result in the assessment of trash removal and custodial overtime fees.
2. Furniture and other equipment may not be removed from the facility or transferred to other locations within the facility
3. Only persons or groups indicated on the approved contract will be permitted to use the facilities during the time specified on the contract. Third party transfers of any approved contract are not permitted.
4. District policy prohibits the following on school district property:
 - a. the use, possession, distribution or sale of alcohol or other illegal contraband, as defined by Policy JICH.
 - b. the unlawful possession of a dangerous or deadly weapon, as defined by Policy JICI.
 - c. the use of tobacco products, as defined by Policy JICG.
 - d. the use of open flame (including candles) or fireworks.
5. The use of kitchen facilities requires that a District Food Services employee be present during use. The applicant will be billed separately by Food Services.
6. Stage lights or stage production equipment will be operated and supervised by qualified District personnel as determined by the Facility Use Office. Additional fees will apply.
7. Community use of computer labs, weight rooms, high school athletic fields, and specialized classrooms or buildings is not permitted.
8. When an indoor District facility is being used, an authorized District employee who is not affiliated with the group must be present during the approved times specified on the contract. Exceptions may be made only when approved by the Facility Use Office and the school administrator. Organizations using District facilities may not negotiate directly with or pay any District employee for services rendered. If a District employee is not available, the use will be canceled.
9. Keys to District facilities will not be issued or loaned to individuals other than District employees unless approved by the Facility Use Office and the school administrator.
10. All indoor facilities will be vacated by 9:00 pm on school days unless prior arrangements have been made through the Facility Use Office.

11. Contract requests will not be acted on more than three months in advance of the requested use date except where scheduled publication requires a longer lead time and facility availability can be confirmed.
12. Overnight community use of facilities is not permitted. Exceptions may be made by the Facility Use Office for outdoor community fundraisers that exceed 24 hours in duration.

E. Priority of Use

Community facility use shall not conflict with the District's educational and extra-curricular programs, and shall be scheduled according to the following priorities:

1. Category I Activities
2. Organizations With A Current Joint Use Agreement With the District
3. Youth Activities
4. Adult Non-Profit Activities
5. Category III Activities

F. Categories of Use

Category I: District Sponsored and Supported Use, Certain Government Activities, Police/Fire Department Training

1. District sponsored activities and events, including Community Schools
2. District recognized Parent Organizations engaging in educational (co-curricular) activities (see Policy KBE)
3. Government elections
4. Precinct caucuses
5. Police/Fire department training

Category II: Adult Recreation/Community Service Groups (Adult Activities)

1. Adult recreation groups that practice, play sports games or participate in recreational activities. Examples include square dance clubs, sports teams, leagues and associations, hobby clubs, and music groups.
2. Non profit adult education programs that charge minimal fees to cover direct costs, but no profit is made.

Category III: Commercial and Private for Profit Events (as defined below), Fundraising by Non-Profit Organizations and Religious Adult Activities

1. Commercial and private profit making activities for educational purposes when sponsored by or held in cooperation with a school.

2. Corporate or private group events such as music and dance recitals, performances, graduations ceremonies, and holiday or themed programs.
3. Non-profit organizations who use District facilities for fundraising purposes.
4. Religious organizations approved to use facilities for single events, ongoing weekly services, and special events. The maximum contract term may not exceed one year. Approval for ongoing use is contingent upon availability of District custodial personnel.

Category IV: District recognized Parent Organizations engaging in extra-curricular activities, Youth Recreational and Service Groups, Homeowners Associations, and Adult Community Groups Not Engaging In Fundraising

1. District recognized Parent Organizations engaging in extra-curricular activities.
2. Youth sports organizations, associations, leagues, including practices, games, and league related meetings.
3. Youth community clubs or organizations such as Scouts, 4-H, Campfire, and religious clubs.
4. Homeowner's associations and adult community groups who do not charge a fee to participants for an approved event.-

G. Fees

Category I

Events and activities are not subject to scheduling, registration, or rental fees. Direct costs, supervision and/or custodial cleanup costs may be billed if incurred.

Category II and III

Events are subject to scheduling, facility rental fees, special equipment rental fees, direct costs and supervision and/or custodial cleanup costs if incurred.

Category IV

Events are subject to scheduling, registration, special equipment rental fees, direct costs, and supervision and/or custodial cleanup costs if incurred. The registration fee for sports seasons lasting longer than 12 weeks will be pro-rated. Youth groups with more than 15% of their participants not living in the St. Vrain Valley School District boundaries will be charged an additional per hour or per participant fee.

H. Informational Table Rental

Any individual or organized group which otherwise would be allowed to use school facilities pursuant to these regulations may staff informational tables at school-wide events. Informational tables may be set up and staffed after school hours, and when

the school administrator has determined that such table will not interfere with the planned event.

Informational tables may be set up and staffed at outside athletic events. Users must have an approved contract from the Facility Use Office, and must provide their own tables.

Distribution of campaign or political materials is not permitted without an approved contract for table rental.

I. Advertisements

Sign or banner advertising or promoting of any non-District user group with an approved Contract for Community Use of School Facilities and Grounds is only permitted on District property during the group's contracted event, and must be removed following the conclusion of the event. If the event is ongoing, over more than one day, said signs or banners must be removed daily at the conclusion of the event. This includes signs and banners on fences, buildings, fields, and in parking lots. Approval for signs or banners is required in advance from the District's Director of Public Information. The process for approval of sign and banner advertising is defined in Board Policy KHC and Regulation KHC-R.

Approved September 9, 1992

Revised to conform with practice: date of manual revision

Revised July 1, 1996

Revised June 24, 1998

Revised May 24, 2000

Revised May 24, 2006

Revised August 22, 2007

St. Vrain Valley School District RE-1J, Longmont, Colorado

FEE SCHEDULE FOR COMMUNITY USE OF SCHOOL FACILITIES

Scheduling Fee (All groups except Category I)

| Number of Hours on Contract | Fee |
|-----------------------------|---------|
| 1-15 | \$15.00 |
| 16-25 | \$20.00 |
| 26-50 | \$25.00 |
| 51-100 | \$35.00 |
| 101-200 | \$45.00 |
| 201 or more | \$65.00 |

Youth Registration Fees (Category IV)

| Type of Group | Rate |
|---|-------------------------|
| Ongoing Scout, 4-H, Youth Service or Religious Groups: | |
| Under 15 participants | \$35/semester |
| 15 or more participants | \$45/semester |
| Single Use Scout, 4-H, Youth Service or Religious Groups | \$6/hour |
| | |
| Youth Sports Leagues (in-District participants) | \$10 per 12 week season |
| Youth Sports Leagues (out-of-District participants) | \$20 per 12 week season |
| Single Use Youth Tournament or Tryouts (in-District participants) | \$10/hour |
| Single Use Youth Tournament or Tryouts (out-of-District participants) | \$20/hour |
| | |
| Community Adult Use: HOAs, neighborhood informational meetings | \$15/hour |
| Concession Sales or Table (School Groups) | n/c |
| Concession Sales or Table (Non-School Youth Group) | \$10/hour |
| Information Table | \$6/event |

Building and Field Rental Chart (Category II and III)

| Facility | Category II Per Hour Costs (unless otherwise noted) | Category III Per Hour Costs (unless otherwise noted) |
|------------------------|--|---|
| Classroom | \$16.00 | \$27.00 |
| Gymnasium | \$21.00 | \$35.00 |
| Cafeteria/commons | \$28.00 | \$35.00 |
| Cafetorium | \$38.00 | \$40.00 |
| Student Center | \$38.00 | \$40.00 |
| Community Room | \$38.00 | \$40.00 |
| Kitchen | \$21.00 | \$35.00 |
| Fields | \$21.00 | \$30.00 |
| Tennis courts/per site | \$10.00 | \$20.00 |
| Information table | \$10/event | \$10.00/event |
| Locker rooms | \$28.00 | \$39.00 |

| | | |
|--------------------|---------|---------|
| Parking lot | \$5.00 | \$10.00 |
| Auditorium | | |
| Erie MS | \$35.00 | \$40.00 |
| Erie HS | \$65.00 | \$75.00 |
| Silver Creek HS | \$55.00 | \$65.00 |
| Lighting and Sound | \$40.00 | \$40.00 |

Equipment Fee Schedule (All groups except Category I)

| Item | Cost |
|---------------------------------------|----------------------------|
| Microphone | \$15/use |
| Podium | \$10/use |
| Screen | \$10/use |
| PA System | \$25/use |
| OH Projector | \$11/use |
| Piano | \$25/use |
| TV/VCR/DVD Player | \$20/use |
| Volleyball nets/standards | \$50 per site per season |
| Tennis nets | \$50 per site per season |
| Scoreboard (controller & light board) | \$35 per use per gym/field |
| Scoreboard (light board only) | \$20 per use per gym/field |
| Wrestling mats, ongoing use | \$45/season |
| Wrestling mats, single use | \$30/use |
| Field lights at Lyons or Frederick HS | \$50/hour |
| Trash haul | Actual cost |

Building Supervisor, Custodial, Theater Tech Fees (All categories of users)

| | |
|--|--|
| Full time classified employees | |
| Weekdays | Time and a half the employee's hourly rate |
| Saturdays | Time and a half the employee's hourly rate |
| Sundays & Holidays | Double the employee's hourly rate |
| Part time classified employees | |
| Weekdays | The employee's hourly rate until 8 hours per day are worked; time and a half for work beyond 8 hours per day |
| Saturdays | The employee's hourly rate until 40 hours per week are worked; time and a half for work beyond 40 hours per week |
| Sundays & Holidays | The employee's hourly rate until 40 hours are worked; double time for work beyond 40 hours per week |
| Certified employees | |
| Building Supervisor | \$25 per hour |
| Theater Tech | \$25 per hour |
| Students | |
| Theater Tech | \$8 per hour |
| In addition to the above rates, all users will be billed the PERA and Medicare expenses. | |

For All Categories of Users

1. A District employee must be in the building at all times during indoor use. Additional building supervision, custodial services, and/or theater tech services may be required depending on the type of use and day of the week. A Building Supervisor may not be affiliated with the user group. User will be billed for direct cost of all additional personnel.
2. All schools reserve the right to restrict or prohibit use of school equipment.
3. Kitchen use required a District Food Services employee be present during all hours of use. User will be billed directly by Food Services for the direct cost of employee.
4. Vance Brand Civic Auditorium, and the auditoriums at Longmont, Niwot, and Frederick High Schools are not subject to this fee schedule. Contact the facility manager at the corresponding site for contract requirements and fees.
5. Use of Everly Montgomery Field is restricted to youth season-ending sports championship games only. All participants must reside within the SVVSD boundaries. If sound system and scoreboard use is requested, a qualified District employee will be hired to work the event. User will be billed for direct cost of employee(s). Additional fees may be charged for field cleaning fees.
6. A security deposit may be charged in advance for special events.

Approved June 12, 2002

Revised May 24, 2006

Revised August 22, 2007

St. Vrain Valley School District RE-1J, Longmont, Colorado

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Acceptance of the 2014 Fiscal Year Comprehensive Annual Financial Report (CAFR)

RECOMMENDATION

That the Board of Education accept the 2014 Fiscal Year Comprehensive Annual Financial Report as presented.

BACKGROUND

The 2014 Fiscal Year Comprehensive Annual Financial Report (CAFR) was audited by the certified public accounting firm of RubinBrown, LLP. At the work session prior to this meeting, Matthew Marino from RubinBrown will review the 2014 CAFR with the Board in detail and respond to questions.



Student Achievement ® Well-Being ® Partnerships

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2014



395 South Pratt Parkway • Longmont CO • 80501-6499



St. Vrain Valley School District RE -1J
Longmont, Colorado

City and County of Broomfield,
Boulder, Larimer, and Weld Counties

Comprehensive Annual Financial Report For Fiscal Year Ended June 30, 2014

Don Haddad, Ed.D.
Superintendent of Schools

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St. Vrain Valley School District RE -1J

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INTRODUCTORY SECTION

St. Vrain Valley School District RE -1J

OUR VISION

**To be an exemplary school district
which inspires and promotes
high standards of learning
and student well being
in partnership with parents, guardians
and the community**

OUR MISSION

**To educate each student
in a safe learning environment
so that they may develop
to their highest potential
and become contributing citizens**

St. Vrain Valley School District RE -1J

**BOARD OF EDUCATION
2013-2014**



Pictured from left to right:

(Row 1) President John Creighton , Vice President Bob Smith ,
Secretary Debbie Lammers, Treasurer Joie Siegrist ,

(Row 2) Assistant Secretary Mike Schiers , and
Members Mr. John Ahrens and Ms. Paula Peairs

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November 12, 2014

Board of Education Members
and Citizens of the
St. Vrain Valley School District RE -1J
395 South Pratt Parkway
Longmont, CO 80501

We are pleased to submit to the Board of Education, parents, taxpayers, and community members the Comprehensive Annual Financial Report (CAFR) of the St. Vrain Valley School District RE-1J (the District) for the year ended June 30, 2014. State law requires that the District publish within six months of the close of each fiscal year a complete set of financial statements presented in accordance with accounting principles generally accepted in the United States of America (US GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (US GAAS), by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the accuracy, completeness and fairness of presentation, including all disclosures, presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the District's financial statements in conformity with US GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and changes in financial position of the District as measured by the financial activity of its various funds, and contains all disclosures necessary to enable the reader to gain an understanding of the District's financial activities for the year ended June 30, 2014.

The District's financial statements have been audited by RubinBrown LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with US GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. This is in conformity with the provisions of the Single Audit Act

Amendments of 1996 and the U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit, including a schedule of expenditures of federal awards, the Independent Auditors' Reports related thereto, and a schedule of findings and questioned costs are included in this document.

The Comprehensive Annual Financial Report is presented in conformity with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This reporting standard is intended to parallel private sector reporting by consolidating governmental activities and business-type activities into a single total column for government-wide activities. Statement No. 34 also requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found in the Financial Section immediately following the Independent Auditors' Report.

PROFILE OF THE GOVERNMENT – The District and Its Services

The St. Vrain Valley School District RE-1J is a body corporate and a political subdivision of the State, governed by an elected seven-member board, and was organized in 1961 for the purpose of operating and maintaining an educational program for the school-age children residing within its boundaries. The District was formed as a result of the consolidation of a number of smaller school districts within its boundaries. The District's boundaries have been substantially stable since the consolidation.

The District provides a full range of educational programs and services authorized by Colorado Statutes. These include pre-K through 12 education in elementary, middle, and high schools, special education for students with disabilities, vocational education, multicultural education, and numerous other programs.

St. Vrain Valley School District is the educational home of more than 30,000 of Colorado's students. St. Vrain Valley jumped to the eighth largest school district in the state according to the Colorado Department of Education's 2013 District Ranking by Pupil Membership. This ranking has St. Vrain less than 400 students from seventh place Boulder Valley School District, on our southern border. St. Vrain Valley operates 50 schools that are spread over 411 square miles. The makeup of the schools include: 1 standalone early childhood learning center, 23 elementary, 1 PK-8, 1 K-8, 8 middle, 1 middle/senior, 7 high, 1 alternative, 1 online, 1 homeschool program, and 6 charter schools. Located approximately 30 miles north of Denver, the District is geographically diverse. Its physical boundaries extend from the Continental Divide into the plains of Colorado. Adding to its scenic setting are historic downtown Longmont and the backdrop of Rocky Mountain National Park and Longs Peak. The District includes approximately 163,400 residents. There are 13 different communities that makeup St. Vrain Valley School District: eastern Boulder, Broomfield, Dacono, Erie, Firestone, Frederick, Hygiene, Longmont, Lyons, Mead, Niwot, Peaceful Valley, and Raymond. Parts of Boulder, Broomfield, Larimer, and Weld Counties fall within its boundaries.

The District's Board of Education is empowered to levy a property tax on both real and personal properties located within its boundaries.

The District is the reporting entity for financial reporting purposes and is not included in any other governmental reporting entity. The financial statements of the District include all funds that are controlled by the publicly elected Board of Education. The Board of Education adopts the budget, authorizes expenditures, selects management, significantly influences operations, and is primarily accountable for fiscal matters.

The annual budget serves as the foundation of the District's financial planning and control. The District maintains extensive budgetary controls to ensure compliance with legal requirements, Board of Education policies and District administration guidelines. The legal level of budgetary control is the fund level. The District's budget must be adopted by June 30 prior to the budget year, but may be revised for any reason.

prior to January 31st of the budget year. Budgets are developed and monitored for compensation costs, utilities and other fixed costs at the District level, and for discretionary (site based) spending at the department or school level.

Staffing levels are authorized for each site and are tracked monthly to ensure usage within budgeted limits. On-line budget inquiry access is provided to each site's administrative staff, to allow monitoring of their discretionary budgets.

Budgetary control is also maintained through the use of an encumbrance accounting system. Encumbrances outstanding at year-end are not reported as expenditures in the financial statements for US GAAP purposes, but are reported as reservations of fund balance for subsequent years' expenditures based on the encumbered appropriation authority carried over. This system fosters responsible spending and allows site management to develop longer range spending plans. Schools' discretionary budgets also include a share of revenues generated from building rentals, and budgets contingent upon site management's compliance with District accountability policies. Under state law, each school is required to involve each employee group, the Board of Education, and the District Accountability Committee in the budget development process.

As required by accounting principles generally accepted in the United States of America, these financial statements present St. Vrain Valley School District RE -1J (the primary government) and its component units. As of June 30, 2014 there were six component units (Charter Schools). The inclusion or exclusion of component units is based on a determination of the elected official's accountability to their constituents, and whether the financial reporting entity follows the same accountability. Further, the financial statements of the reporting entity should enable the reader to distinguish between the primary government and discretely presented component units. The criteria used for determining whether an entity should be included, either blended or discretely presented, includes but is not limited to fiscal dependency, imposition of will, legal standing, and the primary recipient of services.

As of June 30, 2014, the District's Board of Education has approved six charter schools. The six charter schools – Aspen Ridge Preparatory School; Carbon Valley Academy; Flagstaff Academy; Imagine Charter School at Firestone; St. Vrain Community Montessori School; and Twin Peaks Charter Academy – were operational during the year ended June 30, 2014. The respective members of the Charter Schools' Governing Boards are appointed separately from the District's Board of Education. The Charter Schools are deemed to be fiscally dependent upon the District since the District provides the majority of support to the Charter Schools in the form of per pupil revenue (PPR); therefore, the Charter Schools' financial information has been presented as discretely presented component units. No new charter applications were received during the fiscal year 2014.

The information included in the financial statements is perhaps best understood when it is considered from a broader perspective of the national, state and local environment within which the District operates.

ECONOMIC CONDITION AND OUTLOOK

National Economy

This summary of the national economic conditions is derived from information posted on the Congressional Budget Office (CBO) website at www.cbo.gov. Specific documents cited are the August 27, 2014 *An Update to the Budget and Economic Outlook: Fiscal years 2014-2024*; the September 8, 2014 *Monthly Budget Review for August 2014*; and the *2014 Long-Term Budget Outlook*, as posted on July 15, 2014.

According to CBO estimates, for the fiscal year ending September 30, 2014, the federal budget deficit will total \$506 billion, roughly \$170 billion lower than the 2013 shortfall. Relative to the size of the economy, the deficit this year—at 2.9 percent of gross domestic product (GDP)—will be less than half as large as the shortfall in 2009, which was 10.1 percent of GDP. By CBO projections, the total federal debt held by

the public will remain above 70 percent of GDP for the next decade —the highest level since 1950 and about twice the share that it measured at the end of 2007, before the financial crisis and recent recession.

Deficits over the coming decade are now projected to total \$7.2 trillion —about \$400 billion less than the cumulative deficit CBO projected in April. Although revenues for that period are projected to be lower than the amounts that were previously estimated, projected outlays decline even more, largely because of lower anticipated interest costs.

The economy's gradual recovery from the 2007–2009 recession, the waning budgetary effects of policies enacted in response to the weak economy, and other changes to tax and spending laws have caused the deficit to shrink this year to its smallest size since 2007: roughly 3 percent of GDP, compared with a peak of almost 10 percent in 2009. If current laws governing taxes and spending stayed generally the same —an assumption that underlies CBO's 10-year baseline budget projections —the anticipated further strengthening of the economy and constraints on federal spending built into law would keep deficits between 2½ percent and 3 percent of GDP from 2015 through 2018, CBO estimates.

In succeeding years, however, deficits would become notably larger under current law. The pressures stemming from an aging population, rising health care costs, and an expansion of federal subsidies for health insurance would cause spending for some of the largest federal programs to increase relative to GDP. Moreover, CBO expects interest rates to rebound in coming years from their current unusually low levels, raising the government's interest payments. That additional spending would contribute to larger budget deficits—equaling close to 4 percent of GDP —toward the end of the 10-year period spanned by the baseline, CBO anticipates. Altogether, deficits during that 2015–2024 period would total about \$7.6 trillion.

With deficits expected to remain close to their current percentage of GDP for the next few years, federal debt held by the public is projected to stay between 72 percent and 74 percent of GDP from 2015 through 2020. Thereafter, larger deficits would boost debt to 78 percent of GDP by the end of 2024.

The unsustainable nature of the federal tax and spending policies specified in current law presents lawmakers and the public with difficult choices. Unless substantial changes are made to the major health care programs and Social Security, spending for those programs will equal a much larger percentage of GDP in the future than it has in the past. At the same time, under current law, spending for all other federal benefits and services would be on track to make up a smaller percentage of GDP by 2024 than at any point in more than 70 years. Federal revenues would also represent a larger percentage of GDP in the future than they have, on average, in the past few decades. Even so, spending would soon start to outpace revenues by increasing amounts (relative to GDP), generating rising budget deficits. As a result, federal debt held by the public is projected to grow faster than the economy starting a few years from now, and because debt is already unusually high relative to GDP, further increases could be especially harmful.

To put the federal budget on a sustainable path for the long term, lawmakers would have to make significant changes to tax and spending policies: reducing spending for large benefit programs below the projected levels, letting revenues rise more than they would under current law, or adopting some combination of those approaches.

In deciding how quickly to carry out policies to put federal debt on a sustainable path, lawmakers face trade-offs:

- The sooner significant deficit reduction was implemented, the smaller the government's accumulated debt would be, the smaller policy changes would need to be to achieve a particular long-term outcome, and the less uncertainty there would be about what policies would be adopted. However, if lawmakers implemented spending cuts or tax increases quickly, people would have little time to plan and adjust to the policy changes, and those changes would weaken the economic expansion during the next few years.

- Reductions in federal spending or increases in taxes that were implemented several years from now would have a smaller effect on output and employment in the short term. However, waiting for some time before reducing federal spending or increasing taxes would result in a greater accumulation of debt, which would represent a greater drag on output and income in the long term and would increase the size of the policy changes needed to reach any chosen target for debt.

If lawmakers wanted to minimize both the short-term economic costs of reducing deficits quickly and the longer-term costs of running large deficits, they could enact a combination of changes in tax and spending policies that increased the deficit in the next few years relative to what it would be under current law but reduced the deficit thereafter.

Even if policy changes to shrink deficits in the long term were not implemented for several years, making decisions about them sooner rather than later would offer significant advantages. If decisions were reached sooner, people would have more time to alter their behavior to be prepared for the time when the changes would be carried out. In addition, decisions about policy changes that would reduce future debt relative to the amounts projected under current law would tend to increase output and employment in the next few years by holding down longer-term interest rates, reducing uncertainty, and enhancing businesses' and consumers' confidence.

State Economy

The September 22, 2014 Office of State Planning and Budgeting (OSPB) report, the *Colorado Economic Forecast – Economic and Fiscal Review*, presents the OSPB forecast for Colorado economic and demographic indicators, including employment and unemployment, inflation, wages and income, population and migration. A summary of this information is presented here. The full report can be found at www.colorado.gov.

Colorado's economy continues to expand at a pace that is among the best in the nation. The state's concentration of individuals and businesses focused on products that are in high demand in today's economy continue to feed economic growth. Colorado also benefits from a high degree of business dynamism, as well as a growing culture for innovation and collaboration among individuals and firms. However, not all parts of the state are experiencing the same degree of economic strength. Housing market and employment growth remain more modest in certain regions. We project the statewide unemployment rate to fall below five percent this year – the first time below this level since June 2008.

The national economy's expansion has accelerated in recent months. The labor market is showing more sustained momentum; though the recent report for the nation's job market in August was less strong than in prior months. Economic indicators associated with the business cycle currently point to continued expansion. Business loan demand and investment have picked up and consumer and business confidence have improved. These trends will lower unemployment further and sustain consumer spending and housing market growth. Despite recent improvement, the overall national economy continues to generate uneven growth in the aftermath of the Great Recession. Continued improvement in the labor market is needed to bolster employment levels and overall economic growth.

Many indicators point to a continued economic expansion. We find that only a special set of unique circumstances would materially slow, or less likely reverse, the expansion. One risk is less accommodative monetary policy. The economy could respond unfavorably as the Federal Reserve ends its large-scale asset purchases and begins to target increases in the federal funds rate, which currently is expected to occur next year. Additionally, due to the interconnected nature of the global economy and financial system, current economic conditions in Europe and parts of Asia, as well as continued geopolitical tensions in the Middle East and Russia, are concerns.

Colorado's favorable mix of industries and dynamic business climate has supported strong employment growth during the recovery. The unemployment rate declined to 5.1 percent in August, the lowest rate in nearly six years. The growing labor market has helped to attract many people to the state. In recent

years, a greater proportion of migrants to Colorado have possessed advanced education degrees, helping to further strengthen the state's pool of workers with skills and abilities that are currently in high demand.

As the state and national economies recover, spending on tourism also has increased. This trend, combined with favorable weather conditions for both winter and summer attractions, has helped boost tourism activity in Colorado and contributed to the state's expansion.

Any future adjustments in forecasted revenue could have potentially large impacts on the amount of revenue collected in relation to the TABOR revenue cap. The State is within 0.4 percent of reaching its TABOR revenue cap in FY 2014 -15, well within the bounds of typical forecast adjustments. It is possible that a future forecast will show the State exceeding the cap. If that were to happen, the State would need to refund excess revenue to taxpayers or ask voters for permission to retain it.

Additionally, this forecast projects TABOR revenue will exceed the cap in FY 2015 -16 and FY 2016 -17. Slower-than-expected revenue growth may result in future forecasts showing revenue falling below the cap. In contrast, higher-than-expected revenue collections would result in more revenue above the cap. These changes would have implications for the budget, such as on the amount of General Fund money available for spending and the amount required to be transferred to transportation and capital construction.

There still exists a difficult and persistent structural gap in the Colorado General Fund budget. In other words, there is a mismatch between state General Fund revenue and the level of spending needed to support programs as they are currently structured. The state's tax structure and conflicting constitutional fiscal policies have also contributed to the structural gap. The structural gap developed over many years and will take time to resolve.

The State's General Fund reserve ended FY 2013 -14 \$235.8 million above its required amount based on preliminary information from the State Controller. All but \$25 million of this money, which remains in the General Fund, is allocated to various cash funds, including \$135.3 million to the Capital Construction Fund.

Local Economy

Colorado property is reassessed for valuation every two years. In 2013, an assessment year, the District's assessment came in at \$2.43 billion. In August 2014, the initial certification of assessed valuations shows a minimal decline of less than 1%, mainly in the Weld County assessed valuation, possibly as a result of slightly lower oil and gas production. The District's current assessment is \$2.38 billion. The largest community within the District is Longmont (the City). According to the City website, the estimated population is 89,919.

The Economic Indicators For Longmont Through August 2014, prepared by the City's financial staff provides a positive snapshot. The City's most important revenue indicator, sales and use tax, is up 10.7% from 2013 levels. Building permits through the month of August were 146 single family permits and 13 multi-family permits. This compares to 124 single family and 0 multi-family permits issued through August 2013. There were 16 new commercial construction permits through August 2014 compared to 3 through August 2013. The total valuation on permits through August 2014 increased 71.2% from valuation through August 2013. Actual number of permits issued for all purposes through August 2014 increased by 2.8% over the same period in 2013. The U.S Department of Labor and Statistics estimated Longmont's unemployment rate as 3.8% in August 2014, down from 5.2% in August 2013. The Longmont Area Economic Council reported 215 primary employers in the Longmont area and a net loss of 141 primary jobs through August 2014. Real estate vacancies have decreased from 17.4% in 2013 to 11.3% in 2014.

The Weld County portion of the District includes the growing town of Erie with a population of about 21,500, increasing by 500 over 2013 numbers. Firestone, Mead, Frederick and Dacono have stable

populations or slight growth. Other District communities with minimal growth include Niwot and Lyons, both located in Boulder County.

Continued Enrollment Growth

The District continues to grow in enrollment. Initial counts for the fall of 2014 show an increase of approximately 700 full-time equivalent students. Since 2005, the enrollment growth has averaged just over 790 students per year with an annual average growth rate of 3.69%. This totals 7,922 additional students in the district since 2005. The Planning Department projects that enrollment will continue to increase by an average of approximately 680 students per year over the next three years, to nearly 31,843 by the fall of 2017.

School Financial Issues

The primary revenue sources for the District are based on the current provisions of the Colorado Public School Finance Act of 1994, as amended yearly. Funding provided under this Act, which is from local property taxes, specific ownership taxes from vehicle registration, and state equalization, was approximately 79% of the District's Government wide general revenues for fiscal year 2013-2014.

The District is scheduled to receive \$6,900 per pupil FTE as per pupil revenue (PPR) for FY15. This compares to \$6,533 for FY14, an increase of \$367. This compares to \$6,945 in FY10, the year prior to large rescissions in per pupil funding.

In addition to the general economic conditions discussed earlier, the financial outlook is also affected by mandates which are outside the control of the District. These include two state constitutional amendments: the Gallagher Amendment and the Taxpayer's Bill of Rights (TABOR). The TABOR amendment limits the growth in both revenues and expenditures for the state, local government, and school districts. Although St. Vrain Valley School District RE -1J passed a ballot question in 1998 to remove the TABOR restrictions from the District, we are still impacted as a result of limited funding available at the state level as a result of TABOR.

The assessed property value revisions required by the 1982 Gallagher Amendment have continued to limit increases in the residential assessed values used to levy taxes for the District, even though actual property values for most residential properties are higher. This amendment requires that the residential property share of the total assessed value in the state be stabilized at approximately 45% of the total. However, by fixing the residential percentage share of property tax collections, an increasing portion of the taxes levied continues to be shifted to the commercial and nonresidential property owners.

In November 2008, District voters approved a \$189 million bond for district-wide capital building repairs, infrastructure upgrades, the construction of a new high school in the Carbon Valley, and the ability to respond to pockets of overcrowding in the District. Savings in the bond projects because of lower than anticipated construction costs have helped the District expand the project scope to help mitigate state cuts. The 2008 bond built or renovated 447 "smart" classrooms with instructional technology. The remaining 663 district classrooms have technology in varying degrees, mostly funded through school budgets, local grants, and parent fundraising contributions.

The District voters also approved a \$16.5 million mill levy override in 2008. The override was for a fixed mill rate that will grow and fall with the District's assessed valuation. This override has been a significant factor in both mitigating state cuts and improving the District's educational performance. The District passed a second mill levy override in November 2012 to mitigate state cuts. The \$14.8 million 2012 mill levy request is also set as a fixed mill override. The override is being used to recruit and retain highly-qualified staff, maintain class sizes, standardize and refresh technology, expand early childhood education and provide additional support to existing charter schools. The District now has short-term budget stability and good indications for continued growth and a slowly recovering state and national economy.

MAJOR INITIATIVES

In its continued efforts to increase student achievement and success, the District's Board and administrative leadership have developed a comprehensive District-wide plan including the following seven strategic priority initiatives: continue to strengthen District finances, align standards, curriculum and assessments, create a portfolio of 21st Century focus schools including expanding course offerings to meet the needs and ensure success for all students, enhance District-wide technology services, school safety, broaden communications and collaboration, and maximize the Board of Education's impact. These areas of focus will support specific, measurable District goals in the areas of 1st grade school readiness, 3rd grade reading proficiency, 5th grade reading proficiency, 8th grade algebra participation and successful completion, ACT achievement, enrollment in advanced coursework at the secondary level, and graduation rates.

Further, in order to enhance student achievement and ensure school and District accreditation, there will continue to be an emphasis on attracting and retaining superior teachers, administrators, and staff by offering a competitive compensation package and maintaining a safe, positive, and collaborative working environment.

To achieve these goals with less state funding, the District has made a concerted effort to seek grants, gifts and donations. The District was successful in the 2010 Investing in Innovation (i3) ARRA Grant competition and received \$3.6 million over five years, ending in December 2015. This grant expands the implementation of, and investment in, innovative practices that are demonstrated to have an impact on improving student achievement or student growth, closing achievement gaps, decreasing dropout rates, and increasing high school graduation rates.

Successful preliminary data results helped the District win the only Race to the Top District (RTT -D) Grant awarded in Colorado. St. Vrain Valley Schools was selected for a Race to the Top District award for \$16.6 million in December 2012. The purpose of this grant is improving student achievement, closing achievement gaps, decreasing dropout rates, and increasing high school graduation rates in the Skyline feeder group by focusing on STEM education, summer intervention, and individual academic plans. This is a four year grant ending in December 2016.

Since 1997, all Colorado school districts have been required by State law to participate in the Colorado Student Assessment Program (CSAP and TCAP) which has now transitioned to Colorado Measures of Academic Success (CMAS). Pursuant to CMAS, all public school students are given standardized tests in grades 3-12. The tests have been designed to measure student achievement in relationship to the Colorado Academic Standards. The standards are expectations specifying what students should know at particular points in their education. CMAS provides a series of snapshots of student achievement in English Language Arts and mathematics as they move through grades 3-11. A separate grade 5, 8 and 12 science test and grade 4, 7, and 12 social studies test is also administered. ACT is administered to all grade 11 students across Colorado. CMAS and ACT test results are an important part of statewide school accountability and accreditation. These coupled with 1st grade readiness, 3rd grade reading levels, 5th grade reading levels, successful participation and completion in 8th grade algebra, secondary enrollment in Advanced Level courses, and the overall graduation rate are indicators of the District's student achievement goals.

In 2001, the State began assigning individual schools a rating based upon CSAP scores. The rating system was revised in 2009 for the 2010-11 fiscal year. Under the current plan, the State Board of Education adopts targets related to four key state performance indicators: (1) student achievement, (2) student academic growth, (3) student academic growth gaps, and (4) postsecondary and workforce readiness. Using the four key performance indicators, the Colorado Department of Education assigns accreditation levels to districts and recommends school plan (accreditation) levels to districts. Using these four key performance indicators the Colorado Department of Education produces a detailed data document for each school and district (School Performance Framework and District Performance Framework).

School Facilities

The continuing growth in student enrollment in the District requires ongoing construction to provide adequate District school facilities. The Planning Department projects that enrollment will continue to increase by an average of approximately 680 students per year over the next three years, to nearly 31,843 by the fall of 2017.

The \$189 million bond passed in 2008 provided funds for new schools as listed below, as well as additions and renovations to existing schools to increase capacity. In addition, \$48 million of bond proceeds was earmarked to address deferred maintenance and code issues in existing schools.

Three new elementary schools opened in August 2008, each with strong enrollment. Black Rock Elementary opened over capacity. Four additional classrooms were added during summer 2009 to help ease the strong enrollment growth in the Erie community. Mead High School opened in the fall of 2009. Red Hawk Elementary opened in the Erie community in August 2011 with an enrollment over 470 students. Frederick High School opened in August 2012 with an enrollment of 954, nearly 100 over projections.

Construction continues on new projects funded primarily through the 2008 bond project savings. The former Frederick High School has been renovated into a K-8 school to help address area growth, and the former Frederick Elementary school has reopened as a regional early childhood learning center with a STEM focus. Existing school buildings in Longmont were renovated and two older elementary schools and one middle school were closed and reopened as a technology-rich PK-8 school. All three of these renovated buildings met or exceeded enrollment projections when they opened in August 2013. In addition, one elementary school has been renovated to become a kindergarten through 4th grade school with a large capacity to provide centralized preschool to parts of Longmont.

FINANCIAL INFORMATION

As of June 30, 2014, the District had a fund balance of \$ 66.2 million in the General Fund (including its sub-funds). The increase of \$ 1.6 million is primarily the result of not expending appropriated fund balance as planned in the budget. As a result of the various classifications of fund balance, the ending unassigned General Fund balance is \$ 11.5 million.

Accounting Policies: Detailed descriptions of the District's accounting policies are contained in the Notes to Financial Statements on pages 33-40, and they are an integral part of this report. These policies describe the basis of accounting, funds and accounts used, valuation policies for inventories and investments, and other significant accounting information.

Per state statute, the District may amend the adopted budget for any reason prior to January 31. After January 31, the Board may amend the budget only as authorized by state law.

AWARDS and ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the tenth consecutive year that the District has achieved these prestigious awards. In order to be awarded a Certificate of Achievement and a Certificate of Excellence, the District published an easily readable and efficiently organized comprehensive annual financial report. This report also satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

The Certificate of Achievement and Certificate of Excellence are valid for a period of one year. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement and Certificate of Excellence programs' requirements and we are submitting it to GFOA and ASBO, respectively, to determine its eligibility for another certificate.

The preparation of the Comprehensive Annual Financial Report on a timely basis could not be accomplished without the efficient and dedicated services of the team of professionals in the Financial Services Department, as well as the independent auditors, and other administrative staff called upon to provide information and assistance. We would like to express our appreciation to all staff members who assisted and contributed to its preparation, with special thanks to Senior Accountant Jane Frederick, CPA; Budget Director Tony Whiteley, CPA; and District Accountants Kirk Youngman and Shelly Murphy, without whom we could not have met our very aggressive timeline.

We would also like to thank the members of the Finance & Audit Committee and the Board of Education of the St. Vrain Valley School District RE -1J for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

Don Haddad, Ed.D.
Superintendent of Schools

Gregory A. Fieth
Chief Financial Officer

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Association of School Business Officials International



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

St. Vrain Valley School District RE-1J

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



Terrie S. Simmons, RSBA, CSBO
President

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

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

Presented to

**St. Vrain Valley
School District RE-1J
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

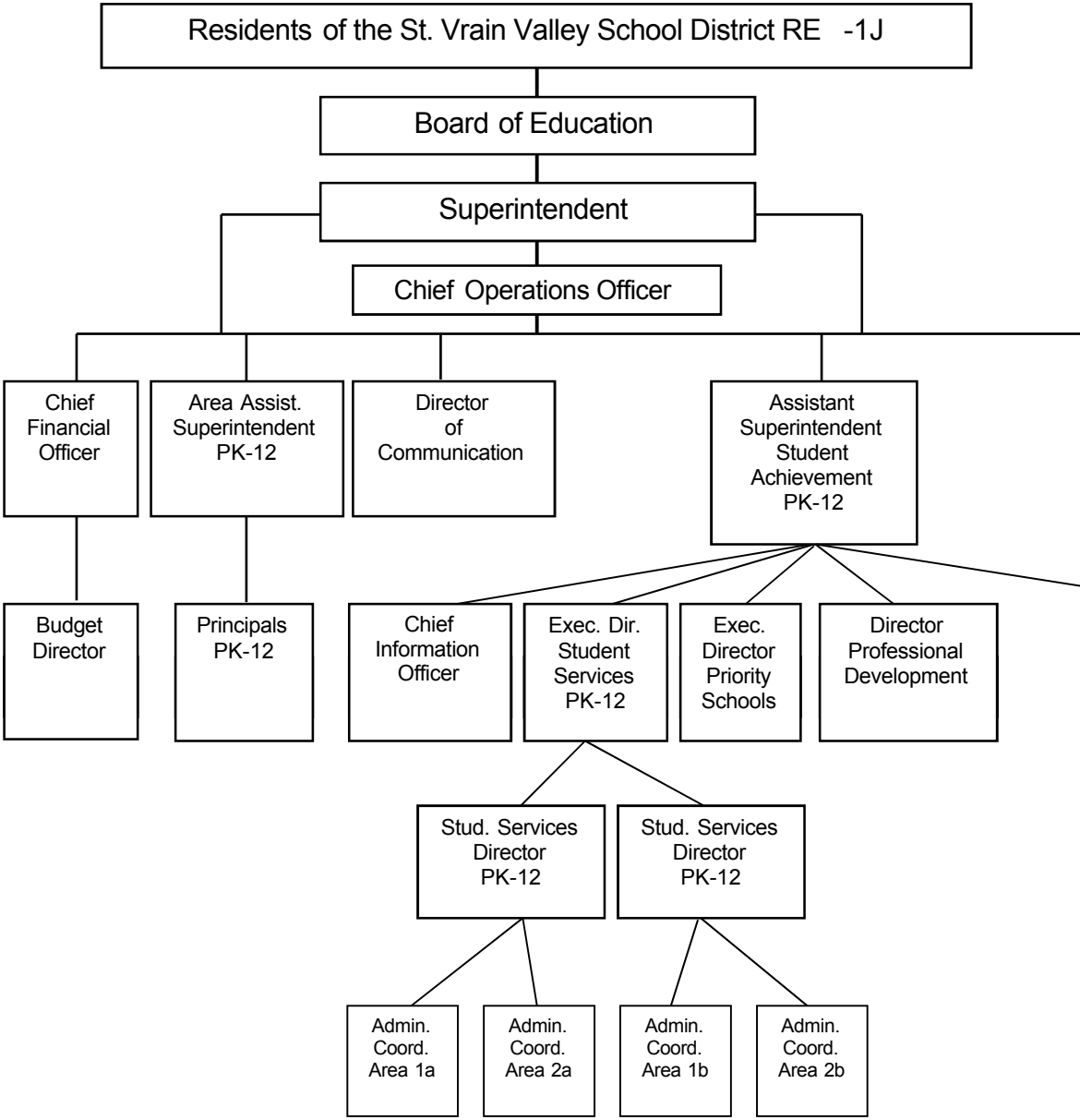
June 30, 2013

Executive Director/CEO

St. Vrain Valley School District RE-1J

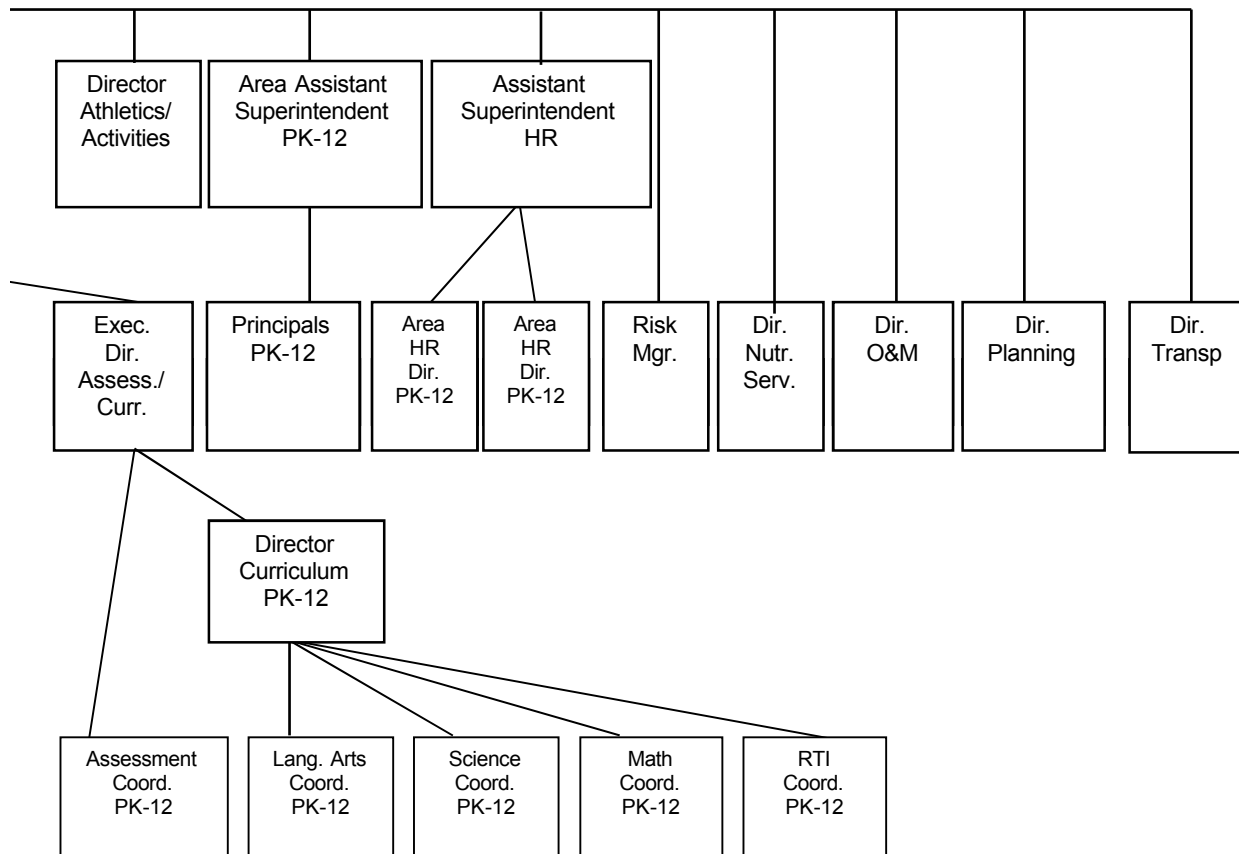
ORGANIZATIONAL CHART

June 2014



Revised September 8, 2010

Note: The organizational chart has not been updated and adopted by the Board to reflect recent changes with appointed officials.



Statement of Purpose

The leadership structure of the St. Vrain Valley School District represents a systems approach to student achievement. This structure is designed to maximize organizational performance and optimize resources dedicated to the alignment of standards, curriculum, instruction and assessment, as well as technology, professional development, communications, and partnerships with business and industry, post-secondary institutions, parents and other stakeholders.

St. Vrain Valley School District RE -1J

Elected Officials

Board of Education as of June 2014

| <u>Board Member</u> | <u>Term of Office</u> |
|--|------------------------------------|
| District A, Joie Siegrist, Treasurer | 2/12 - 11/15 (Appointed 2/12) |
| District B, Debbie Lammers, Secretary | 11/09 - 11/17 |
| District C, Bob Smith, Vice President | 11/09 - 11/15 (Appointed 11/07) |
| District D, John Ahrens, Member | 11/13 - 11/17 |
| District E, John Creighton, President | 11/07 - 11/15 |
| District F, Paula Peairs, Member | 11/13 - 11/17 |
| District G, Mike Schiers, Asst Secretary | 11/07 - 11/15 |

Appointed Officials

District Leadership Team

| | |
|---------------------------|--|
| Don Haddad | Superintendent |
| Brian Lamer | Asst Superintendent of Operations |
| Greg Fieth | Chief Financial Officer |
| John Poynton | Executive Director of Organizational Development & Communications |
| Connie Syferd | Asst Superintendent of Student Achievement |
| David Burnison | Interim Area 1 Asst Superintendent K-12 |
| Mark Mills | Area 2 Asst Superintendent K-12 |
| Regina Renaldi | Area 3 Asst Superintendent K -12 |
| Ella Padilla | Asst Superintendent of Human Resources |
| Dina Perfetti-Deany | Executive Director of Human Resources |
| Joe McBreen | Chief Information Officer |
| Jackie Whittington | Executive Director of Student Services |
| Patty Quinones | Executive Director of Innovation |
| Tori Teague | Asst Superintendent of Assessment & Curriculum |
| Kahle Charles | Executive Director of Assessment & Curriculum |
| Diana Lauer | Executive Director of Professional Development & Assessment |

FINANCIAL SECTION

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St. Vrain Valley School District RE -1J
Management's Discussion and Analysis
As of and for the Fiscal Year Ended June 30, 2014

As management of the St. Vrain Valley School District RE -1J, Colorado (the District), we offer readers of the District's Comprehensive Annual Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that can be found in the letter of transmittal and the financial statements of the District.

Financial Highlights

- The assets plus deferred outflows of the District exceeded its liabilities plus deferred inflows at June 30, 2014 by \$131.0 million (net position).
- Business-type activities unrestricted net position increased \$162 thousand from \$2.07 million to \$2.23 million. This net position may be used to meet the District's ongoing obligations of the enterprise-related activities, the Nutrition Services Fund.
- Total net position of the District increased \$6.5 million during the year ended June 30, 2014, the majority resulting from a \$6.4 million increase in the net position of the District's governmental activities, and a \$70 thousand increase in the net position of the District's business-type activities.
- Fund balance of the District's governmental funds decreased from an ending fund balance of \$147.3 million for fiscal year ended June 30, 2013 to \$144.2 million for fiscal year ended June 30, 2014. The decrease is primarily the result of bond-related capital outlay expenditures of \$7.7 million by the Building Fund.
- During the current year, the fund balance in the District's General Fund increased by \$1.6 million leaving an ending fund balance of \$66.2 million. The increase is primarily due to increased revenue from a supplemental appropriation by the State legislature in the Spring of 2014, and from increased Specific Ownership Taxes due to an improved economy. After taking into consideration the various categories of fund balance, the ending unassigned General Fund balance is \$11.5 million.
- The District's total liabilities plus deferred inflows decreased \$13.9 million to \$467.8 million primarily due to the scheduled bond debt payments and aided by the retirement of general obligation building bonds.

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements presented on pages 19-58 are comprised of three components: 1.) Government-wide financial statements, 2.) Fund financial statements, and 3.) Notes to financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader of the District's Comprehensive Annual Financial Report a broad overview of the financial activities in a manner similar to a private sector business. The government-wide financial statements include the statement of net position and the statement of activities.

The statement of net position presents information about all of the District's assets, liabilities, and deferred outflows/inflows. The difference between assets plus deferred outflows and liabilities plus deferred inflows is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the net position of the District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flow may be recorded in a future or past period.

The government-wide financial statements distinguish functions of the District that are supported from taxes and intergovernmental revenues (governmental activities), and other functions that are intended to recover all or most of their costs from user fees and charges (business-type activities). Governmental activities consolidate governmental funds including the General Fund, Bond Redemption Fund, Building Fund, Governmental Designated-Purpose Grants Fund, nonmajor capital projects and special revenue funds, and internal service fund. Business-type activities consist of the Nutrition Services Fund.

Also presented on the government-wide financial statements are component units, representing the District's six charter schools. The charter schools are legally separate entities with their own appointed independent governing boards. They are financially dependent on the District for most of their funding, and their applications and budgets must be approved by the District. In addition, because of their potential to provide financial benefit to, or impose financial burden on, the District, accounting principles prescribe a discrete presentation of the component units, meaning separate presentation from the primary government. The government-wide financial statements can be found on pages 19-21 of this report.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related legal requirements. 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. Fund financial statements for the District include three fund types. The fund types presented here are governmental, proprietary, and fiduciary.

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The District maintains eight different governmental funds. The major funds as of June 30, 2014 are the General Fund, the Governmental Designated-Purpose Grants Fund, the Bond Redemption Fund, and the Building Fund. They are presented separately in the fund financial statements with the remaining governmental funds combined into a single aggregated presentation labeled Nonmajor Governmental Funds. Individual fund information for the nonmajor funds is presented as other supplemental information elsewhere in this document. The basic governmental fund financial statements can be found on pages 22-25 of this report.

The District maintained two types of proprietary funds, an enterprise fund and an internal service fund. Enterprise funds are used to present the same functions as the business-type activities presented in the government-wide financial statements. The District uses an enterprise fund, the Nutrition Services Fund, to account for its food service operation. The other type of proprietary fund is an internal service fund.

Internal service funds are used to accumulate and allocate costs internally among the governmental functions. The District has one internal service fund, the Self Insurance Fund, which is used to account for specific medical and dental plans. The basic proprietary fund financial statements are presented on pages 27-29 of this report.

The District is the fiduciary for assets that belong to student groups. The District is responsible for ensuring that the assets reported in this fund are used only for intended purposes and used by those to whom the assets belong. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The basic fiduciary fund financial statements are presented on pages 30-31 of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found on pages 33-58 of this report.

Other Information

The District adopts an annual appropriated budget for each of the governmental funds. A budgetary comparison schedule for the General Fund and the major Special Revenue Governmental Designated-Purpose Fund is included as required supplementary information in the financial statements to demonstrate compliance with the adopted budget. The remaining governmental funds budgetary comparisons are reported as other supplemental information. Combining and individual fund statements and schedules can be found on pages 61-91 of this report.

Government-wide Financial Analysis

The assets of the District are composed of current assets, other noncurrent assets, and capital assets. Cash and investments, receivables, deposits, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the District. Over 90% of the current assets are cash and investments.

Other noncurrent assets include restricted cash and investments. Capital assets are used in the operations of the District. These assets are land, buildings, and equipment. Capital assets are discussed in greater detail in the section titled, *Capital Assets and Debt Administration*, later in this analysis.

For refunding of debt resulting in defeasance, deferred outflows of resources are the differences where the net carrying value of the old debt is less than the reacquisition price.

Current and noncurrent liabilities are determined based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, claims payable, and current debt obligations. The liquidation of current liabilities is anticipated to be either from current available resources, current assets or new resources that become available during fiscal year 2015. Long-term liabilities such as long-term debt obligations and compensated absences will be liquidated from resources that will become available after fiscal year 2015.

Deferred inflows of resources are revenues that will be earned over the life of investments from a forward delivery agreement.

As of June 30, 2014, the assets plus deferred outflows of the primary government's governmental activities exceed liabilities plus deferred inflows by \$127.7 million with an unrestricted balance of \$75.3 million. For seven of the eight prior fiscal years, the District was able to report positive balances in all three categories of net position, both for the District as a whole, as well as for its separate governmental and business-type activities.

In fiscal year 2014, the amount “net investment in capital assets” for the primary government’s governmental activities decreased by \$1.2 million, to \$4.8 million. Net positive changes in other investments were not enough to offset the \$12.5 million spend down of cash in the Building Fund and capital assets realized net decrease of \$3.9 million, resulting in the decrease in “net investment in capital assets”. Positive changes include long-term debt decrease of \$14.2 million (see Note 8) and retainage payable decrease of \$1.4 million. Although there was a net addition of \$10 million in capital assets, the depreciation was \$14 million, causing a net decrease in capital assets. In addition, the sale of Spangler Elementary School contributed approximately \$400 thousand to the decrease in net capital assets.

Colorado Revised Statute Article X, Section 20 (Taxpayer Bill of Rights (TABOR) requires the District to establish reserves. The net position restricted for TABOR, as required by statute, increased almost \$1 million as of June 30, 2014. Net position restricted for debt service increased \$2.1 million resulting in a total of \$32.7 million.

Of the \$13.9 million decrease in liabilities plus deferred inflows, most is attributable to regularly scheduled payments of bonded debt (see Note 8).

Table 1 provides a summary of the District’s net position as of June 30, 2014 compared to June 30, 2013.

**Table 1 - Comparative Summary of Net Position
As of June 30, 2014 and 2013
(in Thousands)**

| | Governmental Activities | | Business-Type Activities | | Total School District | | Total Percentage Change |
|----------------------------------|-------------------------|-------------------|--------------------------|-----------------|-----------------------|-------------------|-------------------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2013 - 2014 |
| Assets | | | | | | | |
| Current assets | \$ 144,172 | \$ 149,935 | \$ 2,362 | \$ 2,185 | \$ 146,534 | \$ 152,120 | -3.67% |
| Noncurrent assets | | | | | | | |
| excluding capital assets | 35,948 | 33,755 | - | - | 35,948 | 33,755 | 6.50% |
| Capital assets | 405,436 | 409,350 | 1,046 | 1,138 | 406,482 | 410,488 | -0.98% |
| Total assets | 585,556 | 593,040 | 3,408 | 3,323 | 588,964 | 596,363 | -1.24% |
| Deferred outflows | 9,828 | 9,832 | - | - | 9,828 | 9,832 | -0.04% |
| Liabilities | | | | | | | |
| Current liabilities | 29,361 | 28,780 | 135 | 120 | 29,496 | 28,900 | 2.06% |
| Long-term liabilities | 437,890 | 452,131 | - | - | 437,890 | 452,131 | -3.15% |
| Total liabilities | 467,251 | 480,911 | 135 | 120 | 467,386 | 481,031 | -2.84% |
| Deferred inflows | 435 | 681 | - | - | 435 | 681 | -36.12% |
| Net Position | | | | | | | |
| Net investment in capital assets | 4,820 | 5,976 | 1,046 | 1,138 | 5,866 | 7,114 | 17.54% |
| Restricted for | | | | | | | |
| TABOR | 7,802 | 6,855 | - | - | 7,802 | 6,855 | 13.81% |
| Debt service | 32,700 | 30,558 | - | - | 32,700 | 30,558 | 7.01% |
| Colo Preschool | 454 | 399 | - | - | 454 | 399 | 13.78% |
| Other | 6,660 | 5,701 | - | - | 6,660 | 5,701 | 16.82% |
| Unrestricted | 75,262 | 71,791 | 2,227 | 2,065 | 77,489 | 73,856 | 4.92% |
| Total net position | \$ 127,698 | \$ 121,280 | \$ 3,273 | \$ 3,203 | \$ 130,971 | \$ 124,483 | 5.21% |

Government-wide Activities

Governmental activities increased the net position of the District \$6.4 million while the increase of Business-type Activities net position was \$70 thousand. The net result is an overall decrease of \$6.5 million in the net position of the District. Table 2 provides a summary of the District's change in net position for 2014 compared to 2013.

Table 2
Comparative Schedule of Changes in Net Position
For the Years Ended June 30, 2014 and 2013
(in Thousands)

| | Governmental Activities | | Business-Type Activities | | Total School District | | Total Percentage Change |
|--|-------------------------|-------------------|--------------------------|-----------------|-----------------------|-------------------|-------------------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2013 - 2014 |
| Revenues | | | | | | | |
| Program revenues | | | | | | | |
| Charges for services | \$ 17,222 | \$ 15,748 | \$ 3,879 | \$ 3,449 | \$ 21,101 | \$ 19,197 | 9.92% |
| Grants & contributions: | | | | | | | |
| Operating | 25,359 | 19,285 | 5,053 | 5,035 | 30,412 | 24,320 | 25.05% |
| Capital | 1,023 | 742 | 15 | 109 | 1,038 | 851 | 21.97% |
| General revenues | | | | | | | |
| Property, specific ownership, and mill levy override taxes | 137,711 | 138,671 | - | - | 137,711 | 138,671 | -0.69% |
| State revenue | 119,132 | 108,347 | - | - | 119,132 | 108,347 | 9.95% |
| Other | 7,124 | 15,990 | 1 | 2 | 7,125 | 15,992 | -55.45% |
| Total revenues | 307,571 | 298,783 | 8,948 | 8,595 | 316,519 | 307,378 | 2.97% |
| Expenses | | | | | | | |
| Instruction | 178,639 | 162,259 | - | - | 178,639 | 162,259 | 10.09% |
| Supporting services | 102,775 | 82,910 | 8,878 | 8,551 | 111,653 | 91,461 | 22.08% |
| Interest expense | 19,739 | 20,384 | - | - | 19,739 | 20,384 | -3.16% |
| Total expenses | 301,153 | 265,553 | 8,878 | 8,551 | 310,031 | 274,104 | 13.11% |
| Increase (decrease) in net position | 6,418 | 33,230 | 70 | 44 | 6,488 | 33,274 | 80.50% |
| Net position - 7/1 | - | 90,610 | 3,203 | 3,159 | 3,203 | 93,769 | -96.58% |
| Restatement ** | - | (2,560) | - | - | - | (2,560) | -100.00% |
| Net position, restated | 121,280 | 88,050 | 3,203 | 3,159 | 124,483 | 91,209 | 36.48% |
| Net position - 6/30 | \$ 127,698 | \$ 121,280 | \$ 3,273 | \$ 3,203 | \$ 9,691 | \$ 124,483 | -92.22% |

** For comparability purposes, the restatement above is retroactively shown in fiscal year 2013 even though the accounting change was not implemented until fiscal year 2014.

Total assets of governmental activities decreased by \$7.5 million attributed to the following elements:

**Comparative Schedule of Assets of Governmental Activities
As of June 30, 2014 and 2013**

| | 2014 | 2013 | Increase (Decrease) |
|--------------------------|-----------------------|-----------------------|------------------------|
| Cash and investments | \$ 170,091,380 | \$ 172,954,688 | \$ (2,863,308) |
| Accounts receivable | 285,349 | 720,912 | (435,563) |
| Due from component units | 200,946 | 11,615 | 189,331 |
| Grants receivable | 4,090,651 | 3,321,258 | 769,393 |
| Interest receivable | 179 | 10,200 | (10,021) |
| Taxes receivable | 4,294,950 | 5,563,334 | (1,268,384) |
| Prepaid expenses | 605,953 | 614,257 | (8,304) |
| Deposits | 549 | 484 | 65 |
| Inventories | 549,883 | 492,949 | 56,934 |
| Capital assets | | | |
| Non-depreciable | 27,679,925 | 68,051,361 | (40,371,436) |
| Depreciable, net | 377,756,112 | 341,298,729 | 36,457,383 |
| Total assets | <u>\$ 585,555,877</u> | <u>\$ 593,039,787</u> | <u>\$ (7,483,910)</u> |

The net decrease in cash and investments (which includes unrestricted and restricted cash and investments) is primarily due to bond-related capital outlay expenditures of \$7.7 million within the Building Fund, partially offset by outperformance of various budgets, and increased revenues in the General Fund and the Fair Contributions Fund. The increase in grants receivable is due to the receipt of reimbursable expenditures and increased federal grant awards. Interest receivable reflects interest earned through June 2014 that was not received until July 2014; the lower amount is a result of a decreased average interest rate on secure investments and lower investment balances. The decrease in taxes receivable by \$1.3 million in the current year is mainly due to an improved economy allowing taxpayers to pay in a more timely manner. The decrease in non-depreciable capital assets reflects the construction projects in progress at year end. Depreciable capital assets increased because construction projects in progress as of June 30, 2013 were added to the capital assets inventory in the current year.

Total liabilities of governmental activities decreased by \$13.7 million as follows:

**Comparative Schedule of Liabilities of Governmental Activities
As of June 30, 2014 and 2013**

| | 2014 | 2013 | Increase (Decrease) |
|--|-----------------------|-----------------------|------------------------|
| Accounts payable | \$ 6,807,730 | \$ 5,592,356 | \$ 1,215,374 |
| Due to component units | 3,713 | - | 3,713 |
| Retainage payable | 295,682 | 1,645,711 | (1,350,029) |
| Accrued salaries, benefits, withholdings | 17,408,900 | 16,391,808 | 1,017,092 |
| Accrued interest payable | 826,787 | 854,198 | (27,411) |
| Claims payable | 2,820,177 | 3,123,402 | (303,225) |
| Unearned revenues | 1,198,135 | 1,172,475 | 25,660 |
| Noncurrent liabilities | | | |
| Due within one year | 15,476,645 | 14,673,706 | 802,939 |
| Due in more than one year | 422,412,906 | 437,457,484 | (15,044,578) |
| Total liabilities | <u>\$ 467,250,675</u> | <u>\$ 480,911,140</u> | <u>\$ (13,660,465)</u> |

Accounts payable increased by \$1.2 million as major renovation capital construction projects continued through the summer of 2014 with converting an elementary school into a preschool through 4th grade school. The decrease in retainage payable is due to the fact that as of June 30, 2013 there were three major renovations close to completion and as of June 30, 2014 there was one renovation. Accrued salaries, benefits and payroll withholdings increased by \$1.0 million due to salary increases given, benefit increases, and growth in the number of employees. The decrease in accrued interest reflects the decreased bond interest due by the District because of the principal payments made against bonded debt. The slight decrease in claims payable is due to estimates of claims within the Risk Management Fund and the internal service fund created for the District's specific self-insured health and dental plans at June 30, 2014. The slight increase in unearned revenues is due to increased grant program activity and an increased participation in preschool, kindergarten and community school programs. The increase in noncurrent liabilities due within one year is primarily due to the increase in bond principal due in December 2014 as compared to December 2013. Noncurrent liabilities due in more than one year decreased as a result of the paying down of bond debt (see Note 8).

Total assets of business -type activities increased by \$85,254 as follows:

**Comparative Schedule of Assets of Business-Type Activities
As of June 30, 2014 and 2013**

| | 2014 | 2013 | Increase (Decrease) |
|--|---------------------|---------------------|------------------------|
| Cash and investments | \$ 1,684,767 | \$ 1,151,633 | 533,134 |
| Accounts receivable | 66,966 | 464,479 | (397,513) |
| Due from component units | 300 | - | 300 |
| Prepaid expenses | 751 | - | 751 |
| Inventories | 609,472 | 569,427 | 40,045 |
| Capital assets, net of accumulated depreciation | 1,046,337 | 1,137,800 | (91,463) |
| Total assets | <u>\$ 3,408,593</u> | <u>\$ 3,323,339</u> | <u>\$ 85,254</u> |

Cash and investments increased (and accounts receivable decreased) in -part due to the timing of the receipt of reimbursable meal costs at year -end. The net capital assets decreased slightly because the accumulated depreciation of capital assets was greater than the contributed capital. Total assets increased by \$85,254 as result of these changes.

Total liabilities for business -type activities increased \$15,020.

**Comparative Schedule of Liabilities of Business-Type Activities
As of June 30, 2014 and 2013**

| | 2014 | 2013 | Increase (Decrease) |
|-------------------------------|-------------------|-------------------|------------------------|
| Accounts payable | \$ 10,046 | \$ 5,843 | \$ 4,203 |
| Accrued salaries and benefits | 125,467 | 114,650 | 10,817 |
| Total liabilities | <u>\$ 135,513</u> | <u>\$ 120,493</u> | <u>\$ 15,020</u> |

The 2014 accounts payable amount increased slightly compared to 2013. Similarly, the accrued salaries and benefits increased slightly over the 2013 amount.

The primary source of operating revenue for school districts comes from the School Finance Act of 1994 (SFA). Under the SFA less rescissions, the District received \$6,533 per funded pupil. For the fiscal year ended June 30, 2014, the funded pupil count was 28,011.8, a growth rate of 2.96% over the prior fiscal year. Funding for the SFA comes from real estate property taxes, specific ownership personal property tax and state equalization. For fiscal year 2014, SFA per pupil funding increased by \$197 per student.

The statement of activities shows the cost of program services and the charges for services, grants, and contributions offsetting those services. Table 3 shows the total cost of services and the net cost of services for governmental activities.

Table 3
Comparative Schedule of Governmental Activities
For the Years Ended June 30, 2014 and 2013
(in Thousands)

| | Total Cost of Services | | Net Cost of Services | |
|---------------------|------------------------|-------------------|----------------------|-------------------|
| | 2014 | 2013 | 2014 | 2013 |
| Instruction | \$ 178,639 | \$ 162,259 | \$ 146,365 | \$ 133,967 |
| Supporting services | 102,775 | 82,910 | 91,445 | 75,427 |
| Interest expense | 19,739 | 20,384 | 19,739 | 20,384 |
| | <u>\$ 301,153</u> | <u>\$ 265,553</u> | <u>\$ 257,549</u> | <u>\$ 229,778</u> |

Key elements of the governmental activities are as follows:

- The cost of all governmental activities this year was \$301.2 million compared to \$ 265.6 million last year. Interest expense decreased by \$645 thousand primarily due to the bond repayment schedule.
- About \$17.2 million of the cost of services was financed by the users of the District's programs in the form of charges for services, an increase of \$1.5 million from 2013. The increase is primarily due to tuition charges for preschool, community school programs, and increased pupil activities and student fees.
- The federal and state governments subsidized certain programs with grants and contributions in the amount of \$26.4 million, an increase of \$6.4 million from fiscal year 2013 primarily due to the Race to the Top federal grant program.
- The majority of the District's net cost of services, \$257.6 million, was financed by State and District taxpayers.
- General revenues accounted for \$264.0 million in revenue which was 85.8% of all revenues. Program specific revenues in the form of charges for services and sales, grants, and contributions, accounted for \$43.6 million or 14.2% of total revenues of \$307.6 million. These percentages reflect a shift of 2.2% of total revenue to program specific from general revenues.

Business-type activities consist of the Nutrition Services Fund. This program had revenues and contributions totaling \$ 8.948 million and expenses of \$ 8.878 million. Due to improved operations, the program realized an operating income in fiscal years 2010 through 2014, unlike the operating losses in the three previous fiscal years. Business-type activities receive no support from local tax revenue; however, they generate support from student meal charges. In addition, the business-type activities receive funding from the National School Lunch Program (NSLP) and some revenue through state matching funds.

Financial Analysis of the District's 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. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government 's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$144.2 million, a decrease from \$147.3 million in the prior year. As noted earlier, this decrease is predominantly the result of bond -related capital outlay expenditures of \$7.7 million within the building fund.

Among major funds, the General Fund is the chief operating fund of the District. The General Fund had \$235.1 million in revenues , and \$233.5 million in expenditures. The General Fund's fund balance increased from \$64.5 million to \$66.2 million. The increase of \$1.6 million is primarily the result of the increased revenues due to the supplemental appropriation by the State legislature and increased Specific Ownership Tax from an improved economy, encumbering funds for work in process (primarily for flood related projects in the Risk Management Fund, and not expending all accounts as planned in the budget. After taking into consideration the various categories of fund balance, the ending unassigned General Fund balance is \$11.5 million .

For five of the past six fiscal years, the Governmental Designated -Purpose Grants Fund met the minimum criteria to be reported as a major special revenue fund. Revenues of \$14.1 million were offset by equal expenditures .

The fund balance of the Bond Redemption Fund had a slight increase of \$ 2.1 million, resulting in a balance of \$32.7 million as of June 30, 2014. The Bond Redemption Fund has adequate resources accumulated to make the December 2014 principal and interest payments. The mill levy to accumulate resources for the June 2015 interest payment will be certified in December 2014. In October 2014, the District had an opportunity to refinance over \$50 million of its Series 2004, S eries 2005A, and Series 2006B to save taxpayers over \$7.95 million (future value savings). During this process, the District was able to secure a credit ratings upgrade to "AA" from Standard and Poor's. The upgrade is a reflection of the District's solid financial procedures and healthy fund balance.

The Building Fund is used to record the proceeds, interest revenue and corresponding construction expenditures for bonds. The fund balance decreased by \$ 11.5 million due to planned capital outlay construction activity during the fiscal year. The fund had total revenues of just under \$164 thousand and total expenditures of \$11.7 million for the construction of schools and other capital improvements during the year.

Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental and business -type activities as of June 30, 2014 is \$406.5 million (net of accumulated depreciation). Capital assets include land and improvements, buildings and improvements, water rights, projects in progress, and equipment. The District's investment in capital assets, net of accumulated depreciation, decreased for the current fiscal year by \$4.0 million. Major capital events during the year included the renovation of a District elementary school to provide additional preschool capacity in the Longmont area, along with building improvements in several other schools .

Table 4 shows fiscal year 2014 capital assets compared to 2013.

Table 4
Comparative Schedule of Capital Assets
As of June 30, 2014 and 2013
(Net of Depreciation, in Thousands)

| | Governmental Activities | | Business-Type Activities | | Total School District | | Total Percentage Change |
|-----------------------|----------------------------|-------------------|--------------------------|-----------------|-----------------------|-------------------|-------------------------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2013 - 2014 |
| Land | \$ 20,053 | \$ 20,073 | \$ - | \$ - | \$ 20,053 | \$ 20,073 | -0.10% |
| Water rights | 1,084 | 1,096 | - | - | 1,084 | 1,096 | -1.09% |
| Projects in progress | 6,543 | 46,882 | - | - | 6,543 | 46,882 | -86.04% |
| Land improvements | 10,695 | 11,685 | - | - | 10,695 | 11,685 | -8.47% |
| Buildings | 230,094 | 234,820 | - | - | 230,094 | 234,820 | -2.01% |
| Building improvements | 128,949 | 86,844 | - | - | 128,949 | 86,844 | 48.48% |
| Equipment | 8,018 | 7,950 | 1,138 | 1,138 | 9,156 | 9,088 | 0.75% |
| Totals | <u>\$ 405,436</u> | <u>\$ 409,350</u> | <u>\$ 1,138</u> | <u>\$ 1,138</u> | <u>\$ 406,574</u> | <u>\$ 410,488</u> | -0.95% |

Additional information on the District's total capital assets can be found in Note 5 beginning on page 46.

Debt Administration. The District was assigned an underlying rating of Aa2 rating from Moody's Investors Service for its general obligation refunding bond issues in 2012. The custodian and paying agent for all of the District's bond debt is Wells Fargo Bank located in Denver, Colorado. Total long-term debt outstanding as of June 30, 2014 as compared to June 30, 2013 is shown in Table 5. State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$484 million and the legal debt margin was \$72.5 million.

Table 5
Comparative Schedule of Outstanding Debt
As of June 30, 2014 and 2013
(in Thousands)

| | 2014 | 2013 | Increase (Decrease) |
|--------------------------|-------------------|-------------------|------------------------|
| General obligation bonds | \$ 411,565 | \$ 424,925 | \$ (13,360) |
| Deferred bond premium | 22,771 | 23,517 | (746) |
| Registered coupons | 300 | 300 | - |
| Reg'd coupons discount | (20) | (20) | - |
| Capital leases | 736 | 924 | (188) |
| Benefits payable | 2,538 | 2,485 | 53 |
| Total debt | <u>\$ 437,890</u> | <u>\$ 452,131</u> | <u>\$ (14,241)</u> |

Additional information on the District's total bonded debt can be found in Note 8 beginning on page 49 of this report.

Factors Bearing on the District's Future

All school districts in the State were impacted by rescissions in fiscal years 2009, 2010, 2011 and 2012. 2.

During these times, with the objective of avoiding budget cuts that would have a direct impact on the classroom, the District implemented a variety of cost saving measures. These included bringing previously contracted services in-house and moving to self-funded health insurance, increased operating efficiencies, elimination of some positions, reduction of support staff hours and budget cuts within the central administration. In fiscal year 2011-12, class sizes were increased by one. This reduced the number of classroom teachers district-wide, but those reductions occurred through attrition, not a reduction in force. Along with increased efficiencies, other budget adjustments included a one-time slowdown of General Fund purchases (primarily in textbooks and technology), the elimination of the Adult Education program, and a planned spend-down of the Risk Management Fund balance for two years.

To enhance learning opportunities for our students, the District also started an in-District online school and opened a homeschool program. The initial pupil count for 2014 in these two programs exceeds 700 students and is estimated to yield 350 funded pupils. In addition, the District has applied for and received numerous grants and continues to actively seek grants and corporate sponsorships. In early August 2010, the U.S. Department of Education notified the District that it had been selected for a \$3.6 million development grant, payable over five years, under the 2010 Investing in Innovation Fund (i3) competition. Out of 1700 applicants, the District received the highest score nationwide on its application and was one of 49 chosen to receive grant funds. The District's grant plan focused on expanding programs for at risk students in seven schools, including extending the school year at four elementary schools, targeting at-risk math students at two middle schools and fully implementing the STEM (science, technology, engineering, mathematics) academy at Skyline High School. In order to receive the award, the District submitted evidence of matching funds from the private sector, including in-kind donations from RidgeviewTel and IBM. The District had already begun several of these programs; the grant funds covered expenses that would have otherwise impacted the General Fund. In November 2012, the District also received one of the first round of Race to the Top grants from the federal government. This grant provides \$16.5 million dollars over four years. It was developed to create and implement more STEM curricula into the low socio-economic schools within the District.

In November 2008 the Board referred ballot questions to District voters for both a mill levy override increase of \$16.5 million and a bond issue of \$189 million. The voters approved both measures by a strong margin. The additional MLO funding allowed the District to accomplish many things, including: offering more competitive compensation to attract and retain superior teachers, administrators, and staff; improving the technology infrastructure; adding 21st century learning opportunities, enhancing safety measures throughout the District and increasing instructional programming. The 2008 bond revenues have been efficiently managed to accomplish all of the stated improvements and additions, and also provide additional renovations to District facilities that have improved and expanded educational services in our community.

In November 2012 the Board referred a ballot question to District voters for a mill levy override increase of \$14.8 million. This override helped the District continue the gains being realized from the 2008 MLO and avoid large class size increases and program cuts despite four years of state per pupil funding cuts. The voters approved the 2012 MLO measure by a strong margin despite the fact that the economy was just coming out of a multi-year recession. This is another indicator of the strong community support for the District. Additionally, the revenue has supported the enhancement of the District Learning Technology Plan and the expansion of preschool options.

The two mill levy overrides are projected to generate more than \$33 million dollars in fiscal year 2014-2015. This amounts to approximately \$1,100 more per student. These mill levy overrides are fixed mills so the revenues grow with a assessed valuation.

The District has experienced strong growth in student enrollment from fiscal years 2005 through 2014, ranging from 2.3% to 6.6%. The October 2013 headcount was 1289 more students than the previous year, a 4.72% increase. Current projections reflect an estimated annual growth rate of 1.97% or above over the next five years.

Due to improved budgeting and financial oversight, and two successful Mill Levy Override Elections, the District has generated a positive cash flow. As a result, the District has not borrowed from the State's interest-free loan program since fiscal year 2007 and is not expected to borrow from the State in fiscal year 2015.

The District has provided increases in employee compensation for each of the 2005 through 2015 budget years. The mill levy overrides passed by the community, along with the operating efficiencies implemented by the District due to state budget cuts have improved the District's starting and average teacher pay compared to neighboring districts. In combination with test score improvements, national recognition and a stable, supportive School Board, the District continues to receive a strong response of qualified applicants for open positions.

Strong administrative leadership, a stable and supportive School Board, the vibrant and growing District population, an emphasis on positive relationships with businesses and stakeholders, and conservative financial management have combined to make St. Vrain Valley Schools one of the top achieving Districts in Colorado. Evidence in support of this claim include over 30 2014 John Irwin School of Distinction Awards for state's top 8% performing schools as well as numerous Governor's Distinguished Improvement Awards and Colorado Trailblazer 'Schools to Watch' Awards. Also, three District high schools ranked in top 5% of high schools in the nation according to Newsweek and U.S. News and World Report.

Dr. Don Haddad is now in his sixth year as the Superintendent of Schools. He has established strong relationships with the business and community leaders throughout the District. The School Board is united in their support of his management and vision for the District. His leadership is being acknowledged in many arenas. Dr. Haddad was recognized by the National Association of School Superintendents as the 2013 National Superintendent of the Year.

The District is now in its sixth year of operating Leadership St. Vrain, a formal training program providing community members an opportunity to obtain a foundation in district operations and governance and become more effective participants in school district affairs. This has led to a group of highly engaged graduates to form Grassroots St. Vrain, comprised of 2,600 district residents linked by email and engaged in educational issues.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances, and to demonstrate the District's accountability for the money it receives and spends. If you have questions about this report or need additional information, please contact the Financial Services Department, St. Vrain Valley School District, 395 South Pratt Parkway, Longmont, Colorado 80501. Additional information is available at www.svvdsd.org.

Additionally, readers may also wish to review separately issued audit reports of each of the component units to gather additional information related to the charter schools. Those requests should be made directly to the charter schools.

BASIC FINANCIAL STATEMENTS

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St. Vrain Valley School District RE-1J

**Statement of Net Position
June 30, 2014**

| | Primary Government | | | Component Units |
|---------------------------------------|-------------------------|--------------------------|----------------|-----------------|
| | Governmental Activities | Business-type Activities | Total | Charter Schools |
| Assets | | | | |
| Cash and investments | \$ 134,143,144 | \$ 1,684,767 | \$ 135,827,911 | \$ 10,110,253 |
| Accounts receivable | 285,349 | 66,966 | 352,315 | 47,104 |
| Due from component units | 200,946 | 300 | 201,246 | - |
| Due from primary government | - | - | - | 3,712 |
| Grants receivable | 4,090,651 | - | 4,090,651 | - |
| Interest receivable | 179 | - | 179 | - |
| Taxes receivable | 4,294,950 | - | 4,294,950 | - |
| Prepaid expenses | 605,953 | 751 | 606,704 | 35,512 |
| Deposits | 549 | - | 549 | 245,331 |
| Inventories | 549,883 | 609,472 | 1,159,355 | - |
| Restricted cash and investments for | | | | |
| Bond Redemption Fund | 32,361,546 | - | 32,361,546 | - |
| Building Corporations | - | - | - | 4,538,469 |
| Self Insurance Fund | 3,586,690 | - | 3,586,690 | - |
| Capital assets, | | | | |
| Non-depreciable | 27,679,925 | - | 27,679,925 | 3,717,512 |
| Depreciable, net | 377,756,112 | 1,046,337 | 378,802,449 | 29,659,972 |
| Total assets | 585,555,877 | 3,408,593 | 588,964,470 | 48,357,865 |
| Deferred outflows of resources | 9,827,570 | - | 9,827,570 | - |
| Liabilities | | | | |
| Accounts payable | 6,807,730 | 10,046 | 6,817,776 | 197,226 |
| Due to component units | 3,712 | - | 3,712 | - |
| Due to primary government | - | - | - | 170,726 |
| Retainage payable | 295,682 | - | 295,682 | - |
| Accrued salaries and benefits | 10,403,850 | 125,467 | 10,529,317 | 933,364 |
| Payroll withholdings | 7,005,050 | - | 7,005,050 | - |
| Accrued interest payable | 826,787 | - | 826,787 | 580,365 |
| Claims payable | 2,820,177 | - | 2,820,177 | - |
| Unearned revenues | 1,198,135 | - | 1,198,135 | 226,846 |
| Noncurrent liabilities | | | | |
| Due within one year | 15,476,645 | - | 15,476,645 | 582,820 |
| Due in more than one year | 422,412,906 | - | 422,412,906 | 36,290,984 |
| Total liabilities | 467,250,674 | 135,513 | 467,386,187 | 38,982,331 |
| Deferred inflows of resources | 434,533 | - | 434,533 | - |
| Net Position | | | | |
| Net investment in capital assets | 4,819,681 | 1,046,337 | 5,866,018 | (116,102) |
| Restricted for | | | | |
| TABOR | 7,801,664 | - | 7,801,664 | 764,814 |
| Debt service | 32,700,504 | - | 32,700,504 | 728,860 |
| Colorado Preschool Fund | 454,113 | - | 454,113 | - |
| Extracurricular, community programs | 6,659,794 | - | 6,659,794 | - |
| Unrestricted | 75,262,484 | 2,226,743 | 77,489,227 | 7,997,962 |
| Total net position | \$ 127,698,240 | \$ 3,273,080 | \$ 130,971,320 | \$ 9,375,534 |

The accompanying notes are an integral part of this financial statement.

St. Vrain Valley School District RE-1J

**Statement of Activities
For the Year Ended June 30, 2014**

| | | Program Revenues | | |
|--------------------------------|----------------|----------------------|------------------------------------|----------------------------------|
| Functions / Programs | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| PRIMARY GOVERNMENT | | | | |
| Governmental activities | | | | |
| Instruction | \$ 178,639,344 | \$ 17,222,266 | \$ 15,051,620 | \$ - |
| Supporting services | 102,775,348 | - | 10,307,819 | 1,022,765 |
| Interest expense | 19,739,295 | - | - | - |
| Total governmental activities | 301,153,987 | 17,222,266 | 25,359,439 | 1,022,765 |
| Business-type activities | | | | |
| Food services | 8,878,049 | 3,879,122 | 5,052,608 | 15,396 |
| Total business-type activities | 8,878,049 | 3,879,122 | 5,052,608 | 15,396 |
| Total primary government | \$ 310,032,036 | \$ 21,101,388 | \$ 30,412,047 | \$ 1,038,161 |
| COMPONENT UNITS | | | | |
| Instruction | \$ 12,619,689 | \$ 1,931,911 | \$ 330,558 | \$ - |
| Supporting services | 9,503,471 | 147,217 | 93,351 | 304,432 |
| Interest expense | 2,469,868 | - | - | - |
| Total component units | \$ 24,593,028 | \$ 2,079,128 | \$ 423,909 | \$ 304,432 |

General Revenues

Property taxes
Specific ownership taxes
State equalization
Per pupil revenue
Mill levy override
Investment income
Other

Total general revenues

Change in net position

Net position, beginning

Restatement, change in accounting principle

Net position, restated

Net position, ending

The accompanying notes are an integral part of this financial statement.

| Net (Expense) Revenue and Changes in Net Position | | | |
|---|--------------------------|------------------|-----------------|
| Primary Government | | | Component Units |
| Governmental Activities | Business-type Activities | Total | Charter Schools |
| \$ (146,365,458) | \$ - | \$ (146,365,458) | \$ - |
| (91,444,764) | - | (91,444,764) | - |
| (19,739,295) | - | (19,739,295) | - |
| (257,549,517) | - | (257,549,517) | - |
| - | 69,077 | 69,077 | - |
| - | 69,077 | 69,077 | - |
| (257,549,517) | 69,077 | (257,480,440) | - |
| - | - | - | (10,357,220) |
| - | - | - | (8,958,471) |
| - | - | - | (2,469,868) |
| - | - | - | (21,785,559) |
| 96,794,464 | - | 96,794,464 | - |
| 8,241,096 | - | 8,241,096 | - |
| 119,131,699 | - | 119,131,699 | - |
| - | - | - | 20,353,134 |
| 32,675,735 | - | 32,675,735 | 3,065,207 |
| 447,054 | 1,157 | 448,211 | 3,606 |
| 6,677,328 | - | 6,677,328 | 418,223 |
| 263,967,376 | 1,157 | 263,968,533 | 23,840,170 |
| 6,417,859 | 70,234 | 6,488,093 | 2,054,611 |
| 123,840,460 | 3,202,846 | 127,043,306 | 8,092,447 |
| (2,560,079) | - | (2,560,079) | (771,524) |
| 121,280,381 | 3,202,846 | 124,483,227 | 7,320,923 |
| \$ 127,698,240 | \$ 3,273,080 | \$ 130,971,320 | \$ 9,375,534 |

The accompanying notes are an integral part of this financial statement.

St. Vrain Valley School District RE-1J

Balance Sheet
Governmental Funds
June 30, 2014

| | General | Governmental Designated- Purpose Grants | Bond Redemption | Building | Nonmajor Governmental Funds | Total Governmental Funds |
|---|----------------------|---|----------------------|----------------------|-----------------------------------|--------------------------------|
| Assets | | | | | | |
| Cash & investments - unrestricted | \$ 82,756,204 | \$ - | \$ - | 28,365,614 | \$ 20,905,612 | \$ 132,027,430 |
| Cash & investments - restricted | - | - | 32,361,546 | - | - | 32,361,546 |
| Accounts receivable | 69,105 | - | - | - | 210,441 | 279,546 |
| Due from other funds | 2,176,709 | - | - | - | - | 2,176,709 |
| Due from component units | 200,946 | - | - | - | - | 200,946 |
| Grants receivable | - | 4,090,651 | - | - | - | 4,090,651 |
| Interest receivable on investments | - | - | 179 | - | - | 179 |
| Taxes receivable | 3,140,793 | - | 1,154,157 | - | - | 4,294,950 |
| Prepays | - | - | - | - | 605,953 | 605,953 |
| Deposits | 269 | - | - | - | 280 | 549 |
| Inventories | 549,883 | - | - | - | - | 549,883 |
| Total assets | <u>\$ 88,893,909</u> | <u>\$ 4,090,651</u> | <u>\$ 33,515,882</u> | <u>\$ 28,365,614</u> | <u>\$ 21,722,286</u> | <u>\$ 176,588,342</u> |
| Liabilities | | | | | | |
| Accounts payable | \$ 2,794,952 | \$ 84,697 | \$ 500 | \$ 3,245,337 | \$ 682,244 | \$ 6,807,730 |
| Due to other funds | - | 2,176,709 | - | - | - | 2,176,709 |
| Due to component units | 250 | - | - | - | 3,462 | 3,712 |
| Retainage payable | 61,684 | - | - | 211,552 | 22,446 | 295,682 |
| Accrued salaries and benefits | 9,235,890 | 776,018 | - | 3,379 | 388,563 | 10,403,850 |
| Payroll withholdings | 7,005,050 | - | - | - | - | 7,005,050 |
| Claims payable | 945,458 | - | - | - | - | 945,458 |
| Unearned revenues | 137,810 | 1,053,227 | - | - | 7,098 | 1,198,135 |
| Total liabilities | <u>20,181,094</u> | <u>4,090,651</u> | <u>500</u> | <u>3,460,268</u> | <u>1,103,813</u> | <u>28,836,326</u> |
| Deferred inflows of revenue | | | | | | |
| From unavailable property tax revenue & forward investment agreement | <u>2,555,802</u> | <u>-</u> | <u>814,878</u> | <u>43,326</u> | <u>93,718</u> | <u>3,507,724</u> |
| Fund Balances | | | | | | |
| Nonspendable: | | | | | | |
| deposits, inventories, prepaids | 550,152 | - | - | - | 606,233 | 1,156,385 |
| Restricted: TABOR | 7,801,664 | - | - | - | - | 7,801,664 |
| Restricted: Colorado Preschool | 454,113 | - | - | - | - | 454,113 |
| Restricted: debt service | - | - | 32,700,504 | - | - | 32,700,504 |
| Restricted: special revenue funds | - | - | - | - | 6,659,794 | 6,659,794 |
| Committed: capital projects | - | - | - | 24,862,020 | 7,981,816 | 32,843,836 |
| Committed: contingencies | 5,201,109 | - | - | - | - | 5,201,109 |
| Committed: Board allocations | 8,198,497 | - | - | - | - | 8,198,497 |
| Committed: risk management | 3,312,831 | - | - | - | - | 3,312,831 |
| Committed: special revenue fund | - | - | - | - | 5,276,912 | 5,276,912 |
| Assigned: Mill Levy Override | 25,962,990 | - | - | - | - | 25,962,990 |
| Assigned: subsequent year expenditures reported in | | | | | | |
| General Fund | 3,181,544 | - | - | - | - | 3,181,544 |
| Unassigned reported in General Fund | <u>11,494,113</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>11,494,113</u> |
| Total fund balances | <u>66,157,013</u> | <u>-</u> | <u>32,700,504</u> | <u>24,862,020</u> | <u>20,524,755</u> | <u>144,244,292</u> |
| Total liabilities, deferred inflows, and fund balances | <u>\$ 88,893,909</u> | <u>\$ 4,090,651</u> | <u>\$ 33,515,882</u> | <u>\$ 28,365,614</u> | <u>\$ 21,722,286</u> | <u>\$ 176,588,342</u> |

The accompanying notes are an integral part of this financial statement.

St. Vrain Valley School District RE-1J

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2014**

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

| | |
|---|------------------------------|
| Governmental funds total fund balances (page 22) | \$ 144,244,292 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 405,436,037 |
| Deferred outflows from refunding debt are not considered current financial resources and, therefore, not reported in the governmental funds | 9,827,570 |
| Premium (\$22,771,053) on issuance of bonds, discount \$19,563 on registered coupons, are recognized as other financing source in the governmental funds but are deferred in the statement of net position. | (22,751,490) |
| Long-term liabilities, including capital leases (\$736,161), compensated absences (\$2,536,900), bonds payable (\$411,565,000), registered coupons payable (\$300,000), as well as related accrued interest (\$826,787) and claims payable (\$405,197) are not due and payable in the current period and, therefore, are not reported in the funds. | (416,370,045) |
| Deferred property tax inflows will be collected but are not available to pay for the current period's expenditures and, therefore, are not recorded as revenue in the funds. | 3,073,191 |
| Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. | 4,238,685 |
| Net position of governmental activities (page 19) | <u><u>\$ 127,698,240</u></u> |

The accompanying notes are an integral part of this financial statement.

St. Vrain Valley School District RE-1J

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014**

| | General | Governmental Designated- Purpose Grants | Bond Redemption | Building | Nonmajor Governmental Funds | Total Governmental Funds |
|---|----------------------|---|----------------------|----------------------|-----------------------------------|--------------------------------|
| Revenues | | | | | | |
| Property taxes | \$ 61,862,140 | \$ - | \$ 36,006,292 | \$ - | \$ - | \$ 97,868,432 |
| Specific ownership taxes | 8,241,096 | - | - | - | - | 8,241,096 |
| Mill levy override | 32,675,735 | - | - | - | - | 32,675,735 |
| Investment income | 228,760 | - | 1,558 | 141,758 | 69,695 | 441,771 |
| Charges for services | 4,999,744 | - | - | - | 6,233,718 | 11,233,462 |
| Pupil activities | - | - | - | - | 5,988,804 | 5,988,804 |
| Miscellaneous | 5,039,720 | - | 8,191 | 22,015 | 2,614,771 | 7,684,697 |
| State intergovernmental | 120,639,236 | 498,179 | - | - | 8,275,560 | 129,412,975 |
| Federal intergovernmental | 1,457,166 | 13,620,997 | - | - | - | 15,078,163 |
| Total revenues | <u>235,143,597</u> | <u>14,119,176</u> | <u>36,016,041</u> | <u>163,773</u> | <u>23,182,548</u> | <u>308,625,135</u> |
| Expenditures | | | | | | |
| Current | | | | | | |
| Instruction | 144,570,014 | 6,029,516 | - | - | 10,438,760 | 161,038,290 |
| Supporting services | 87,625,319 | 7,860,546 | - | 3,950,074 | 907,818 | 100,343,757 |
| Capital outlay | 1,313,359 | 229,114 | - | 7,732,132 | 7,192,035 | 16,466,640 |
| Debt service | | | | | | |
| Principal | - | - | 13,360,000 | - | - | 13,360,000 |
| Interest | - | - | 20,508,017 | - | - | 20,508,017 |
| Bond issuance costs, fiscal charges | - | - | 5,900 | - | - | 5,900 |
| Total expenditures | <u>233,508,692</u> | <u>14,119,176</u> | <u>33,873,917</u> | <u>11,682,206</u> | <u>18,538,613</u> | <u>311,722,604</u> |
| Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses) | <u>1,634,905</u> | <u>-</u> | <u>2,142,124</u> | <u>(11,518,433)</u> | <u>4,643,935</u> | <u>(3,097,469)</u> |
| Other Financing Sources (Uses) | | | | | | |
| Transfers in | - | - | - | - | 50,123 | 50,123 |
| Transfers out | - | - | - | - | (50,123) | (50,123) |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>1,634,905</u> | <u>-</u> | <u>2,142,124</u> | <u>(11,518,433)</u> | <u>4,643,935</u> | <u>(3,097,469)</u> |
| Fund balances, beginning | <u>64,522,108</u> | <u>-</u> | <u>30,558,380</u> | <u>36,380,453</u> | <u>15,880,820</u> | <u>147,341,761</u> |
| Fund balances, ending | <u>\$ 66,157,013</u> | <u>\$ -</u> | <u>\$ 32,700,504</u> | <u>\$ 24,862,020</u> | <u>\$ 20,524,755</u> | <u>\$ 144,244,292</u> |

The accompanying notes are an integral part of this financial statement.

St. Vrain Valley School District RE-1J

**Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2014**

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

Net change in fund balances of governmental funds (page 24) **\$ (3,097,469)**

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

| | | |
|--|--------------|-------------|
| Depreciation expense, net of deletions and adjustments | (13,684,167) | |
| Capital outlay - capitalized, net of deleted assets | 9,770,114 | (3,914,053) |

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

| | | |
|--|-------------|-----------|
| Current year amortization of premium on bond issue | 746,021 | |
| Current year amortization of deferred outflows | (4,710) | |
| Long term portion of claims payable | (122,712) | |
| Change in deferred property tax accrual | (1,073,968) | (455,369) |

In the statement of activities, certain accrued sick leave and vacation benefits are measured by the amounts earned during the year. However, in the governmental funds, expenditures for this item are measured by the amount actually paid. This year, the amount of accrued sick and vacation leave increased as follows:

| | | |
|---|-----------|----------|
| Accrued annual leave earned during the year | (136,654) | |
| Accrued vacation earned during the year | (968,689) | |
| Amount paid during the year | 1,053,005 | (52,338) |

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Following are the net effect of these differences.

| | | |
|-----------------------------------|------------|------------|
| Bond principal payments | 13,360,000 | |
| Accrued interest expense on bonds | 27,411 | |
| Long-term lease payments | 187,956 | 13,575,367 |

Internal service funds used by management to charge the costs of insurance to individual funds are not reported in the statement of activities. The net revenue (expense) of the liquidated internal service fund is reported with governmental activities.

361,721

Change in net position of governmental activities (page 21) **\$ 6,417,859**

The accompanying notes are an integral part of this financial statement.

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St. Vrain Valley School District RE-1J

**Statement of Fund Net Position
Proprietary Funds
June 30, 2014**

| | Business-type Activities | Governmental Activities |
|--------------------------------------|-----------------------------|----------------------------|
| | Enterprise Fund | Internal Service Fund |
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$ 1,684,767 | \$ 2,115,714 |
| Accounts receivable | 66,966 | 5,803 |
| Due from component units | 300 | - |
| Inventories | 609,472 | - |
| Prepaid expenses | 751 | - |
| Total current assets | <u>2,362,256</u> | <u>2,121,517</u> |
| Noncurrent assets | | |
| Restricted cash and cash equivalents | - | 3,586,690 |
| Capital assets | | |
| Machinery and equipment | 3,402,259 | - |
| Accumulated depreciation | <u>(2,355,922)</u> | <u>-</u> |
| Total capital assets, net | <u>1,046,337</u> | <u>-</u> |
| Total assets | <u>3,408,593</u> | <u>5,708,207</u> |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable | 10,046 | - |
| Claims payable | - | 1,469,522 |
| Accrued salaries and benefits | <u>125,467</u> | <u>-</u> |
| Total liabilities | <u>135,513</u> | <u>1,469,522</u> |
| Net Position | | |
| Invested in capital assets | 1,046,337 | - |
| Unrestricted | <u>2,226,743</u> | <u>4,238,685</u> |
| Total net position | <u>\$ 3,273,080</u> | <u>\$ 4,238,685</u> |

The accompanying notes are an integral part of this financial statement.

St. Vrain Valley School District RE-1J

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2014**

| | Business-type Activities | Governmental Activities |
|---|-----------------------------|----------------------------|
| | Enterprise Fund | Internal Service Fund |
| Operating Revenues | | |
| Charges for services | \$ 3,232,130 | \$ 13,686,457 |
| Other food service charges | 105,709 | - |
| Commodities entitlement | 541,283 | - |
| Total operating revenues | <u>3,879,122</u> | <u>13,686,457</u> |
| Operating Expenses | | |
| Salaries and benefits | 4,026,812 | 187,838 |
| Purchased services | 102,219 | 7,030 |
| Supplies and materials | 4,321,851 | 162 |
| Small equipment | 50,081 | 12,500 |
| Other | 205,678 | - |
| Depreciation | 171,408 | - |
| Claims paid | - | 13,122,489 |
| Total operating expenses | <u>8,878,049</u> | <u>13,330,019</u> |
| Operating (loss) / income | <u>(4,998,927)</u> | <u>356,438</u> |
| Nonoperating Revenues | | |
| Investment income | 1,157 | 5,283 |
| State match | 118,772 | - |
| National School Lunch/Breakfast Program | 4,936,147 | - |
| Loss on disposal of equipment | (2,311) | - |
| Total nonoperating revenues | <u>5,053,765</u> | <u>5,283</u> |
| Income before contributions | 54,838 | 361,721 |
| Capital contributions | <u>15,396</u> | <u>-</u> |
| Change in net position | 70,234 | 361,721 |
| Net position, beginning | <u>3,202,846</u> | <u>3,876,964</u> |
| Net position, ending | <u><u>\$ 3,273,080</u></u> | <u><u>\$ 4,238,685</u></u> |

The accompanying notes are an integral part of this financial statement.

St. Vrain Valley School District RE-1J

**Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2014**

| | Business-type Activities | Governmental Activities |
|--|-----------------------------|----------------------------|
| | Enterprise Fund | Internal Service Fund |
| Cash Flows from Operating Activities | | |
| Cash received from customers | \$ 3,878,822 | \$ 13,689,902 |
| Cash paid to suppliers/vendors | (4,716,422) | (13,854,446) |
| Cash paid to employees | (4,015,995) | (193,437) |
| Net cash (used in) operating activities | <u>(4,853,595)</u> | <u>(357,981)</u> |
| Cash Flows from Noncapital Financing Activities | | |
| Cash received from State of Colorado | 118,772 | - |
| Cash received from Federal government | 5,333,660 | - |
| Change in restricted cash and cash equivalents | - | (4,130) |
| Net cash provided by / (used in) noncapital financing activities | <u>5,452,432</u> | <u>(4,130)</u> |
| Cash Flows from Capital and Related Financing Activities | | |
| Purchases of equipment | <u>(66,860)</u> | <u>-</u> |
| Cash Flows from Investing Activities | | |
| Investment income | <u>1,157</u> | <u>5,283</u> |
| (Decrease) / increase in cash and cash equivalents | 533,134 | (356,828) |
| Cash and cash equivalents, beginning of the year | <u>1,151,633</u> | <u>2,472,542</u> |
| Cash and cash equivalents, end of the year | <u>\$ 1,684,767</u> | <u>\$ 2,115,714</u> |
| Reconciliation of Operating (Loss) / Income to Net Cash (Used in) / Provided by Operating Activities | | |
| Operating (loss) / income | \$ (4,998,927) | \$ 356,438 |
| Adjustments to reconcile operating (loss) / income to Net cash (used in) / provided by operating activities | | |
| Depreciation | 171,408 | - |
| Changes in assets and liabilities | | |
| Decrease in accounts receivable | - | 3,445 |
| Increase in deposits/prepays | (751) | - |
| Increase in due from component units | (300) | - |
| Increase in inventories | (40,045) | - |
| Increase in accounts payable | 4,203 | - |
| Increase / (decrease) in accrued salaries and benefits | 10,817 | (5,599) |
| Decrease in claims payable | <u>-</u> | <u>(712,265)</u> |
| Net cash (used in) operating activities | <u>\$ (4,853,595)</u> | <u>\$ (357,981)</u> |
| Noncash Transactions | | |
| Commodities received | <u>\$ 541,283</u> | <u>\$ -</u> |
| Capital contributions | <u>\$ 15,396</u> | <u>\$ -</u> |

The accompanying notes are an integral part of this financial statement.

St. Vrain Valley School District RE-1J

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

| | Private Purpose Trust - Student Scholarship | Agency - Student Activity |
|----------------------|--|---------------------------------|
| Assets | | |
| Cash and investments | \$ 218,959 | \$ 157,332 |
| Accounts receivable | 225 | 288 |
| Total assets | <u>219,184</u> | <u>\$ 157,620</u> |
| Liabilities | | |
| Undistributed monies | - | \$ 157,620 |
| Total liabilities | <u>-</u> | <u>\$ 157,620</u> |
| Net Position | | |
| Held in trust | <u>\$ 219,184</u> | |

The accompanying notes are an integral part of this financial statement.

St. Vrain Valley School District RE-1J

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2014

| | Private Purpose Trust - Student Scholarship |
|-------------------------|--|
| Additions | |
| Investment income | \$ 151 |
| Contributions | <u>47,115</u> |
| Total additions | <u>47,266</u> |
| Deductions | |
| Scholarships | <u>51,469</u> |
| Total deductions | <u>51,469</u> |
| Change in net position | (4,203) |
| Net position, beginning | <u>223,387</u> |
| Net position, ending | <u><u>\$ 219,184</u></u> |

The accompanying notes are an integral part of this financial statement.

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St. Vrain Valley School District RE -1J

Notes to Financial Statements

June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of St. Vrain Valley School District RE-1J (the District) in the Counties of Boulder, Larimer, and Weld, and City and County of Broomfield, have been prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP) as applied to governmental units. The more significant of the District's accounting policies are described below.

Reporting Entity

St. Vrain Valley School District RE -1J is a political subdivision and corporate body of the State of Colorado. The District operates under a seven-member publicly elected board of education. Geographically diverse, the 411 square miles served by the District extends from the Continental Divide out into the agriculture plains. Parts of four counties (Boulder, Broomfield, Larimer and Weld) fall within the District's boundaries. The District also serves thirteen different communities: eastern Boulder, Broomfield, Dacono, Erie, Firestone, Frederick, Hygiene, Longmont, Lyons, Mead, Niwot, Peaceful Valley and Raymond. The District, the eighth largest in the state of Colorado, has 1 standalone early childhood learning center, 23 elementary, 1 PK-8, 1 K-8, 8 middle, 1 middle/senior, 7 high, 1 alternative, 1 online, 1 homeschool program, and 6 charter schools, serving over 30,000 students.

The financial reporting entity consists of the District and organizations for which the District is financially accountable. All organizations that are not legally separate are part of the District. In addition, any legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits to or impose financial burdens on the District, and fiscal dependency.

Discretely Presented Component Units – Charter Schools

The Colorado State Legislature enacted the Charter School Act – Colorado Revised Statutes (C.R.S.) Section 22-30.5-101 in 1993. This Act permits the District to contract with individuals and organizations for the operation of schools within the District. The statutes define these contracted schools as "charter schools". Charter schools are financed from a portion of the District's School Finance Act revenues and from revenues generated by the charter schools, within the limits established by the Charter School Act. Each charter school is a legally separate entity and appoints its own governing board; however, the District's Board of Education must approve all charter school applications and budgets.

The charter schools are discretely presented component units because of the significance of their financial relationship with the District and their potential to provide financial benefit to, or impose financial burden on, the District. They are all considered nonmajor.

The District's Board of Education has approved six charter school applications, Aspen Ridge Preparatory School, K-5; Carbon Valley Academy, grades K -8; Flagstaff Academy, grades K -8; Imagine Charter School at Firestone, grades K -8; St. Vrain Community Montessori School, K-6; and Twin Peaks Charter Academy, grades K -12. All six charter schools were operational during the fiscal year. No new charter applications have been received.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)

June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Discretely Presented Component Units – Charter Schools (Continued)

Separately audited financial reports for Aspen Ridge Preparatory School, Carbon Valley Academy, Flagstaff Academy, Imagine Charter School at Firestone, St. Vrain Community Montessori School, and Twin Peaks Charter Academy are available from the individual charter schools.

Fund Accounting

The District uses funds to report its financial position and changes in financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), the servicing of long-term debt (debt service fund), and the construction of new schools (capital projects funds). The following four funds are the District's major governmental funds:

General Fund – The *General Fund* is the District's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include local property taxes, specific ownership (personal property) taxes, and State of Colorado equalization funding, as determined by the School Finance Act of 1994, as amended. The *Colorado Preschool Program (CPP) Fund* and *Risk Management Fund* are reported as sub-funds of the *General Fund*. Moneys allocated to the *CPP Fund* from the *General Fund* are used to pay the costs of providing preschool services directly to qualified at-risk children enrolled in the District's preschool program pursuant to C.R.S. 22-28-102. Moneys allocated to the *Risk Management Fund* from the *General Fund* are used to account for the payment of loss or damage to the property of the District, workers' compensation, property and liability claims, and the payment of related administration expenses.

Expenditures include all costs associated with the daily operation of the schools, except for programs funded by grants from federal and state governments, school construction, certain capital outlay expenditures, debt service, food service operations, and extracurricular athletic and other pupil activities.

Government Designated-Purpose Grants Fund – This special revenue fund is used to account for restricted state and federal grants that are obtained primarily to provide for specific instructional programs.

Debt Service Fund – The District has one debt service fund, the *Bond Redemption Fund*. This fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs. The fund's primary revenue source is local property taxes levied specifically for debt service.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)

June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

Capital Projects Funds – The District has two capital projects funds, the *Building Fund*, a major fund, and the *Capital Reserve Capital Projects Fund*, a nonmajor fund. The *Building Fund* accounts for the proceeds of bond sales and expenditures for capital outlay for land, buildings, improvements of grounds, construction of buildings, additions or remodeling of buildings or initial, additional and replacement equipment.

The remaining nonmajor governmental funds are the *Capital Reserve Capital Projects Fund* and Special Revenue Funds. The *Capital Reserve Capital Projects Fund* is used to account for the District-designated allocation of resources and other revenues for on-going capital outlay needs of the District, such as equipment purchases. Special Revenue Funds account for revenues derived from earmarked revenue sources, charges for supporting educational services, and tuition. Special Revenue Funds consist of *Community Education Fund*, *Fair Contributions Fund*, and *Student Activity Fund*.

Proprietary funds focus on the determination of the changes in fund net position, financial position, and cash flows and are classified as either enterprise or internal service.

Enterprise Funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District's only enterprise fund is the *Nutrition Services Fund*. This fund accounts for the financial transactions related to the food service operations of the District.

Internal Service Funds account for the financing of services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost reimbursement basis. The District's only internal service fund is the *Self Insurance Fund*. This fund accounts for the financial transactions related to specific healthcare and dental plans.

Fiduciary funds focus on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The *Student Scholarship Fund* is the District's only trust fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's only agency fund is the *Student Activity Fund*.

Government-wide and Fund Financial Statements

The District's financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the District and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from the legally separate *component units* for which the District is financially accountable.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the District's 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 accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds have no measurement focus.

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. With this measurement focus, operating statements present increases and decreases in net current assets and unassigned fund balance as a measure of available spendable resources. This means that only current liabilities are generally included on their balance sheets.

Governmental fund revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days after year-end.

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

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Under Colorado law, all property taxes become due and payable on January 1 in the year following that in which they are levied. Property taxes are levied on December 15 based on the assessed value of the property as certified by the county assessor. Payments are due in full on April 30, or in two installments on February 28 and June 15. When taxes become delinquent, the property is sold at the tax sale on September 30. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

The effect of interfund activity has been eliminated from the government-wide financial statements. However the process of consolidation does not eliminate the interfund services provided and used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's food service fund and internal service funds are charges to students or other funds for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to first use restricted resources designated for such purpose, then unrestricted resources as they are needed. In addition, the District first reduces committed amounts, followed by assigned, and then unassigned when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Assets, Liabilities and Net Position

Cash and Cash Equivalents – All cash on hand, demand deposits, and highly liquid investments with a maturity of three months or less when purchased are considered to be cash and cash equivalents.

Investments – All investments are recorded at fair value.

Receivables – All receivables are reported at their gross value since all amounts are considered collectible. Transactions between funds that are outstanding at the end of the fiscal year are identified as interfund receivables/payables in the fund financial statements.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position (Continued)

Prepaid expenses – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method.

Inventories – Inventories are valued at average cost. The costs of inventories are recorded as expenditures when consumed rather than when purchased. The federal government donates surplus commodities to supplement the National School Lunch Program. Such commodities are recorded as non-operating, non-cash revenues when received.

Capital Assets – Capital assets, which include property and equipment, are reported in applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an individual cost of \$5,000 or greater, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Property and equipment is depreciated using the straight-line method over the following estimated useful lives.

| | |
|-----------------------|------------|
| Land improvements | 20 years |
| Buildings | 50 years |
| Building improvements | 7-50 years |
| Equipment | 5-20 years |

Compensated Absences – Classified employees earn vacation leave and the District requires that all vacation leave earned be taken by the end of the six month period following the benefit year, which is December 31. District policy does not allow employees to accumulate unused vacation leave. All outstanding vacation leave for classified employees is payable upon resignation, termination, retirement or death. The unpaid liability for earned vacation days is recorded in the government-wide financial statements.

Employees may accumulate annual leave. Accumulated annual leave is payable upon leaving the District if certain criteria are met. Classified employees with 10 or more years of continuous service with the District will receive 50% of the employee's current daily rate for unused annual leave above 20 days, up to a maximum of 150 paid days. Any licensed employee who retires with 10 years of continuous service or who terminates with 20 years of service will be paid \$35 per day for all unused annual leave over 30 days, up to a maximum of 125 paid days. The unpaid liability for vested annual leave is recorded in the government-wide financial statements.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position (Continued)

Long-Term Debt – In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources or uses. Issuance costs are reported as current expenditures.

Unearned Revenue – consists of unearned tuition, fees, and grant revenues

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. For refunding of debt resulting in defeasance, deferred outflows of resources is the difference where the net carrying value of the old debt is less than the reacquisition price.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. For advanced income from the forward delivery agreement and for property taxes, these revenues will be earned or collected but are not available to pay the current period's expenditures.

Net Position/Fund Equity – In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. In the fund financial statements, governmental funds report fund balances as nonspendable, restricted, committed, assigned, and unassigned.

- *Nonspendable* balances include deposits, inventories, and prepaids.
- *Restricted* balances are those imposed by creditors, grantors, contributors, or laws and regulations and include TABOR, the Colorado Preschool Program, debt service, and statute-defined special revenue funds (including student extracurricular/interscholastic fee-based programs and community education programs).
- *Committed* balances are those constrained to specific purposes through formal action by the District Board of Education, the highest level of decision-making authority. They include, but are not limited to, capital projects, contingencies, risk management activities, and special revenue funds with intergovernmental agreements. Commitments cannot be used for any other purpose unless the board takes action (e.g. via resolution) to modify or rescind them.
- *Assigned* balances are amounts that can be used for a specific purpose, but do not meet the criteria of restricted or committed. They include, but are not limited to, instructional supplies and materials; the Superintendent's 12-month employment contract; encumbrances; appropriated fund balances of the subsequent year; and the Mill Levy Override. Per district policy, intended use may be expressed by the District's Board of Education and assigned by authorized individuals including the Superintendent or Chief Financial Officer.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position (Continued)

- Unassigned balances are those that do not meet the definitions described above. The District reports positive unassigned fund balance only in the General Fund. Negative unassigned balances may be reported in all other governmental funds.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and, lastly, unassigned fund balance.

Property Taxes

Under Colorado law, all property taxes become due and payable in the calendar year following that in which they are levied. The District's property tax calendar for 2014 is as follows:

Tax Year

| | |
|--|-------------|
| Beginning of fiscal year for taxes | January 1 |
| Assessed valuation initially certified by County Assessors | August 25 |
| Property tax levy by Board of Education for ensuing calendar year | December 10 |
| Tax levy certified to County Commissioners | December 15 |
| County Commissioners certify levy to County Treasurers | January 10 |

Collection Year

| | |
|--|-------------|
| Mailing of tax bills (lien date) | January 1 |
| First installment due | February 28 |
| Taxes due in full (unless installments elected by taxpayer) | April 30 |
| Second installment due | June 15 |

Property taxes are recorded initially at the budgeted collection rate as deferred revenue in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected in governmental funds and in the period for which the taxes are levied in the government-wide statements. The District has deferred inflows from property tax collection at June 30, 2014 in the amount of \$3,073,191. Property taxes are remitted to the District by the County Treasurers by the tenth of the month following collections by the respective counties, except for the months of March, May, and June in which the District receives an additional remittance from each county for collections through the twentieth of those months.

A fee of .25% on General Fund collections is retained by each County on their respective collections as compensation for collecting the taxes and is reflected as an expenditure in the General Fund.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with US GAAP rather than the budget basis for all funds except the General Fund which budgets on an encumbered basis. Budget basis is similar to cash basis, in that revenues are recognized when cash is received, and expenditures are recorded when payments are made. However, the primary differences in budgeting on a US GAAP basis include accruals for compensation earned but not paid as of fiscal year end, and recognition of deferred revenues. The budget for the Nutrition Services Fund includes the related revenues and expenses of commodities and depreciation. All annual appropriations lapse at fiscal year end.

Budgets are required by state law for all funds. Prior to June 1, the Superintendent of Schools submits to the Board of Education a proposed budget for all funds for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the Board of Education to obtain taxpayer comments. Prior to June 30, the budget is adopted by formal resolution.

Total expenditures for each fund and sub-fund may not legally exceed the amount appropriated. Appropriations for a fund may be increased provided they are offset by unanticipated revenues. Authorization to transfer budgeted amounts between departments within any fund and the reallocation of budget line items within any department within any fund rests with the Superintendent of Schools. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.

The Community Education Fund's expenditures of \$5,532,273 exceed budgeted appropriations of \$5,262,000. This may be in violation of state statute.

The Board of Education throughout the fiscal year may amend budgetary amounts within each fund. Individual amendments to the General Fund budget were not material in relation to the original appropriation. All other fund budgets were also amended during the fiscal year. Although not material in relation to the total appropriation, most were significant in relation to the individual fund's original appropriation.

The encumbrance system of accounting is used wherein encumbrances outstanding at year-end are not reported as expenditures in the financial statements for US GAAP purposes, but are reported as reservations of fund balance for subsequent years' expenditures based on the encumbered appropriation authority carried over.

Accountability

Although the School Finance Act no longer requires school districts to budget a minimum amount per pupil for instructional supplies and materials, instructional capital outlay, and instructional field trips, the Board of Education approved a policy that requires the District to continue doing so to meet its goals and needs. For fiscal year 2014, the District budgeted \$4,705,442 for instructional supplies and material purposes. The District expended \$5,391,549 for instructional purposes during fiscal year ended June 30, 2014.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Accountability (Continued)

Direct allocation of funding to the Capital Reserve and Risk Management Funds was also discontinued by the Legislature. However, the District continues to fund these needs according to prior statute. For fiscal years 2012 and 2013, the Board of Education waived its own policy regarding the full funding at the prescribed amount. With the recovering economy and improved revenue forecasts, however, the Board of Education reinstated its policy for the adopted fiscal year 2014 budget. During fiscal year 2014, a total of \$11,518,560 was allocated: \$8,275,560 to the Capital Reserve Capital Projects Fund and \$3,243,000 to the Risk Management Fund, of which \$850,000 was additional and intended to help offset costs related to the September 2012 flood.

NOTE 3: DEPOSITS AND INVESTMENTS

At June 30, 2014, the District's deposits and investments were reported in the financial statements as follows:

| | |
|-----------------------------------|-----------------------|
| Governmental activities | \$ 170,091,380 |
| Business-type activities | 1,684,767 |
| Agency | 157,332 |
| Private purpose trust scholarship | 218,959 |
| | <u>\$ 172,152,438</u> |
| Component units | <u>\$ 14,648,722</u> |

At June 30, 2014, the District and component units had cash and investments with the following carrying balances:

| | <u>District</u> | <u>Component Units</u> |
|-------------|-----------------------|------------------------|
| Cash | \$ 25,236,868 | \$ 10,025,606 |
| Investments | 146,915,570 | 4,623,116 |
| | <u>\$ 172,152,438</u> | <u>\$ 14,648,722</u> |

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. The State regulatory commissioners regulate the eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the deposits. The District does not have a deposit policy. As of June 30, 2014, the District had bank deposits of \$26,042,269 collateralized with securities held by the financial institutions' agent not in the District's name. The component units had deposits with a bank balance of \$10,449,311, of which \$1,500,000 was covered by FDIC and \$8,949,311 was covered by collateral held by authorized escrow agents in the financial institutions' name (PDPA).

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments

Colorado statutes specify instruments meeting defined rating and risk criteria in which local governments may invest, which include, but are not limited to, the following:

- Obligations of the United States and certain U.S. Agency securities
- General obligation and revenue bonds of U.S. local government entities
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Local government investment pools

The District's investment policy does not further restrict its investment options.

At June 30, 2014, the District had the following investments, excluding agency:

| Investment Type | S&P's or Moody's Rating | Fair Value | Investment Maturities (in years) | |
|-------------------------------|-------------------------------|-----------------------|-------------------------------------|-------------|
| | | | Less Than 1 | 1-5 |
| Money market mutual funds | AAAm | \$ 35,322,672 | \$ 35,322,672 | \$ - |
| Money market investment pools | AAAm | 111,592,898 | 111,592,898 | - |
| Total investments | | <u>\$ 146,915,570</u> | <u>\$ 146,915,570</u> | <u>\$ -</u> |

The component units had the following investments as of June 30, 2014:

| Investment Type | S&P or Moody's Rating | Fair Value | Investment Maturities (in years) |
|--|--------------------------|---------------------|--|
| | | | Less Than 1 |
| Money market investment pool-CSAFE | AAAm | \$ 2,363,866 | \$ 2,363,866 |
| Money market investment pool-ColoTrust | AAAm | 85,588 | 85,588 |
| Money market funds | AAAm | 2,173,662 | 2,173,662 |
| Total investments | | <u>\$ 4,623,116</u> | <u>\$ 4,623,116</u> |

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Local Government Investment Pools – At June 30, 2014, the District and its component units invested in the Colorado Government Liquid Asset Trust (COLOTRUST) and the Colorado Surplus Asset Fund Trust (CSAFE), which are money market investment pools established for local government entities in Colorado to pool surplus funds. The pools are regulated by the Colorado Securities Commissioner. These pools operate similar to a money market fund and each share is equal in value to \$1.00. Investments of the pools consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to the pools in connection with the direct investment and withdrawal functions of the pools. Substantially all securities owned by the pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the specific pool. To obtain more information, go to www.colotrust.com and www.csafe.org.

Custodial Credit Risk – This is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The full amount of U.S. Agency Securities and commercial paper is exposed to custodial credit risk because they are uninsured, unregistered and held by the District's brokerage firm which is also the counterparty. The District does not have a policy for custodial credit risk. As of June 30, 2014, none of the investments were subject to this risk.

Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to declines in fair value due to rising interest rates, the Board's investment policy requires that the majority of its investments be in cash and cash equivalents with maturity dates of 90 days or less. Any medium-term investments of between 91 days and three years may be made based on expected use of funds. Funds not needed for the foreseeable future, such as the TABOR reserve, could be invested in long-term securities with maturity dates greater than three years.

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. State statutes limit investments in U.S. Agency Securities to the highest rating issued by nationally recognized statistical rating organizations (NRSROs). The District's investment policy and State statutes limit investments in money market funds to those with the highest rating issued by NRSROs and with a constant share price, or to money market funds that invest only in specified securities.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Concentration of Credit Risk – This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Given the small amount available for investment in securities, and the relative low risk of U.S. agency securities, the District has not established a policy limiting the amount of investment in this type of security and deems it unnecessary at this time. At June 30, 2014, the money market mutual funds and money market investment pool were 24% and 76%, respectively, of the District's total investments.

Restricted Cash and Investments

The Bond Redemption Fund's deposits and investments totaling \$ 32,361,546 are restricted for the payment of voter -approved long-term debt principal, interest and related costs. The Self Insurance Fund's deposits and investments of \$3,586,690 are restricted for the purposes of the medical and dental self-insurance trust funds. The component units' deposits and investments totaling \$4,538,469 are restricted for construction and debt payments.

NOTE 4: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Amounts owed to one fund or business -type activity by another which are due within one year are reported as due to other funds or business -type activities. These balances arise during the normal course of business and the District's use of pooled cash. Due to/from other funds as of June 30, 2014 is as follows:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|---------------------|---------------------|
| General Fund | Grants Fund | <u>\$ 2,176,709</u> |

Due to timing differences, amounts receivable from or payable to component units may not agree to the District's reported balances.

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers during fiscal year 2014 were as follows:

| <u>Transfer Out</u> | <u>Transfer In</u> | <u>Amount</u> |
|--------------------------|--------------------------|------------------|
| Community Education Fund | Student Activities Fund | \$ 32,497 |
| Student Activities Fund | Community Education Fund | 17,626 |
| Total governmental funds | | <u>\$ 50,123</u> |

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 5: CAPITAL ASSETS

The following is a summary of changes in the District's capital assets for the year ended June 30, 2014:

| | Balance 7/1/2013 | Additions | Deletions & Adjustments | Transfers | Balance 6/30/2014 |
|-----------------------------------|-----------------------|-----------------------|----------------------------|--------------------|-----------------------|
| Governmental activities | | | | | |
| Non-depreciable assets | | | | | |
| Land | \$ 20,073,379 | \$ - | \$ (20,000) | \$ - | \$ 20,053,379 |
| Projects in progress | 46,882,404 | 8,658,986 | - | (48,998,422) | 6,542,968 |
| Water rights | 1,095,578 | - | (12,000) | - | 1,083,578 |
| Total non-depreciable assets | 68,051,361 | 8,658,986 | (32,000) | (48,998,422) | 27,679,925 |
| Depreciable assets | | | | | |
| Land improvements | 24,051,471 | 75,500 | (20,012) | - | 24,106,959 |
| Buildings | 301,587,741 | 790,257 | (441,444) | - | 301,936,554 |
| Building improvements | 135,461,032 | - | (820,218) | 48,998,422 | 183,639,236 |
| Equipment | 25,752,447 | 1,779,320 | (204,879) | (15,396) | 27,311,492 |
| Total depreciable assets | 486,852,691 | 2,645,077 | (1,486,553) | 48,983,026 | 536,994,241 |
| Less accumulated depreciation for | | | | | |
| Land improvements | 12,366,859 | 1,062,658 | (17,471) | - | 13,412,046 |
| Buildings | 66,768,318 | 5,472,118 | (397,300) | - | 71,843,136 |
| Building improvements | 48,617,140 | 6,555,038 | (482,053) | - | 54,690,125 |
| Equipment | 17,801,645 | 1,682,846 | (191,669) | - | 19,292,822 |
| Total accumulated depreciation | 145,553,962 | 14,772,660 | (1,088,493) | - | 159,238,129 |
| Total depreciable assets, net | 341,298,729 | (12,127,583) | (398,060) | 48,983,026 | 377,756,112 |
| Governmental activities | | | - | | |
| Total capital assets, net | <u>\$ 409,350,090</u> | <u>\$ (3,468,597)</u> | <u>\$ (430,060)</u> | <u>\$ (15,396)</u> | <u>\$ 405,436,037</u> |
| | | | | | |
| | Balance 7/1/2013 | Additions | Deletions | Transfers | Balance 6/30/2014 |
| Business-type activities | | | | | |
| Depreciable assets | | | | | |
| Equipment | \$ 3,377,603 | \$ 66,860 | \$ (57,600) | \$ 15,396 | \$ 3,402,259 |
| Less accumulated depreciation for | | | | | |
| Equipment | 2,239,803 | 171,408 | (55,289) | - | 2,355,922 |
| Business-type activities | | | | | |
| Total capital assets, net | <u>\$ 1,137,800</u> | <u>\$ (104,548)</u> | <u>\$ (2,311)</u> | <u>\$ 15,396</u> | <u>\$ 1,046,337</u> |

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)

June 30, 2014

NOTE 5: CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the District, as follows:

Governmental activities

| | |
|---------------------|----------------------|
| Instruction | \$ 13,122,544 |
| Supporting services | 1,650,116 |
| Total | <u>\$ 14,772,660</u> |

Business-type activities

| | |
|--------------|-------------------|
| Food service | <u>\$ 171,408</u> |
|--------------|-------------------|

Component Units Capital Assets

The following is a summary of changes in the component units' capital assets for the year ended June 30, 2014 :

| | Balance 7/1/2013 | Additions | Reclassifications & Deletions | Balance 6/30/2014 |
|-------------------------------|----------------------|---------------------|----------------------------------|----------------------|
| Component units | | | | |
| Non-depreciable assets | | | | |
| Land | \$ 3,029,481 | \$ - | \$ 75,808 | \$ 3,105,289 |
| Construction in progress | 30,377 | 581,846 | - | 612,223 |
| Total non-depreciable assets | 3,059,858 | 581,846 | 75,808 | 3,717,512 |
| Depreciable assets | | | | |
| Land improvements | 341,295 | - | (60,808) | 280,487 |
| Building | 31,766,576 | 9,407 | - | 31,775,983 |
| Leasehold improvements | 1,161,299 | 207,735 | (15,000) | 1,354,034 |
| Furniture & equipment | 727,771 | 29,237 | (1,610) | 755,398 |
| Software costs | 20,021 | - | - | 20,021 |
| Total depreciable assets | 34,016,962 | 246,379 | (77,418) | 34,185,923 |
| Less accumulated depreciation | 3,538,279 | 989,282 | (1,610) | 4,525,951 |
| Total depreciable assets, net | 30,478,683 | (742,903) | (75,808) | 29,659,972 |
| Total capital assets, net | <u>\$ 33,538,541</u> | <u>\$ (161,057)</u> | <u>\$ -</u> | <u>\$ 33,377,484</u> |

Reclassifications between asset categories are shown above but are not necessarily reported accordingly in the charter schools' audit reports.

Depreciation has been charged to the instructional and supporting services programs of the component units.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)

June 30, 2014

NOTE 6: ACCRUED SALARIES AND BENEFITS

Salaries and benefits of certain contractually employed personnel are paid over a twelve - month period from August to July, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid at June 30, 2014 are determined to be as follows:

| | |
|---------------------------------|-----------------------------|
| General Fund | \$ 9,235,890 |
| Grants Fund | 776,018 |
| Other funds | 391,942 |
| Total governmental funds | <u>10,403,850</u> |
| Proprietary funds | <u>125,467</u> |
| Total primary government | <u>\$ 10,529,317</u> |
| Component units | <u>\$ 933,364</u> |

NOTE 7: SALE OF FUTURE INVESTMENT INCOME

Investment Agreement

In June 2003, in order to improve cash flows, the District's General Fund received a net payment of \$3,026,000 representing an advanced payment of investment income from Citigroup Financial Products, Inc. related to a twelve-year debt service forward delivery agreement. In exchange for this amount, the District agreed to make payments into a bank trust account (Wells Fargo) from its debt service property tax revenues for subsequent purchases of qualified securities provided by Citigroup. The securities mature at such times as are required for meeting the District's debt service payment obligations over the contract period. Should the District terminate the agreement for any reason, it would be obligated to repay a portion of the \$3,026,000 received and other possible financial damages sustained by the investor as a result of the default.

The amount received under the agreement is being amortized over the term of the agreement for US GAAP purposes, rather than being recognized in full when received. For fiscal year ended June 30, 2014, \$246,013 of the deferred amount has been recognized. Income recognized was \$168,425 by the General Fund, \$ 24,528 by the Building Fund, \$ 2,851 by the Capital Reserve Capital Projects Fund, and \$50,209 by the Fair Contributions Fund. The remaining balances by fund of \$297,489, \$43,326, \$5,035, and \$88,683, respectively, are deferred inflows of resources as of June 30, 2014.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 8: LONG-TERM DEBT

The District's long -term debt changed as follows during the year ended June 30, 2014 .

| Governmental activities | Balance 7/1/2013 | Additions | Payments/ Amortization | Balance 6/30/2014 | Due within one year |
|--------------------------------|-----------------------|---------------------|---------------------------|-----------------------|------------------------|
| General obligation bonds | \$ 424,925,000 | \$ - | \$ (13,360,000) | \$ 411,565,000 | \$ 14,140,000 |
| Deferred bond premium | 23,517,074 | - | (746,021) | 22,771,053 | - |
| Capital leases | 924,117 | - | (187,956) | 736,161 | 187,956 |
| Registered coupons | 300,000 | - | - | 300,000 | - |
| Registered coupons discount | (19,563) | - | - | (19,563) | - |
| Vacation payable | 945,750 | 968,689 | (945,750) | 968,689 | 968,689 |
| Annual leave payable | 1,538,812 | 136,654 | (107,255) | 1,568,211 | 180,000 |
| Total | <u>\$ 452,131,190</u> | <u>\$ 1,105,343</u> | <u>\$ (15,346,982)</u> | <u>\$ 437,889,551</u> | <u>\$ 15,476,645</u> |

General Obligation Bonds

Description, Interest Rates, and Maturity Dates

Balance
due at
June 30, 2014

Building Bonds (Series 2004), original amount of \$50,100,000, due in varying installments through December 15, 2015, interest at 5.0%. Premium of \$1,427,510 received upon issuance is being amortized based on maturity of bonds. Amounts defeased were \$34,705,000 during fiscal year 2012. Premium amortization was adjusted accordingly.

\$ 4,100,000

Building Bonds (Series 2005 A), original amount of \$14,000,000, due in varying installments through December 15, 2022, interest from 4.0% to 5.0%. Premium of \$511,241 received upon issuance is being amortized based on maturity of bonds.

7,310,000

Refunding Bonds (Series 2005B), original amount of \$42,815,000, due in varying installments through December 15, 2017, interest at 5% . Proceeds used to refund certain outstanding general obligation building bonds (Series 1997). Premium of \$3,546,660 received upon issuance is being amortized over the term of the bonds.

24,840,000

Refunding Bonds (Series 2006), original amount of \$43,455,000, due in varying installments through December 15, 2022, interest from 3.90% to 5.25%. Proceeds used to refund certain outstanding general obligation building bonds (Series 1997). Premium of \$2,520,719 received upon issuance is being amortized over the term of the bonds.

38,875,000

Building Bonds (Series 2006B), original amount of \$56,800,000, due in varying installments through December 15, 2026, interest from 3.8% to 5.0%. Premium of \$3,622,791 received upon issuance is being amortized based on maturity of bonds.

48,200,000

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 8: LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

Building Bonds (Series 2009), original amount of \$104,000,000, due in varying installments through December 15, 2033, interest from 2.25 % to 5.0%. Premium of \$504,199 received upon issuance is being amortized based on maturity of bonds. \$ 103,500,000

Building Bonds (Series 2010A), original amount of \$8,590,000, due in varying installments through December 15, 2025, interest at 5.25%. Premium of \$1,191,756 received upon issuance is being amortized based on maturity of bonds. 8,590,000

Building Bonds (Series 2010B), taxable (Direct Pay Build America Bonds), original amount of \$76,410,000, due in varying installments through December 15, 2033, interest from 5.34% to 5.74%. 76,410,000

Refunding Bonds (Series 2011), original amount of \$34,355,000, due in varying installments through December 15, 2019, interest from 2.0% to 5.0%. Proceeds used to retire \$34,605,000 of outstanding building bonds (Series 2003). Premium of \$4,011,133 received upon issuance is being amortized based on maturity of bonds. 34,255,000

Refunding Bonds (Series 2011B), original amount of \$31,150,000, due in varying installments through December 15, 2022, interest from 2.0% to 5.0%. Proceeds used to retire \$31,770,000 of outstanding building bonds (Series 2003). Premium of \$4,359,203 received upon issuance is being amortized based on maturity of bonds. 30,790,000

Refunding Bonds (Series 2012), original amount of \$ 34,695,000, due in varying installments through December 15, 2024, interest from 1.0% to 4.0%. Proceeds used to retire \$34,705,000 of outstanding building bonds (Series 2004). Premium of \$4,245,413 received upon issuance is being amortized based on maturity of bonds. 34,695,000

Total general obligation bonds payable \$ 411,565,000

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 8: LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

Bond and coupon payments to maturity are as follows:

| Year ending June 30 | GO Bonds | | Registered Coupons | Total |
|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Principal | Interest | Supplemental Interest | |
| 2015 | \$ 14,140,000 | \$ 19,880,767 | \$ - | \$ 34,020,767 |
| 2016 | 15,545,000 | 19,265,985 | - | 34,810,985 |
| 2017 | 16,125,000 | 18,602,366 | 300,000 | 35,027,366 |
| 2018 | 17,105,000 | 17,848,709 | - | 34,953,709 |
| 2019 | 18,400,000 | 17,018,589 | - | 35,418,589 |
| 2020-2024 | 100,385,000 | 71,197,158 | - | 171,582,158 |
| 2025-2029 | 100,440,000 | 47,893,073 | - | 148,333,073 |
| 2030-2034 | 129,425,000 | 17,972,852 | - | 147,397,852 |
| Total | <u>\$ 411,565,000</u> | <u>\$ 229,679,499</u> | <u>\$ 300,000</u> | <u>\$ 641,544,499</u> |

The amount of defeased debt outstanding as of June 30, 2014 is \$100,130,000. The defeased amount relates to the 2003 Series (no longer payable) and 2004 Series (shown above).

Compensated Absences

Compensated absences include both vacation pay and annual leave. The District allows employees to carryover unused vacation from one fiscal year to the next. However, all vacation time from the prior year must be used by December 31 of the current year. Any unused vacation as of December 31 is forfeited; however, the amount forfeited is minimal. Thus, the liability recognized as of June 30, 2014 is considered payable within one year.

Unused annual leave is accumulated and carried over from year to year. When an eligible employee retires, qualified annual leave up to a maximum of 150 days is paid at a pre-determined rate depending on the classification of the employee. The amount payable as of June 30, 2014 includes qualified annual leave for all eligible employees as of June 30, 2014.

The General Fund pays for the annual leave benefit upon employee retirement. Vacation pay is charged to the fund from which an employee's compensation is paid during the year in which it is used. The majority of payroll is incurred by the general fund.

Component Units Long -Term Debt

In December 2006, Carbon Valley Academy's Building Corporation issued \$5,305,000 of revenue bonds. Proceeds from the bonds were used to construct the Academy's building. The charter school is required to make lease payments to the Building Corporation for use of the building. The Building Corporation is required to make lease payments to the Trustee for payment of the bonds. Interest accrues at a rate of 5.65% per year. The lease matures in December 2036.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 8: LONG-TERM DEBT (Continued)

Component Units Long-Term Debt (Continued)

In August 2008, Flagstaff Academy's Building Corporation issued \$13,505,000 of revenue bonds. Proceeds of the bonds were used to construct Academy's building. The charter school is required to make lease payments to the Building Corporation for use of the building. The Building Corporation is required to make lease payments to the Trustee for payment of the bonds. Interest accrues at a rate of 6.75% and 7.0% per year. The lease matures in August 2038.

In November 2008, Twin Peaks Charter Academy's Building Corporation issued \$14,235,000 of revenue bonds. Proceeds of the bonds were used to construct Twin Peaks Charter Academy's building. Interest accrues at a rate of 5.75% to 7.0% per year. The lease matures in November 2038. In April 2011, Twin Peaks Charter Academy's Building Corporation issued \$4,775,000 of revenues bonds. Proceeds of the bonds were used to construct improvements to the charter school's building. Interest accrues at a rate of 6.375% to 7.5% per year. The lease matures in March 2043. The charter school is required to make equal lease payments to the Building Corporation for use of the building. The Building Corporation is required to make lease payments to the Trustee for payment of the bonds. In February 2013, the Academy signed a promissory note in the amount of \$365,000 with Wells Fargo for the purchase of land adjacent to the school building. A final payment is due when the note matures in February 2017. Wells Fargo also issued a \$350,000 line of credit to the Academy to prepare the land for use; the academy borrowed \$336,275 against this line of credit. The line of credit matures February 2016. Interest for both the note and line of credit accrue at a rate of 4.15% per year.

Following is a summary of the component units' long-term debt transactions for the year ended June 30, 2014.

| | Balance 7/1/2013 | Additions | Payments | Balance 6/30/2014 | Due within one year |
|-----------------|----------------------|-------------------|-------------------|----------------------|------------------------|
| Component units | | | | | |
| Revenue bonds | <u>\$ 37,095,449</u> | <u>\$ 336,275</u> | <u>\$ 557,920</u> | <u>\$ 36,873,804</u> | <u>\$ 582,820</u> |

Following is a schedule of the debt service requirements for the revenue bonds:

| Year ending June 30, | Principal | Interest | Total |
|----------------------|----------------------|----------------------|----------------------|
| 2015 | \$ 582,820 | \$ 2,439,104 | \$ 3,021,924 |
| 2016 | 623,363 | 2,401,806 | 3,025,169 |
| 2017 | 1,317,621 | 2,352,970 | 3,670,591 |
| 2018 | 685,000 | 2,292,989 | 2,977,989 |
| 2019 | 730,000 | 2,248,874 | 2,978,874 |
| 2020-2024 | 4,435,000 | 10,437,739 | 14,872,739 |
| 2025-2029 | 6,130,000 | 8,761,966 | 14,891,966 |
| 2030-2034 | 8,520,000 | 6,343,843 | 14,863,843 |
| 2035-2039 | 12,035,000 | 2,908,006 | 14,943,006 |
| 2040-2044 | 1,815,000 | 299,801 | 2,114,801 |
| Total | <u>\$ 36,873,804</u> | <u>\$ 40,487,098</u> | <u>\$ 77,360,902</u> |

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 9: RISK FINANCING

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; natural disasters; and health and dental claims of its employees. The District plans to provide for or restore the economic damages of those losses through risk retention and risk transfer.

Risk Management Fund

The Risk Management Fund, a sub-fund of the General Fund, is used to account for the payment of loss or damage to the property of the school district, liability claims, workers' compensation claims, and related administrative expenses. The main source of revenue is defined by the School Finance Act and is an allocation from the General Fund. Some of the risk is retained, and insurance is purchased to transfer part of the risk.

Self Insurance Pools – The District is a member of two public entity risk sharing pools. The District's share of each pool varies based on exposures, the contribution paid to each pool, the District's claims experience, each pool's claims experience, and each pool's surplus and dividend policy. The District may be assessed to fund any pool funding deficit.

Since July 1, 2002, the District has been a member of the Colorado School Districts Self Insurance Pool for property and liability insurance. During the fiscal year ended June 30, 2014, the District had insurance deductible s of \$50,000 (property), \$150,000 (general liability), and \$1,000 (vehicle liability) per claim. At June 30, 2014, the District's property and liability claims payable was \$ 613,004.

Prior to July 1, 2002, the District purchased its property insurance from the Northern Colorado School Districts Property Self Insurance Pool, and its liability insurance from the Northern Colorado School Districts Liability Self Insurance Pool, respectively. These two pools have since been dissolved. The property pool funds were distributed to the former members in June 2006. The remaining assets from the liability pool are now held in a joint account with the other former members (Park School District and Thompson School District) to meet the run-off obligations as described in the dissolution plan. In February 2010, the three former member districts received a planned distribution. The final distribution is planned in 2017/2018. The remaining assets are sufficient to meet these run-off obligations, according to the actuarial reports dated June 11, 2003 and July 12, 2004.

Since July 1, 1985, the District has been a member of the Northern Colorado School Districts Workers' Compensation Self Insurance Pool. The other current pool members are Park School District (Estes Park) and Windsor School District. The workers' compensation pool discontinued insurance operations effective July 1, 1998, and resumed insurance operations on July 1, 2003. During the intervening years, insurance coverage was obtained outside the pool. The District's deductible was \$50,000 per claim for the year ended June 30, 2014. At June 30, 2014, the District's workers' compensation claims payable was \$ 737,651.

Settled claims resulting from these risks have not exceeded commercial or District coverages in any of the past three years.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 9: RISK FINANCING (Continued)

Risk Management Fund (Continued)

Claims Liability – The claims liability on a government-wide basis includes losses from currently available funds as well as estimates for claims that have been incurred but not reported. Based on historic trends and analysis, \$945,458 of the total claims payable is considered payable from current resources and reported accordingly on the fund statements. Changes in the reported liability on a government-wide basis for the years ended June 30, 2014 and 2013 were as follows:

| | 2014 | 2013 |
|-------------------------------------|---------------------|--------------------|
| Beginning fiscal year liability | \$ 941,615 | \$ 838,792 |
| Current year claims and adjustments | 1,816,474 | 2,823,227 |
| Claims paid | <u>(1,407,434)</u> | <u>(2,720,404)</u> |
| Ending fiscal year liability | <u>\$ 1,350,655</u> | <u>\$ 941,615</u> |

Self Insurance Fund

In January 2013, the District established a Self Insurance Fund to account for dental and certain medical liability claims. Liabilities and related claims expense as reported in the Fund were estimated based on a financial services consultant's analyses of the dental and medical providers' claims data at June 30, 2014. The following is a summary of the changes in claims liability for the Self Insurance Fund for fiscal year ended June 30, 2014.

| | 2014 | 2013 |
|-------------------------------------|---------------------|---------------------|
| Beginning fiscal year liability | \$ 2,181,787 | \$ - |
| Current year claims and adjustments | 12,410,224 | 9,986,141 |
| Claims paid | <u>(13,122,489)</u> | <u>(7,804,354)</u> |
| Ending fiscal year liability | <u>\$ 1,469,522</u> | <u>\$ 2,181,787</u> |

NOTE 10: DEFINED BENEFIT PENSION PLAN

Plan Description – The District contributes to the School Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA).

The SDTF provides retirement and disability, post-retirement annual increases, and death benefits for members or their beneficiaries. All employees of the District are members of the SDTF. Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)

June 30, 2014

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

Funding Policy (Continued)

available Comprehensive Annual Financial Report that includes financial statements and required supplementary information for SDTF. That report may be obtained online at www.copera.org or by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Funding Policy – The District is required to contribute member and employer contributions to PERA at a rate set by statute. The contribution requirements of plan members and the District are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The contribution rate for members is 8.0% and for the District is 10.15 % of covered salary. A portion of the District's contribution (1.02% of covered salary) is allocated to the Health Care Trust Fund (see Note 11). The District is also required to pay an amortization equalization disbursement (AED) equal to 3.8% of the total payroll for the calendar year 2014, (3.4% for calendar 2013 and 3.0% for calendar year 2012).

Additionally, the District is required to pay a supplemental amortization equalization disbursement (SAED) equal to 3.5% of the total payroll for the calendar year 2014 (3.0% for the calendar year 2013 and 2.5% for calendar year 2012). If the District rehires a PERA retiree as an employee or under any other work arrangement, it is required to report and pay employer contributions (including AED and SAED) on the amounts paid for the retiree. Effective January 1, 2011, working retiree contributions are required at the same 8.0% member contribution rate. For the years ending June 30, 2014, 2013, and 2012, the District's employer contributions to the SDTF were \$22,558,019, \$20,478,208, and \$19,039,019, respectively, equal to its required contributions for each year.

NOTE 11: POSTEMPLOYMENT HEALTH CARE BENEFITS

Plan Description – The District contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer health care trust administered by the PERA. The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the C.R.S., as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available Comprehensive Annual Financial Report that includes financial statements and required supplementary information for the HCTF. That report may be obtained online at www.copera.org or by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Funding Policy – The District is required to contribute at a rate of 1.02% of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contribution to the HCTF from the defined benefit plan employer contribution (see Note 10) is established under Title 24, Article 51, Section 208 of the C.R.S., as amended. For the years ending June 30, 2014, 2013, and 2012, the District's employer contributions to the HCTF were \$1,439,638, \$1,384,724, and \$1,369,306, respectively, equal to its required contributions for each year.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)

June 30, 2014

NOTE 12: DEFINED CONTRIBUTION PENSION PLAN

Plan Description – Employees of the District who are members of the SDTF (see Note 10) may voluntarily contribute to the Voluntary Investment Program (401(k) Plan), an Internal Revenue Code (IRC) Section 401(k) defined contribution (DC) plan administered by PERA. Plan participation is voluntary, and contributions are separate from others made to PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the 401(k) Plan provisions to the State Legislature. PERA issues a publicly available Annual Report for Colorado PERA's 401(k) and DC Plans. That report may be obtained online at www.copera.org or by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203 or by calling PERA at 303 -832-9550 or 1-800-759-PERA (7372).

Funding Policy – The 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the Internal Revenue Service (\$17,500 for calendar years 2014 and 2013, and \$17,000 for calendar year 2012). In addition, catch-up contributions, up to \$5,500 for the calendar year 2012 through calendar year 2014, were allowed for participants who had attained age 50 before the close of the plan year, subject to the limitations of IRC §414(v). The contribution requirements for the District are established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. For the year ended June 30, 2014, 2013 and 2012, the 401(k) Plan member contributions from the District were \$1,445,496, \$1,424,306, and \$1,579,424, respectively.

NOTE 13: JOINTLY GOVERNED ORGANIZATION

Centennial Board of Cooperative Educational Services

The District, in conjunction with other surrounding districts, created the Centennial Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational and computer services at a shared lower cost per district. The BOCES Board is comprised of one member from each participating district. The District paid the BOCES \$218,580 for services provided during the year ended June 30, 2014. The BOCES financial statements can be obtained at their administrative office located at 2020 Clubhouse Drive, Greeley, Colorado 80634.

NOTE 14: COMMITMENTS AND CONTINGENCIES

Claims and Judgments

The District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2014, significant amounts of grant expenditures have not been audited by granting agencies, but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

The District is involved in pending litigation. The District anticipates no potential claims resulting from these cases which would materially affect the financial statements.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 14: COMMITMENTS AND CONTINGENCIES (Continued)

Construction Contracts

The District has entered into a number of separate construction projects as of June 30, 2014. Contract commitments at June 30, 2014, as a result of these projects, totaled \$6,581,210.

TABOR Amendment

In November 1992, Colorado voters passed Article X, Section 20 (TABOR Amendment) to the State Constitution which limits state and local government tax powers and imposes spending limitations. The District is subject to the TABOR Amendment. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and student enrollment. In November 1998, electors within the District authorized the District to collect, retain and/or expend all revenues lawfully received by the District from any source during fiscal year 1999 and each year thereafter without regard to the limitations and conditions under the TABOR Amendment of the Colorado Constitution or any other law. The Amendment is complex and subject to judicial interpretation. The TABOR Amendment requires the District to establish a reserve for emergencies. At June 30, 2014, the District has complied with the requirements to include emergency reserves in its net position and fund balance.

Contingency Reserve

As allowed by state statute, the District Board of Education may provide for an operating reserve in the General Fund. District policy requires that the budget adopted by the Board include an additional appropriated reserve equal to 2% of operating fund expenditures. The District has met the 2% contingency requirement, which is reported in the committed fund balance, as of June 30, 2014.

The contingency reserve may only be used if the following conditions are met:

- There is a rare and extraordinary event (for example, a natural disaster or a large, unanticipated reduction or the elimination of state revenue); or a one-time funding of a significant capital project; or an operating initiative that will result in material, recurring reductions in future operating expenditures or material, recurring increases in operating revenues; and
- The District's administration has made a complete, written analysis – with justifying evidence – including a plan for the replenishment of the contingency reserve; and the District's Board of Education has passed a specific resolution authorizing the expenditure. The replenishment plan shall not exceed two years from the date of the expenditure.

NOTE 15: CHANGE IN ACCOUNTING PRINCIPLE

During the year, the District adopted GASB Statement No. 65, *Items Previously Recognized as Assets and Liabilities*. The objective of this statement is to establish standards that reclassify certain items that were previously reported as assets and liabilities and, instead, classify them as deferred inflows of resources, deferred outflows of resources, inflows of resources or outflows of resources.

St. Vrain Valley School District RE -1J

Notes to Financial Statements (Continued)
June 30, 2014

NOTE 15: CHANGE IN ACCOUNTING PRINCIPLE (Continued)

As a result of implementing this statement, the following assets and liabilities have been reclassified for the year ended June 30, 2014:

| <u>Item</u> | <u>New Classification</u> | <u>Amount</u> |
|--|-------------------------------|---------------|
| Bond issue costs (unamortized portion was previously reported as an asset) | Outflow of resources | \$2,560,079 |
| Deferred revenue in governmental funds not collected within 60 days of year end and are not available for current period expenditures (previously reported as a liability) | Deferred inflow of resources | \$434,533 |
| Deferred loss from the refunding of bonds are not considered current financial resources (previously reported as a reduction of long term debt) | Deferred outflow of resources | \$9,827,570 |

NOTE 16: RESTATEMENT

The implementation of GASB No. 65 required the District to expense costs related to the issuance of debt. As a result, the beginning net position is restated as follows:

| | |
|---|----------------------|
| Net position, June 30, 2013, as originally reported | \$123,840,460 |
| Adjustment for removal of bond issue costs | <u>(2,560,079)</u> |
| Net position, June 30, 2013, restated | <u>\$121,280,381</u> |

Also, due to the implementation of GASB No. 65, the component units were required to expense costs related to the issuance of debt.

NOTE 17: SUBSEQUENT EVENT

In October 2014, the District refinanced over \$50 million of its Series 2004, Series 2005A, and Series 2006B general obligation building bonds to save taxpayers over \$7.95 million (future value savings). During this process, the District secured a credit ratings upgrade to "AA" from Standard and Poor's. The upgrade is a reflection of the District's solid financial procedures and healthy fund balance.



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REQUIRED SUPPLEMENTARY INFORMATION

General Fund – The *General Fund* is the District's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. The *Colorado Preschool Program Fund* is reported as a sub-fund of the General Fund. Moneys allocated to this fund from the General Fund are used to pay the costs of providing preschool services directly to qualified at-risk children enrolled in the District's preschool program. The *Risk Management Fund*, also a sub-fund of the General Fund, is used to account for the payment of loss or damage to the property of the District, workers' compensation, property and liability claims, and the payment of related administration expenses.

The General Fund budgets on an encumbered basis. The reconciliation for the encumbered basis is shown on the following page.

The significant differences between the General Fund's adopted and amended budgets are as follows:

- \$2.2 million increase in total program funding due to student growth
- \$4.7 million increase in personnel costs due to a one-time budget savings stipend
- \$3.8 million increase in the allocation to the *Capital Reserve Capital Projects Fund* for deferred maintenance projects
- \$2.9 million increase in technology, maintenance and other uncompleted expenditure items from fiscal year 2013

Governmental Designated-Purpose Grants – This major special revenue fund is used to account for restricted state or federal grants that are obtained primarily to provide for specific instructional programs.

The annual budget for the special revenue fund is adopted on a basis consistent with US GAAP rather than the budget basis.

St. Vrain Valley School District RE-1J

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General, Colorado Preschool Program, and Risk Management Funds
For the Year Ended June 30, 2014**

| | General Fund | | | | Colorado Preschool Fund (A sub-fund of the General Fund) | | | |
|--|--------------------|-------------------|----------------|---|---|-------------------|--------------|---|
| | Original Budget | Amended Budget | Actual | Variance to Budget Positive (Negative) | Original Budget | Amended Budget | Actual | Variance to Budget Positive (Negative) |
| Revenues | | | | | | | | |
| Local | | | | | | | | |
| Property taxes | \$ 63,137,541 | \$ 60,430,557 | \$ 61,862,140 | \$ 1,431,583 | \$ - | \$ - | \$ - | \$ - |
| Specific ownership taxes | 6,362,000 | 5,851,998 | 8,241,096 | 2,389,098 | - | - | - | - |
| Mill levy override | 32,962,000 | 32,856,622 | 32,675,735 | (180,887) | - | - | - | - |
| Investment income | 291,552 | 291,552 | 226,601 | (64,951) | - | 500 | 243 | (257) |
| Charges for services | 6,459,779 | 6,459,779 | 4,995,644 | (1,464,135) | - | - | - | - |
| Miscellaneous | 2,074,066 | 2,074,066 | 3,491,549 | 1,417,483 | - | - | - | - |
| Total local revenues | 111,286,938 | 107,964,574 | 111,492,765 | 3,528,191 | - | 500 | 243 | (257) |
| State | | | | | | | | |
| Equalization, net | 104,306,976 | 104,769,179 | 106,497,351 | 1,728,172 | 993,000 | 1,111,000 | 1,115,788 | 4,788 |
| Special Education | 4,115,277 | 5,237,019 | 5,351,844 | 114,825 | - | - | - | - |
| Vocational Education | 949,650 | 838,889 | 677,984 | (160,905) | - | - | - | - |
| Transportation | 1,549,589 | 1,562,186 | 1,598,427 | 36,241 | - | - | - | - |
| Gifted and Talented | 259,310 | 267,554 | 267,554 | - | - | - | - | - |
| English Language Proficiency Act | 328,857 | 328,857 | 365,914 | 37,057 | - | - | - | - |
| BEST grant | 800,000 | 800,000 | 848,846 | 48,846 | - | - | - | - |
| Other state sources | - | 535,326 | 672,528 | 137,202 | - | - | - | - |
| Total state revenues | 112,309,659 | 114,339,010 | 116,280,448 | 1,941,438 | 993,000 | 1,111,000 | 1,115,788 | 4,788 |
| Federal | | | | | | | | |
| Adult Education | - | - | - | - | - | - | - | - |
| Build America Bond rebates | 1,367,123 | 1,367,123 | 1,412,795 | 45,672 | - | - | - | - |
| Migrant passed through BOCES | 88,000 | 88,000 | 43,350 | (44,650) | - | - | - | - |
| Education Jobs Fund | - | - | - | - | - | - | - | - |
| ARRA: Stabilization Funds | - | - | - | - | - | - | - | - |
| Other federal sources | - | - | 1,021 | 1,021 | - | - | - | - |
| Total federal revenues | 1,455,123 | 1,455,123 | 1,457,166 | 2,043 | - | - | - | - |
| Total revenues | 225,051,720 | 223,758,707 | 229,230,379 | 5,471,672 | 993,000 | 1,111,500 | 1,116,031 | 4,531 |
| Expenditures, encumbered basis | | | | | | | | |
| Current | | | | | | | | |
| Salaries | 134,791,423 | 138,830,998 | 135,685,903 | 3,145,095 | 127,841 | 82,841 | 111,133 | (28,292) |
| Benefits | 38,609,980 | 38,648,047 | 37,523,354 | 1,124,693 | 39,975 | 30,975 | 32,635 | (1,660) |
| Purchased services | 11,330,697 | 12,186,753 | 7,820,580 | 4,366,173 | 751,000 | 944,550 | 890,427 | 54,123 |
| Supplies and materials | 19,963,324 | 23,043,821 | 20,267,749 | 2,776,072 | 5,000 | 5,000 | 5,938 | (938) |
| Claims paid | - | - | - | - | - | - | - | - |
| Other | 780,961 | 791,817 | 716,791 | 75,026 | 19,500 | 23,270 | 20,581 | 2,689 |
| Charter schools | 24,617,911 | 23,207,191 | 23,418,341 | (211,150) | - | - | - | - |
| Capital outlay | 283,009 | 286,447 | 812,280 | (525,833) | 150,000 | 223,034 | - | 223,034 |
| Total expenditures, encumbered basis | 230,377,305 | 236,995,074 | 226,244,998 | 10,750,076 | 1,093,316 | 1,309,670 | 1,060,714 | 248,956 |
| Excess (deficiency) of revenues over (under) expenditures before transfers | (5,325,585) | (13,236,367) | 2,985,381 | 16,221,748 | (100,316) | (198,170) | 55,317 | 253,487 |
| Other Financing Sources (Uses) | | | | | | | | |
| Transfers in | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - | - |
| Excess (deficiency) of revenues over (under) expenditures and other financing sources uses | \$ (5,325,585) | \$ (13,236,367) | 2,985,381 | \$ 16,221,748 | \$ (100,316) | \$ (198,170) | 55,317 | \$ 253,487 |
| Fund balance, beginning | | | 61,244,696 | | | | 398,796 | |
| Fund balance, ending | | | \$ 64,230,077 | | | | \$ 454,113 | |
| Reconciliation of expenditures | | | | | | | | |
| Expenditures, encumbered basis | | | \$ 226,244,998 | | | | \$ 1,060,714 | |
| Plus: prior year encumbrances | | | 2,157,167 | | | | - | |
| Less: current year encumbrances | | | (317,159) | | | | - | |
| Expenditures, US GAAP basis | | | 228,085,006 | | | | 1,060,714 | |
| Excess revenues over expenditures (US GAAP) | | | 1,145,373 | | | | 55,317 | |
| Fund balance, beginning | | | 61,244,696 | | | | 398,796 | |
| Fund balance, ending | | | \$ 62,390,069 | | | | \$ 454,113 | |

See the accompanying Independent Auditors' Report.

| Risk Management Fund (A sub-fund of the General Fund) | | | | Total | | | |
|--|-------------------|---------------------|---|--------------------|-------------------|----------------------|---|
| Original Budget | Amended Budget | Actual | Variance to Budget Positive (Negative) | Original Budget | Amended Budget | Actual | Variance to Budget Positive (Negative) |
| \$ - | \$ - | \$ - | \$ - | \$ 63,137,541 | \$ 60,430,557 | \$ 61,862,140 | \$ 1,431,583 |
| - | - | - | - | 6,362,000 | 5,851,998 | 8,241,096 | 2,389,098 |
| - | - | - | - | 32,962,000 | 32,856,622 | 32,675,735 | (180,887) |
| 20,000 | 20,000 | 1,916 | (18,084) | 311,552 | 312,052 | 228,760 | (83,292) |
| - | - | 4,100 | 4,100 | 6,459,779 | 6,459,779 | 4,999,744 | (1,460,035) |
| 15,000 | 806,000 | 1,548,171 | 742,171 | 2,089,066 | 2,880,066 | 5,039,720 | 2,159,654 |
| 35,000 | 826,000 | 1,554,187 | 728,187 | 111,321,938 | 108,791,074 | 113,047,195 | 4,256,121 |
| 2,393,000 | 3,243,000 | 3,243,000 | - | 107,692,976 | 109,123,179 | 110,856,139 | 1,732,960 |
| - | - | - | - | 4,115,277 | 5,237,019 | 5,351,844 | 114,825 |
| - | - | - | - | 949,650 | 838,889 | 677,984 | (160,905) |
| - | - | - | - | 1,549,589 | 1,562,186 | 1,598,427 | 36,241 |
| - | - | - | - | 259,310 | 267,554 | 267,554 | - |
| - | - | - | - | 328,857 | 328,857 | 365,914 | 37,057 |
| - | - | - | - | 800,000 | 800,000 | 848,846 | 48,846 |
| - | - | - | - | - | 535,326 | 672,528 | 137,202 |
| 2,393,000 | 3,243,000 | 3,243,000 | - | 115,695,659 | 118,693,010 | 120,639,236 | 1,946,226 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 1,367,123 | 1,367,123 | 1,412,795 | 45,672 |
| - | - | - | - | 88,000 | 88,000 | 43,350 | (44,650) |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 1,021 | 1,021 |
| - | - | - | - | 1,455,123 | 1,455,123 | 1,457,166 | 2,043 |
| 2,428,000 | 4,069,000 | 4,797,187 | 728,187 | 228,472,720 | 228,939,207 | 235,143,597 | 6,204,390 |
| 264,600 | 264,600 | 452,561 | (187,961) | 135,183,864 | 139,178,439 | 136,249,597 | 2,928,842 |
| 68,975 | 68,975 | 94,296 | (25,321) | 38,718,930 | 38,747,997 | 37,650,285 | 1,097,712 |
| 993,770 | 2,753,770 | 2,275,115 | 478,655 | 13,075,467 | 15,885,073 | 10,986,122 | 4,898,951 |
| 57,200 | 57,200 | 120,635 | (63,435) | 20,025,524 | 23,106,021 | 20,394,322 | 2,711,699 |
| 1,000,000 | 1,227,000 | 1,407,434 | (180,434) | 1,000,000 | 1,227,000 | 1,407,434 | (180,434) |
| 43,700 | 43,700 | 12,931 | 30,769 | 844,161 | 858,787 | 750,303 | 108,484 |
| - | - | - | - | 24,617,911 | 23,207,191 | 23,418,341 | (211,150) |
| - | - | - | - | 433,009 | 509,481 | 812,280 | (302,799) |
| 2,428,245 | 4,415,245 | 4,362,972 | 52,273 | 233,898,866 | 242,719,989 | 231,668,684 | 11,051,305 |
| (245) | (346,245) | 434,215 | 780,460 | (5,426,146) | (13,780,782) | 3,474,913 | 17,255,695 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| \$ (245) | \$ (346,245) | 434,215 | \$ 780,460 | \$ (5,426,146) | \$ (13,780,782) | 3,474,913 | \$ 17,255,695 |
| | | 2,878,616 | | | | 64,522,108 | |
| | | <u>\$ 3,312,831</u> | | | | <u>\$ 67,997,021</u> | |
| | | \$ 4,362,972 | | | | \$ 231,668,684 | |
| | | - | | | | 2,157,167 | |
| | | - | | | | (317,159) | |
| | | <u>4,362,972</u> | | | | <u>233,508,692</u> | |
| | | 434,215 | | | | 1,634,905 | |
| | | <u>2,878,616</u> | | | | <u>64,522,108</u> | |
| | | <u>\$ 3,312,831</u> | | | | <u>\$ 66,157,013</u> | |

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Governmental Designated-Purpose Grants
For the Year Ended June 30, 2014**

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|--|--------------------|-------------------|-------------------|------------------------------------|
| Revenues | | | | |
| State grants | \$ 200,000 | \$ 200,000 | \$ 498,179 | \$ 298,179 |
| Federal grants | 10,060,000 | 10,467,000 | 8,468,126 | (1,998,874) |
| ARRA - Federal education stimulus grants | 4,200,000 | 4,200,000 | 5,152,871 | 952,871 |
| Total revenues | <u>14,460,000</u> | <u>14,867,000</u> | <u>14,119,176</u> | <u>(747,824)</u> |
| Expenditures | | | | |
| Salaries | 9,285,432 | 9,285,000 | 8,277,912 | 1,007,088 |
| Benefits | 2,397,333 | 2,397,000 | 2,232,468 | 164,532 |
| Purchased services | 833,000 | 833,000 | 516,016 | 316,984 |
| Supplies and materials | 1,024,000 | 1,432,000 | 2,093,112 | (661,112) |
| Other | 244,578 | 245,000 | 770,554 | (525,554) |
| Capital outlay | 675,657 | 675,000 | 229,114 | 445,886 |
| Total expenditures | <u>14,460,000</u> | <u>14,867,000</u> | <u>14,119,176</u> | <u>747,824</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ -</u> | - | - | <u>\$ -</u> |
| Fund balance, beginning | | - | - | |
| Fund balance, ending | | <u>\$ -</u> | <u>\$ -</u> | |

See the accompanying Independent Auditors' Report.

SUPPLEMENTARY SCHEDULES – GOVERNMENTAL FUNDS

Major Governmental Funds

Bond Redemption Fund – The *Bond Redemption Fund* is a debt service fund used to account for the accumulation of resources for, and the payment of, long -term debt principal , interest, and related costs.

Building Fund – The *Building Fund* is a capital projects fund that accounts for the proceeds of bond sales and expenditures for capital outlay for land, buildings, improvements of grounds, construction of buildings, additions or remodeling of buildings or initial, additional and replacement equipment.

St. Vrain Valley School District RE-1J

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Bond Redemption Fund
For the Year Ended June 30, 2014**

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|-----------------------------|---------------------|----------------------|----------------------|------------------------------------|
| Revenues | | | | |
| Property taxes | \$ 36,061,506 | \$ 35,782,046 | \$ 36,006,292 | \$ 224,246 |
| Investment income | 4,700 | 4,700 | 1,558 | (3,142) |
| Miscellaneous | - | - | 8,191 | 8,191 |
| Total revenues | <u>36,066,206</u> | <u>35,786,746</u> | <u>36,016,041</u> | <u>229,295</u> |
| Expenditures | | | | |
| Debt principal | 13,360,000 | 13,360,000 | 13,360,000 | - |
| Debt interest | 20,508,017 | 20,508,017 | 20,508,017 | - |
| Fiscal charges | 7,050 | 7,050 | 5,900 | 1,150 |
| Total expenditures | <u>33,875,067</u> | <u>33,875,067</u> | <u>33,873,917</u> | <u>1,150</u> |
| Net change in fund balances | <u>\$ 2,191,139</u> | 1,911,679 | 2,142,124 | <u>\$ 230,445</u> |
| Fund balance, beginning | | <u>30,558,380</u> | <u>30,558,380</u> | |
| Fund balance, ending | | <u>\$ 32,470,059</u> | <u>\$ 32,700,504</u> | |

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Building Fund
For the Year Ended June 30, 2014**

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|-----------------------------|------------------------|---------------------|----------------------|------------------------------------|
| Revenues | | | | |
| Investment income | \$ 400,000 | \$ 400,000 | \$ 141,758 | \$ (258,242) |
| Miscellaneous | - | - | 22,015 | 22,015 |
| Total revenues | <u>400,000</u> | <u>400,000</u> | <u>163,773</u> | <u>(236,227)</u> |
| Expenditures | | | | |
| Salaries | 686,595 | 664,000 | 586,830 | 77,170 |
| Benefits | 180,652 | 180,000 | 152,579 | 27,421 |
| Purchased services | 3,000,000 | 3,000,000 | 3,141,181 | (141,181) |
| Supplies and materials | 500,000 | 500,000 | 23,250 | 476,750 |
| Capital outlay | 33,282,632 | 32,336,453 | 7,732,132 | 24,604,321 |
| Other | 30,000 | 100,000 | 46,234 | 53,766 |
| Total expenditures | <u>37,679,879</u> | <u>36,780,453</u> | <u>11,682,206</u> | <u>25,098,247</u> |
| Net change in fund balances | <u>\$ (37,279,879)</u> | <u>(36,380,453)</u> | <u>(11,518,433)</u> | <u>\$ 24,862,020</u> |
| Fund balance, beginning | | <u>36,380,453</u> | <u>36,380,453</u> | |
| Fund balance, ending | | <u>\$ -</u> | <u>\$ 24,862,020</u> | |

See the accompanying Independent Auditors' Report.

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SUPPLEMENTARY SCHEDULES – GOVERNMENTAL FUNDS

Nonmajor Capital Projects Fund

Capital Reserve Capital Projects Fund – This fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the ongoing capital outlay needs of the District, such as equipment purchases.

Nonmajor Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources including those requiring separate accounting because of legal or regulatory provisions that legally restrict expenditures to specified purposes.

- *Community Education Fund* – This fund is used to record the tuition -based activities including driver's education, summer school, child care, enrichment, and preschool.
- *Fair Contributions Fund* – In accordance with intergovernmental agreements, this fund is used to collect money for the acquisition, development, or expansion of public school sites based on impacts created by residential subdivisions.
- *Student Activity Fund* – This fund is used to record financial transactions related to school -sponsored pupil intrascholastic and interscholastic athletic and other related activities. Revenues of this fund are primarily from student fees, gate receipts, and gifts.

St. Vrain Valley School District RE-1J

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014**

| | Capital Reserve Capital Projects Fund |
|---|---|
| Assets | |
| Cash and investments | \$ 8,652,889 |
| Accounts receivable | - |
| Prepays | 605,953 |
| Deposits | 280 |
| | <hr/> |
| Total assets | <u>\$ 9,259,122</u> |
| Liabilities | |
| Accounts payable | \$ 643,592 |
| Due from component units | |
| Accrued salaries and benefits | - |
| Construction retainage payable | 22,446 |
| Deferred revenues | - |
| | <hr/> |
| Total liabilities | <u>666,038</u> |
| Deferred inflows of revenue | |
| From forward investment agreement | <u>5,035</u> |
| Fund Balances | |
| Nonspendable: deposits, prepaids | 606,233 |
| Restricted: special revenue funds | - |
| Committed: capital projects | 7,981,816 |
| Committed: special revenue fund | - |
| | <hr/> |
| Total fund balances | <u>8,588,049</u> |
| Total liabilities, deferred inflows, and fund balances | <u><u>\$ 9,259,122</u></u> |

See the accompanying Independent Auditors' Report .

| Special Revenue Funds | | | Total Nonmajor Governmental Funds |
|------------------------|-----------------------|---------------------|---|
| Community Education | Fair Contributions | Student Activity | |
| \$ 3,519,809 | \$ 5,205,870 | \$ 3,527,044 | \$ 20,905,612 |
| 37,531 | 165,000 | 7,910 | 210,441 |
| - | - | - | 605,953 |
| - | - | - | 280 |
| <u>\$ 3,557,340</u> | <u>\$ 5,370,870</u> | <u>\$ 3,534,954</u> | <u>\$ 21,722,286</u> |
| | | | |
| \$ 6,383 | \$ 5,275 | \$ 26,994 | \$ 682,244 |
| 3,462 | | | 3,462 |
| 387,040 | - | 1,523 | 388,563 |
| - | - | - | 22,446 |
| 7,098 | - | - | 7,098 |
| <u>403,983</u> | <u>5,275</u> | <u>28,517</u> | <u>1,103,813</u> |
| | | | |
| - | 88,683 | - | 93,718 |
| | | | |
| - | - | - | 606,233 |
| 3,153,357 | - | 3,506,437 | 6,659,794 |
| - | - | - | 7,981,816 |
| - | 5,276,912 | - | 5,276,912 |
| <u>3,153,357</u> | <u>5,276,912</u> | <u>3,506,437</u> | <u>20,524,755</u> |
| | | | |
| <u>\$ 3,557,340</u> | <u>\$ 5,370,870</u> | <u>\$ 3,534,954</u> | <u>\$ 21,722,286</u> |

See the accompanying Independent Auditors' Report .

St. Vrain Valley School District RE-1J
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2014

| | Capital Reserve Capital Projects Fund |
|---|---|
| Revenues | |
| Intergovernmental | \$ 8,275,560 |
| Investment income | 8,306 |
| Charges for services | - |
| Pupil activities | - |
| Miscellaneous | <u>1,592,006</u> |
| Total revenues | <u>9,875,872</u> |
| Expenditures | |
| Instruction | - |
| Supporting services | - |
| Capital expenditures/outlay | <u>7,045,089</u> |
| Total expenditures | <u>7,045,089</u> |
| Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses) | <u>2,830,783</u> |
| Other Financing Sources (Uses) | |
| Transfers in | - |
| Transfers out | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> |
| Net changes in fund balances | 2,830,783 |
| Fund balances, beginning | <u>5,757,266</u> |
| Fund balances, ending | <u><u>\$ 8,588,049</u></u> |

See the accompanying Independent Auditors' Report .

| Special Revenue Funds | | | Total Nonmajor Governmental Funds |
|------------------------|-----------------------|------------------|---|
| Community Education | Fair Contributions | Student Activity | |
| \$ - | \$ - | \$ - | \$ 8,275,560 |
| 2,953 | 54,929 | 3,507 | 69,695 |
| 6,233,718 | - | - | 6,233,718 |
| - | - | 5,988,804 | 5,988,804 |
| - | 1,022,765 | - | 2,614,771 |
| 6,236,671 | 1,077,694 | 5,992,311 | 23,182,548 |
| 4,945,675 | - | 5,493,085 | 10,438,760 |
| 515,151 | 147,971 | 244,696 | 907,818 |
| 71,446 | 75,500 | - | 7,192,035 |
| 5,532,272 | 223,471 | 5,737,781 | 18,538,613 |
| 704,399 | 854,223 | 254,530 | 4,643,935 |
| 17,626 | - | 32,497 | 50,123 |
| (32,497) | - | (17,626) | (50,123) |
| (14,871) | - | 14,871 | - |
| 689,528 | 854,223 | 269,401 | 4,643,935 |
| 2,463,829 | 4,422,689 | 3,237,036 | 15,880,820 |
| \$ 3,153,357 | \$ 5,276,912 | \$ 3,506,437 | \$ 20,524,755 |

See the accompanying Independent Auditors' Report .

St. Vrain Valley School District RE-1J

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Reserve Capital Projects Fund
For the Year Ended June 30, 2014**

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|------------------------------|--------------------|---------------------|---------------------|------------------------------------|
| Revenues | | | | |
| Allocation from General Fund | \$ 4,873,000 | \$ 8,875,560 | \$ 8,275,560 | \$ (600,000) |
| Investment income | 10,000 | 10,000 | 8,306 | (1,694) |
| Miscellaneous | - | 1,500,000 | 1,592,006 | 92,006 |
| Total revenues | <u>4,883,000</u> | <u>10,385,560</u> | <u>9,875,872</u> | <u>(509,688)</u> |
| Expenditures | | | | |
| Capital expenditures | <u>4,883,000</u> | <u>8,700,000</u> | <u>7,045,089</u> | <u>1,654,911</u> |
| Total expenditures | <u>4,883,000</u> | <u>8,700,000</u> | <u>7,045,089</u> | <u>1,654,911</u> |
| Net change in fund balances | <u>\$ -</u> | 1,685,560 | 2,830,783 | <u>\$ 1,145,223</u> |
| Fund balance, beginning | | <u>5,757,266</u> | <u>5,757,266</u> | |
| Fund balance, ending | | <u>\$ 7,442,826</u> | <u>\$ 8,588,049</u> | |

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Community Education Fund
For the Year Ended June 30, 2014**

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|---|---------------------|---------------------|---------------------|------------------------------------|
| Revenues | | | | |
| Investment income | \$ 5,000 | \$ 5,000 | \$ 2,953 | \$ (2,047) |
| Charges for services | 4,750,000 | 4,750,000 | 6,233,718 | 1,483,718 |
| Total revenues | <u>4,755,000</u> | <u>4,755,000</u> | <u>6,236,671</u> | <u>1,481,671</u> |
| Expenditures | | | | |
| Instruction | 5,012,000 | 5,012,000 | 4,945,675 | 66,325 |
| Support services | 250,000 | 250,000 | 515,151 | (265,151) |
| Capital outlay | - | - | 71,446 | (71,446) |
| Total expenditures | <u>5,262,000</u> | <u>5,262,000</u> | <u>5,532,272</u> | <u>(270,272)</u> |
| Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses) | (507,000) | (507,000) | 704,399 | 1,211,399 |
| Other Financing Sources (Uses) | | | | |
| Transfers in | - | - | 17,626 | 17,626 |
| Transfers out | - | - | (32,497) | (32,497) |
| Total other financing sources (uses) | - | - | (14,871) | (14,871) |
| Net change in fund balances | <u>\$ (507,000)</u> | (507,000) | 689,528 | <u>\$ 1,196,528</u> |
| Fund balance, beginning | | <u>2,463,829</u> | <u>2,463,829</u> | |
| Fund balance, ending | | <u>\$ 1,956,829</u> | <u>\$ 3,153,357</u> | |

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Fair Contributions Fund
For the Year Ended June 30, 2014**

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|--|-----------------------|-------------------|---------------------|------------------------------------|
| Revenues | | | | |
| Investment income | \$ 10,000 | \$ 60,200 | \$ 54,929 | \$ (5,271) |
| Cash in lieu | 750,000 | 800,000 | 1,022,765 | 222,765 |
| Total revenues | <u>760,000</u> | <u>860,200</u> | <u>1,077,694</u> | <u>217,494</u> |
| Expenditures | | | | |
| Purchased services | 100,000 | 100,000 | 147,971 | (47,971) |
| Capital outlay | 5,067,558 | 5,182,889 | 75,500 | 5,107,389 |
| Total expenditures | <u>5,167,558</u> | <u>5,282,889</u> | <u>223,471</u> | <u>5,059,418</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ (4,407,558)</u> | (4,422,689) | 854,223 | <u>\$ 5,276,912</u> |
| Fund balance, beginning | | 4,422,689 | 4,422,689 | |
| Fund balance, ending | | <u>\$ -</u> | <u>\$ 5,276,912</u> | |

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Student Activity Fund
For the Year Ended June 30, 2014**

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|---|-----------------------|--------------------|---------------------|------------------------------------|
| Revenues | | | | |
| Investment income | \$ 7,000 | \$ 7,000 | \$ 3,507 | \$ (3,493) |
| Athletic activities | 2,200,000 | 2,200,000 | 1,926,884 | (273,116) |
| Pupil activities | 3,200,000 | 3,200,000 | 3,300,258 | 100,258 |
| PTO/Gift activities | 900,000 | 900,000 | 756,369 | (143,631) |
| Resources from agency fund | - | - | 5,293 | 5,293 |
| Total revenues | <u>6,307,000</u> | <u>6,307,000</u> | <u>5,992,311</u> | <u>(314,689)</u> |
| Expenditures | | | | |
| Athletic activities | 3,500,000 | 3,500,000 | 1,921,620 | 1,578,380 |
| Pupil activities | 4,000,000 | 4,000,000 | 3,165,276 | 834,724 |
| PTO/Gift activities | 2,738,515 | 2,044,036 | 631,772 | 1,412,264 |
| Resources to agency fund | - | - | 19,113 | (19,113) |
| Total expenditures | <u>10,238,515</u> | <u>9,544,036</u> | <u>5,737,781</u> | <u>3,806,255</u> |
| Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses) | (3,931,515) | (3,237,036) | 254,530 | 3,491,566 |
| Other Financing Sources (Uses) | | | | |
| Transfers in | - | - | 32,497 | 32,497 |
| Transfers out | - | - | (17,626) | (17,626) |
| Total other financing sources (uses) | - | - | 14,871 | 14,871 |
| Net change in fund balances | <u>\$ (3,931,515)</u> | <u>(3,237,036)</u> | <u>269,401</u> | <u>\$ 3,506,437</u> |
| Fund balance, beginning | | <u>3,237,036</u> | <u>3,237,036</u> | |
| Fund balance, ending | | <u>\$ -</u> | <u>\$ 3,506,437</u> | |

See the accompanying Independent Auditors' Report.

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SUPPLEMENTARY SCHEDULES – PROPRIETARY FUNDS

Enterprise Fund

Enterprise Funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District's only enterprise fund is the *Nutrition Services Fund* which accounts for the financial transactions related to the food service operations of the District.

Internal Service Fund

Internal Service Funds may be used to accumulate and allocate costs internally among governmental functions. The District's only internal service fund is the *Self Insurance Fund* which accounts for the specific medical and dental health plans of the District.

St. Vrain Valley School District RE-1J

**Schedule of Revenues, Expenses and Changes in Fund Net Position - Budget and Actual
Nutrition Services Fund
For the Year Ended June 30, 2014**

| | Original Budget | 2nd Amended Budget | Actual | Variance Positive (Negative) |
|---|--------------------|--------------------------|---------------------|------------------------------------|
| Revenues | | | | |
| Investment income | \$ 1,500 | \$ 1,500 | \$ 1,157 | \$ (343) |
| Charges for services | 3,900,000 | 3,900,000 | 3,232,130 | (667,870) |
| Other food service charges | 60,000 | 60,000 | 105,709 | 45,709 |
| State match | 108,000 | 108,000 | 118,772 | 10,772 |
| National School Lunch/Breakfast Program | 4,200,000 | 4,295,000 | 4,936,147 | 641,147 |
| Total revenues | <u>8,269,500</u> | <u>8,364,500</u> | <u>8,393,915</u> | <u>29,415</u> |
| Expenses | | | | |
| Salaries | 3,283,486 | 3,283,486 | 3,022,517 | 260,969 |
| Benefits | 1,069,423 | 1,069,423 | 1,004,295 | 65,128 |
| Purchased services | 175,000 | 175,000 | 102,219 | 72,781 |
| Supplies and materials | 4,000,000 | 4,095,000 | 3,776,023 | 318,977 |
| Small equipment | 30,000 | 50,000 | 50,081 | (81) |
| Other | 100,000 | 100,000 | 205,678 | (105,678) |
| Total expenses | <u>8,657,909</u> | <u>8,772,909</u> | <u>8,160,813</u> | <u>612,096</u> |
| Net income, cash basis | (388,409) | (408,409) | 233,102 | 641,511 |
| Noncash Revenues (Expenses) | | | | |
| Depreciation | (181,000) | (181,000) | (171,408) | 9,592 |
| Loss on disposal of equipment | - | - | (2,311) | (2,311) |
| Capital contributions | - | - | 15,396 | 15,396 |
| Commodities entitlement | 602,804 | 602,804 | 541,283 | (61,521) |
| Commodities used | <u>-</u> | <u>-</u> | <u>(545,828)</u> | <u>(545,828)</u> |
| Change in net position | <u>\$ 33,395</u> | 13,395 | 70,234 | <u>\$ 56,839</u> |
| Net position, beginning | | <u>3,202,846</u> | <u>3,202,846</u> | |
| Net position, ending | | <u>\$ 3,216,241</u> | <u>\$ 3,273,080</u> | |

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

**Schedule of Revenues, Expenses and Changes in Fund Net Position - Budget and Actual
Self Insurance Fund
For the Year Ended June 30, 2014**

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|-----------------------------|--------------------|---------------------|---------------------|------------------------------------|
| Revenues | | | | |
| Investment income | \$ 5,000 | \$ 5,000 | \$ 5,283 | \$ 283 |
| Charges for services | 13,200,000 | 13,200,000 | 13,686,457 | 486,457 |
| Total revenues | <u>13,205,000</u> | <u>13,205,000</u> | <u>13,691,740</u> | <u>486,740</u> |
| Expenditures | | | | |
| Salaries | 153,759 | 153,759 | 146,097 | 7,662 |
| Benefits | 43,318 | 43,318 | 41,741 | 1,577 |
| Purchased services | 68,000 | 68,000 | 7,030 | 60,970 |
| Supplies and materials | 6,000 | 6,000 | 162 | 5,838 |
| Other | 12,000 | 12,000 | 12,500 | (500) |
| Claims paid | 12,000,000 | 14,000,000 | 13,122,489 | 877,511 |
| Total expenditures | <u>12,283,077</u> | <u>14,283,077</u> | <u>13,330,019</u> | <u>953,058</u> |
| Net change in fund balances | <u>\$ 921,923</u> | (1,078,077) | 361,721 | <u>\$ 1,439,798</u> |
| Net position, beginning | | <u>3,876,964</u> | <u>3,876,964</u> | |
| Net position, ending | | <u>\$ 2,798,887</u> | <u>\$ 4,238,685</u> | |

See the accompanying Independent Auditors' Report.

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SUPPLEMENTARY SCHEDULES – FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. Of the four fiduciary funds categories (pension trust funds, investment trust funds, private -purpose trust funds, and agency funds), the District has the following two:

- Private purpose trust funds account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's only trust fund is the *Student Scholarship Fund*.
- Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's only agency fund is the *Student Activity Fund* which is used to record financial transactions related to school -sponsored pupil and athletic events. Additions to this fund are primarily from student fund -raising activities.

St. Vrain Valley School District RE-1J

Schedule of Additions, Deductions and Changes in Fiduciary Net Position - Budget and Actual
Student Scholarship Fund
For the Year Ended June 30, 2014

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|-------------------------|--------------------|-------------------|-------------------|------------------------------------|
| Additions | | | | |
| Investment income | \$ 200 | \$ 200 | \$ 151 | \$ (49) |
| Contributions | <u>50,000</u> | <u>50,000</u> | <u>47,115</u> | <u>(2,885)</u> |
| Total additions | <u>50,200</u> | <u>50,200</u> | <u>47,266</u> | <u>(2,934)</u> |
| Deductions | | | | |
| Scholarships | <u>75,000</u> | <u>75,000</u> | <u>51,469</u> | <u>23,531</u> |
| Total deductions | <u>75,000</u> | <u>75,000</u> | <u>51,469</u> | <u>23,531</u> |
| Change in net position | <u>\$ (24,800)</u> | <u>(24,800)</u> | <u>(4,203)</u> | <u>\$ 20,597</u> |
| Net position, beginning | | <u>223,387</u> | <u>223,387</u> | |
| Net position, ending | | <u>\$ 198,587</u> | <u>\$ 219,184</u> | |

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

**Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended June 30, 2014**

| | Balance June 30, 2013 | Additions | Deductions | Balance June 30, 2014 |
|---|--------------------------|-------------------|-------------------|--------------------------|
| <u>Student Activity (Agency)</u> | | | | |
| <u>Fund</u> | | | | |
| Assets | | | | |
| Cash and investments | \$ 143,346 | \$ 142,002 | \$ 128,016 | \$ 157,332 |
| Accounts receivable | - | 288 | - | 288 |
| Total assets | <u>\$ 143,346</u> | <u>\$ 142,290</u> | <u>\$ 128,016</u> | <u>\$ 157,620</u> |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Undistributed monies | 143,346 | 142,290 | 128,016 | 157,620 |
| Total liabilities | <u>\$ 143,346</u> | <u>\$ 142,290</u> | <u>\$ 128,016</u> | <u>\$ 157,620</u> |

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

**Schedule of Additions, Deductions and Changes in Undistributed Monies - Budget and Actual
Student Activity (Agency) Fund
For the Year Ended June 30, 2014**

| | Original Budget | Amended Budget | Actual | Variance Positive (Negative) |
|--------------------------------------|----------------------------|--------------------|--------------------------|------------------------------------|
| Additions | | | | |
| Elementary Schools | \$ 100,000 | \$ 100,000 | \$ 46,104 | \$ (53,896) |
| Middle Schools | 22,000 | 22,000 | 18,400 | (3,600) |
| High Schools | 45,000 | 45,000 | 58,673 | 13,673 |
| Other additions | 8,000 | 8,000 | - | (8,000) |
| Resources from special revenue funds | - | - | 19,113 | 19,113 |
| Total additions | <u>175,000</u> | <u>175,000</u> | <u>142,290</u> | <u>(32,710)</u> |
| Deductions | | | | |
| Elementary Schools | 159,611 | 143,356 | 56,476 | 86,880 |
| Middle Schools | 44,890 | 50,734 | 14,157 | 36,577 |
| High Schools | 103,830 | 106,570 | 52,090 | 54,480 |
| Other deductions | 12,985 | 17,686 | - | 17,686 |
| Resources to special revenue funds | - | - | 5,293 | (5,293) |
| Total deductions | <u>321,316</u> | <u>318,346</u> | <u>128,016</u> | <u>190,330</u> |
| Change in undistributed monies | <u><u>\$ (146,316)</u></u> | <u>(143,346)</u> | 14,274 | <u><u>\$ 157,620</u></u> |
| Undistributed monies, beginning | | <u>143,346</u> | <u>143,346</u> | |
| Undistributed monies, ending | | <u><u>\$ -</u></u> | <u><u>\$ 157,620</u></u> | |

See the accompanying Independent Auditors' Report.

SUPPLEMENTARY SCHEDULES – COMPONENT UNITS

Charter Schools

Aspen Ridge Preparatory School began operations in the fall of fiscal year 2012 to serve students in grades K through 5. The school is located in Erie (Weld County).

Carbon Valley Academy, located in Frederick (Weld County), began operations in the fall of fiscal year 2006 to serve students in grades K through 8. In 2009 the school opened a secondary academy with grade 9 and planned to add a grade each year until 12th grade. However, the secondary academy was closed in December 2010.

Flagstaff Academy also began operations in the fall of fiscal year 2006 serving students in grades K through 8. The school is located in Longmont (Boulder County).

Imagine Charter School at Firestone (Weld County) began operations in the fall of fiscal year 2009 to serve students grades K through 8.

St. Vrain Community Montessori School began operations in the fall of fiscal year 2009 serving students in grades K through 2. The school, currently located in Longmont (Boulder County), will add a grade each year until 6th grade.

Twin Peaks Charter Academy, located in Longmont (Boulder County), began operations in the fall of fiscal year 1998 to serve students in grades K through 8. In 2012, the school opened a secondary academy with grades 9 and 10 and will add a grade each year until 12th grade.

St. Vrain Valley School District RE-1J

**Combining Statement of Net Position
Component Units
June 30, 2014**

| | Aspen Ridge Preparatory School | Carbon Valley Academy | Flagstaff Academy |
|----------------------------------|--------------------------------------|--------------------------|----------------------|
| Assets | | | |
| Cash and investments | \$ 640,416 | \$ 977,465 | \$ 3,472,533 |
| Accounts receivable | 1,092 | - | 1,175 |
| Due from primary government | - | - | 3,712 |
| Grants receivable | - | - | - |
| Prepays | 5,019 | - | - |
| Deposits | 29,533 | 11,099 | 183,358 |
| Deferred charges | - | - | - |
| Restricted cash and investments | - | 517,607 | 1,846,259 |
| Capital assets, | | | |
| Non-depreciable | - | 1,158,251 | - |
| Depreciable, net | 4,830 | 3,199,493 | 9,710,521 |
| Total assets | <u>680,890</u> | <u>5,863,915</u> | <u>15,217,558</u> |
| Liabilities | | | |
| Accounts payable | 2,436 | 47,549 | 63,972 |
| Due to primary government | 17,212 | 107,972 | 2,840 |
| Accrued salaries and benefits | 54,815 | 93,820 | 313,179 |
| Accrued interest payable | - | 21,965 | 387,765 |
| Unearned revenue | 15,855 | - | 43,869 |
| Noncurrent liabilities | | | |
| Due within one year | - | 100,000 | 215,000 |
| Due in more than one year | - | 4,630,000 | 12,905,000 |
| Total liabilities | <u>90,318</u> | <u>5,001,306</u> | <u>13,931,625</u> |
| Net Position | | | |
| Net investment in capital assets | 4,830 | (1,012,900) | (1,563,220) |
| Restricted for | | | |
| Emergencies | 57,000 | 78,000 | 216,000 |
| Debt service | - | - | - |
| Unrestricted | 528,742 | 1,797,509 | 2,633,153 |
| Total net position | <u>\$ 590,572</u> | <u>\$ 862,609</u> | <u>\$ 1,285,933</u> |

See the accompanying Independent Auditors' Report.

| Imagine Charter School at Firestone | St Vrain Community Montessori School | Twin Peaks Charter Academy | Component Units |
|---|---|-------------------------------|--------------------------|
| | | | Total Charter Schools |
| \$ 2,214,785 | \$ 432,523 | \$ 2,372,531 | \$ 10,110,253 |
| 24,417 | 2,535 | 17,885 | 47,104 |
| - | - | - | 3,712 |
| - | - | - | - |
| 1,100 | 29,393 | - | 35,512 |
| - | 13,841 | 7,500 | 245,331 |
| - | - | - | - |
| - | - | 2,174,603 | 4,538,469 |
| - | - | 2,559,261 | 3,717,512 |
| - | 160,504 | 16,584,624 | 29,659,972 |
| <u>2,240,302</u> | <u>638,796</u> | <u>23,716,404</u> | <u>48,357,865</u> |
| 8,760 | 1,217 | 73,292 | 197,226 |
| 8,645 | - | 34,057 | 170,726 |
| 149,367 | 3,528 | 318,655 | 933,364 |
| - | - | 170,635 | 580,365 |
| 36,090 | 86,173 | 44,859 | 226,846 |
| - | - | 267,820 | 582,820 |
| - | - | 18,755,984 | 36,290,984 |
| <u>202,862</u> | <u>90,918</u> | <u>19,665,302</u> | <u>38,982,331</u> |
| - | 160,504 | 2,294,684 | (116,102) |
| 156,000 | 48,900 | 208,914 | 764,814 |
| - | - | 728,860 | 728,860 |
| 1,881,440 | 338,474 | 818,644 | 7,997,962 |
| <u>\$ 2,037,440</u> | <u>\$ 547,878</u> | <u>\$ 4,051,102</u> | <u>\$ 9,375,534</u> |

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J

**Combining Statement of Activities
Component Units
For the Year Ended June 30, 2014**

| | Aspen Ridge Preparatory School | Carbon Valley Academy | Flagstaff Academy |
|------------------------------------|--------------------------------------|--------------------------|----------------------------|
| Expenses | | | |
| Instruction | \$ 691,490 | \$ 1,403,088 | \$ 3,828,153 |
| Supporting services | 845,835 | 794,877 | 2,180,458 |
| Interest expense | - | 268,734 | 912,000 |
| Total expenses | <u>1,537,325</u> | <u>2,466,699</u> | <u>6,920,611</u> |
| Program Revenues | | | |
| Charges for Services | 42,075 | 206,400 | 773,592 |
| Operating Grants and Contributions | 198,338 | 17,199 | 58,152 |
| Capital Grants and Contributions | <u>22,473</u> | <u>26,449</u> | <u>88,311</u> |
| Total program revenues | <u>262,886</u> | <u>250,048</u> | <u>920,055</u> |
| General Revenues | | | |
| Per pupil revenue | 1,547,121 | 1,778,797 | 5,526,906 |
| Mill levy override | 106,229 | 446,607 | 783,867 |
| Interest income | - | 644 | 2,114 |
| Other | <u>-</u> | <u>148,927</u> | <u>46,512</u> |
| Total general revenues | <u>1,653,350</u> | <u>2,374,975</u> | <u>6,359,399</u> |
| Change in net position | 378,911 | 158,324 | 358,843 |
| Net position, beginning | <u>211,661</u> | <u>795,789</u> | <u>1,162,077</u> |
| Restatement | - | (91,504) | (234,987) |
| Net position, restated | <u>211,661</u> | <u>704,285</u> | <u>927,090</u> |
| Net position, ending | <u><u>\$ 590,572</u></u> | <u><u>\$ 862,609</u></u> | <u><u>\$ 1,285,933</u></u> |

See the accompanying Independent Auditors' Report.

| | | | Component Units |
|---|---|-------------------------------|--------------------------|
| Imagine Charter School at Firestone | St Vrain Community Montessori School | Twin Peaks Charter Academy | Total Charter Schools |
| \$ 2,377,037 | \$ 707,600 | \$ 3,612,321 | \$ 12,619,689 |
| 2,675,585 | 776,708 | 2,230,008 | 9,503,471 |
| - | - | 1,289,134 | 2,469,868 |
| 5,052,622 | 1,484,308 | 7,131,463 | 24,593,028 |
| 425,363 | 287,715 | 343,983 | 2,079,128 |
| 29,766 | 105,527 | 14,927 | 423,909 |
| 56,533 | 14,995 | 95,671 | 304,432 |
| 511,662 | 408,237 | 454,581 | 2,807,469 |
| 3,881,653 | 1,032,547 | 6,586,110 | 20,353,134 |
| 641,390 | 129,174 | 957,940 | 3,065,207 |
| - | 417 | 431 | 3,606 |
| 164,686 | 58,098 | - | 418,223 |
| 4,687,729 | 1,220,236 | 7,544,481 | 23,840,170 |
| 146,769 | 144,165 | 867,599 | 2,054,611 |
| 1,890,671 | 403,713 | 3,628,536 | 8,092,447 |
| - | - | (445,033) | (771,524) |
| 1,890,671 | 403,713 | 3,183,503 | 7,320,923 |
| <u>\$ 2,037,440</u> | <u>\$ 547,878</u> | <u>\$ 4,051,102</u> | <u>\$ 9,375,534</u> |

See the accompanying Independent Auditors' Report.

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**STATISTICAL SECTION
(UNAUDITED)**

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St. Vrain Valley School District RE -1J
STATISTICAL SECTION

This section of the District's comprehensive annual financial report presents detailed information to provide readers of the financial statements, note disclosures, and required supplementary schedules an additional understanding with regard to the District's overall financial health.

| <u>Contents</u> | <u>Pages</u> |
|--|---------------------|
| Financial Trends | |
| The schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. | 96 – 107 |
| Revenue Capacity | |
| The schedules contain information to help the reader assess the District's most significant local and state revenue sources. | 108 – 112 |
| Debt Capacity | |
| The schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. | 113 – 117 |
| Demographic and Economic Information | |
| The schedules offer demographic and economic indicators to help the reader understand the environment with which the District's financial activities take place. | 118 – 123 |
| Operating Information | |
| The schedules contain information to help the reader understand the staffing of the District, student population it serves, and capital asset data. | 124 - 131 |

Sources: Unless otherwise noted, the information in the schedules is derived from the comprehensive annual financial reports for the relevant year.

St. Vrain Valley School District RE-1J
Financial Trends
Net Position by Component
Accrual Basis of Accounting
Last Ten Fiscal Years
(Unaudited)

| | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| Governmental activities | | | | |
| Net investment in capital assets (1) | \$ 22,549,614 | \$ 10,755,304 | \$ 20,092,457 | \$ 17,752,278 |
| Restricted | 35,653,114 | 38,271,459 | 42,011,881 | 36,348,780 |
| Unrestricted | <u>(13,103,041)</u> | <u>2,416,984</u> | <u>(1,985,048)</u> | <u>14,481,434</u> |
| Total governmental net position | <u>45,099,687</u> | <u>51,443,747</u> | <u>60,119,290</u> | <u>68,582,492</u> |
| Business-type activities | | | | |
| Net investment in capital assets | 981,771 | 1,143,171 | 1,059,518 | 926,902 |
| Restricted | - | - | - | - |
| Unrestricted | <u>1,225,914</u> | <u>1,067,695</u> | <u>927,056</u> | <u>695,203</u> |
| Total business-type net position | <u>2,207,685</u> | <u>2,210,866</u> | <u>1,986,574</u> | <u>1,622,105</u> |
| Primary government | | | | |
| Net investment in capital assets | 23,531,385 | 11,898,475 | 21,151,975 | 18,679,180 |
| Restricted | 35,653,114 | 38,271,459 | 42,011,881 | 36,348,780 |
| Unrestricted | <u>(11,877,127)</u> | <u>3,484,679</u> | <u>(1,057,992)</u> | <u>15,176,637</u> |
| Total primary government net position | <u>\$ 47,307,372</u> | <u>\$ 53,654,613</u> | <u>\$ 62,105,864</u> | <u>\$ 70,204,597</u> |

Note 1: Based on a GASB implementation guide, the District changed its computation of net investment in capital assets in FY09

| <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> |
|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| \$ 16,389,200 | \$ 5,837,277 | \$ 1,650,384 | \$ (4,553,120) | \$ 5,975,997 | \$ 4,819,681 |
| 43,552,511 | 48,873,296 | 41,903,392 | 42,346,312 | 43,513,161 | 47,616,074 |
| <u>35,783,693</u> | <u>41,983,603</u> | <u>49,879,868</u> | <u>52,817,264</u> | <u>74,351,302</u> | <u>75,262,484</u> |
| <u>95,725,404</u> | <u>96,694,176</u> | <u>93,433,644</u> | <u>90,610,456</u> | <u>123,840,460</u> | <u>127,698,239</u> |
| 1,075,631 | 1,042,353 | 908,812 | 1,201,873 | 1,137,800 | 1,046,337 |
| - | - | - | - | - | - |
| <u>476,099</u> | <u>967,637</u> | <u>1,534,339</u> | <u>1,957,064</u> | <u>2,065,046</u> | <u>2,226,743</u> |
| <u>1,551,730</u> | <u>2,009,990</u> | <u>2,443,151</u> | <u>3,158,937</u> | <u>3,202,846</u> | <u>3,273,080</u> |
| 17,464,831 | 6,879,630 | 2,559,196 | (3,351,247) | 7,113,797 | 5,866,018 |
| 43,552,511 | 48,873,296 | 41,903,392 | 42,346,312 | 43,513,161 | 47,616,074 |
| <u>36,259,792</u> | <u>42,951,240</u> | <u>51,414,207</u> | <u>54,774,328</u> | <u>76,416,348</u> | <u>77,489,227</u> |
| <u>\$ 97,277,134</u> | <u>\$ 98,704,166</u> | <u>\$ 95,876,795</u> | <u>\$ 93,769,393</u> | <u>\$ 127,043,306</u> | <u>\$ 130,971,319</u> |

St. Vrain Valley School District RE-1J
Financial Trends
Changes in Net Position
Accrual Basis of Accounting
Last Ten Fiscal Years
(Unaudited)

| | 2005 | 2006 | 2007 | 2008 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| Expenses | | | | |
| Governmental activities: | | | | |
| Instruction | \$ 95,661,489 | \$ 113,735,114 | \$ 115,031,293 | \$ 122,240,743 |
| Supporting services | 49,653,089 | 53,304,184 | 58,113,258 | 60,629,900 |
| Interest | 12,247,793 | 14,320,914 | 16,010,493 | 15,500,560 |
| Total governmental activities expenses | <u>157,562,371</u> | <u>181,360,212</u> | <u>189,155,044</u> | <u>198,371,203</u> |
| Business-type activities: | | | | |
| Food services | 4,885,656 | 5,873,965 | 6,368,635 | 7,069,557 |
| Total primary government expenses | <u>\$ 162,448,027</u> | <u>\$ 187,234,177</u> | <u>\$ 195,523,679</u> | <u>\$ 205,440,760</u> |
| Program Revenues | | | | |
| Governmental activities: | | | | |
| Charges for services | | | | |
| Tuition and fees | \$ 2,659,299 | \$ 3,280,966 | \$ 6,299,455 | \$ 7,167,010 |
| Internal charges (1) | 526,506 | 576,681 | 634,386 | 731,765 |
| Operating grants and contributions | 10,930,997 | 13,090,706 | 12,329,701 | 13,200,675 |
| Capital grants and contributions | 1,041,182 | 1,053,746 | 591,496 | 507,755 |
| Total governmental activities program revenues | <u>15,157,984</u> | <u>18,002,099</u> | <u>19,855,038</u> | <u>21,607,205</u> |
| Business-type activities: | | | | |
| Charges for services | 2,978,095 | 3,098,897 | 3,363,892 | 3,574,268 |
| Operating grants and contributions | 1,905,055 | 2,442,897 | 2,754,834 | 3,106,894 |
| Capital grants and contributions | - | - | - | - |
| Total business-type activities program revenues | <u>4,883,150</u> | <u>5,541,794</u> | <u>6,118,726</u> | <u>6,681,162</u> |
| Total primary government program revenues | <u>\$ 20,041,134</u> | <u>\$ 23,543,893</u> | <u>\$ 25,973,764</u> | <u>\$ 28,288,367</u> |
| Net (expense) / revenue | | | | |
| Governmental activities | \$ (142,404,387) | \$ (163,358,113) | \$ (169,300,006) | \$ (176,763,998) |
| Business-type activities | (2,506) | (332,171) | (249,909) | (388,395) |
| Total primary government net expense | <u>\$ (142,406,893)</u> | <u>\$ (163,690,284)</u> | <u>\$ (169,549,915)</u> | <u>\$ (177,152,393)</u> |
| General Revenues and Other Changes in Net Assets | | | | |
| Governmental activities: | | | | |
| Property taxes | \$ 71,791,304 | \$ 74,977,182 | \$ 77,555,794 | \$ 83,233,225 |
| Specific ownership taxes | 5,976,580 | 5,987,316 | 5,997,044 | 6,047,704 |
| Mill levy override | - | - | - | - |
| State equalization | 72,261,580 | 77,794,994 | 85,049,954 | 90,264,910 |
| Investment income | 2,285,218 | 2,511,220 | 4,805,951 | 4,350,866 |
| Other | 444,753 | 941,954 | 3,471,495 | 1,330,495 |
| Transfers | (340,410) | (310,317) | 1,095,313 | - |
| Total governmental activities | <u>152,419,025</u> | <u>161,902,349</u> | <u>177,975,551</u> | <u>185,227,200</u> |
| Business-type activities: | | | | |
| Investment income | 15,896 | 25,035 | 25,617 | 23,926 |
| Transfers | 340,410 | 310,317 | - | - |
| Total business-type activities | <u>356,306</u> | <u>335,352</u> | <u>25,617</u> | <u>23,926</u> |
| Total primary government | <u>\$ 152,775,331</u> | <u>\$ 162,237,701</u> | <u>\$ 178,001,168</u> | <u>\$ 185,251,126</u> |
| Change in Net Assets | | | | |
| Governmental activities | \$ 10,014,638 | \$ (1,455,764) | \$ 8,675,545 | \$ 8,463,202 |
| Business-type activities | 353,800 | 3,181 | (224,292) | (364,469) |
| Total primary government | <u>\$ 10,368,438</u> | <u>\$ (1,452,583)</u> | <u>\$ 8,451,253</u> | <u>\$ 8,098,733</u> |

Note 1: The classification of internal charges was changed in FY05.

| 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ 127,681,937 | \$ 136,783,787 | \$ 154,559,432 | \$ 156,466,950 | \$ 162,259,184 | \$ 178,639,344 |
| 69,745,866 | 106,835,640 | 92,466,787 | 87,621,269 | 82,910,079 | 102,775,349 |
| 15,845,498 | 19,182,556 | 20,837,721 | 20,839,718 | 20,383,627 | 19,739,295 |
| 213,273,301 | 262,801,983 | 267,863,940 | 264,927,937 | 265,552,890 | 301,153,988 |
| 7,825,813 | 7,795,085 | 8,155,509 | 8,338,941 | 8,550,602 | 8,878,049 |
| \$ 221,099,114 | \$ 270,597,068 | \$ 276,019,449 | \$ 273,266,878 | \$ 274,103,492 | \$ 310,032,037 |
| \$ 8,182,298 | \$ 11,324,592 | \$ 10,924,440 | \$ 12,478,933 | \$ 14,190,837 | \$ 15,704,630 |
| 1,892,602 | 2,033,494 | 1,594,055 | 1,731,141 | 1,557,178 | 1,517,636 |
| 14,558,258 | 19,607,144 | 26,905,761 | 19,577,033 | 19,285,254 | 25,359,439 |
| 199,537 | 452,712 | 334,803 | 514,826 | 742,088 | 1,022,765 |
| 24,832,695 | 33,417,942 | 39,759,059 | 34,301,933 | 35,775,357 | 43,604,470 |
| 3,776,079 | 3,911,304 | 3,709,186 | 3,804,775 | 3,448,430 | 3,879,122 |
| 3,661,169 | 4,206,325 | 4,878,818 | 4,884,351 | 5,035,106 | 5,052,608 |
| 312,655 | 135,146 | - | 364,451 | 109,033 | 15,396 |
| 7,749,903 | 8,252,775 | 8,588,004 | 9,053,577 | 8,592,569 | 8,947,126 |
| \$ 32,582,598 | \$ 41,670,717 | \$ 48,347,063 | \$ 43,355,510 | \$ 44,367,926 | \$ 52,551,596 |
| \$ (188,440,606) | \$ (229,384,041) | \$ (228,104,881) | \$ (230,626,004) | \$ (229,777,533) | \$ (257,549,518) |
| (75,910) | 457,690 | 432,495 | 714,636 | 41,967 | 69,077 |
| \$ (188,516,516) | \$ (228,926,351) | \$ (227,672,386) | \$ (229,911,368) | \$ (229,735,566) | \$ (257,480,441) |
| \$ 88,457,619 | \$ 91,637,477 | \$ 91,600,278 | \$ 94,238,488 | \$ 99,933,752 | \$ 96,794,464 |
| 6,054,107 | 6,023,739 | 5,805,254 | 5,920,333 | 7,090,842 | 8,241,096 |
| 15,923,875 | 17,385,887 | 17,180,635 | 17,108,522 | 31,646,447 | 32,675,735 |
| 100,658,351 | 110,042,029 | 101,290,756 | 103,622,720 | 108,346,576 | 119,131,699 |
| 1,690,910 | 1,361,173 | 2,014,620 | 952,516 | 770,928 | 447,054 |
| 2,798,656 | 3,902,508 | 6,952,806 | 5,960,237 | 15,218,992 | 6,677,328 |
| - | - | - | - | - | - |
| 215,583,518 | 230,352,813 | 224,844,349 | 227,802,816 | 263,007,537 | 263,967,376 |
| 5,535 | 570 | 666 | 1,150 | 1,942 | 1,157 |
| - | - | - | - | - | - |
| 5,535 | 570 | 666 | 1,150 | 1,942 | 1,157 |
| \$ 215,589,053 | \$ 230,353,383 | \$ 224,845,015 | \$ 227,803,966 | \$ 263,009,479 | \$ 263,968,533 |
| \$ 27,142,912 | \$ 968,772 | \$ (3,260,532) | \$ (2,823,188) | \$ 33,230,004 | \$ 6,417,858 |
| (70,375) | 458,260 | 433,161 | 715,786 | 43,909 | 70,234 |
| \$ 27,072,537 | \$ 1,427,032 | \$ (2,827,371) | \$ (2,107,402) | \$ 33,273,913 | \$ 6,488,092 |

St. Vrain Valley School District RE-1J
Financial Trends
Governmental Activities
Colorado Public School Finance Act Revenues by Source
Accrual Basis of Accounting
Last Ten Fiscal Years
(Unaudited)

| | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental activities: | | | | |
| Property taxes | \$ 71,791,304 | \$ 74,977,182 | \$ 77,555,794 | \$ 83,233,225 |
| Specific ownership taxes | 5,976,580 | 5,987,316 | 5,997,044 | 6,047,704 |
| State equalization | <u>72,261,580</u> | <u>77,794,994</u> | <u>85,049,954</u> | <u>90,264,910</u> |
| Total finance act revenues | <u>\$ 150,029,464</u> | <u>\$ 158,759,492</u> | <u>\$ 168,602,792</u> | <u>\$ 179,545,839</u> |
| Total governmental activities revenues (1) | \$ 167,577,009 | \$ 179,904,448 | \$ 197,830,589 | \$ 206,834,405 |
| Public School Finance Act revenues as percentage of total governmental activities revenues | 89.5% | 88.2% | 85.2% | 86.8% |

Note 1: Governmental activities revenues are a combination of
program revenues and general revenues as shown on page 98-99

| 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 88,457,619 | \$ 91,637,477 | \$ 91,600,278 | \$ 94,238,488 | \$ 99,933,752 | \$ 96,794,464 |
| 6,054,107 | 6,023,739 | 5,805,254 | 5,920,333 | 7,090,842 | 8,241,096 |
| 100,658,351 | 110,042,029 | 101,290,756 | 103,622,720 | 108,346,576 | 119,131,699 |
| <u>\$ 195,170,077</u> | <u>\$ 207,703,245</u> | <u>\$ 198,696,288</u> | <u>\$ 203,781,541</u> | <u>\$ 215,371,170</u> | <u>\$ 224,167,259</u> |
| | | | | | |
| \$ 240,416,213 | \$ 263,770,755 | \$ 264,603,408 | \$ 262,104,749 | \$ 298,782,894 | \$ 307,571,846 |
| | | | | | |
| 81.2% | 78.7% | 75.1% | 77.7% | 72.1% | 72.9% |

St. Vrain Valley School District RE-1J
Financial Trends
Fund Balances of Governmental Funds
Modified Accrual Basis of Accounting
Last Ten Fiscal Years (1)
(Unaudited)

| | 2005 | 2006 | 2007 | 2008 |
|------------------------------------|----------------------|----------------------|-----------------------|----------------------|
| General Fund | | | | |
| Nonspendable | \$ 398,272 | \$ 308,880 | \$ 358,352 | \$ 470,427 |
| Restricted | 21,994 | 62,808 | 3,586,569 | 3,335,550 |
| Committed | - | - | 182,924 | 1,430,725 |
| Assigned | 3,543,603 | 5,282,565 | 4,495,619 | 3,468,174 |
| Unassigned | - | 2,079,433 | 3,466,093 | 6,758,492 |
| Total General Fund | <u>\$ 3,963,869</u> | <u>\$ 7,733,686</u> | <u>\$ 12,089,557</u> | <u>\$ 15,463,368</u> |
| All Other Governmental Funds | | | | |
| Nonspendable | \$ 87,919 | \$ 38,576 | \$ 42,257 | \$ 42,257 |
| Restricted | 31,721,960 | 33,802,155 | 38,425,312 | 33,013,230 |
| Committed | 44,387,914 | 21,426,345 | 73,272,726 | 23,459,105 |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| Total all other governmental funds | <u>\$ 76,197,793</u> | <u>\$ 55,267,076</u> | <u>\$ 111,740,295</u> | <u>\$ 56,514,592</u> |

Note 1: The District implemented GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions* during FY11. However, the classifications of fund balance per GASB 54 are presented retroactively.

Note 2: Due to the successful passage of a mill levy override in Nov 2008 & 2012, the District assigned fund balance related to that purpose beginning FY09.

Note 3: The District transferred the Capital Reserve Fund from a special revenue fund type to a capital projects fund type during FY11 which impacted the reporting of some fund balance classifications within that fund.

| 2009 | 2010 | 2011 (3) | 2012 | 2013 | 2014 |
|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
| \$ 279,157 | \$ 368,341 | \$ 412,819 | \$ 436,926 | \$ 1,093,153 | \$ 550,152 |
| 5,887,253 | 7,012,090 | 7,152,152 | 7,058,536 | 7,253,916 | 8,255,777 |
| 4,637,168 | 6,448,562 | 6,797,608 | 12,435,243 | 14,714,696 | 16,712,437 |
| 21,235,851 (2) | 22,768,212 | 23,713,563 | 24,551,891 | 37,334,057 | 29,144,534 |
| 3,675,281 | 5,750,977 | 8,526,501 | 5,409,629 | 4,126,286 | 11,494,113 |
| <u>\$ 35,714,710</u> | <u>\$ 42,348,182</u> | <u>\$ 46,602,643</u> | <u>\$ 49,892,225</u> | <u>\$ 64,522,108</u> | <u>\$ 66,157,013</u> |
| | | | | | |
| \$ 42,257 | \$ 42,257 | \$ 42,257 | \$ 14,537 | \$ 14,537 | \$ 606,233 |
| 37,665,258 | 41,861,206 | 34,751,240 | 35,287,776 | 36,259,245 | 39,360,297 |
| 114,283,595 | 162,632,220 | 104,057,163 | 78,979,099 | 46,545,871 | 38,120,748 |
| - | - | 1,712,983 | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 151,991,110</u> | <u>\$ 204,535,683</u> | <u>\$ 140,563,643</u> | <u>\$ 114,281,412</u> | <u>\$ 82,819,653</u> | <u>\$ 78,087,278</u> |

St. Vrain Valley School District RE-1J
Financial Trends
Changes in Fund Balances of Governmental Funds
Modified Accrual Basis of Accounting
Last Ten Fiscal Years
(Unaudited)

| | 2005 | 2006 | 2007 | 2008 |
|---|------------------------|------------------------|-----------------------|------------------------|
| Revenues | | | | |
| Property taxes | \$ 71,172,100 | \$ 75,034,205 | \$ 75,761,142 | \$ 82,001,081 |
| Specific ownership taxes | 5,976,580 | 5,987,316 | 5,997,044 | 6,047,704 |
| Mill levy override | - | - | - | - |
| Investment income | 2,023,366 | 2,386,324 | 4,758,927 | 4,324,865 |
| Charges for service | 3,185,805 | 3,857,647 | 4,505,478 | 4,949,331 |
| Student activities (1) | - | - | 2,428,363 | 2,949,444 |
| Miscellaneous | 1,470,585 | 1,670,385 | 1,760,662 | 1,804,691 |
| Local intergovernmental | 8,350 | 22,619 | 32,296 | 33,559 |
| State intergovernmental | 75,947,775 | 82,136,479 | 90,760,436 | 96,769,997 |
| Federal intergovernmental | 7,244,802 | 8,749,221 | 7,577,197 | 7,720,045 |
| Total revenues | <u>\$ 167,029,363</u> | <u>\$ 179,844,196</u> | <u>\$ 193,581,545</u> | <u>\$ 206,600,717</u> |
| Expenditures | | | | |
| Instruction | \$ 91,027,699 | \$ 97,521,908 | \$ 102,077,107 | \$ 107,631,101 |
| Supporting services | 46,484,881 | 50,716,187 | 56,356,357 | 59,126,506 |
| Student activities (1) | - | - | 2,124,971 | 2,839,834 |
| Capital outlay | 44,165,547 | 25,050,564 | 12,796,447 | 54,797,679 |
| Debt service | | | | |
| Principal | 2,850,000 | 10,680,000 | 11,700,000 | 18,835,000 |
| Accrued interest | 4,380,000 | - | - | - |
| Interest, bond issuance costs, fiscal charges | 13,095,314 | 13,047,785 | 14,638,580 | 15,222,489 |
| Total expenditures | <u>\$ 202,003,441</u> | <u>\$ 197,016,444</u> | <u>\$ 199,693,462</u> | <u>\$ 258,452,609</u> |
| Excess of revenues over (under) expenditures | <u>(34,974,078)</u> | <u>(17,172,248)</u> | <u>(6,111,917)</u> | <u>(51,851,892)</u> |
| Other financing sources (uses) | | | | |
| Issuance of bonds, coupons | \$ 56,815,000 | \$ 43,455,000 | \$ 56,800,000 | \$ - |
| Premium received on issuance of bonds | 4,057,901 | 2,520,719 | 3,622,791 | - |
| Paid to bond agent | (47,074,703) | (45,964,371) | (479,707) | - |
| Proceeds from sale of land | 846,813 | - | 2,309,767 | - |
| Lease obligations | - | - | (473,254) | - |
| Transfers in (2) | 47,000 | 126,455 | 5,585,026 | 705,425 |
| Transfers out (2) | (47,000) | (126,455) | (423,614) | (705,425) |
| Total other financing sources (uses) | <u>\$ 14,645,011</u> | <u>\$ 11,348</u> | <u>\$ 66,941,009</u> | <u>\$ -</u> |
| Net change in fund balances | <u>\$ (20,329,067)</u> | <u>\$ (17,160,900)</u> | <u>\$ 60,829,092</u> | <u>\$ (51,851,892)</u> |
| Debt service as percentage of noncapital expenditures | <u>13.0%</u> | <u>13.0%</u> | <u>13.9%</u> | <u>16.6%</u> |

Note 1: Student Activities was a governmental fund (special revenue fund) until fiscal year 2002. Based on reassessment, the Agency Fund was split into a Special Revenue type and Agency type in fiscal year 2007. However, guidance provided by the Colo Dept of Education in fiscal year 2010 required the District to account for student activities in a special revenue fund.

Note 2: Transfers in may not equal transfers out due to transfers between governmental funds and other fund types.

| 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-----------------------|-----------------------|------------------------|------------------------|------------------------|-----------------------|
| \$ 87,124,649 | \$ 92,597,766 | \$ 92,576,990 | \$ 94,084,083 | \$ 97,617,286 | \$ 97,868,432 |
| 6,054,107 | 6,023,739 | 5,805,254 | 5,920,333 | 7,090,842 | 8,241,096 |
| 15,923,875 | 17,385,887 | 17,180,635 | 17,108,522 | 31,646,447 | 32,675,735 |
| 1,690,910 | 1,361,173 | 2,014,620 | 952,516 | 768,369 | 441,771 |
| 7,072,297 | 7,492,878 | 7,572,312 | 8,823,864 | 9,657,975 | 11,233,462 |
| 3,002,603 | 5,865,208 | 5,273,683 | 5,386,210 | 6,090,040 | 5,988,804 |
| 2,643,533 | 4,210,074 | 6,398,209 | 5,962,833 | 5,870,507 | 7,684,697 |
| 24,271 | 10,000 | 889,400 | 147,779 | 149,260 | - |
| 106,647,109 | 116,754,564 | 108,561,877 | 111,631,898 | 115,745,102 | 129,412,975 |
| 8,569,500 | 12,894,609 | 19,634,640 | 11,567,855 | 11,886,728 | 15,078,163 |
| <u>\$ 238,752,854</u> | <u>\$ 264,595,898</u> | <u>\$ 265,907,620</u> | <u>\$ 261,585,893</u> | <u>\$ 286,522,556</u> | <u>\$ 308,625,135</u> |
| | | | | | |
| \$ 118,531,065 | \$ 136,127,577 | \$ 137,948,105 | \$ 135,709,381 | \$ 139,805,061 | \$ 155,545,205 |
| 65,842,654 | 106,358,121 | 82,318,652 | 80,315,183 | 80,357,118 | 100,099,062 |
| 3,317,010 | 5,588,472 | 5,351,321 | 4,544,634 | 5,047,925 | 5,737,781 |
| 11,845,608 | 11,933,633 | 63,702,969 | 28,764,568 | 39,198,675 | 16,466,640 |
| | | | | | |
| 11,045,000 | 11,695,000 | 12,560,000 | 13,060,000 | 13,870,000 | 13,360,000 |
| - | - | - | - | - | - |
| 16,214,243 | 19,906,806 | 23,023,214 | 22,209,181 | 21,597,766 | 20,513,917 |
| <u>\$ 226,795,580</u> | <u>\$ 291,609,609</u> | <u>\$ 324,904,261</u> | <u>\$ 284,602,947</u> | <u>\$ 299,876,545</u> | <u>\$ 311,722,605</u> |
| | | | | | |
| 11,957,274 | (27,013,711) | (58,996,641) | (23,017,054) | (13,353,989) | (3,097,470) |
| | | | | | |
| \$ 104,000,000 | \$ 85,000,000 | \$ 65,505,000 | \$ 35,395,000 | \$ - | \$ - |
| 504,199 | 1,191,756 | 8,370,336 | 4,224,186 | - | - |
| (751,347) | - | (74,596,274) | (39,594,781) | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 377,825 | 675,521 | 5,034,643 | 217,592 | 3,972 | 50,123 |
| (360,091) | (675,521) | (5,034,643) | (217,592) | (3,481,859) | (50,123) |
| <u>\$ 103,770,586</u> | <u>\$ 86,191,756</u> | <u>\$ (720,938)</u> | <u>\$ 24,405</u> | <u>\$ (3,477,887)</u> | <u>\$ -</u> |
| | | | | | |
| <u>\$ 115,727,860</u> | <u>\$ 59,178,045</u> | <u>\$ (59,717,579)</u> | <u>\$ (22,992,649)</u> | <u>\$ (16,831,876)</u> | <u>\$ (3,097,470)</u> |
| | | | | | |
| <u>12.9%</u> | <u>12.0%</u> | <u>13.5%</u> | <u>13.2%</u> | <u>13.2%</u> | <u>12.1%</u> |

St. Vrain Valley School District RE-1J
Financial Trends
Governmental Activities
Colorado Public School Finance Act Revenues by Source
Modified Accrual Basis of Accounting
Last Ten Fiscal Years
(Unaudited)

| | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental activities: | | | | |
| Property taxes | \$ 71,172,100 | \$ 75,034,205 | \$ 75,761,142 | \$ 82,001,081 |
| Specific ownership taxes | 5,976,580 | 5,987,316 | 5,997,044 | 6,047,704 |
| State equalization | 72,261,580 | 77,794,994 | 85,049,954 | 90,264,910 |
| Total finance act revenues | <u>\$ 149,410,260</u> | <u>\$ 158,816,515</u> | <u>\$ 166,808,140</u> | <u>\$ 178,313,695</u> |
| Total revenues (1) | \$ 167,029,363 | \$ 179,844,196 | \$ 193,581,545 | \$ 206,600,717 |
| Public School Finance Act revenues as percentage of total governmental funds revenues | 89.5% | 88.3% | 86.2% | 86.3% |

Note 1: As shown on the Changes in Fund Balances of Governmental Funds schedule, pages 104-105

| <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 87,124,649 | \$ 92,597,766 | \$ 92,576,990 | \$ 94,084,083 | \$ 97,617,286 | \$ 97,868,432 |
| 6,054,107 | 6,023,739 | 5,805,254 | 5,920,333 | 7,090,842 | 8,241,096 |
| <u>100,658,351</u> | <u>110,042,029</u> | <u>101,290,756</u> | <u>103,622,720</u> | <u>108,346,576</u> | <u>119,131,699</u> |
| <u>\$ 193,837,107</u> | <u>\$ 208,663,534</u> | <u>\$ 199,673,000</u> | <u>\$ 203,627,136</u> | <u>\$ 213,054,704</u> | <u>\$ 225,241,227</u> |
| | | | | | |
| \$ 238,752,854 | \$ 264,595,898 | \$ 265,907,620 | \$ 261,585,893 | \$ 286,522,556 | \$ 308,625,135 |
| | | | | | |
| 81.2% | 78.9% | 75.1% | 77.8% | 74.4% | 73.0% |

St. Vrain Valley School District RE-1J
Revenue Capacity
Assessed Value and Estimated Actual Value of Taxable Property
(in thousands)
Last Ten Fiscal Years
(Unaudited)

| Levy Year | Collection Year | Residential Property | Commercial Property | Industrial Property | Vacant Property | Oil & Gas | Public Utilities |
|--------------|--------------------|-------------------------|------------------------|------------------------|--------------------|-----------|---------------------|
| 2004 | 2005 | \$ 958,990 | \$ 360,142 | \$ 238,212 | \$ 116,065 | \$ 74,077 | \$ 29,780 |
| 2005 | 2006 | 1,020,421 | 380,937 | 228,926 | 117,693 | 100,358 | 31,745 |
| 2006 | 2007 | 1,081,625 | 394,898 | 241,150 | 111,786 | 145,259 | 31,491 |
| 2007 | 2008 | 1,182,053 | 431,564 | 263,541 | 122,165 | 158,746 | 34,415 |
| 2008 | 2009 | 1,204,677 | 455,285 | 280,041 | 112,331 | 150,442 | 37,266 |
| 2009 | 2010 | 1,177,329 | 498,179 | 291,190 | 102,235 | 266,758 | 42,434 |
| 2010 | 2011 | 1,187,067 | 570,059 | 220,668 | 98,862 | 217,263 | 44,690 |
| 2011 | 2012 | 1,143,172 | 550,254 | 205,539 | 76,411 | 312,960 | 48,052 |
| 2012 | 2013 | 1,007,602 | 573,511 | 178,137 | 53,144 | 484,467 | 141,099 |
| 2013 | 2014 | 1,158,066 | 557,650 | 209,886 | 69,100 | 359,581 | 54,164 |

Note 1: Includes the override mill levy approved by voters at the 2008 Election

Note 2: Includes the override mill levy approved by voters at the 2008 and 2012 Elections

Note 3: Boulder County's assessed value was updated subsequent to the District's Board of Education certification.

The amounts shown above reflect the Board certified amounts.

Source: Assessors' Offices of Boulder, Larimer, and Weld Counties, and
City and County of Broomfield

| Agriculture | | Natural Resources | | Total Taxable Assessed Value (1) | Total Direct Tax Rate | Estimated Actual Taxable Value (1) | Assessed Value as a Percentage of Actual Value |
|-------------|--------|-------------------|-------|----------------------------------|-----------------------|------------------------------------|--|
| \$ | 11,875 | \$ | 5,453 | \$ 1,794,594 | \$ 40.089 | \$ 14,349,937 | 12.51% |
| | 14,382 | | 4,930 | 1,899,392 | 39.982 | 15,258,797 | 12.45% |
| | 13,499 | | 4,880 | 2,024,588 | 38.035 | 16,152,649 | 12.53% |
| | 14,752 | | 5,333 | 2,212,569 | 37.798 | 17,713,708 | 12.49% |
| | 23,999 | | 6,530 | 2,270,571 | 46.285 (1) | 18,182,936 | 12.49% |
| | 17,168 | | 6,995 | 2,402,288 | 46.268 (1) | 18,423,291 | 13.04% |
| | 16,517 | | 5,174 | 2,360,300 | 46.837 (1) | 18,488,567 | 12.77% |
| | 18,526 | | 4,894 | 2,359,808 | 47.614 (1) | 17,863,544 | 13.21% |
| | 20,548 | | 2,204 | 2,460,712 | 53.500 (2) | 18,121,027 | 13.58% |
| | 21,464 | | 5,035 | 2,434,946 | 53.679 (2) | 18,177,477 | 13.40% |

St. Vrain Valley School District RE-1J
Revenue Capacity
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
(Unaudited)

| Levy Year | Collection Year | General Operating Millage | Debt Service Millage | Total School District Millage | Boulder County Millage | Weld County Millage | Larimer County Millage | Broomfield County Millage | Total County Millage | City of Longmont Millage |
|--------------|--------------------|---------------------------------|----------------------------|--|------------------------------|---------------------------|------------------------------|---------------------------------|----------------------------|--------------------------------|
| 2004 | 2005 | 25.859 | 14.230 | 40.089 | 21.267 | 19.957 | 22.517 | 28.968 | 92.709 | 13.420 |
| 2005 | 2006 | 25.752 | 14.230 | 39.982 | 21.867 | 17.900 | 22.541 | 28.968 | 91.276 | 13.420 |
| 2006 | 2007 | 25.285 | 12.750 | 38.035 | 22.467 | 16.804 | 22.410 | 28.968 | 90.649 | 13.420 |
| 2007 | 2008 | 25.048 | 12.750 | 37.798 | 22.467 | 16.804 | 22.414 | 28.968 | 90.653 | 13.420 |
| 2008 | 2009 | 32.415 | 13.870 | 46.285 | 23.067 | 16.804 | 22.395 | 28.968 | 91.234 | 13.420 |
| 2009 | 2010 | 32.398 | 13.870 | 46.268 | 23.667 | 16.804 | 22.435 | 28.968 | 91.874 | 13.420 |
| 2010 | 2011 | 32.537 | 14.300 | 46.837 | 24.645 | 16.804 | 22.524 | 28.968 | 92.941 | 13.420 |
| 2011 | 2012 | 32.474 | 15.140 | 47.614 | 24.645 | 16.804 | 22.472 | 28.968 | 92.889 | 13.420 |
| 2012 | 2013 | 38.700 | 14.800 | 53.500 | 24.645 | 16.804 | 22.520 | 28.968 | 92.937 | 13.420 |
| 2013 | 2014 | 38.879 | 14.800 | 53.679 | 25.120 | 16.804 | 22.424 | 28.968 | 93.316 | 13.420 |

Source: Assessors' Offices of Boulder, Larimer, and Weld Counties, and
Central Records Office of the City and County of Broomfield

St. Vrain Valley School District RE-1J
Revenue Capacity
Principal Taxpayers of the Boulder/Longmont Area
Current Year and Nine Years Ago
(Unaudited)

| Taxpayer | 2005 | | | 2014 | | |
|------------------------------------|--|------|--|--|------|--|
| | 2004 Taxable Assessed Valuation | Rank | Percent of Total District Taxable Assessed Value (1) | 2013 Taxable Assessed Valuation | Rank | Percent of Total District Taxable Assessed Value (2) |
| Kerr-McGee Rocky Mtn. Corp. | \$ 28,588,730 | 3 | 1.60% | \$ 192,417,396 | 1 | 7.96% |
| Encana Oil & Gas (USA) Inc. | 18,278,270 | 5 | 1.02% | 92,554,383 | 2 | 3.83% |
| Pratt Land Limited Liability Co. | 35,358,980 | 2 | 1.98% | | | |
| Noble Energy, Inc. | | | | 30,321,781 | 3 | 1.25% |
| Amgen Inc. | 44,755,070 | 1 | 2.51% | 27,185,705 | 4 | 1.12% |
| Seagate Technology LLC | 20,635,440 | 4 | 1.16% | 20,828,596 | 5 | 0.86% |
| Longmont Diagonal Investments LP | | | | 19,208,441 | 6 | 0.79% |
| Public Service Co. nka Xcel Energy | | | | 17,286,204 | 7 | 0.71% |
| Xilinx Inc. | 9,955,320 | 6 | 0.56% | 15,398,012 | 8 | 0.64% |
| Hub Properties Trust | | | | 11,233,615 | 9 | 0.46% |
| Qwest Corporation | 9,938,330 | 7 | 0.56% | | | |
| Patina Oil & Gas Corporation | 9,872,260 | 8 | 0.55% | | | |
| Ramco-Gershenson Properties LP | | | | 9,655,458 | 10 | 0.40% |
| Maxtor Corporation | 9,093,999 | 9 | 0.51% | | | |
| Twin Peaks Mall Associated Ltd. | 8,229,210 | 10 | 0.46% | | | |
| Total | <u>\$ 194,705,609</u> | | <u>10.91%</u> | <u>\$ 436,089,591</u> | | <u>18.02%</u> |

Note 1: Based on a 2004 certified assessed valuation of \$1,785,426,785

Note 2: Based on a 2013 certified assessed valuation of \$2,417,705,834

Source: Assessors' Offices of Boulder, Larimer, and Weld Counties, and
Central Records Office of the City and County of Broomfield

St. Vrain Valley School District RE-1J
Revenue Capacity
Property Tax Levied and Collected - All Funds
Last Ten Fiscal Years
(Unaudited)

| Levy Year | Collection Year | Total Tax Levy | Current Tax Collections | Percent of Levy Collected | Delinquent Tax Collections | Total Tax Collections | Percent of Total Tax Collection to Levy | Outstanding Delinquent Taxes (1), (2) |
|-----------|-----------------|----------------|-------------------------|---------------------------|----------------------------|-----------------------|---|---------------------------------------|
| 2004 | 2005 | \$ 71,575,974 | \$ 69,356,553 | 96.90% | \$ 1,621,778 | \$ 70,978,331 | 99.17% | \$ 2,219,422 |
| 2005 | 2006 | 75,501,852 | 73,248,325 | 97.02% | 1,489,807 | 74,738,132 | 98.99% | 2,253,528 |
| 2006 | 2007 | 76,540,145 | 73,647,406 | 96.22% | 1,847,549 | 75,494,955 | 98.63% | 2,892,740 |
| 2007 | 2008 | 83,603,063 | 80,083,112 | 95.79% | 1,766,634 | 81,849,746 | 97.90% | 3,519,950 |
| 2008 | 2009 | 104,326,045 | 99,523,612 | 95.40% | 2,206,238 | 101,729,849 | 97.51% | 4,802,434 |
| 2009 | 2010 | 110,323,836 | 106,309,890 | 96.36% | 3,305,101 | 109,614,992 | 99.36% | 4,013,945 |
| 2010 | 2011 | 109,541,888 | 106,266,524 | 97.01% | 3,185,425 | 109,451,949 | 99.92% | 3,275,364 |
| 2011 | 2012 | 111,346,454 | 107,891,736 | 96.90% | 2,892,256 | 110,783,992 | 99.49% | 3,454,718 |
| 2012 | 2013 | 130,357,471 | 124,794,137 | 95.73% | 2,314,277 | 127,108,414 | 97.51% | 5,563,334 |
| 2013 | 2014 | 129,922,153 | 125,627,203 | 96.69% | 2,459,347 | 128,086,550 | 98.59% | 4,294,950 |

Note 1: Outstanding delinquent taxes are considered relatively minor and are not obtainable from the country treasurers.

Note 2: These outstanding delinquent taxes are included in property taxes receivable.

Source: Assessors' Offices of Boulder, Weld and Larimer Counties, Central Records Office of the City and County of Broomfield, and St. Vrain Valley School District RE-1J

St. Vrain Valley School District RE-1J
Debt Capacity
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Governmental Activities | | | | Percentage of Average Personal Income (2) | Per Capita (2) |
|----------------|--------------------------------|-------------------|-----------------------|----------------|---|-------------------|
| | General Obligation Bonds | Capital Leases | Registered Coupons | Total | | |
| 2005 | \$ 283,890,000 | \$ 2,827,263 | \$ - | \$ 286,717,263 | 3.9% | \$ 2,043 |
| 2006 | 272,770,000 | 2,244,163 | - | 275,014,163 | 3.5% | 1,934 |
| 2007 | 317,870,000 | 1,628,544 | - | 319,498,544 | 3.8% | 2,185 |
| 2008 | 299,035,000 | 1,013,917 | - | 300,048,917 | 3.4% | 2,015 |
| 2009 | 391,990,000 | 623,268 | - | 392,613,268 | 4.5% | 2,601 |
| 2010 | 465,295,000 | 755,927 | - | 466,050,927 | 5.2% | 3,027 |
| 2011 | 451,865,000 | - | - | 451,865,000 | 4.8% | 2,877 |
| 2012 | 438,795,000 | - | 700,000 | 439,495,000 | 4.4% | 2,764 |
| 2013 | 424,925,000 | 924,117 | 300,000 | 426,149,117 | (1) | 2,621 |
| 2014 | 411,565,000 | 736,161 | 300,000 | 412,601,161 | (1) | 2,525 |

Note 1: Personal income data for 2012 and 2013 not available

Note 2: Personal Income and Per Capita data from the Demographic and Economic Information
on pages 118-119

Source: District's financial records

St. Vrain Valley School District RE-1J
Debt Capacity
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

| Levy Year | Collection Year | General Obligation Bonds | Less Debt Service Funds | Net Bonded Debt | Percentage of Estimated Actual Taxable Value (1) of Property | Per Capita (2) |
|--------------|--------------------|--------------------------------|----------------------------|--------------------|--|-------------------|
| 2004 | 2005 | \$ 283,890,000 | \$ 28,636,780 | \$ 255,253,220 | 1.78% | 1,819 |
| 2005 | 2006 | 272,770,000 | 32,201,074 | 240,568,926 | 1.58% | 1,692 |
| 2006 | 2007 | 317,870,000 | 32,506,943 | 285,363,057 | 1.77% | 1,952 |
| 2007 | 2008 | 299,035,000 | 27,000,135 | 272,034,865 | 1.54% | 1,827 |
| 2008 | 2009 | 391,990,000 | 30,801,518 | 361,188,482 | 1.99% | 2,393 |
| 2009 | 2010 | 465,295,000 | 32,890,953 | 432,404,047 | 2.35% | 2,808 |
| 2010 | 2011 | 451,865,000 | 30,081,745 | 421,783,255 | 2.28% | 2,686 |
| 2011 | 2012 | 438,795,000 | 30,163,653 | 408,631,347 | 2.29% | 2,570 |
| 2012 | 2013 | 424,925,000 | 30,558,380 | 394,366,620 | 2.18% | 2,426 |
| 2013 | 2014 | 411,565,000 | 32,700,504 | 378,864,496 | 2.08% | 2,319 |

Note 1: Refer to Assessed and Estimated Actual Values of Taxable Property schedule on page 108-109

Note 2: Population data is in the Demographic and Economic Information on page 118-119

Source: District's financial records

St. Vrain Valley School District RE-1J
Debt Capacity
Direct and Overlapping Governmental Activities Debt
As of June 30, 2014
(Unaudited)

| Name of Overlapping Entity | 2013 Assessed Valuation | Outstanding General Obligation Debt | Outstanding General Obligation Debt Attributable to the District | |
|---|----------------------------|--|--|-----------------------|
| | | | Percent | Amount |
| Berthoud Fire Protection District | \$ 209,092,024 | \$ 730,000 | 10.68% | \$ 77,964 |
| City of Boulder | 2,567,474,742 | 20,410,000 | 0.91% | 185,731 |
| Carbon Valley Park & Recreation District | 390,324,640 | 5,510,000 | 63.06% | 3,474,606 |
| Central Colorado Water Conservancy | 2,546,758,328 | 29,250,000 | 0.01% | 2,925 |
| City of Dacono | 50,744,024 | 3,978,579 | 44.63% | 1,775,640 |
| Town of Erie | 241,094,493 | 20,825,000 | 83.32% | 17,351,390 |
| Erie Commons Metro District No. 1 | 10 | 23,235,000 | 100.00% | 23,235,000 |
| Frederick-Firestone Fire Protection Dist. | 343,852,861 | 2,475,000 | 66.97% | 1,657,508 |
| Harvest Junction Metropolitan District | 18,947,028 | 8,100,000 | 100.00% | 8,100,000 |
| Left Hand Water & Sanitation District | 5,180,244 | 113,849 | 100.00% | 113,849 |
| Liberty Ranch Metropolitan District | 7,175,849 | 4,755,000 | 100.00% | 4,755,000 |
| Lyons Fire Protection District | 54,878,554 | 715,000 | 98.97% | 707,636 |
| Mead Western Meadows Metro District | 3,241,400 | 3,195,000 | 100.00% | 3,195,000 |
| North Metro Fire Rescue Authority | 1,147,255,121 | 21,875,000 | 95.99% | 20,997,813 |
| Northern Colorado Water Cons. District | 14,594,645,974 | 4,410,011 | 14.06% | 620,048 |
| Palisade Metropolitan District No. 2 | 4,736,949 | 3,800,000 | 100.00% | 3,800,000 |
| Stoneridge Metropolitan District | 6,690,760 | 3,850,000 | 95.34% | 3,670,590 |
| Sweetgrass Metropolitan District No. 2 | 6,892,739 | 2,750,000 | 0.03% | 825 |
| Vista Ridge Metropolitan District | 50,219,898 | 905,000 | 100.00% | 905,000 |
| Wildflower Metropolitan District No. 1 | 126,658 | 312,100 | 100.00% | 312,100 |
| Wyndham Hill Metropolitan District No. 2 | 7,219,655 | 3,370,000 | 100.00% | 3,370,000 |
| Total overlapping debt | | | | 98,308,625 |
| Direct debt of the District | | | | 411,565,000 |
| Total direct and overlapping debt | | | | <u>\$ 509,873,625</u> |

This chart includes a summary of the estimated overlapping general obligation debt, as of December 31, 2013, of those entities with the authority to levy property taxes which are located wholly or partially within the District. Also, shown is the percentage and amount of the total estimated outstanding general obligation debt of these entities, inclusive and exclusive of estimated general obligation under debt, which is chargeable to property located within the District's boundaries. Because no single parcel of property located within the District's boundaries is located within every entity shown on the chart, the chart is not indicative of the actual or potential tax burden upon any single parcel of property located within the District's boundaries. The District is not financially or legally obligated with regard to any of the indebtedness shown on the chart.

Source: Individual governmental entities

St. Vrain Valley School District RE-1J
Debt Capacity
Legal Debt Margin
Last Ten Fiscal Years
(Unaudited)

| | 2005 | 2006 | 2007 | 2008 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Debt Limit | \$ 860,996,213 | \$ 915,527,849 | \$ 969,158,919 | \$ 442,367,652 |
| Total net debt applicable to limit | 283,890,000 | 272,770,000 | 317,870,000 | 299,035,000 |
| Legal debt margin | <u>\$ 577,106,213</u> | <u>\$ 642,757,849</u> | <u>\$ 651,288,919</u> | <u>\$ 143,332,652</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 33.0% | 29.8% | 32.8% | 67.6% |

Fiscal Year 2014 Calculation

Under the Colorado Public School Finance Act of 1994, the limitation on bonded indebtedness is the greater of 20 percent of assessed value or 6 percent of actual value.

| | Assessed Value | Actual Value |
|---|----------------------|-----------------------|
| Assessed or Estimated Actual Value | \$ 2,420,353,468 (1) | \$ 18,177,477,291 |
| Debt Limit Percentage | 20.00% (2) | 6.00% |
| Legal debt limit | 484,070,694 | 1,090,648,637 |
| Amount of debt applicable to debt limit: Total bonded debt as of June 30, 2014 | <u>411,565,000</u> | <u>411,565,000</u> |
| Legal debt margin | <u>\$ 72,505,694</u> | <u>\$ 679,083,637</u> |

Note 1: The assessed valuation shown here includes \$24,123,595 of assessed valuation attributable to the tax increment financing district (Longmont Downtown Development Authority and the Broomfield Urban Renewal Authority) located within the District. An additional slight difference is due to adjustment to the various County Assessors' compilations of the above information.

Note 2: Although the District qualifies for the legal debt margin based on 6% of the actual value, it has taken a conservative posture by limiting its debt based on 20% of the assessed value.

Note 3: Boulder County's assessed value was updated subsequent to the District's Board of Education certification. The assessed value shown above in the FY14 calculation reflects the subsequently corrected amount.

Source: Assessors' Offices of Boulder, Larimer, and Weld Counties,
City and County of Broomfield, and St. Vrain Valley School District RE-1J

| <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 454,114,207 | \$ 480,457,607 | \$ 472,060,055 | \$ 471,961,545 | \$ 492,142,370 | \$ 484,070,694 |
| 391,990,000 | 465,295,000 | 451,865,000 | 438,795,000 | 424,925,000 | 411,565,000 |
| <u>\$ 62,124,207</u> | <u>\$ 15,162,607</u> | <u>\$ 20,195,055</u> | <u>\$ 33,166,545</u> | <u>\$ 67,217,370</u> | <u>\$ 72,505,694</u> |
| 86.3% | 96.8% | 95.7% | 93.0% | 86.3% | 85.0% |

St. Vrain Valley School District RE-1J
Demographic and Economic Information
Last Ten Years (as available)
(Unaudited)

Population District-wide

| | 2005 | 2006 | 2007 | 2008 |
|--|---------|---------|---------|---------|
| | 140,363 | 142,172 | 146,193 | 148,920 |

Source: Estimates compiled by District Planning Office using data from the Colorado Department of Local Affairs, Denver Regional Council of Governments, US Census Bureau, and various local governments.

Personal Income (expressed in thousands) by County

| | 2005 | 2006 | 2007 | 2008 |
|----------------|---------------------|---------------------|---------------------|---------------------|
| Boulder | \$ 12,815,298 | \$ 14,192,102 | \$ 14,841,031 | \$ 15,039,895 |
| Broomfield (1) | 1,550,383 | 1,694,754 | 1,918,571 | 2,023,405 |
| Larimer | 9,330,387 | 9,953,554 | 10,541,856 | 11,378,132 |
| Weld | 5,668,873 | 5,919,700 | 6,384,960 | 7,067,989 |
| Average | <u>\$ 7,341,235</u> | <u>\$ 7,940,028</u> | <u>\$ 8,421,605</u> | <u>\$ 8,877,355</u> |

Source: United States Department of Commerce, Bureau of Economic Analysis
Data subject to revision; not available for 2010 and beyond.

Annual Per Capita Personal Income by County

| | 2005 | 2006 | 2007 | 2008 |
|----------------|------------------|------------------|------------------|------------------|
| Boulder | \$ 45,849 | \$ 49,628 | \$ 51,388 | \$ 50,058 |
| Broomfield (1) | 35,743 | 32,949 | 35,781 | 36,915 |
| Larimer | 34,323 | 35,397 | 36,766 | 38,848 |
| Weld | 24,846 | 26,002 | 26,314 | 28,402 |
| Average | <u>\$ 35,190</u> | <u>\$ 35,994</u> | <u>\$ 37,562</u> | <u>\$ 38,556</u> |

Source: United States Department of Commerce, Bureau of Economic Analysis
Data subject to revision; not available for 2010 and beyond.

- Note: 1 City and County of Broomfield was formed in 2001. Personal income and annual per capita personal income not available for 2001.
- Note 2: Prior years have been modified by the Bureau based on updated information. However, data above is shown as it has been reported in previous CAFRs.

| <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 150,949 | 153,967 | 157,047 | 159,000 | 162,579 | 163,400 |

| <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> |
|---------------------|---------------------|---------------------|----------------------|
| \$ 14,584,246 | \$ 14,786,545 | \$ 15,535,659 | \$ 16,417,561 |
| 2,079,193 | 2,115,979 | 2,345,227 | 2,701,856 |
| 11,291,870 | 11,585,090 | 12,149,896 | 12,826,581 |
| 6,925,906 | 7,326,422 | 7,755,562 | 8,347,637 |
| <u>\$ 8,720,304</u> | <u>\$ 8,953,509</u> | <u>\$ 9,446,586</u> | <u>\$ 10,073,409</u> |

| <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> |
|------------------|------------------|------------------|------------------|
| \$ 48,056 | \$ 50,095 | \$ 51,893 | \$ 53,772 |
| 37,135 | 37,709 | 40,892 | 46,346 |
| 37,844 | 38,546 | 39,767 | 41,311 |
| 27,186 | 28,817 | 29,986 | 31,657 |
| <u>\$ 37,555</u> | <u>\$ 38,792</u> | <u>\$ 40,635</u> | <u>\$ 43,272</u> |

St. Vrain Valley School District RE-1J
Demographic and Economic Information (continued)
Last Ten Years
(Unaudited)

Median Age by County

| | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> |
|------------|-------------|-------------|-------------|-------------|-------------|
| Boulder | 35.1 | 35.5 | 35.8 | 36.1 | 36.3 |
| Broomfield | 34.2 | 34.5 | 34.7 | 34.9 | 35.5 |
| Larimer | 34.5 | 34.9 | 35.1 | 35.2 | 35.5 |
| Weld | 31.2 | 31.3 | 31.5 | 31.7 | 31.8 |

Source: Colorado Department of Local Affairs, Division of Local Government

Annual Unemployment Rate by County (1)

| | | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> |
|------------|-----|-------------|-------------|-------------|-------------|-------------|
| Boulder | (2) | 4.5% | 4.1% | 3.3% | 4.8% | 6.6% |
| Broomfield | (3) | 4.7% | 4.7% | 3.8% | 5.4% | 7.5% |
| Larimer | (4) | 4.4% | 4.2% | 3.4% | 4.7% | 6.6% |
| Weld | (5) | 5.1% | 5.0% | 4.2% | 5.6% | 8.8% |

Note 1: Figures for the Counties are not seasonally adjusted

Note 2: Boulder County includes Boulder-Longmont Metropolitan Statistical Area (MSA)

Note 3: Broomfield County, which was formed in November 2001, includes City of Broomfield

Note 4: Larimer County includes the Ft Collins/Loveland MSA

Note 5: Weld County includes the Greeley MSA

Note 6: Information is based on mid-calendar year calculation, not annual averages

Source: U.S. or Colorado Department of Labor & Employment, Labor Force Averages

| 2010 | 2011 | 2012 | 2013 | 2014 |
|------|------|------|------|------|
| 37.0 | 37.3 | 36.5 | 36.6 | 37.2 |
| 35.8 | 36.1 | 36.9 | 37.0 | 37.3 |
| 36.3 | 36.7 | 35.8 | 35.9 | 36.4 |
| 32.4 | 32.6 | 33.6 | 33.8 | 33.9 |

| 2010 | 2011 | 2012 | 2013 | 2014 (6) |
|-------|------|------|------|----------|
| 7.1% | 6.6% | 6.1% | 6.1% | 4.3% |
| 7.9% | 7.7% | 7.1% | 7.1% | 4.7% |
| 7.4% | 6.9% | 6.4% | 6.2% | 4.2% |
| 10.2% | 9.7% | 8.7% | 8.3% | 5.4% |

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St. Vrain Valley School District RE-1J
Demographic and Economic Information
Major Private and Public Employers (1)
Boulder County and the City and County of Broomfield Combined
Current Year and Nine Years Ago
(Unaudited)

| Employer | Product of Service | 2005 | | 2014 | |
|--------------------------------|---|---|------|---|------|
| | | Estimated Number of Employees (2) | Rank | Estimated Number of Employees (2) | Rank |
| IBM Corp. | Computer systems and services | 4,700 | 1 | 2,800 | 1 |
| Level 3 Communications Inc. | Communication/fiberoptic network | 2,200 | 4 | 2,370 | 2 |
| Boulder Community Hospital | Healthcare | | | 2,260 | 3 |
| Oracle Corp. | Network computer systems/software | 3,100 | 2 | 1,980 | 4 |
| Storage Technology Corp. | Data storage products | 1,800 | 5 | | |
| Covidien (parent of Valleylab) | Surgical solution products | 900 | 10 | 1,760 | 5 |
| Exempla Good Samaritan Medical | Healthcare | | | 1,480 | 6 |
| Ball Corp. | Areospace instruments and data systems | 2,600 | 3 | 1,440 | 7 |
| Urban Lending Solutions | Mortgage industry professional services | | | 1,390 | 8 |
| Seagate Technology | Computer hard disc drives | 1,200 | 6 | 1,370 | 9 |
| Longmont United Hospital | Healthcare | | | 1,250 | 10 |
| Safeway Inc. | Food and drug retail | 1,049 | 7 | | |
| Hunter Douglas Inc., | Window louvers | 968 | 8 | | |
| ConAgra Foods | Food (turkey) products | 950 | 9 | | |
| | | <u>19,467</u> | | <u>18,100</u> | |

Note 1: Data in prior year may only include private sector employers

Note 2: Figures reflect early or mid-year calendar year employment data and are not restricted to full-time employees only.

Source: 2014 figures as of May 2014 from the Development Research Partners as posted by Metro Denver Economic Development Corp; and Longmont Area Economic Council
2005 data from The Daily Camera, "Top 50 Boulder and Broomfield County Employers," June 7, 2004

St. Vrain Valley School District RE-1J
Operating Information
Full-Time Equivalent (FTE) District Employees by Function (1)
Last Ten Fiscal Years
(Unaudited)

| Function | Description | 2005 | 2006 | 2007 |
|------------------------------------|--|--------------|--------------|--------------|
| Direct Instruction | Classroom teachers, special education and English as a Second Language teachers, teachers' aides, librarians (3), counselors (3) | 1,534 | 1,515 | 1,571 |
| Classroom Support | Librarians (3), counselors (3), school principals and assistant principals, support staff including speech services, attendance, and extra-curricular activities | 386 | 381 | 395 |
| Building Support | Student transportation, utilities, maintenance, custodial services, printing, purchasing, technology services, etc. | 311 | 307 | 319 |
| Central Support/ Administration | Human resources, finance, payroll, budgeting, legal, clerical support, supervision of instruction, public information, superintendent's office, etc. | 30 | 30 | 31 |
| Total FTE | | <u>2,261</u> | <u>2,234</u> | <u>2,316</u> |

Note 1: The numbers above are from the Employee Management System for the General Fund as of June 30 and do not take into account staffing fluctuations during the year or vacancies at year-end.

Note 2: The District changed human resources and payroll systems during fiscal year 2010 and, thus, changed the methodology by which it compiles and reports employee FTE.

Note 3: Based on the District Board of Education's goals, librarians and counselors were reclassified from classroom support to direct instruction effective fiscal year 2010.

Note 4: Although the above table represents FTE for the General Fund only, additional FTE were supported by federally funded grants as follows: 62, 49, 56, 56 and 48 FTE for direct instruction; 36, 44, 34, 41 and 69 FTE for classroom support; and 2 for building support for fiscal years 2010, 2011, 2012, 2013 and 2014, respectively.

Source: District's Human Resources Department

| <u>2008</u> | <u>2009</u> | <u>2010 (2)</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> |
|--------------|--------------|-----------------|--------------|--------------|--------------|--------------|
| 1,753 | 1,514 | 1,612 (4) | 1,589 (4) | 1,535 (4) | 1,549 (4) | 1,613 (4) |
| 441 | 381 | 366 (4) | 388 (4) | 406 (4) | 382 (4) | 502 (4) |
| 356 | 307 | 336 | 338 | 354 | 374 | 377 (4) |
| 34 | 30 | 32 | 34 | 36 | 37 | 43 |
| <u>2,584</u> | <u>2,232</u> | <u>2,346</u> | <u>2,349</u> | <u>2,331</u> | <u>2,342</u> | <u>2,535</u> |

St. Vrain Valley School District RE-1J
Operating Information
Student Count
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Student Membership/ Enrollment (1) | Student Full-Time Equivalency (FTE) As of October 1 (2) |
|----------------|---|---|
| 2005 | 21,467.0 | 20,724.5 |
| 2006 | 22,482.0 | 21,631.5 |
| 2007 | 23,630.0 | 22,263.0 |
| 2008 | 24,216.0 | 22,836.5 |
| 2009 | 25,270.0 | 23,901.1 |
| 2010 | 26,303.0 | 24,905.9 |
| 2011 | 26,662.0 | 25,493.3 |
| 2012 | 27,340.0 | 26,120.2 |
| 2013 | 28,599.0 | 27,207.8 |
| 2014 | 29,389.0 | 28,011.8 |

Note 1: Student membership/enrollment represents the actual number of students attending St. Vrain Valley School District RE-1J.

Note 2: Student full-time equivalency (FTE) represents the amount of time the students are actually attending classes.

Source: District's Records Management

St. Vrain Valley School District RE-1J
Operating Information
Other Student Statistics
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Expenses (1) | Enrollment (2) | Cost per Pupil | Pupil Teacher Ratio (3) | Number of Free and Reduced Students (4) | Percent of Free and Reduced Students in Lunch Program |
|-------------|----------------|----------------|----------------|-------------------------|---|---|
| 2005 | \$ 157,562,371 | 21,467.0 | \$ 7,340 | 23:5:1 | 5,007 | 23.3% |
| 2006 | 181,360,212 | 22,482.0 | 8,067 | 24.1:1 | 6,249 | 27.8% |
| 2007 | 189,155,044 | 23,630.0 | 8,005 | 24.1:1 | 6,940 | 29.4% |
| 2008 | 198,371,203 | 24,216.0 | 8,192 | 24.1:1 | 7,325 | 30.2% |
| 2009 | 213,273,301 | 25,270.0 | 8,440 | 24.8:1 | 7,877 | 31.2% |
| 2010 | 262,801,983 | 26,303.0 | 9,991 | 24.0:1 (5) | 9,083 | 34.5% |
| 2011 | 267,863,940 | 26,662.0 | 10,047 | 24.0:1 (5) | 9,358 | 35.1% |
| 2012 | 264,927,937 | 27,340.0 | 9,690 | 25.0:1 (5) | 9,586 | 35.1% |
| 2013 | 265,552,890 | 28,599.0 | 9,285 | 25.4:1 (5) | 9,433 | 33.0% |
| 2014 | 301,153,988 | 29,389.0 | 10,247 | 25.4:1 (5) | 10,879 | 37.0% |

Note 1: Expenses for governmental activities from Changes in Net Assets schedule

Note 2: Enrollment (total membership) from the Student Count schedule

Note 3: Provided by the Human Resources Department

Note 4: Provided by Nutrition Services / Student Count schedule

Note 5: Ratio based on an average standard which can be further impacted by other variables including the number of free & reduced students, literacy programs, focus programs, academic assistance, and Title schools

Source: District's financial records

St. Vrain Valley School District RE-1J
Operating Information
District Buildings
Last Ten Fiscal Years
(Unaudited)

| | 2005 | 2006 | 2007 | 2008 | 2009 |
|---------------------------|-----------|-----------|-----------|-----------|-----------|
| Elementary schools | 22 | 22 | 22 | 22 | 25 |
| Total square feet | 1,072,642 | 1,072,642 | 1,072,642 | 1,072,642 | 1,228,045 |
| Total program capacity | 10,411 | 10,411 | 10,411 | 10,411 | 11,505 |
| Enrollment | 9,494 | 9,632 | 9,778 | 9,971 | 10,890 |
| Percent capacity | 91% | 93% | 94% | 96% | 95% |
| (P)K-8 schools | | | | | |
| Total square feet | | | | | |
| Total program capacity | | | | | |
| Enrollment | | | | | |
| Percent capacity | | | | | |
| Middle schools | 6 | 9 | 9 | 9 | 9 |
| Total square feet | 569,712 | 905,153 | 905,153 | 905,153 | 905,153 |
| Total program capacity | 4,054 | 6,331 | 6,331 | 6,331 | 6,331 |
| Enrollment | 3,873 | 4,872 | 4,956 | 4,992 | 4,909 |
| Percent capacity | 96% | 77% | 78% | 79% | 78% |
| High schools | 7 | 7 | 7 | 7 | 7 |
| Total square feet | 920,371 | 1,083,994 | 1,083,994 | 1,083,994 | 1,083,994 |
| Total program capacity | 6,995 | 6,995 | 6,995 | 6,995 | 6,995 |
| Enrollment | 7,123 | 6,461 | 6,728 | 7,019 | 7,026 |
| Percent capacity | 102% | 92% | 96% | 100% | 100% |
| Alternative schools (1) | 2 | 2 | 2 | 2 | 2 |
| Total square feet | 97,032 | 97,032 | 97,032 | 97,032 | 97,032 |
| Enrollment | 483 | 554 | 572 | 556 | 558 |
| Charter schools | 2 | 4 | 4 | 3 | 4 |
| Enrollment | 645 | 1,120 | 1,420 | 1,397 | 1,887 |
| Other District Facilities | | | | | |
| Total square feet | 132,853 | 132,853 | 144,106 | 144,106 | 144,106 |

Note 1: Includes alternative programs in addition to alternative schools. In 2013, the District reassessed which programs to include. In 2014, one program closed.

Note 2 : Elementary school square feet & enrollment include a standalone preschool.

Note 3 : A PreK-8 school and a K-8 school were operational as of July 1, 2013 and converted from existing elementary and middle schools.

Source: District's Planning, Operations & Maintenance, and Records Management Departments

| 2010 | 2011 | 2012 | 2013 | 2014 |
|-----------|-----------|-----------|-----------|-----------|
| 25 | 26 | 26 | 26 | 23 (2) |
| 1,232,741 | 1,305,337 | 1,305,337 | 1,305,337 | 1,227,732 |
| 11,641 | 12,291 | 12,336 | 12,065 | 11,068 |
| 11,236 | 11,453 | 11,475 | 11,724 | 10,763 |
| 97% | 93% | 93% | 97% | 97% |
| | | | | 2 (3) |
| | | | | 284,649 |
| | | | | 2,150 |
| | | | | 1,750 |
| | | | | 81% |
| 9 | 9 | 9 | 9 | 8 |
| 908,105 | 908,105 | 908,105 | 922,105 | 828,025 |
| 6,331 | 6,392 | 5,740 | 6,200 | 5,558 |
| 5,060 | 5,080 | 5,114 | 5,361 | 5,072 |
| 80% | 79% | 89% | 86% | 91% |
| 8 | 8 | 9 | 8 | 8 |
| 1,246,227 | 1,301,849 | 1,492,200 | 1,372,591 | 1,461,491 |
| 7,721 | 8,413 | 8,738 | 8,834 | 7,721 |
| 7,147 | 7,255 | 7,440 | 7,681 | 7,897 |
| 93% | 86% | 85% | 87% | 102% |
| 2 | 2 | 2 | 2 | 1 |
| 152,516 | 152,516 | 152,516 | 152,516 | 81,600 |
| 552 | 578 | 738 | 626 | 209 |
| 5 | 5 | 6 | 6 | 6 |
| 2,308 | 2,589 | 3,009 | 3,587 | 3,761 |
| 169,672 | 169,672 | 185,720 | 305,329 | 271,318 |

St. Vrain Valley School District RE-1J
Operating Information
Capital Assets by Type
Last Ten Fiscal Years
(Unaudited)

| | 2005 | 2006 | 2007 | 2008 |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
| General Fixed Assets Group / Governmental Activities | | | | |
| Land/Sites | \$ 16,868,344 | \$ 17,281,724 | \$ 18,564,441 | \$ 19,792,539 |
| Projects in progress | 20,455,309 | 5,072,230 | 8,658,126 | 58,980,808 |
| Water rights | 2,612,516 | 4,089,516 | 4,089,516 | 4,122,407 |
| Capital assets not depreciated | <u>39,936,169</u> | <u>26,443,470</u> | <u>31,312,083</u> | <u>82,895,754</u> |
| Land Improvements | 16,362,434 | 16,974,890 | 19,261,023 | 19,261,023 |
| Buildings | 163,650,732 | 176,858,388 | 178,542,911 | 178,624,762 |
| Building Improvements | 87,209,911 | 99,353,087 | 99,556,995 | 99,725,058 |
| Equipment | 23,182,130 | 23,950,193 | 25,213,065 | 26,120,496 |
| Capital assets depreciated | <u>290,405,207</u> | <u>317,136,558</u> | <u>322,573,994</u> | <u>323,731,339</u> |
| Less: accumulated depreciation | | | | |
| Land Improvements | 4,840,750 | 5,681,171 | 6,579,135 | 7,477,099 |
| Buildings | 33,136,901 | 35,314,984 | 39,654,107 | 42,877,045 |
| Building Improvements | 19,791,865 | 23,283,112 | 26,385,211 | 29,472,391 |
| Equipment | 11,550,228 | 12,658,701 | 14,658,269 | 16,644,245 |
| Total accumulated depreciation | <u>69,319,744</u> | <u>76,937,968</u> | <u>87,276,722</u> | <u>96,470,780</u> |
| Capital assets depreciated, net | <u>221,085,463</u> | <u>240,198,590</u> | <u>235,297,272</u> | <u>227,260,559</u> |
| Total capital assets, General Fixed Assets Group / Governmental Activities | <u><u>\$ 261,021,632</u></u> | <u><u>\$ 266,642,060</u></u> | <u><u>\$ 266,609,355</u></u> | <u><u>\$ 310,156,313</u></u> |
| Enterprise Fund / Business-type Activities | | | | |
| Equipment | \$ 1,953,186 | \$ 2,249,157 | \$ 2,312,660 | \$ 2,324,322 |
| Less: accumulated depreciation | <u>971,415</u> | <u>1,105,986</u> | <u>1,253,142</u> | <u>1,397,420</u> |
| Total | <u><u>\$ 981,771</u></u> | <u><u>\$ 1,143,171</u></u> | <u><u>\$ 1,059,518</u></u> | <u><u>\$ 926,902</u></u> |

Source: District's financial records

| 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|----------------|----------------|----------------|----------------|----------------|----------------|
| \$ 19,792,539 | \$ 19,792,539 | \$ 20,073,379 | \$ 20,073,379 | \$ 20,073,379 | \$ 20,053,379 |
| 1,811,297 | 25,144,438 | 70,274,929 | 23,008,224 | 46,882,404 | 6,542,968 |
| 4,340,807 | 4,943,227 | 1,095,578 | 1,095,578 | 1,095,578 | 1,083,578 |
| 25,944,643 | 49,880,204 | 91,443,886 | 44,177,181 | 68,051,361 | 27,679,925 |
| 20,163,514 | 20,178,134 | 23,402,497 | 23,402,497 | 24,051,471 | 24,106,959 |
| 245,874,910 | 246,727,350 | 249,187,029 | 300,679,143 | 301,587,741 | 301,936,554 |
| 99,876,713 | 100,398,102 | 112,542,642 | 130,861,657 | 135,461,032 | 183,639,236 |
| 27,199,661 | 29,210,118 | 30,357,183 | 24,868,107 | 25,752,447 | 27,311,492 |
| 393,114,798 | 396,513,704 | 415,489,351 | 479,811,404 | 486,852,691 | 536,994,241 |
| 8,409,521 | 9,298,853 | 10,271,324 | 11,308,292 | 12,366,859 | 13,412,046 |
| 46,979,138 | 51,412,991 | 56,207,902 | 61,282,240 | 66,768,318 | 71,843,136 |
| 32,574,831 | 35,740,474 | 39,379,006 | 43,833,351 | 48,617,140 | 54,690,125 |
| 18,731,165 | 20,548,985 | 22,192,475 | 18,069,528 | 17,801,645 | 19,292,822 |
| 106,694,655 | 117,001,303 | 128,050,707 | 134,493,411 | 145,553,962 | 159,238,129 |
| 286,420,143 | 279,512,401 | 287,438,644 | 345,317,993 | 341,298,729 | 377,756,112 |
| \$ 312,364,786 | \$ 329,392,605 | \$ 378,882,530 | \$ 389,495,174 | \$ 409,350,090 | \$ 405,436,037 |
| \$ 2,634,246 | \$ 2,756,630 | \$ 2,823,299 | \$ 3,291,862 | \$ 3,377,603 | \$ 3,402,259 |
| 1,558,615 | 1,714,277 | 1,914,487 | 2,089,989 | 2,239,803 | 2,355,922 |
| \$ 1,075,631 | \$ 1,042,353 | \$ 908,812 | \$ 1,201,873 | \$ 1,137,800 | \$ 1,046,337 |



MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of Resolution Proclaiming American Education Week, November 16-22, 2014

RECOMMENDATION

That the Board of Education approves the resolution proclaiming November 16-22, 2014 as American Education Week.

BACKGROUND

To make our schools the best they can be requires a commitment from every member of the community, from retired citizens to parents, from business leaders to school board members. The goal of American Education Week is to increase public understanding and appreciation of the nation's schools, to encourage parents and non-parents to visit schools, and to build civic and community pride and support education.

The first observation of American Education Week took place in 1921 and was sponsored by the American Legion and the National Education Association. A year later, the U.S. Office of Education (now the U.S. Department of Education) joined the effort as a sponsor, and the National PTA followed in 1938.

Today, the list of sponsors also includes the following national organizations: National PTA, American Legion, American Association of School Administrators, National School Boards Association, American Federation of Teachers, American School Counselors Association, Council of Chief State School Officers, National School Public Relations Association, National Association of State Board of Education, National Association of Elementary School Principals, and the National Association of Secondary School Principals.

RESOLUTION

AMERICAN EDUCATION WEEK

November 16-22, 2014

WHEREAS, public schools are the backbone of our democracy, providing young people with the tools they need to maintain our nation's precious values of freedom, civility, and equality; and

WHEREAS, by equipping young Americans with both practice skills and broader intellectual abilities, schools give them hope for, and access to, a productive future; and

WHEREAS, education employees – be they custodians or teachers, bus drivers or librarians – work tirelessly to serve our children and communities with care and professionalism; and

WHEREAS, schools are community linchpins, bringing together adults and children, educators and volunteers, business leaders and elected officials in a common enterprise; and

WHEREAS, our nation is celebrating the week of November 16-22, 2014 as **AMERICAN EDUCATION WEEK**. In the St. Vrain Valley Schools, we encourage community members to support our local schools by participating in school-sponsored activities and by volunteering to help with those activities.

BOARD OF EDUCATION

John Ahrens
John Creighton
Debbie Lammers
Paula Peairs
Mike Schiers
Joie Siegrist
Bob Smith

SUPERINTENDENT OF SCHOOLS

Dr. Don Haddad

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: First Reading, Introduction, New Board Policy BEAA – Electronic Participation in School Board Meetings

PURPOSE

For the Board of Education to review new Board Policy BEAA – Electronic Participation in School Board Meetings.

BACKGROUND

This Board Policy was recommended by the Colorado Association of School Boards and reviewed by the attorney for the District. The Board Policy Review Committee has reviewed this Policy and is recommending its adoption.

STRATEGIC PLAN CORRELATION

Focus Area – All
Category – All

Electronic Participation in School Board Meetings

Board members may attend and participate by electronic means in regular or special meetings of the Board in accordance with this policy and state law. For purposes of this policy, "electronic means" shall be defined as attendance via telephone, video or audio conferencing, or other electronic device.

Board members may attend and participate by electronic means in a regular or special Board meeting only when extenuating circumstances prevent the Board member from physically attending the meeting.

A meeting at which one or more Board members attend and participate by electronic means shall be open to the public, except for periods in which the Board is in executive session. A quorum of the Board shall be physically present at the meeting for a Board member to attend and participate by electronic means.

The electronic means used shall allow the public to hear the comments made by the Board member(s) participating by electronic means and allow the Board member(s) to hear the comments made by the public. A Board member participating by electronic means will be included in the recording of the Board meeting.

A Board member who seeks to attend and participate by electronic means in a Board meeting shall notify the Board president prior to the meeting and shall explain the extenuating circumstances that prevent the Board member from physically attending the meeting.

A Board member may attend and participate by electronic means in a maximum of two Board meetings per calendar year. Unless otherwise approved by the Board, additional requests to attend and participate by electronic means will be denied.

LEGAL REFS.: C.R.S. 22-31-129 (*board vacancies*)
C.R.S. 22-32-108 (7)(a) (*board may adopt policy allowing board members to attend and participate electronically in regular or special board meetings*)
C.R.S. 24-6-401 et seq. (*open meetings law*)

CROSS REF.: BE, School Board Meetings

MEMORANDUM

DATE: November 12, 2014

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Feedback on Technology in Education – John Couch Presentation

PURPOSE

For the Board of Education to provide feedback on the Technology in Education – John Couch Presentation.

BACKGROUND

John Couch, Vice President of Apple, Inc., presented on October 23, 2014 at Xilinx Conference Center to a crowd that included our Board of Education along with superintendents from DASSC (Denver Area School Superintendents' Council). Board members would like to share feedback to the presentation.