

NOTICE OF REGULAR MEETING AND AGENDA



October 28, 2015

**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 CAFR Review
7:00 pm Regular Business Meeting

2. ADDENDUMS/CHANGES TO THE AGENDA:

3. AUDIENCE PARTICIPATION:

4. VISITORS:

1. Timberline PK-8 Presentation of *I Have a Dream* Check
2. Professional Development-Kilimanjaro Research Project

5. REPORTS:

1. Silver Creek High School Student Advisory Council Feeder Report
2. Update of 2015 Fiscal Year Comprehensive Annual Financial Report (CAFR)

6. CONSENT ITEMS:

7. ACTION ITEMS:

1. Recommendation: Approval of City of Longmont Joint Use Agreement with St. Vrain Valley Schools
2. Recommendation: Adoption of Board Manual Sections A, B, C, D, F, H, I, K, and L
3. Recommendation: Approval of Request to Grant Exception to Conflict of Interest Policy

8. DISCUSSION ITEMS:

1. Bond Planning Process Update
2. Board of Education Areas of Focus

9. ADJOURNMENT:

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

Wednesday, November 11 6:00 pm Reception for Outgoing BOE
7:00 pm Regular Meeting

MEMORANDUM

DATE: October 28, 2015

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Silver Creek 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 Silver Creek High School Feeder to the Board of Education.

BACKGROUND

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

MEMORANDUM

DATE: October 28, 2015
TO: Board of Education
FROM: Dr. Don Haddad, Superintendent of Schools
SUBJECT: Update of 2015 Fiscal Year Comprehensive Annual Financial Report

PURPOSE

To provide the Board of Education with an update of the 2015 Fiscal Year Comprehensive Annual Financial Report (CAFR), and the audit process and timeline.

BACKGROUND

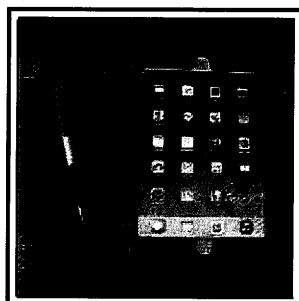
The 2015 CAFR is currently being finalized and will be provided to the Board as soon as it is available. Final acceptance of the CAFR is scheduled for November 11, 2015.

ST. VRAIN VALLEY SCHOOLS
academic excellence by design

Student Achievement ♦ Well-Being ♦ Partnerships

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

Year Ended June 30, 2015



395 South Pratt Parkway • Longmont CO • 80501-6499

DRAFT FOR
DISCUSSION PURPOSES
ONLY



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, 2015

Don Haddad, Ed.D.
Superintendent of Schools

Prepared by: Financial Services Department

Gregory A. Fieth
Chief Financial Officer

Jane Frederick, CPA
Senior Accountant

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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

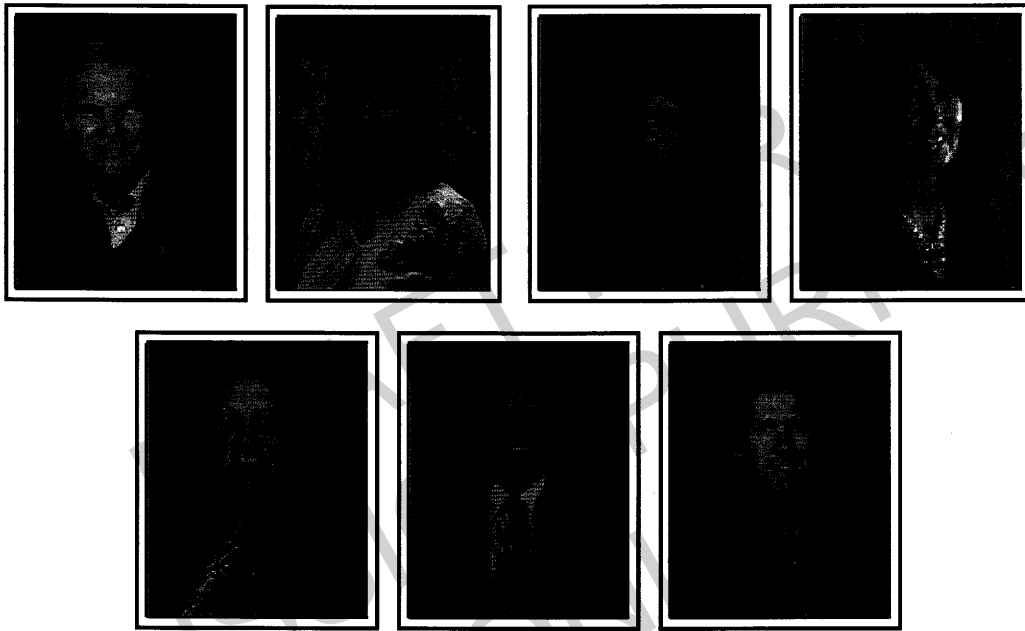
To be an exemplary school district
which inspires and promotes
high standards of learning
and student well being
in partnership with parents, guardians
and the community

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
2014-2015**



Pictured from left to right:

(Row 1) President Bob Smith, Vice President Joie Siegrist,
Secretary Debbie Lammers, Treasurer Paula Peairs,

(Row 2) Assistant Secretary Mike Schiers, and
Members Mr. John Ahrens and Mr. John Creighton

Association of School Business Officials International

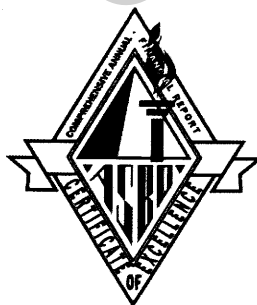


*The Certificate of Excellence in Financial Reporting Award
is presented to*

St. Vrain Valley School District RE-1J

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

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



Mark C. Pepera, MBA, RSBO, SFO
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, 2014

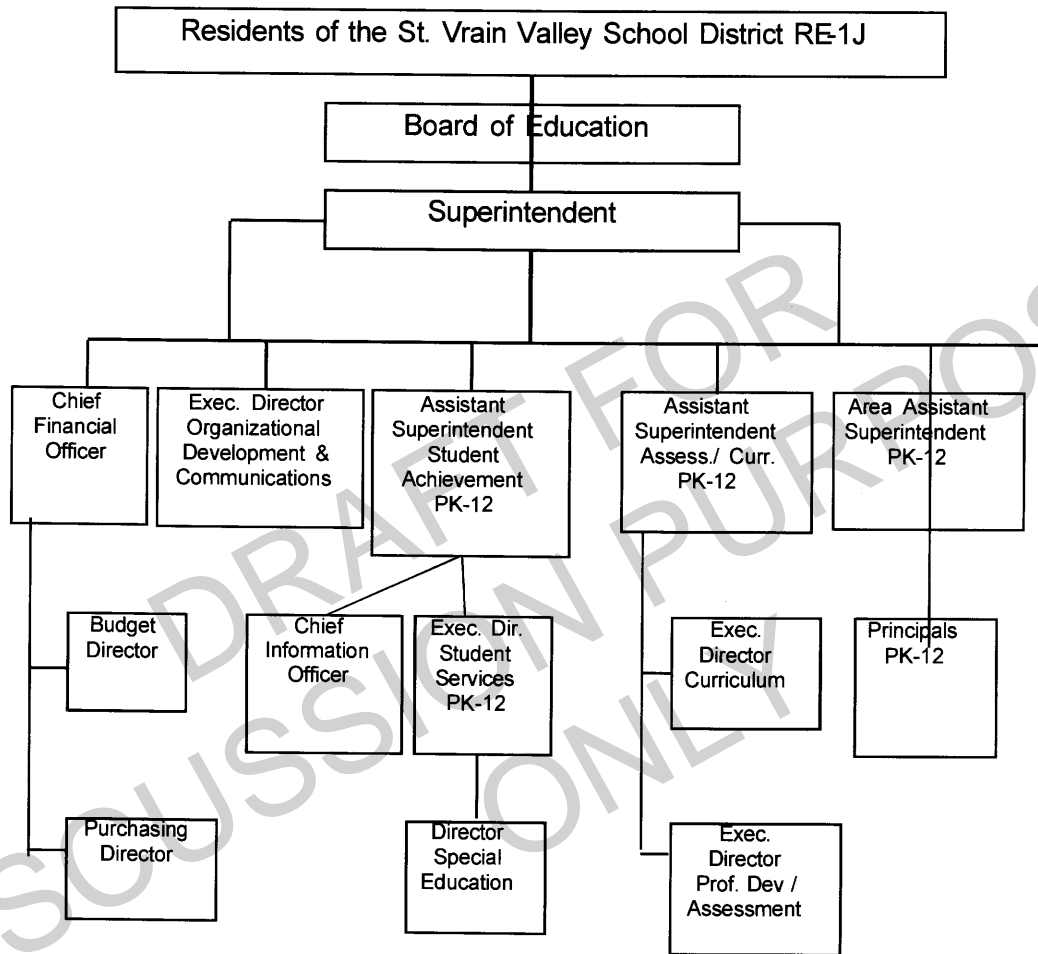
A handwritten signature in black ink, reading "Jeffrey R. Emer". The signature is written in a cursive style.

Executive Director/CEO

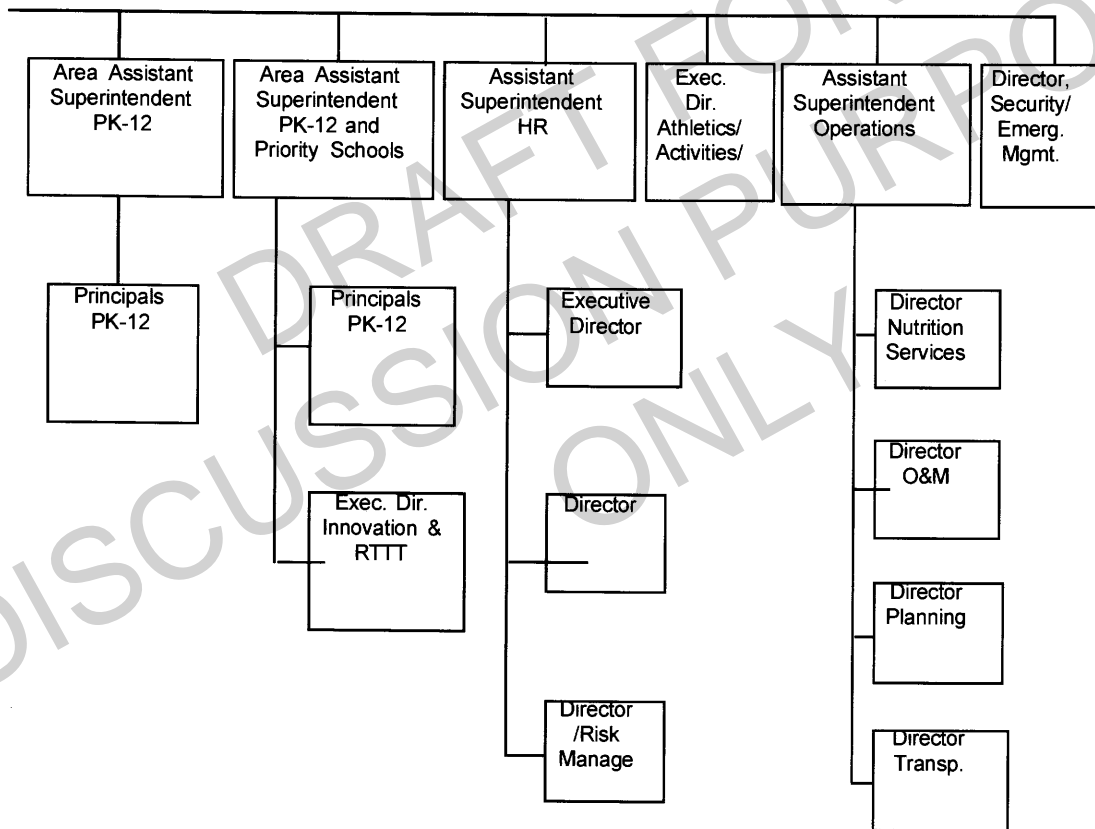
St. Vrain Valley School District RE-1J

ORGANIZATIONAL CHART

June 30, 2015



Approved: November 12, 2014



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

As of June 30, 2015

Elected Officials

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

Appointed Officials

District Leadership Team

Don Haddad.....	Superintendent
Greg Fieth.....	Chief Financial Officer
John Poynton.....	Executive Director of Organizational Development & Communications
Connie Syferd.....	Asst Superintendent of Student Achievement
Joe McBreen.....	Chief Information Officer
Jackie Whittington.....	Executive Director of Student Services
Tori Teague.....	Asst Superintendent of Assessment & Curriculum
Kahle Charles.....	Executive Director of Curriculum
Diana Lauer.....	Executive Director of Professional Development & Assessment
David Burnison.....	Interim Area 1 Asst Superintendent PK-12
Mark Mills.....	Area 2 Asst Superintendent PK-12
Regina Renaldi.....	Area 3 Asst Superintendent PK-12 & Priority Schools
Patty Quinones.....	Executive Director of Innovation & Race to the Top
Ella Padilla.....	Asst Superintendent of Human Resources
Dina Perfetti-Deany.....	Executive Director of Human Resources
Rob Berry.....	Executive Director of Athletics, Activities & Fine Arts
Brian Lamer.....	Asst Superintendent of Operations

FINANCIAL SECTION

Independent Auditors' Report

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

Report On The Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the St. Vrain Valley School District RE-1J (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Aspen Ridge Preparatory School, the Carbon Valley Academy, the Flagstaff Academy, the Imagine Charter School at Firestone, the St. Vrain Community Montessori School and the Twin Peaks Charter Academy, which are reported as and comprise in their entirety the aggregate discretely presented component units, as described in Note 1. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Aspen Ridge Preparatory School were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the District as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis Of Matter

As discussed in Notes 1 and 15, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*, and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, effective for the year ended June 30, 2015. As discussed in Note 15, the District has also changed the financial reporting for the Nutrition Services Fund from a business-type activity and enterprise fund to a governmental activity and special revenue fund to comply with the Colorado Department of Education financial reporting requirements. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the district's proportionate share of the net pension liability and schedule of district contributions on pages ____ through __, pages __ through __, page ____ and page __, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying budgetary comparison information; combining and individual major and nonmajor fund financial statements; the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures; schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; the introductory section and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison information, combining and individual major and nonmajor fund financial statements, the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above and the reports of the other auditors, the budgetary comparison information, combining and individual major and nonmajor fund financial statements, the Colorado Department of Education Auditor's Electronic Financial Data Integrity Check Figures and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required By *Government Auditing Standards*

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

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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, 2015

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, 2015. 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 District reported a deficit net position of \$300.9 million primarily due to implementing the Governmental Accounting Standards Board's (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, and recognizing its proportionate share of a net pension liability of \$468.6 million at June 30, 2015.
- Effective July 1, 2014, the District's *Nutrition Services Fund* was no longer report as a business-type activity. The fund's beginning balances for capital assets, accumulated depreciation and net investment in capital assets were restated as of July 1, 2014. The fund is reported instead as a special revenue fund and part of the primary government's governmental activities.
- Total net position of the District decreased \$5.4 million during the year ended June 30, 2015, primarily the result of recognizing \$19.3 million of its proportionate share of the pension expense under GASB Statement No. 68.
- Fund balance of the District's governmental funds increased from an ending fund balance of \$144.2 million for fiscal year ended June 30, 2014 to \$148.4 million for fiscal year ended June 30, 2015. The increase is primarily due to the restatement of the *Nutrition Services Fund* of \$2.2 million, improved operations of the *General Fund*, and advanced refunding of bonds in the *Bond Redemption Fund* in excess of the *Building Fund*'s planned spending for capital projects.
- During the current year, the fund balance in the District's *General Fund* increased by \$12.7 million leaving an ending fund balance of \$78.9 million. The increase is primarily due to increased funding, improved operations, timing of projects, and not expending as planned in the budget given the anticipated subsequent year's salary schedule reconfiguration.
- In October 2014, the District issued \$50 million in general obligation bonds to advance refund \$56 million of outstanding bonds, saving taxpayers \$7.95 million.

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 19-65 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. The District has no business-type activities.

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 nine different governmental funds. The major funds as of June 30, 2015 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 one type of proprietary fund, 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 33-65 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 (RSI) in the financial statements to demonstrate compliance with the adopted budget. Also included in the RSI are the required schedules resulting in the implementation of GASB Statement No. 68. The remaining governmental funds budgetary comparisons are reported as other supplemental information. Combining and individual fund statements and schedules can be found on pages 67-101 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, prepaid expenses, deposits, and inventories are current assets. These assets are available to provide resources for the near-term operations of the District. Ninety-one percent 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. Due to the implementation of GASB Statement No. 68, deferred outflows of resources also include the net difference between projected and actual earnings on pension plan investments as well as contributions made subsequent to Colorado Public Employees' Retirement Association's (PERA) measurement date (December 31, 2014).

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, unearned revenues 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 2016. Long-term liabilities such as long-term debt obligations and compensated absences will be liquidated from resources that will become available after fiscal year 2016. Also included in noncurrent liabilities is the District's proportionate share of the net pension liability.

Deferred inflows of resources are revenues that will be earned over the life of investments from a forward delivery agreement. Also included is the difference between expected and actual experience with regard to economic and demographic factors in PERA's pension plan.

As of June 30, 2015, the liabilities plus deferred inflows exceed assets plus deferred outflows of the primary government's governmental activities exceed by \$300.9 million with an unrestricted deficit net position of \$356.0 million. For seven of the nine prior fiscal years, the District was able to report positive

DRAFT

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balances in all three categories of net position. In the current fiscal year, due to the implementation of GASB Statement No. 68, the District reported a negative unrestricted net position.

Effective July 1, 2014, the District's *Nutrition Services Fund* was no longer reported as a business-type activity. The fund's beginning balances for capital assets, accumulated depreciation and net investment in capital assets were restated as of July 1, 2014. The fund is reported instead as a special revenue fund and part of the primary government's governmental activities.

In fiscal year 2015, the amount "net investment in capital assets" for the primary government's governmental activities decreased by \$480 thousand, to \$4.3 million. Net positive changes in other investments were not enough to offset the \$13.7 million spend down of cash in the *Building Fund* and capital assets realized net decrease of \$4.5 million, resulting in the decrease in "net investment in capital assets". Positive changes include long-term debt decrease of \$14.4 million (see Note 8). Although there was a net addition of \$9.8 million in capital assets, the depreciation was \$15.4 million, causing a net decrease in 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 \$222 thousand as of June 30, 2015. Net position restricted for debt service increased \$1.3 million resulting in a total of \$34.0 million.

The \$454.1 million increase in liabilities plus deferred inflows is attributable to the District recognizing its proportionate share of a net pension liability of \$468.6 million (see Note 10).

Table 1 provides a summary of the District's net position as of June 30, 2015 compared to June 30, 2014.

Table 1
Comparative Summary of Net Position
As of June 30, 2015 and 2014
(in Thousands)

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2015	2014	2015	2014	2015	2014	2014 - 2015
Assets							
Current assets	\$ 146,902	\$ 144,172	\$ -	\$ 2,362	\$ 146,902	\$ 146,534	0.25%
Noncurrent assets							
excluding capital assets	37,227	35,948	-	-	37,227	35,948	3.56%
Capital assets	400,930	405,436	-	1,046	400,930	406,482	-1.37%
Total assets	585,059	585,556	-	3,408	585,059	588,964	-0.66%
Deferred outflows	35,800	9,828	-	-	35,800	9,828	264.27%
Liabilities							
Current liabilities	27,820	29,361	-	135	27,820	29,496	-5.68%
Long-term liabilities	423,521	437,890	-	-	423,521	437,890	-3.28%
Pension liability	468,596	-	-	-	468,596	-	n/a
Total liabilities	919,937	467,251	-	135	919,937	467,386	96.83%
Deferred inflows	1,814	435	-	-	1,814	435	317.01%
Net Position							
Net investment in capital assets	4,340	4,820	-	1,046	4,340	5,866	-26.01%
Restricted for							
TABOR	8,024	7,802	-	-	8,024	7,802	2.85%
Debt service	34,036	32,700	-	-	34,036	32,700	4.09%
Colo Preschool	558	454	-	-	558	454	22.91%
Other	8,119	6,660	-	-	8,119	6,660	21.91%
Unrestricted	(355,969)	75,262	-	2,227	(355,969)	77,489	-559.38%
Total net position	\$ (300,892)	\$ 127,698	\$ -	\$ 3,273	\$ (300,892)	\$ 130,971	-329.74%

Government-wide Activities

Governmental activities decreased the net position of the District \$5.4 million during the year ended June 30, 2015, primarily the result of recognizing \$19.3 million of its proportionate share of the pension expense under GASB Statement No. 68. Table 2 provides a summary of the District's change in net position for 2015 compared to 2014.

Table 2
Comparative Schedule of Changes in Net Position
For the Years Ended June 30, 2015 and 2014
(in Thousands)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total School District</u>		<u>Total Percentage Change</u>
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2014 - 2015</u>
Revenues							
Program revenues							
Charges for services	\$ 20,818	\$ 17,222	\$ -	\$ 3,879	\$ 20,818	\$ 21,101	-1.34%
Grants & contributions:							
Operating	34,241	25,359	-	5,053	34,241	30,412	12.59%
Capital	1,079	1,023	-	15	1,079	1,038	3.95%
General revenues							
Property, specific ownership, and mill levy override taxes	137,539	137,711	-	-	137,539	137,711	-0.12%
State revenue	133,584	119,132	-	-	133,584	119,132	12.13%
Other	5,260	7,124	-	1	5,260	7,125	-26.18%
Total revenues	332,521	307,571	-	8,948	332,521	316,519	5.06%
Expenses							
Instruction	201,742	178,639	-	-	201,742	178,639	12.93%
Supporting services	122,354	102,775	-	8,878	122,354	111,653	9.58%
Interest expense	13,866	19,739	-	-	13,866	19,739	-29.75%
Total expenses	337,962	301,153	-	8,878	337,962	310,031	9.01%
Increase (decrease) in net position	(5,441)	6,418	-	70	(5,441)	6,488	183.86%
Net position - 7/1	127,698	121,280	3,273	3,203	130,971	124,483	5.21%
Restatement **	(423,149)	-	(3,273)	-	(426,422)	-	#DIV/0!
Net position, restated	(295,451)	121,280	-	3,203	(295,451)	124,483	-337.34%
Net position - 6/30	\$ (300,892)	\$ 127,698	\$ -	\$ 3,273	\$ (300,892)	\$ 130,971	-329.74%

** The restatement above includes the change in accounting principle of the *Nutrition Services Fund* from a business-type activity to a governmental activity, as well as the implementation of GASB Statement No. 68.

The governmental activities' total assets decreased by just less than \$500 thousand and deferred outflows of resources increased \$26.0 million attributed to the following elements:

Table 3
Comparative Schedule of Assets & Deferred Outflows of Resources
of Governmental Activities
As of June 30, 2015 and 2014

	2015	2014	Increase (Decrease)
Cash and investments	\$ 170,398,989	\$ 170,091,380	\$ 307,609
Accounts receivable	647,202	285,349	361,853
Due from component units	315,317	200,946	114,371
Grants receivable	5,007,388	4,090,651	916,737
Interest receivable	263	179	84
Taxes receivable	6,309,329	4,294,950	2,014,379
Prepaid expenses	393,660	605,953	(212,293)
Deposits	556	549	7
Inventories	1,056,548	549,883	506,665
Capital assets			
Non-depreciable	33,217,049	27,679,925	5,537,124
Depreciable, net	367,712,945	377,756,112	(10,043,167)
Total assets	<u>\$ 585,059,246</u>	<u>\$ 585,555,877</u>	<u>\$ (496,631)</u>
Deferred outflows of resources	<u>\$ 35,799,929</u>	<u>\$ 9,827,570</u>	<u>\$ 25,972,359</u>

The net increase in cash and investments (which includes unrestricted and restricted cash and investments) is primarily due to increased funding from state and local sources, improved operations, and not expending as planned in the budget given the anticipated subsequent year's salary schedule reconfiguration in the *General Fund*. These attributes combined with the advanced refunding of bonds in the *Bond Redemption Fund*, and the inclusion of the *Nutrition Services Fund* in the governmental activities were enough to offset the *Building Fund's* planned spending for capital projects.

The \$1.4 million increase in accounts and grants receivable, as well as due from component units, is due to the receipt of reimbursable expenditures, timing of a state construction grant project, increased federal grant awards, and additional services provided to the charter schools. The increase in taxes receivable of \$2.0 million in the current year is due to a slight change in tax revenue recognition at year end and an increase of abatements in two of the District's significant county property tax bases. The decrease in prepaid expenses is the result of recognizing the current year's portion of expenses incurred. The \$507 thousand increase in inventories is primarily due to the inclusion of the *Nutrition Services Fund* in the governmental activities. The increase in non-depreciable capital assets reflects additional construction projects in progress at year end. Depreciable capital assets decreased because depreciation exceeded the net additions and transfers in of capital assets.

Deferred outflows of resources are due to two factors: debt defeasance and the pension liability. The October 2014 advance refunding of bonds resulted in the deferred outflow increase from \$9.8 million to \$11.2 million. The net difference between projected and actual earnings on pension plan investments as well as contributions made by the District after the plan's measurement date resulted in the deferred outflows of \$24.5 million.

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The governmental activities' total liabilities increased by \$452.7 million and deferred inflows of resources increased \$1.4 million as follows:

Table 4
Comparative Schedule of Liabilities & Deferred Inflows of Resources
of Governmental Activities
As of June 30, 2015 and 2014

	2015	2014	Increase (Decrease)
Accounts payable	\$ 3,917,896	\$ 6,807,730	\$ (2,889,834)
Due to component units	-	3,712	(3,712)
Retainage payable	161,550	295,682	(134,132)
Accrued salaries, benefits, withholdings	18,536,664	17,408,900	1,127,764
Accrued interest payable	788,423	826,787	(38,364)
Claims payable	2,852,544	2,820,177	32,367
Unearned revenues	1,562,755	1,198,135	364,620
Noncurrent liabilities			
Due within one year	16,545,975	15,476,645	1,069,330
Due in more than one year	406,975,248	422,412,906	(15,437,658)
Pension liability	468,595,684	-	468,595,684
Total liabilities	<u>\$ 919,936,739</u>	<u>\$ 467,250,674</u>	<u>\$ 452,686,065</u>
Deferred inflows of resources	<u>\$ 1,814,418</u>	<u>\$ 434,533</u>	<u>\$ 1,379,885</u>

Accounts payable decreased by \$2.9 million, and the related retainage payable decreased by \$134 thousand, as major renovation capital construction projects were completed and timeliness of vendor payments improved. Accrued salaries, benefits and payroll withholdings increased by \$1.1 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 as well as the advance refunding of bonds. The slight increase in claims payable is due to increased 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, 2015. The increase in unearned revenues is due to increased grant program activity. The increase in noncurrent liabilities due within one year is primarily due to the increase in bond principal due in December 2015 as compared to December 2014. Noncurrent liabilities due in more than one year decreased as a result of the paying down of bond debt (see Note 8). The increase in pension liability is due to the implementation of GASB Statement No. 68 during the current fiscal year (see Note 10).

Deferred inflows of resources increased \$1.4 million primarily due to the changes in proportion of the net pension liability under GASB Statement No. 68.

Since the *Nutrition Services Fund* is reported as a governmental activity (instead of a business-type activity), effective July 1, 2014, comparative schedules are no longer provided for business-type activities' assets or liabilities.

The primary source of operating revenue for school districts comes from the School Finance Act of 1994 (SFA). Under the SFA after the 'negative factor' was applied, the District received \$6.861 per funded pupil. For the fiscal year ended June 30, 2015, the funded pupil count was 28,740.5, a growth rate of 2.6% 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 2015, SFA per pupil funding increased by \$328 per student.

The statement of activities shows the cost of program services and the charges for services, grants, and contributions offsetting those services. Table 5 shows the total cost of services and the net cost of services for governmental activities.

Table 5
Comparative Schedule of Governmental Activities
For the Years Ended June 30, 2015 and 2014
(in Thousands)

	Total Cost of Services		Net Cost of Services	
	2015	2014	2015	2014
Instruction	\$ 201,742	\$ 178,639	\$ 166,674	\$ 146,365
Supporting services	122,354	102,775	101,284	91,445
Interest expense	13,866	19,739	13,866	19,739
	<u>\$ 337,962</u>	<u>\$ 301,153</u>	<u>\$ 281,824</u>	<u>\$ 257,549</u>

Key elements of the governmental activities are as follows:

- The cost of all governmental activities this year was \$338.0 million compared to \$301.2 million last year. Interest expense decreased by \$5.9 million primarily due to the advance refunding of bonds.
- About \$20.8 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 \$3.6 million from 2014. The increase is primarily due to the inclusion of the *Nutrition Services Fund* in the governmental activities.
- The federal and state governments subsidized certain programs with grants and contributions in the amount of \$35.3 million, an increase of \$8.9 million from fiscal year 2014 primarily due to the Race to the Top and National School Lunch/Breakfast federal grant programs.
- The majority of the District's net cost of services, \$281.8 million, was financed by State and District taxpayers.
- General revenues accounted for \$276.4 million in revenue which was 83.1% of all revenues. Program specific revenues in the form of charges for services and sales, grants, and contributions, accounted for \$56.1 million or 16.9% of total revenues of \$332.5 million. These percentages reflect a shift of 2.7% of total revenue to program specific from general revenues.

Previously reported as a business-type activity, the *Nutrition Services Fund's* revenues of \$9.2 million and expenditures of \$9.1 million contributed to the increase in costs of services, charges for services and funding from federal and state sources for governmental activities.

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 on 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, unassigned 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 \$148.4 million, an increase from the restated balance of \$146.5 million. As noted earlier, the fund balance increase occurred because the fund balance increases in the *General Fund* and the *Bond Redemption Fund* offset the expenditures for capital outlay in the *Building Fund*.

Among major funds, the *General Fund* is the chief operating fund of the District. The *General Fund* had \$252.3 million in revenues, and \$240.0 million in expenditures. The *General Fund's* fund balance increased from \$66.2 million to \$78.9 million. The increase of \$12.7 million is primarily the result of increased revenues and not expending all accounts as planned in the budget. The *General Fund* received more revenue than anticipated due to increases in services provided to the six charter schools and in indirect costs associated with larger grants. Several factors resulted expenditures being lower than budgeted. A mild winter combined with energy conservation programs led to lower utility costs. New and renovated preschool playgrounds were delayed and not completed within the fiscal year. In addition, due to facility capacity forecasts, the District decided to increase *General Fund* fund balance to assist with potential student growth concerns. A conservative budget approach to personnel, combined with review of personnel needs, also helped to increase *General Fund* balance.

Significant differences between the *General Fund's* adopted and amended budgets are due to a \$3.5 million increase in total program funding resulting from student growth; \$2.8 million increase in state revenues (other than equalization, a component of total program funding) due to increased funding for programs including, but not limited to, English Language Proficiency Act; and, a \$3.0 million increase in purchased services due to anticipated state BEST grant activity, additional outside placement and preschool tuition expenses, READ Act tuition scholarship reimbursements, and continued flood related mitigation costs.

For six of the past seven fiscal years, the *Governmental Designated-Purpose Grants Fund* met the minimum criteria to be reported as a major special revenue fund. Revenues of \$15.3 million were offset by equal expenditures.

The fund balance of the *Bond Redemption Fund* had a slight increase of \$1.3 million, resulting in a balance of \$34.0 million as of June 30, 2015. The *Bond Redemption Fund* has adequate resources accumulated to make the December 2015 principal and interest payments. The mill levy to accumulate resources for the June 2016 interest payment will be certified in December 2015. In October 2014, the District had an opportunity to refinance over \$50 million of its Series 2004, Series 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 \$11.8 million due to planned capital outlay construction activity during the fiscal year. The fund had total revenues of just over \$79 thousand and total expenditures of \$11.8 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 activities as of June 30, 2015 is \$400.9 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 \$5.6 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 6 shows fiscal year 2015 capital assets compared to 2014.

Table 6
Comparative Schedule of Capital Assets
As of June 30, 2015 and 2014
(Net of Depreciation, in Thousands)

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2015	2014	2015	2014	2015	2014	2014 - 2015
Land	\$ 20,053	\$ 20,053	\$ -	\$ -	\$ 20,053	\$ 20,053	0.00%
Water rights	1,084	1,084	-	-	1,084	1,084	0.00%
Projects in progress	12,080	6,543	-	-	12,080	6,543	84.62%
Land improvements	9,647	10,695	-	-	9,647	10,695	-9.80%
Buildings	225,149	230,094	-	-	225,149	230,094	-2.15%
Building improvements	123,335	128,949	-	-	123,335	128,949	-4.35%
Equipment **	9,582	8,018	-	1,046	9,582	9,064	5.71%
Totals	<u>\$ 400,930</u>	<u>\$ 405,436</u>	<u>\$ -</u>	<u>\$ 1,046</u>	<u>\$ 400,930</u>	<u>\$ 406,482</u>	-1.37%

** Equipment and the related accumulated were restated to include the *Nutrition Services Fund*, previously a business-type activity, and effective July 1, 2014, reported as a governmental activity.

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 AA from Standard & Poor's Financial Services and Aa2 from Moody's Investors Service for its general obligation refunding bond issues in October 2014. 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, 2015 as compared to June 30, 2014 is shown in Table 7. 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 \$92.2 million.

Table 7
Comparative Schedule of Outstanding Debt
As of June 30, 2015 and 2014
(in Thousands)

	2015	2014	Increase (Decrease)
General obligation bonds	\$ 391,800	\$ 411,565	\$ (19,765)
Deferred bond premium	28,338	22,771	5,567
Registered coupons	300	300	-
Reg'd coupons discount	(20)	(20)	-
Capital leases	548	736	(188)
Benefits payable	2,555	2,538	17
Total debt	<u>\$ 423,521</u>	<u>\$ 437,890</u>	<u>\$ (14,369)</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

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 the following, 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 were efficiently managed to accomplish the stated improvements and additions, as well as provide additional renovations to District facilities that improved and expanded the 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 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 \$39 million dollars in fiscal year 2015-2016. This amounts to approximately \$1,300 more per student. These mill levy overrides are fixed mills so the revenues grow with assessed valuation.

The District has experienced strong growth in student enrollment from fiscal years 2006 through 2015, ranging from 1.03% to 5.11%. The October 2014 headcount was 303 more students than the previous year, a 1.03% 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 2016.

The District has provided increases in employee compensation for each of the 2005 through 2016 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. The District and its Education Association agreed to a new salary schedule concept for certified personnel for the 2015-2016 fiscal year. The salary schedule increased the base salary, but also stabilized the cost of providing an experience step for teachers. The concept of the new salary schedule is to increase the base salary of a new teacher quicker than the previous salary schedule. 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 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, four District high schools ranked in the top 5% of high schools in the nation according to Newsweek and U.S. News and World Report.

To enhance learning opportunities for our students, the District started an in-District online school and opened a homeschool program. The initial pupil count for 2014 in these two programs exceeded 700 students. For 2015, that number is estimated to be 850 students. 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

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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 lower socio-economic schools within the District.

Although Colorado's economic growth is one of the top in the nation, portions of the state statutes are in conflict. These conflicts have the potential to cause issues with the state's budget, including funding to school districts. Because of the "Great Recession", the State of Colorado's ability to increase revenues and provide additional funding to school districts is limited due to Colorado Revised Statute X (the TABOR amendment). In contrast to that, Amendment 23 guarantees per pupil funding for school districts will increase by at least the cost of inflation. Combining those two statutes with the requirement of increased Medicaid coverage and necessary increases to higher education, transportation, and the Department of Correction, causes significant issues with the State of Colorado's budget. The State of Colorado and its' school districts were impacted with reduced revenues. It is unknown at this time how these conflicts will be resolved and the impact to school district funding.

With significant growth occurring within the District, facility capacity will once again be a priority. The Superintendent, Board of Education, and staff are currently evaluating whether to ask for voter approval to pass a bond question related to new schools, additional capacity at current schools, and upgrades to buildings for safety and security.

Dr. Don Haddad is now in his seventh year as the Superintendent of Schools. He has been recognized multiple times on the national level, including the 2013 National Superintendent of the Year award from the National Association of School Superintendents. He continues to develop strong relationships with business, industry, and community leaders throughout the District. He is united with his administration, staff, and the Board of Education in the mission and strategic priorities for the District.

The District is now in its seventh 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.

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.svvsd.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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DISCUSSION PURPOSES
ONLY



St. Vrain Valley School District RE-1J

Statement of Net Position
June 30, 2015

	Primary Government	Component
	Governmental	Units
	Activities	Charter
		Schools
Assets		
Cash and investments	\$ 133,172,183	\$ 11,450,956
Accounts receivable	647,202	94,267
Due from component units	315,317	-
Grants receivable	5,007,388	173,762
Interest receivable	263	-
Taxes receivable	6,309,329	-
Prepaid expenses	393,660	114,374
Deposits	556	14,441
Inventories	1,056,548	-
Restricted cash and investments for		
Bond Redemption Fund	33,635,649	-
Building Corporations	-	11,357,123
Self Insurance Fund	3,591,157	-
Capital assets,		
Non-depreciable	33,217,049	11,844,651
Depreciable, net	367,712,945	30,668,582
Total assets	585,059,246	65,718,156
Deferred outflows of resources	35,799,929	7,909,469
Liabilities		
Accounts payable	3,917,896	630,241
Due to primary government	-	296,896
Retainage payable	161,550	181,128
Accrued salaries and benefits	11,100,558	1,007,527
Payroll withholdings	7,436,106	-
Accrued interest payable	788,423	615,946
Claims payable	2,852,544	-
Unearned revenues	1,562,755	197,133
Noncurrent liabilities		
Due within one year	16,545,975	785,000
Due in more than one year	406,975,248	54,934,442
Pension liability	468,595,684	36,236,798
Total liabilities	919,936,739	94,885,111
Deferred inflows of resources	1,814,418	2,028
Net Position		
Net investment in capital assets	4,340,004	(3,035,275)
Restricted for		
TABOR	8,023,712	857,000
Debt service	34,035,743	758,443
Colorado Preschool Fund	557,709	-
Extracurricular, community programs	8,119,351	-
Unrestricted	(355,968,501)	(19,839,682)
Total net position	\$ (300,891,982)	\$ (21,259,514)

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, 2015

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental activities				
Instruction	\$ 201,741,825	\$ 17,381,838	\$ 17,685,955	\$ -
Supporting services	122,353,964	3,436,233	16,555,231	1,078,391
Interest expense	13,866,228	-	-	-
Total governmental activities	337,962,017	20,818,071	34,241,186	1,078,391
Business-type activities				
Total business-type activities	-	-	-	-
Total primary government	\$ 337,962,017	\$ 20,818,071	\$ 34,241,186	\$ 1,078,391
COMPONENT UNITS				
Instruction	\$ 14,855,029	\$ 1,849,197	\$ 464,785	\$ 30,185
Supporting services	11,748,617	550,630	358,239	506,964
Interest expense	2,170,218	-	-	-
Total component units	\$ 28,773,864	\$ 2,399,827	\$ 823,024	\$ 537,149

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

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
\$ (166,674,032)	\$ -	\$ (166,674,032)	\$ -
(101,284,109)	-	(101,284,109)	-
(13,866,228)	-	(13,866,228)	-
(281,824,369)	-	(281,824,369)	-
-	-	-	-
(281,824,369)	-	(281,824,369)	-
-	-	-	(12,510,862)
-	-	-	(10,332,784)
-	-	-	(2,170,218)
-	-	-	(25,013,864)
97,352,334	-	97,352,334	-
8,253,685	-	8,253,685	-
133,584,264	-	133,584,264	-
-	-	-	21,711,601
31,932,829	-	31,932,829	3,024,140
370,277	-	370,277	15,497
4,889,519	-	4,889,519	835,966
276,382,908	-	276,382,908	25,587,204
(5,441,461)	-	(5,441,461)	573,340
127,698,240	3,273,080	130,971,320	9,375,534
3,273,080	(3,273,080)	-	-
(426,421,841)	-	(426,421,841)	(31,208,388)
(295,450,521)	-	(295,450,521)	(21,832,854)
<u>\$ (300,891,982)</u>	<u>\$ -</u>	<u>\$ (300,891,982)</u>	<u>\$ (21,259,514)</u>

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

St. Vrain Valley School District RE-1J

DRAFT
10/21/2015, 6:19 PMBalance Sheet
Governmental Funds
June 30, 2015

	General	Governmental Designated- Purpose Grants	Bond Redemption	Building	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash & investments - unrestricted	\$ 93,101,416	\$ -	\$ -	14,667,429	\$ 23,346,851	\$ 131,115,696
Cash & investments - restricted	-	-	33,635,649	-	-	33,635,649
Accounts receivable	589,455	-	-	-	55,746	645,201
Due from other funds	2,697,629	-	-	-	-	2,697,629
Due from component units	126,679	187,818	-	-	820	315,317
Grants receivable	-	4,945,445	-	-	61,943	5,007,388
Interest receivable on investments	-	-	263	-	-	263
Taxes receivable	4,593,723	-	1,715,606	-	-	6,309,329
Prepays	-	-	-	-	393,660	393,660
Deposits	276	-	-	-	280	556
Inventories	564,419	-	-	-	492,129	1,056,548
Total assets	<u>\$ 101,673,597</u>	<u>\$ 5,133,263</u>	<u>\$ 35,351,518</u>	<u>\$ 14,667,429</u>	<u>\$ 24,351,429</u>	<u>\$ 181,177,236</u>
Liabilities						
Accounts payable	\$ 1,042,667	\$ 99,359	\$ -	\$ 1,459,662	\$ 1,307,707	\$ 3,909,395
Due to other funds	-	2,697,629	-	-	-	2,697,629
Retainage payable	58,952	-	-	81,642	20,956	161,550
Accrued salaries and benefits	9,636,171	928,266	-	2,918	533,203	11,100,558
Payroll withholdings	7,436,106	-	-	-	-	7,436,106
Claims payable	826,369	-	-	-	-	826,369
Unearned revenues	135,347	1,408,009	-	-	19,399	1,562,755
Total liabilities	<u>19,135,612</u>	<u>5,133,263</u>	<u>-</u>	<u>1,544,222</u>	<u>1,881,265</u>	<u>27,694,362</u>
Deferred inflows of revenue						
From unavailable property tax revenue & forward investment agreement	<u>3,680,106</u>	<u>-</u>	<u>1,315,775</u>	<u>18,496</u>	<u>40,005</u>	<u>5,054,382</u>
Fund Balances						
Nonspendable:						
deposits, inventories, prepaids	564,695	-	-	-	886,069	1,450,764
Restricted: TABOR	8,023,712	-	-	-	-	8,023,712
Restricted: Colorado Preschool	557,709	-	-	-	-	557,709
Restricted: debt service	-	-	34,035,743	-	-	34,035,743
Restricted: special revenue funds	-	-	-	-	8,119,351	8,119,351
Committed: capital projects	-	-	-	13,104,711	7,017,709	20,122,420
Committed: contingencies	5,349,142	-	-	-	-	5,349,142
Committed: Board allocations	8,704,722	-	-	-	-	8,704,722
Committed: risk management	3,302,891	-	-	-	-	3,302,891
Committed: special revenue fund	-	-	-	-	6,407,030	6,407,030
Assigned: Mill Levy Override	25,498,100	-	-	-	-	25,498,100
Assigned: subsequent year expenditures reported in						
General Fund	4,815,248	-	-	-	-	4,815,248
Unassigned reported in						
General Fund	<u>22,041,660</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,041,660</u>
Total fund balances	<u>78,857,879</u>	<u>-</u>	<u>34,035,743</u>	<u>13,104,711</u>	<u>22,430,159</u>	<u>148,428,492</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 101,673,597</u>	<u>\$ 5,133,263</u>	<u>\$ 35,351,518</u>	<u>\$ 14,667,429</u>	<u>\$ 24,351,429</u>	<u>\$ 181,177,236</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, 2015**

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

Governmental funds total fund balances	\$ 148,428,492
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	400,929,994
Deferred outflows from refunding debt are not considered current financial resources and, therefore, not reported in the governmental fund	11,250,446
Premium (\$28,337,919) 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.	(28,318,356)
Long-term liabilities, including capital leases (\$548,205), compensated absences (\$2,554,662), bonds payable (\$391,800,000), registered coupons payable (\$300,000), as well as related accrued interest (\$788,423) and claims payable (\$354,159) are not due and payable in the current period and, therefore, are not reported in the funds.	(396,345,449)
Pension liability (\$468,595,684) and related deferred inflows (\$1,628,925) and deferred outflows \$24,549,483 are not considered current and, therefore, not reported in the funds.	(445,675,126)
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.	4,868,889
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.	3,969,128
Net position of governmental activities	<u>\$ (300,891,982)</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, 2015

	General	Governmental Designated- Purpose Grants	Bond Redemption	Building	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 60,375,453	\$ -	\$ 35,181,183	\$ -	\$ -	\$ 95,556,636
Specific ownership taxes	8,253,685	-	-	-	-	8,253,685
Mill levy override	31,932,829	-	-	-	-	31,932,829
Investment income	243,824	-	1,842	43,925	74,850	364,441
Charges for services	4,877,980	-	-	-	9,098,887	13,976,867
Pupil activities	-	-	-	-	6,841,204	6,841,204
Miscellaneous	4,573,750	-	3,216	35,370	1,203,314	5,815,650
Local intergovernmental	-	152,260	-	-	-	152,260
State intergovernmental	140,117,058	598,879	-	-	5,068,520	145,784,457
Federal intergovernmental	1,877,304	14,543,781	-	-	5,619,908	22,040,993
Total revenues	252,251,883	15,294,920	35,186,241	79,295	27,906,683	330,719,022
Expenditures						
Current						
Instruction	148,455,603	6,719,343	-	-	11,905,309	167,080,255
Supporting services	90,292,901	8,556,275	-	4,355,444	878,761	104,083,381
Food service operations	-	-	-	-	8,960,303	8,960,303
Capital outlay	802,513	19,302	-	7,481,160	6,483,649	14,786,624
Debt service						
Principal	-	-	14,205,000	-	-	14,205,000
Interest	-	-	18,711,630	-	-	18,711,630
Bond issuance costs, fiscal charges	-	-	428,003	-	-	428,003
Total expenditures	239,551,017	15,294,920	33,344,633	11,836,604	28,228,022	328,255,196
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	12,700,866	-	1,841,608	(11,757,309)	(321,339)	2,463,826
Other Financing Sources (Uses)						
Issuance of refunding bonds, coupons	-	-	50,355,000	-	-	50,355,000
Refunding bond premium	-	-	10,821,491	-	-	10,821,491
Payment to refunding bond escrow agent	-	-	(61,682,860)	-	-	(61,682,860)
Transfers in	-	-	-	-	6,669	6,669
Transfers out	-	-	-	-	(6,669)	(6,669)
Total other financing sources (uses)	-	-	(506,369)	-	-	(506,369)
Net change in fund balances	12,700,866	-	1,335,239	(11,757,309)	(321,339)	1,957,457
Fund balances, beginning	66,157,013	-	32,700,504	24,862,020	20,524,755	144,244,292
Restatement, change in accounting principle	-	-	-	-	3,273,080	3,273,080
Restatement, change in accounting principle	-	-	-	-	(1,046,337)	(1,046,337)
Fund balances, restated	66,157,013	-	32,700,504	24,862,020	22,751,498	146,471,035
Fund balances, ending	\$ 78,857,879	\$ -	\$ 34,035,743	\$ 13,104,711	\$ 22,430,159	\$ 148,428,492

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, 2015**

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

Net change in fund balances of governmental funds \$ 1,957,457

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	(14,699,872)	
Capital outlay - capitalized, net of deleted assets	<u>9,147,492</u>	(5,552,380)

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	5,254,625	
Current year amortization of deferred outflows	(447,587)	
Long term portion of claims payable	51,038	
Change in deferred property tax accrual	<u>1,795,698</u>	6,653,774

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	(251,929)	
Accrued vacation earned during the year	(948,019)	
Amount paid during the year	<u>1,182,186</u>	(17,762)

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.

Issuance of refunding bonds, coupons	(50,355,000)	
Premium, discount received on issuance of bonds, coupons	(10,821,491)	
Defeasance of bond issuance costs and premiums	1,870,463	
Bond principal payments	70,120,000	
Accrued interest expense on bonds	38,364	
Long-term lease payments	<u>187,956</u>	11,040,292

Pension expense related to the cost-sharing multiple-employer defined benefit pension fund are recognized on a government-wide basis and not included in the fund statements. (19,253,285)

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. (269,557)

Change in net position of governmental activities \$ (5,441,461)

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 Fund
June 30, 2015

		Governmental Activities Internal Service Fund
Assets		
Current assets		
Cash and cash equivalents	\$	2,056,487
Accounts receivable		2,001
Total current assets		<u>2,058,488</u>
Noncurrent assets		
Restricted cash and cash equivalents		<u>3,591,157</u>
Total assets		<u>5,649,645</u>
Liabilities		
Current liabilities		
Accounts payable		8,501
Claims payable		<u>1,672,016</u>
Total liabilities		<u>1,680,517</u>
Net Position		
Unrestricted		<u>3,969,128</u>
Total net position	\$	<u><u>3,969,128</u></u>

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

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St. Vrain Valley School District RE-1J

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2015

	Governmental Activities Internal Service Fund
Operating Revenues	
Charges for services	\$ 14,967,215
Total operating revenues	<u>14,967,215</u>
Operating Expenses	
Salaries and benefits	186,469
Purchased services	795,569
Small equipment	12,500
Claims paid	<u>14,248,070</u>
Total operating expenses	<u>15,242,608</u>
Operating (loss) / income	<u>(275,393)</u>
Nonoperating Revenues	
Investment income	<u>5,836</u>
Change in net position	(269,557)
Net position, beginning	<u>4,238,685</u>
Net position, ending	<u><u>\$ 3,969,128</u></u>

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

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St. Vrain Valley School District RE-1J

Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2015

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities	
Cash received from customers	\$ 14,971,017
Cash paid to suppliers/vendors	(14,845,144)
Cash paid to employees	(186,469)
Net cash (used in) operating activities	<u>(60,596)</u>
Cash Flows from Noncapital Financing Activities	
Change in restricted cash and cash equivalents	<u>(4,467)</u>
Net cash (used in) noncapital financing activities	<u>(4,467)</u>
Cash Flows from Investing Activities	
Investment income	<u>5,836</u>
(Decrease) in cash and cash equivalents	(59,227)
Cash and cash equivalents, beginning of the year	<u>2,115,714</u>
Cash and cash equivalents, end of the year	<u><u>\$ 2,056,487</u></u>
Reconciliation of Operating (Loss) / Income to Net Cash (Used in) / Provided by Operating Activities	
Operating (loss)	\$ (275,393)
Adjustments to reconcile operating (loss) to Net cash (used in) operating activities	
Changes in assets and liabilities	
Decrease in accounts receivable	3,802
Increase in accounts payable	8,501
Increase in claims payable	<u>202,494</u>
Net cash (used in) operating activities	<u><u>\$ (60,596)</u></u>

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

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St. Vrain Valley School District RE-1J

Statement of Fiduciary Net Position
 Fiduciary Funds
 June 30, 2015

	Private Purpose Trust - Student Scholarship	Agency - Student Activity
Assets		
Cash and investments	\$ 220,835	\$ 129,315
Accounts receivable	3,554	-
Total assets	<u>224,389</u>	<u>\$ 129,315</u>
Liabilities		
Accounts payable	-	\$ 259
Undistributed monies	-	129,056
Total liabilities	<u>-</u>	<u>\$ 129,315</u>
Net Position		
Held in trust	<u>\$ 224,389</u>	

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

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St. Vrain Valley School District RE-1J

**Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2015**

	Private Purpose Trust - Student Scholarship
Additions	
Investment income	\$ 175
Contributions	47,998
Total additions	48,173
Deductions	
Scholarships	42,968
Total deductions	42,968
Change in net position	5,205
Net position, beginning	219,184
Net position, ending	\$ 224,389

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



St. Vrain Valley School District RE-1J

Notes to Financial Statements
June 30, 2015

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 seventh 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, 2 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-8; Carbon Valley Academy, grades K-8; Flagstaff Academy, grades K-8; Imagine Charter School at Firestone, grades K-8; St. Vrain Community Montessori School, PK-8; 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, 2015

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, 2015

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. Although this fund no longer meets the minimum criteria to be reported as a major fund, the District has elected to report it as such.

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*, *Nutrition Services 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. Effective July 1, 2014, the Colorado Department of Education required that the District's only enterprise fund, *Nutrition Services Fund*, be reported as a special revenue fund.

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

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.

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, 2015

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 internal service fund are charges to other funds for insurance premiums. Operating expenses include the cost of services and other administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The District's agency fund applies the accrual basis of accounting, but does not have a measurement focus.

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, 2015

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.

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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position (Continued)

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

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

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. For refunding of debt resulting in defeasance, deferred outflow of resources is the difference where the net carrying value of the old debt is less than the reacquisition price. Deferred outflows also result from the net difference between projected and actual earnings on pension plan investments as well as contributions made by the District to PERA after PERA's measurement date.

In addition to liabilities, the statement of financial position reports 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. Changes in proportion and differences between contributions recognized and proportionate share of contributions as well as differences between expected and actual experience related to pensions can generate deferred inflows of resources.

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 prepaid items.
- *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).

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position (Continued)

- *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.
- *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 2015 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 Commissioner s 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

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes (Continued)

which the taxes are levied in the government-wide statements. The District has deferred inflows from property tax collection at June 30, 2015 in the amount of \$4,868,889. 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.

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. 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. 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 Self Insurance Fund's expenditures of \$15,242,608 exceed budgeted appropriations of \$15,095,000. 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 assignment of fund balance for subsequent years' expenditures based on the encumbered appropriation authority carried over.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

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 2015, the District budgeted \$5,064,088 for instructional supplies and material purposes. The District expended \$5,188,603 for instructional purposes during fiscal year ended June 30, 2015.

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 beginning with the fiscal year 2014 budget. During fiscal year 2015, a total of \$7,756,503 was allocated: \$4,921,561 to the Capital Reserve Capital Projects Fund and \$2,834,942 to the Risk Management Fund.

NOTE 3: DEPOSITS AND INVESTMENTS

At June 30, 2015, the District's deposits and investments were reported in the financial statements as follows:

	District	Component Units
Governmental activities	\$ 170,398,989	\$ 22,808,079
Agency	129,315	106,022
Private purpose trust scholarship	220,835	-
	<u>\$ 170,749,139</u>	<u>\$ 22,914,101</u>

At June 30, 2015, the District and component units had cash and investments with the following carrying balances:

	District	Component Units
Cash	\$ 14,487,165	\$ 15,667,742
Investments	156,261,974	7,246,359
	<u>\$ 170,749,139</u>	<u>\$ 22,914,101</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, 2015, the District had bank deposits of \$14,607,418 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 \$15,983,685 of which \$1,500,000 was covered by FDIC and \$14,483,685 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, 2015

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, 2015, 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	\$ 36,624,822	\$ 36,624,822	\$ -
Money market investment pools	AAAm	119,637,152	119,637,152	-
Total investments		<u>\$ 156,261,974</u>	<u>\$ 156,261,974</u>	<u>\$ -</u>

The component units had the following investments as of June 30, 2015:

Investment Type	S&P or Moody's Rating	Fair Value	Investment Maturities (in years)
			Less Than 1
Money market investment pool-CSAFE	AAAm	\$ 2,441,599	\$ 2,441,599
Money market investment pool-ColoTrust	AAAm	85,713	85,713
Money market funds	AAAm	4,719,047	4,719,047
Total investments		<u>\$ 7,246,359</u>	<u>\$ 7,246,359</u>

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Local Government Investment Pools – At June 30, 2015, 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, 2015, 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, 2015

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, 2015, the money market mutual funds and money market investment pool were 23% and 77%, respectively, of the District's total investments.

Restricted Cash and Investments

The Bond Redemption Fund's deposits and investments totaling \$33,635,649 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 \$3,591,157 are restricted for the purposes of the medical and dental self-insurance trust funds. The component units' deposits and investments totaling \$11,357,123 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, 2015 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Grants Fund	<u>\$ 2,697,629</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 2015 were as follows:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
Community Education Fund	Student Activities Fund	<u>\$ 6,669</u>

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 5: CAPITAL ASSETS

The following is a summary of changes in the District's capital assets for the year ended June 30, 2015:

	Restated Balance 7/1/2014	Additions	Deletions & Adjustments	Transfers	Balance 6/30/2015
Governmental activities					
Non-depreciable assets					
Land	\$ 20,053,379	\$ -	\$ -	\$ -	\$ 20,053,379
Projects in progress	6,542,968	6,959,742	-	(1,422,618)	12,080,092
Water rights	1,083,578	-	-	-	1,083,578
Total non-depreciable assets	27,679,925	6,959,742	-	(1,422,618)	33,217,049
Depreciable assets					
Land improvements	24,106,959	-	-	-	24,106,959
Buildings	301,936,554	537,245	-	-	302,473,799
Building improvements	183,639,236	-	-	1,422,618	185,061,854
Equipment	30,713,751	2,347,279	(696,774)	-	32,364,256
Total depreciable assets	540,396,500	2,884,524	(696,774)	1,422,618	544,006,868
Less accumulated depreciation for					
Land improvements	13,412,046	1,048,073	-	-	14,460,119
Buildings	71,843,136	5,482,018	-	-	77,325,154
Building improvements	54,690,125	7,036,969	-	-	61,727,094
Equipment	21,648,744	1,815,204	(682,392)	-	22,781,556
Total accumulated depreciation	161,594,051	15,382,264	(682,392)	-	176,293,923
Total depreciable assets, net	378,802,449	(12,497,740)	(14,382)	1,422,618	367,712,945
Governmental activities					
Total capital assets, net	<u>\$ 406,482,374</u>	<u>\$ (5,537,998)</u>	<u>\$ (14,382)</u>	<u>\$ -</u>	<u>\$ 400,929,994</u>

The beginning balances for equipment and its related accumulated depreciation were restated to reflect the change of accounting principle for the *Nutrition Services Fund*, formerly a business-type activity (enterprise fund) and, effective July 1, 2014, reported as a governmental activity (special revenue fund). The equipment balance at June 30, 2014 was \$27,311,492 and, as of July 1, 2014, was restated to \$30,713,751, a difference of \$3,402,259. Accumulated depreciation for equipment at June 30, 2014 was \$19,292,822 and, as of July 1, 2014, was restated to \$21,648,744, a difference of \$2,355,922.

Capital assets included above that were acquired through capital lease arrangements are modular buildings, with a cost of \$904,678 and accumulated depreciation of \$373,669, and equipment, with a cost of \$1,030,418 and accumulated depreciation of \$386,157. The net value of these capital assets is \$1,175,270.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2015

NOTE 5: CAPITAL ASSETS (Continued)

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

Governmental activities

Instruction	\$ 13,419,915
Supporting services	<u>1,962,349</u>
Total	<u>\$ 15,382,264</u>

Component Units' Capital Assets

The following is a summary of changes in the component units' capital assets for the year ended June 30, 2015:

	Balance 7/1/2014	Additions	Reclassifications & Deletions	Balance 6/30/2015
Component units				
Non-depreciable assets				
Land	\$ 3,105,289	\$ 1,249,717	\$ -	\$ 4,355,006
Construction in progress	<u>612,223</u>	<u>7,455,135</u>	<u>(577,713)</u>	<u>7,489,645</u>
Total non-depreciable assets	3,717,512	8,704,852	(577,713)	11,844,651
Depreciable assets				
Land improvements	280,487	-	-	280,487
Building	31,775,983	1,535,860	-	33,311,843
Leasehold improvements	1,354,034	331,090	-	1,685,124
Furniture & equipment	755,398	116,543	1,610	873,551
Software costs	<u>20,021</u>	<u>-</u>	<u>-</u>	<u>20,021</u>
Total depreciable assets	<u>34,185,923</u>	<u>1,983,493</u>	<u>1,610</u>	<u>36,171,026</u>
Less accumulated depreciation	<u>4,525,951</u>	<u>974,883</u>	<u>1,610</u>	<u>5,502,444</u>
Total depreciable assets, net	<u>29,659,972</u>	<u>1,008,610</u>	<u>-</u>	<u>30,668,582</u>
Total capital assets, net	<u>\$ 33,377,484</u>	<u>\$ 9,713,462</u>	<u>\$ (577,713)</u>	<u>\$ 42,513,233</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, 2015

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, 2015 are determined to be as follows:

General Fund	\$ 9,636,171
Grants Fund	928,266
Other funds	<u>536,121</u>
Total primary government	<u>\$ 11,100,558</u>
Component units	<u>\$ 1,007,527</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, 2015, \$249,040 of the deferred amount has been recognized. Income recognized was \$170,497 by the General Fund, \$24,830 by the Building Fund, \$2,886 by the Capital Reserve Capital Projects Fund, and \$50,827 by the Fair Contributions Fund. The remaining balances by fund of \$126,992, \$18,496, \$2,149, and \$37,856, respectively, are deferred inflows of resources as of June 30, 2015.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2015

NOTE 8: LONG-TERM DEBT

The District's long-term debt changed as follows during the year ended June 30, 2015.

Governmental activities	Balance 7/1/2014	Additions	Payments/ Amortization	Balance 6/30/2015	Due within one year
General obligation bonds	\$ 411,565,000	\$ 50,355,000	\$ (70,120,000)	\$ 391,800,000	\$ 15,225,000
Deferred bond premium	22,771,053	10,821,491	(5,254,625)	28,337,919	-
Registered coupons	300,000	-	-	300,000	-
Registered coupons discount	(19,563)	-	-	(19,563)	-
Capital leases	736,161	-	(187,956)	548,205	187,956
Vacation payable	968,689	948,019	(968,689)	948,019	948,019
Annual leave payable	1,568,211	251,929	(213,497)	1,606,643	185,000
Total	<u>\$ 437,889,551</u>	<u>\$ 62,376,439</u>	<u>\$ (76,744,767)</u>	<u>\$ 423,521,223</u>	<u>\$ 16,545,975</u>

General Obligation Bonds

Description, Interest Rates, and Maturity Dates

Balance
due at
June 30, 2015

Building Bonds (Series 2005A), original amount of \$14,000,000, due in varying installments through December 15, 2015, interest at 5.0%. Premium of \$511,241 received upon issuance is being amortized based on maturity of bonds. Amounts defeased were \$5,945,000 during fiscal year 2015. Premium amortization was adjusted accordingly.

\$ 695,000

Refunding Bonds (Series 2005B), original amount of \$42,815,000, due in varying installments through December 15, 2017, interest at 5.0%. 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.

19,085,000

Refunding Bonds (Series 2006), original amount of \$43,455,000, due in varying installments through December 15, 2022, interest from 3.95% 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.

38,850,000

Building Bonds (Series 2006B), original amount of \$56,800,000, due in varying installments through December 15, 2016, interest at 4.0%. Premium of \$3,622,791 received upon issuance is being amortized based on maturity of bonds. Amounts defeased were \$47,850,000 during fiscal year 2015. Premium amortization was adjusted accordingly.

250,000

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.

103,400,000

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 8: LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

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 3.0% 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.

34,205,000

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.

25,330,000

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

Refunding Bonds (Series 2014), original amount of \$50,355,000, due in varying installments through December 15, 2026, interest from 3.0% to 5.0%. Proceeds used to retire \$2,120,000, \$5,945,000 and \$47,850,000 of outstanding building bonds (Series 2004, 2005A and 2006B, respectively). Premium of \$10,821,491 received upon issuance is being amortized based on maturity of bonds.

50,290,000

Total general obligation bonds payable

\$ 391,800,000

Advance Refunding

On October 16, 2014, the District issued \$50,355,000 in general obligation bonds with an average coupon of 4.93% to advance refund \$2,120,000, \$5,945,000, and \$47,850,000 of outstanding 2004, 2005A, and 2006B Series bonds, respectively, with average interest rates of 5.00%, 5.00%, and 4.99%, respectively. The net proceeds of \$60.8 million were used to purchase open market securities (U.S. Government). Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments (2015, 2016-2022, and 2017-2026) on the 2004, 2005A and 2006B Series bonds, respectively. As a result, the portion of the aforementioned series bonds are considered to be defeased and the liability for those portions of the bonds have been removed from the general long-term debt. By advance refunding those portions of the bonds, the District reduced its total debt service

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 8: LONG-TERM DEBT (Continued)

Advance Refunding (Continued)

payments over the next 10 years by nearly \$8.9 million, resulting in a savings of almost \$8.0 million net of district contributions. The District obtained an economic gain (difference between the present value of the debt service payments on the old and new debt, less district contributions) of more than \$6.8 million.

Bond and coupon payments to maturity are as follows:

Year ending June 30	GO Bonds		Registered Coupons Supplemental Interest	Total
	Principal	Interest		
2016	\$ 15,225,000	\$ 18,932,570	\$ -	\$ 34,157,570
2017	15,780,000	18,298,427	-	34,078,427
2018	16,735,000	17,570,964	300,000	34,605,964
2019	18,000,000	16,766,514	-	34,766,514
2020	18,825,000	15,901,489	-	34,726,489
2021-2025	96,825,000	65,916,426	-	162,741,426
2026-2030	104,260,000	42,570,067	-	146,830,067
2031-2034	106,150,000	11,697,101	-	117,847,101
Total	<u>\$391,800,000</u>	<u>\$207,653,558</u>	<u>\$ 300,000</u>	<u>\$ 599,753,558</u>

The amount of defeased debt outstanding as of June 30, 2015 is \$149,705,000. The defeased amount relates to the 2003 and 2004 Series (no longer payable) as well as 2005A and 2006B Series (shown above).

At June 30, 2015, the future minimum capital lease obligations are \$548,205 through 2018. The amount representing interest is \$40,528 and the net present value of these minimum lease payments is \$507,667.

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, 2015 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, 2015 includes qualified annual leave for all eligible employees as of June 30, 2015.

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.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2015

NOTE 8: LONG-TERM DEBT (Continued)

Component Units' Long-Term Debt

In June 2015, the Colorado Educational and Facilities Authority (CECFA) issued \$11,235,000 Charter School Revenue Bonds, Series 2015A and 2015B. Proceeds from the bonds will be used to construct Aspen Ridge Preparatory School's building. The School is required to make equal lease payments to the Building Corporation for the use of the building. The Building Corporation is required to make equal lease payments to the Trustee, for payment of the bonds. Interest accrues at rates ranging from 4.125% and 5.25% per year. The lease matures in June 2046.

In December 2006, the Colorado Educational and Facilities Authority (CECFA) issued \$5,305,000 Charter School Revenue Bonds, Series 2006. Proceeds from the bonds were used to construct the Carbon Valley Academy's building. The Academy 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.

In August 2008, the Colorado Educational and Facilities Authority (CECFA) issued \$13,505,000 of Charter School Revenue Bonds, Series 2008. Proceeds of the bonds were used to construct Flagstaff Academy's building. The Academy 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, the Colorado Educational and Facilities Authority (CECFA) issued \$14,235,000 of Charter School Revenue Bonds, Series 2008. 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, CECFA issued \$4,775,000 of Charter School Revenue Bonds, Series 2011A and 2011B. Proceeds of the bonds were used to construct improvements to the Academy's building. Interest accrues at a rate of 6.375% to 7.5% per year. The lease matures in March 2043. In August 2014, CECFA issued \$21,990,000 of Charter School Revenue Bonds, Series 2014. Proceeds of the bonds were used to construct improvements to the Academy's building. Interest accrues at a rate of 6.375% to 7.5% per year. The lease matures in March 2044. 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. Wells Fargo also issued a \$350,000 line of credit to the Academy to prepare the land for use. Interest accrues at a rate of 4.15% per year. During the year ended June 30, 2015, the Academy paid off both the promissory note and line of credit from proceeds of the Series 2014 Bonds.

Following is a summary of the component units' long-term debt transactions for the year ended June 30, 2015.

	Balance 7/1/2014	Additions	Payments	Balance 6/30/2015	Due within one year
Component units					
Revenue bonds	\$ 36,873,804	\$ 33,225,000	\$ 14,728,804	\$ 55,370,000	\$ 785,000
Premium	-	372,738	23,296	349,442	-
	<u>\$ 36,873,804</u>	<u>\$ 33,597,738</u>	<u>\$ 14,752,100</u>	<u>\$ 55,719,442</u>	<u>\$ 785,000</u>

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 8: LONG-TERM DEBT (Continued)

Component Units' Long-Term Debt (Continued)

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

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 785,000	\$ 2,639,882	\$ 3,424,882
2017	1,005,000	2,885,023	3,890,023
2018	1,040,000	2,838,464	3,878,464
2019	1,090,000	2,787,830	3,877,830
2020	1,140,000	3,525,910	4,665,910
2021-2025	7,315,000	13,437,570	20,752,570
2026-2030	8,830,000	10,115,545	18,945,545
2031-2035	11,480,000	7,210,602	18,690,602
2036-2040	12,965,000	4,024,008	16,989,008
2041-2045	9,020,000	1,189,279	10,209,279
2046	700,000	36,750	736,750
Total	<u>\$ 55,370,000</u>	<u>\$ 50,690,863</u>	<u>\$ 106,060,863</u>

Defeasance of Debt. In August 2014, Twin Peaks Charter Academy defeased the Series 2008 Bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. This resulted in a net present value savings of \$996,501. Accordingly the trust account assets and the liability for the defeased bonds are not included in the Academy's financial statements. At June 30, 2015, \$13,465,000 of bonds outstanding are considered defeased.

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, 2015, the District had insurance deductibles of \$50,000 (property), \$25,000 (general liability), and \$1,000 (vehicle liability) per claim. At June 30, 2015, the District's property and liability claims payable was \$358,720.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2015

NOTE 9: RISK FINANCING (Continued)

Risk Management Fund (Continued)

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, 2015. At June 30, 2015, the District's workers' compensation claims payable was \$821,808.

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

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. Of the total claims payable, \$826,369 is 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, 2015 and 2014 were as follows:

	2015	2014
Beginning fiscal year liability	\$ 1,350,655	\$ 941,615
Current year claims and adjustments	684,975	1,816,474
Claims paid	(855,102)	(1,407,434)
Ending fiscal year liability	<u>\$ 1,180,528</u>	<u>\$ 1,350,655</u>

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 9: RISK FINANCING (Continued)

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, 2015. The following is a summary of the changes in claims liability for the Self Insurance Fund for fiscal year ended June 30, 2015.

	2015	2014
Beginning fiscal year liability	\$ 1,469,522	\$ 2,181,787
Current year claims and adjustments	14,450,564	12,410,224
Claims paid	(14,248,070)	(13,122,489)
Ending fiscal year liability	<u>\$ 1,672,016</u>	<u>\$ 1,469,522</u>

NOTE 10: DEFINED BENEFIT PENSION PLAN

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

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

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

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

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

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2015

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

Benefits Provided (Continued)

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

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

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

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments (COLAs), referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve for the SCHDTF.

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

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

Contributions – Eligible employees and the District are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees are required to contribute 8 percent of their PERA-includable salary.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

Contributions (Continued)

The employer contribution requirements are summarized in the table below.

	For Year Ended 12/31/2014	For Year Ended 12/31/ 2015
Employer Contribution Rate ¹	10.15%	10.15%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF ¹	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	3.80%	4.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	3.50%	4.00%
Total Employer Contribution Rate to the SCHDTF ¹	16.43%	17.33%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from District were \$25,104,314 for the fiscal year ended June 30, 2015.

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

At June 30, 2015, the District reported a liability of \$468,595,684 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2013. Standard update procedures were used to roll forward the total pension liability to December 31, 2014. The District's proportion of the net pension liability was based on District's contributions to the SCHDTF for the calendar year 2014 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2014, the District's proportion was 3.46 percent, which was an increase of 0.02 percent from its proportion measured as of December 31, 2013.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

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

For the year ended June 30, 2015, the District recognized pension expense of \$19,253,285. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	n/a	\$34,989
Changes of assumptions or other inputs	n/a	n/a
Net difference between projected and actual earnings on pension plan investments	\$10,776,171	n/a
Changes in proportion and differences between contributions recognized and proportionate share of contributions	n/a	\$1,593,936
Contributions subsequent to the measurement date	\$13,773,312	n/a
Total	\$24,549,483	\$1,628,925

\$13,773,312 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	
2016	\$2,090,737
2017	\$2,090,737
2018	\$2,271,729
2019	\$2,694,043

Actuarial assumptions – The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Price inflation	2.80 percent
Real wage growth	1.10 percent
Wage inflation	3.90 percent
Salary increases, including wage inflation	3.90 – 10.10 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.50 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2015

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

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

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years.

The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and an economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

The SCHDTF's long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent analysis of the long-term expected rate of return, presented to the PERA Board on November 15, 2013, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	10 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	26.76%	5.00%
U.S. Equity – Small Cap	4.40%	5.19%
Non U.S. Equity – Developed	22.06%	5.29%
Non U.S. Equity – Emerging	6.24%	6.76%
Core Fixed Income	24.05%	0.98%
High Yield	1.53%	2.64%
Long Duration Gov't/Credit	0.53%	1.57%
Emerging Market Bonds	0.43%	3.04%
Real Estate	7.00%	5.09%
Private Equity	7.00%	7.15%
Total	100.00%	

* In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.50%.

Discount rate – The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law, including current and future AED and SAED, until the Actuarial Value Funding Ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Based on those assumptions, the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2015

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

Discount Rate (Continued)

projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate – The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	\$617,886,217	\$468,595,684	\$343,636,975

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

Component Units' Defined Pension Benefit Plan

Contributions – Employer contributions recognized by the SCHDTF from the component units were \$2,036,415 for the fiscal year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2015, the component units reported a combined liability of \$36,236,798 for their proportionate share of the net pension liability. At December 31, 2014, the component units' proportion was a combined 0.26736 percent, which was a net increase of 0.015 percent from their proportion measured as of December 31, 2013. For the year ended June 30, 2015, the component units recognized a combined pension expense of \$2,332,116.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 10: DEFINED BENEFIT PENSION PLAN (Continued)

Component Units' Defined Pension Benefit Plan (Continued)

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

At June 30, 2015, the component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	n/a	\$2,028
Changes of assumptions or other inputs	n/a	n/a
Net difference between projected and actual earnings on pension plan investments	\$624,995	n/a
Changes in proportion and differences between contributions recognized and proportionate share of contributions	3,036,275	n/a
Contributions subsequent to the measurement date	1,073,467	n/a
Total	\$4,734,737	\$2,028

\$1,073,467 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2016	\$1,219,748
2017	\$1,219,748
2018	\$1,219,746

Sensitivity of the component units' proportionate share of the net pension liability to changes in the discount rate – The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	\$47,781,494	\$36,236,798	\$26,573,644

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 11: POSTEMPLOYMENT HEALTH CARE BENEFITS

Plan Description – The District contributes to the Health Care Trust Fund ("HCTF"), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (known as PERACare) to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the C.R.S., as amended, establishes the HCTF and sets forth a framework that grants authority to the PERA Board to contract, self-insure and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The District is required to contribute at a rate of 1.02 percent of PERA-includable 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 contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending June 30, 2015, 2014, and 2013, the District's employer contributions to the HCTF were \$1,516,577, \$1,439,638, and \$1,384,724, respectively, equal to its required contributions for each year.

Component units' employer contributions to HCTF were \$118,854, \$103,618, and \$88,263, respectively for the years ending June 30, 2015, 2014, and 2013, equal to their required contributions for each year.

NOTE 12: DEFINED CONTRIBUTION PLAN

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

Funding Policy – The Voluntary Investment Program is funded by voluntary member contributions of up to a maximum limit set by the Internal Revenue Service as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. There is no employer match. For the year ended June 30, 2015, 2014 and 2013, the Voluntary Investment Program member contributions were \$1,641,725, \$1,445,496, and \$1,424,306, respectively.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

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 \$197,342 for services provided during the year ended June 30, 2015. 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, 2015, 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.

Construction Contracts

The District has entered into a number of separate construction projects as of June 30, 2015. Contract commitments at June 30, 2015, as a result of these projects, totaled \$3,386,057.

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, 2015, the District has complied with the requirements to include emergency reserves in its net position and fund balance.

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)

June 30, 2015

NOTE 14: COMMITMENTS AND CONTINGENCIES (Continued)

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, 2015.

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: RESTATEMENT FOR CHANGE IN ACCOUNTING PRINCIPLE

Effective July 1, 2014, the Colorado Department of Education required that districts report their food service operations as a governmental activity (special revenue fund) instead of a business-type activity (enterprise fund). This change of accounting principle was necessary to align the compliance, accounting and reporting of this fund with state board rules, state statute, federal regulations, cost principles, and the federal grant program. As a result, the *Nutrition Services Fund's* beginning fund balance was decreased by \$1,046,337 to a restated beginning balance of \$2,226,743, which is equal to the net current assets and current liabilities previously reported in the proprietary fund. All remaining assets and liabilities of the fund are not recognized at the fund level under modified accrual and have been reclassified as assets and liabilities of the governmental activities as of July 1, 2014.

During the year, the District and component units adopted GASB Statements No. 68, *Accounting and Financial Reporting for Pensions*, and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The primary objective of these Statements is to improve the accounting and financial reporting by state and local governments for pensions. As a result of implementing these statements, the District recognized its proportionate share of a net pension liability and the related deferred inflows and outflows (refer to Note 10), and restated net position as follows:

Net position, June 30, 2014	\$ 127,698,240
Adjustment for Nutrition Services	3,273,080
Adjustment for pension	(426,421,841)
Net position, restated, July 1, 2014	<u>\$(295,450,521)</u>

St. Vrain Valley School District RE-1J

Notes to Financial Statements (Continued)
June 30, 2015

NOTE 15: RESTATEMENT FOR CHANGE IN ACCOUNTING PRINCIPLE (Continued)

Similarly, the component units recognized their proportionate share of a net pension liability and the related deferred inflows and outflows (refer to Note 10 – Component Units Defined Pension Benefit Plan), and restated net position as follows:

Net position, June 30, 2014	\$ 9,375,584
Adjustment for pension	<u>(31,208,388)</u>
Net position, restated, July 1, 2014	<u>\$ (21,832,804)</u>

NOTE 16: DEFICIT NET POSITION

The net position of the District's governmental activities is a deficit of \$300,891,982 as a result of implementing GASB Statement No. 68. Also, the component units' net position is a deficit of \$21,259,514 as a result of implementing the new reporting standard.



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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.

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.

Budget to actual information for the *General Fund* and *Governmental Designated-Purpose Grants Fund* are presented on the following pages.

Pension. During fiscal year 2015, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The primary objective of this Statement is to improve the accounting and financial reporting by state and local governments for pensions. Required supplementary schedules, *The District's Proportionate Share of the Net Pension Liability* and *Schedule of District Contributions*, are presented in this section.

St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
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, 2015

	General Fund				Colorado Preschool Program (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	\$ 62,139,682	\$ 60,288,927	\$ 60,375,453	\$ 86,526	\$ -	\$ -	\$ -	\$ -
Specific ownership taxes	6,643,214	7,500,000	8,253,685	753,685	-	-	-	-
Mill levy override	33,185,188	32,465,981	31,932,829	(533,152)	-	-	-	-
Investment income	226,000	226,000	241,794	15,794	-	250	263	13
Charges for services	6,459,779	5,690,000	4,869,780	(820,220)	-	-	-	-
Miscellaneous	2,074,066	2,531,766	4,403,909	1,872,143	-	-	-	-
Total local revenues	110,727,929	108,702,674	110,077,450	1,374,776	-	250	263	13
State								
Equalization, net	120,192,208	124,434,436	124,410,444	(23,992)	1,208,000	1,417,317	1,417,317	-
Special Education	5,237,019	5,677,003	5,767,659	90,656	-	-	-	-
Vocational Education	677,984	593,710	641,051	47,341	-	-	-	-
Transportation	1,562,186	1,558,502	1,590,814	32,312	-	-	-	-
Gifted and Talented	267,554	311,300	278,505	(32,795)	-	-	-	-
English Language Proficiency Act	331,013	1,514,463	1,514,464	1	-	-	-	-
BEST grant	-	815,186	641,275	(173,911)	-	-	-	-
Other state sources	527,980	966,151	960,946	(5,205)	-	-	-	-
Total state revenues	128,795,944	135,870,751	135,805,158	(65,593)	1,208,000	1,417,317	1,417,317	-
Federal								
Build America Bond rebates	1,367,123	1,411,273	1,411,273	-	-	-	-	-
Migrant passed through BOCES	88,000	37,100	33,181	(3,919)	-	-	-	-
Other federal sources	-	-	-	-	-	-	-	-
Total federal revenues	1,455,123	1,448,373	1,444,454	(3,919)	-	-	-	-
Total revenues	240,978,996	246,021,798	247,327,062	1,305,264	1,208,000	1,417,567	1,417,580	13
Expenditures, encumbered basis								
Current								
Salaries	141,494,029	142,135,722	137,804,825	4,330,897	156,855	170,319	149,092	21,227
Benefits	43,259,022	42,919,077	41,357,324	1,561,753	47,633	50,247	45,014	5,233
Purchased services	10,576,052	12,024,188	9,647,727	2,376,461	930,625	1,130,625	1,069,537	61,088
Supplies and materials	21,592,002	22,281,698	19,299,236	2,982,462	48,512	42,000	26,376	15,624
Claims paid	-	-	-	-	-	-	-	-
Other	855,311	980,311	771,977	208,334	24,375	24,376	23,965	411
Charter schools	25,326,798	24,735,984	24,735,762	222	-	-	-	-
Capital outlay	233,344	233,344	785,842	(552,498)	-	250,000	-	250,000
Total expenditures, encumbered basis	243,336,558	245,310,324	234,402,693	10,907,631	1,208,000	1,667,567	1,313,984	353,583
Excess (deficiency) of revenues over (under) expenditures and other financing sources uses	\$ (2,357,562)	\$ 711,474	12,924,369	\$ 12,212,895	\$ -	\$ (250,000)	103,596	\$ 353,596
Fund balance, beginning			62,390,069				454,113	
Fund balance, ending			\$ 75,314,438				\$ 557,709	
Reconciliation of expenditures								
Expenditures, encumbered basis			\$ 234,402,693				\$ 1,313,984	
Plus: prior year encumbrances			317,159				-	
Less: current year encumbrances			-				-	
Expenditures, US GAAP basis			234,719,852				1,313,984	
Excess revenues over expenditures (US GAAP)			12,607,210				103,596	
Fund balance, beginning			62,390,069				454,113	
Fund balance, ending			\$ 74,997,279				\$ 557,709	

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)
\$ -	\$ -	\$ -	\$ -	\$ 62,139,682	\$ 60,288,927	\$ 60,375,453	\$ 86,526
-	-	-	-	6,643,214	7,500,000	8,253,685	753,685
20,000	5,000	1,767	(3,233)	33,185,188	32,465,981	31,932,829	(533,152)
-	-	8,200	8,200	246,000	231,250	243,824	12,574
15,000	231,533	169,841	(61,692)	6,459,779	5,690,000	4,877,980	(812,020)
35,000	236,533	179,808	(56,725)	2,089,066	2,763,299	4,573,750	1,810,451
				110,762,929	108,939,457	110,257,521	1,318,064
2,827,442	2,834,942	2,834,942	-	124,227,650	128,686,695	128,662,703	(23,992)
-	-	-	-	5,237,019	5,677,003	5,767,659	90,656
-	-	-	-	677,984	593,710	641,051	47,341
-	-	-	-	1,562,186	1,558,502	1,590,814	32,312
-	-	-	-	267,554	311,300	278,505	(32,795)
-	-	-	-	331,013	1,514,463	1,514,464	1
-	-	-	-	-	815,186	641,275	(173,911)
-	-	59,641	59,641	527,980	966,151	1,020,587	54,436
2,827,442	2,834,942	2,894,583	59,641	132,831,386	140,123,010	140,117,058	(5,952)
-	-	-	-	1,367,123	1,411,273	1,411,273	-
-	-	-	-	88,000	37,100	33,181	(3,919)
-	-	432,850	432,850	-	-	432,850	432,850
-	-	432,850	432,850	1,455,123	1,448,373	1,877,304	428,931
2,862,442	3,071,475	3,507,241	435,766	245,049,438	250,510,840	252,251,883	1,741,043
269,552	277,052	216,519	60,533	141,920,436	142,583,093	138,170,436	4,412,657
71,000	71,000	56,188	14,812	43,377,655	43,040,324	41,458,526	1,581,798
1,123,970	2,517,831	2,344,829	173,002	12,630,647	15,672,644	13,062,093	2,610,551
53,700	53,700	29,193	24,507	21,694,214	22,377,398	19,354,805	3,022,593
1,300,000	1,300,000	855,102	444,898	1,300,000	1,300,000	855,102	444,898
44,220	44,220	15,350	28,870	923,906	1,048,907	811,292	237,615
-	-	-	-	25,326,798	24,735,984	24,735,762	222
-	-	-	-	233,344	483,344	785,842	(302,498)
2,862,442	4,263,803	3,517,181	746,622	247,407,000	251,241,694	239,233,858	12,007,836
\$ -	\$ (1,192,328)	(9,940)	\$ 1,182,388	\$ (2,357,562)	\$ (730,854)	13,018,025	\$ 13,748,879
		3,312,831				66,157,013	
		\$ 3,302,891				\$ 79,175,038	
		\$ 3,517,181				\$ 239,233,858	
		-				317,159	
		3,517,181				239,551,017	
		(9,940)				12,700,866	
		3,312,831				66,157,013	
		\$ 3,302,891				\$ 78,857,879	

See the accompanying Independent Auditors' Report.

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St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Governmental Designated-Purpose Grants
For the Year Ended June 30, 2015

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Local grants	\$ -	\$ -	\$ 152,260	\$ 152,260
State grants	540,000	538,147	598,879	\$ 60,732
Federal grants	10,467,000	10,429,926	9,031,044	(1,398,882)
ARRA - Federal education stimulus grants	4,200,000	5,220,594	5,512,737	292,143
Total revenues	15,207,000	16,188,667	15,294,920	(893,747)
Expenditures				
Salaries	9,000,000	9,491,231	9,443,839	47,392
Benefits	2,610,000	2,559,688	2,564,993	(5,305)
Purchased services	750,000	591,650	790,155	(198,505)
Supplies and materials	2,000,000	2,399,906	1,594,609	805,297
Other	670,000	883,496	882,022	1,474
Capital outlay	177,000	262,696	19,302	243,394
Total expenditures	15,207,000	16,188,667	15,294,920	893,747
Excess (deficiency) of revenues over (under) expenditures	\$ -	-	-	\$ -
Fund balance, beginning		-	-	
Fund balance, ending		\$ -	\$ -	

See the accompanying Independent Auditors' Report.

St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
Schedule of District's Proportionate Share of the Net Pension Liability
Year Ended December 31, (Measurement Date)
Employee Pension Plan
Year One **

	<u>2014</u>
District's proportion of the net pension liability (asset)	3.4574%
District's proportionate share of the net pension liability (asset)	\$ 468,595,684
District's covered-employee payroll	\$ 144,605,343
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	324.05%
Plan fiduciary net position as a percentage of the total pension liability	62.84%

** GASB Statement No. 68 was implemented during fiscal year 2015.
 As information becomes available, each subsequent year will be added
 until a full 10-year trend is compiled.

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St. Vrain Valley School District RE-1J
Schedule of Required Supplementary Information
Schedule of District Contributions
Year Ended June 30, (Fiscal Year End Date)
Employee Pension Plan
Year One **

	<u>2015</u>
Contractually required contribution	\$ 26,620,891
Contributions in relation to the contractually required contribution	(26,620,891)
Contribution deficiency (excess)	<u>\$ -</u>
District's covered-employee payroll	\$ 148,684,016
Contributions as a percentage of covered-employee payroll	17.90%

** GASB Statement No. 68 was implemented during fiscal year 2015.
As information becomes available, each subsequent year will be added
until a full 10-year trend is compiled.

St. Vrain Valley School District RE-1J

Notes to Required Supplementary Information
June 30, 2015

NOTE 1: GENERAL FUND BUDGETARY INFORMATION

Prior to July 1, 2014, the General Fund annual budget was adopted on an encumbrance basis. However, during fiscal year 2015, the District adopted its general fund budget on a basis consistent with US GAAP. A budget basis is similar to a cash basis, in that revenues are recognized when cash is received, and expenditures are recorded when payments are made. However, budgeting on a US GAAP basis includes, for example, accruals for compensation earned but not paid as of fiscal year end, and recognition of deferred revenues. The District's other funds are also budgeted on a US GAAP basis.

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

- \$3.5 million increase in total program funding due to student growth
- \$2.8 million increase in state revenues (other than equalization, a component of total program funding) due to increased funding for programs including, but not limited to, English Language Proficiency Act
- \$3.0 million increase in purchased services due to anticipated state BEST grant activity, additional outside placement and preschool tuition expenses, READ Act tuition scholarship reimbursements, and continued flood related mitigation costs.

NOTE 2: NET PENSION LIABILITY AND DISTRICT CONTRIBUTIONS

The schedules presented will illustrate a 10-year trend. However, since the District did not implement GASB Statement No. 68 until fiscal year 2015, only one year is presented in these prior schedules. As information is available, each subsequent year will be added until the full 10-year trend is compiled.

The Schedule of the District's Proportionate Share of the Net Pension Liability presents amounts as determined at December 31st of each fiscal year. The Schedule of District Contributions presents amounts based on the District's fiscal year of June 30th.

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. Although this fund no longer meets the minimum criteria to be reported as a major fund, the District has elected to report it as such.

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, 2015

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	\$ 36,139,866	\$ 35,356,624	\$ 35,181,183	\$ (175,441)
Investment income	2,000	2,000	1,842	(158)
Miscellaneous	-	-	3,216	3,216
Total revenues	<u>36,141,866</u>	<u>35,358,624</u>	<u>35,186,241</u>	<u>(172,383)</u>
Expenditures				
Debt principal	14,140,000	14,205,000	14,205,000	-
Debt interest	19,880,767	18,711,630	18,711,630	-
Fiscal charges	10,000	432,603	428,003	4,600
Total expenditures	<u>34,030,767</u>	<u>33,349,233</u>	<u>33,344,633</u>	<u>4,600</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>2,111,099</u>	<u>2,009,391</u>	<u>1,841,608</u>	<u>(167,783)</u>
Other Financing Sources (Uses)				
Issuance of refunding bonds, coupons	-	50,355,000	50,355,000	-
Premium on bonds issued	-	10,821,491	10,821,491	-
Payment to refunded bond escrow agent	-	(61,682,860)	(61,682,860)	-
Total other financing sources (uses)	<u>-</u>	<u>(506,369)</u>	<u>(506,369)</u>	<u>-</u>
Net change in fund balances	<u>\$ 2,111,099</u>	<u>1,503,022</u>	<u>1,335,239</u>	<u>\$ (167,783)</u>
Fund balance, beginning		32,700,504	32,700,504	
Fund balance, ending		<u>\$ 34,203,526</u>	<u>\$ 34,035,743</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, 2015

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	\$ 21,385	\$ 43,000	\$ 43,925	\$ 925
Miscellaneous	-	40,000	35,370	(4,630)
Total revenues	21,385	83,000	79,295	(3,705)
Expenditures				
Salaries	225,000	315,000	379,832	(64,832)
Benefits	58,188	81,000	96,642	(15,642)
Purchased services	7,300,000	7,300,000	3,871,983	3,428,017
Supplies and materials	100,000	100,000	3,034	96,966
Capital outlay	14,799,050	17,099,020	7,481,160	9,617,860
Other	50,000	50,000	3,953	46,047
Total expenditures	22,532,238	24,945,020	11,836,604	13,108,416
Net change in fund balances	\$ (22,510,853)	(24,862,020)	(11,757,309)	\$ 13,104,711
Fund balance, beginning		24,862,020	24,862,020	
Fund balance, ending		\$ -	\$ 13,104,711	

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.
- *Nutrition Services Fund* – To align the compliance, accounting and reporting for the federal grant program that is the food service fund, the Colorado Department of Education required that school districts report their food operations in a special revenue fund effective July 1, 2014. Previously, the District's *Nutrition Services Fund* was reported as an Enterprise Fund.
- *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.

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St. Vrain Valley School District RE-1J

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

	Capital Reserve Capital Projects Fund
Assets	
Cash and investments	\$ 8,209,917
Accounts receivable	-
Grants receivable	-
Due from component units	-
Prepays	371,635
Deposits	280
Inventories	-
Total assets	\$ 8,581,832
Liabilities	
Accounts payable	\$ 1,169,103
Accrued salaries and benefits	-
Construction retainage payable	20,956
Unearned revenues	-
Total liabilities	1,190,059
Deferred inflows of revenue	
From forward investment agreement	2,149
Fund Balances	
Nonspendable: deposits, inventories, prepaids	371,915
Restricted: special revenue funds	-
Committed: capital projects	7,017,709
Committed: special revenue fund	-
Assigned	-
Total fund balances	7,389,624
Total liabilities, deferred inflows, and fund balances	\$ 8,581,832

See the accompanying Independent Auditors' Report.

Special Revenue Funds				Total Nonmajor Governmental Funds
Community Education	Fair Contributions	Nutrition Services	Student Activity	
\$ 2,774,710	\$ 6,444,886	\$ 1,978,004	\$ 3,939,334	\$ 23,346,851
19,158	-	1,236	35,352	55,746
-	-	61,943	-	61,943
70	-	750	-	820
-	-	22,025	-	393,660
-	-	-	-	280
-	-	492,129	-	492,129
<u>\$ 2,793,938</u>	<u>\$ 6,444,886</u>	<u>\$ 2,556,087</u>	<u>\$ 3,974,686</u>	<u>\$ 24,351,429</u>
\$ 14,577	\$ -	60,314	\$ 63,713	\$ 1,307,707
395,204	-	137,098	901	533,203
-	-	-	-	20,956
17,951	-	-	1,448	19,399
<u>427,732</u>	<u>-</u>	<u>197,412</u>	<u>66,062</u>	<u>1,881,265</u>
<u>-</u>	<u>37,856</u>	<u>-</u>	<u>-</u>	<u>40,005</u>
-	-	514,154	-	886,069
2,366,206	-	1,844,521	3,908,624	8,119,351
-	-	-	-	7,017,709
-	6,407,030	-	-	6,407,030
-	-	-	-	-
<u>2,366,206</u>	<u>6,407,030</u>	<u>2,358,675</u>	<u>3,908,624</u>	<u>22,430,159</u>
<u>\$ 2,793,938</u>	<u>\$ 6,444,886</u>	<u>\$ 2,556,087</u>	<u>\$ 3,974,686</u>	<u>\$ 24,351,429</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, 2015**

	Capital Reserve Capital Projects Fund
Revenues	
Intergovernmental	\$ 4,921,561
Investment income	9,644
Charges for services	-
Pupil activities	-
Miscellaneous	105,907
State intergovernmental	-
Federal intergovernmental	-
Total revenues	<u>5,037,112</u>
Expenditures	
Instruction	-
Supporting services	-
Food service operations	-
Capital expenditures/outlay	<u>6,235,537</u>
Total expenditures	<u>6,235,537</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>(1,198,425)</u>
Other Financing Sources (Uses)	
Transfers in	-
Transfers out	-
Total other financing sources (uses)	<u>-</u>
Net changes in fund balances	(1,198,425)
Fund balances, beginning	8,588,049
Restatement, change in accounting principle	-
Restatement, change in accounting principle	-
Fund balances, restated	<u>8,588,049</u>
Fund balances, ending	<u>\$ 7,389,624</u>

See the accompanying Independent Auditors' Report.

Special Revenue Funds				Total Nonmajor Governmental Funds
Community Education	Fair Contributions	Nutrition Services	Student Activity	
\$ -	\$ -	\$ -	\$ -	\$ 4,921,561
3,195	56,532	1,251	4,228	74,850
5,662,654	-	3,436,233	-	9,098,887
-	-	-	6,841,204	6,841,204
-	1,078,391	19,016	-	1,203,314
-	-	146,959	-	146,959
-	-	5,619,908	-	5,619,908
5,665,849	1,134,923	9,223,367	6,845,432	27,906,683
5,779,057	-	-	6,126,252	11,905,309
583,794	4,805	-	290,162	878,761
-	-	8,960,303	-	8,960,303
83,480	-	131,132	33,500	6,483,649
6,446,331	4,805	9,091,435	6,449,914	28,228,022
(780,482)	1,130,118	131,932	395,518	(321,339)
-	-	-	6,669	6,669
(6,669)	-	-	-	(6,669)
(6,669)	-	-	6,669	-
(787,151)	1,130,118	131,932	402,187	(321,339)
3,153,357	5,276,912	-	3,506,437	20,524,755
-	-	3,273,080	-	3,273,080
-	-	(1,046,337)	-	(1,046,337)
3,153,357	5,276,912	2,226,743	3,506,437	22,751,498
\$ 2,366,206	\$ 6,407,030	\$ 2,358,675	\$ 3,908,624	\$ 22,430,159

See the accompanying Independent Auditors' Report.

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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, 2015

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Allocation from General Fund	\$ 4,796,055	\$ 4,921,561	\$ 4,921,561	\$ -
Investment income	10,000	10,000	9,644	(356)
Miscellaneous	20,000	175,000	105,907	(69,093)
Total revenues	<u>4,826,055</u>	<u>5,106,561</u>	<u>5,037,112</u>	<u>(69,449)</u>
Expenditures				
Capital expenditures	<u>4,826,055</u>	<u>9,100,000</u>	<u>6,235,537</u>	<u>2,864,463</u>
Total expenditures	<u>4,826,055</u>	<u>9,100,000</u>	<u>6,235,537</u>	<u>2,864,463</u>
Net change in fund balances	<u>\$ -</u>	<u>(3,993,439)</u>	<u>(1,198,425)</u>	<u>\$ 2,795,014</u>
Fund balance, beginning		<u>8,588,049</u>	<u>8,588,049</u>	
Fund balance, ending		<u>\$ 4,594,610</u>	<u>\$ 7,389,624</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, 2015

	Original Budget	2nd Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	\$ 5,000	\$ 5,000	\$ 3,195	\$ (1,805)
Charges for services	5,446,184	5,750,000	5,662,654	(87,346)
Total revenues	<u>5,451,184</u>	<u>5,755,000</u>	<u>5,665,849</u>	<u>(89,151)</u>
Expenditures				
Instruction	5,560,000	6,200,000	5,779,057	420,943
Support services	300,000	550,000	583,794	(33,794)
Capital outlay	-	-	83,480	(83,480)
Total expenditures	<u>5,860,000</u>	<u>6,750,000</u>	<u>6,446,331</u>	<u>303,669</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(408,816)	(995,000)	(780,482)	214,518
Other Financing (Uses)				
Transfers out	-	-	(6,669)	(6,669)
Net change in fund balances	<u>\$ (408,816)</u>	<u>(995,000)</u>	<u>(787,151)</u>	<u>\$ 207,849</u>
Fund balance, beginning		3,153,357	3,153,357	
Fund balance, ending		<u>\$ 2,158,357</u>	<u>\$ 2,366,206</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, 2015

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment income	\$ 50,000	\$ 55,597	\$ 56,532	\$ 935
Cash in lieu	850,000	929,000	1,078,391	149,391
Total revenues	<u>900,000</u>	<u>984,597</u>	<u>1,134,923</u>	<u>150,326</u>
Expenditures				
Purchased services	150,000	150,000	4,805	145,195
Capital outlay	<u>5,813,689</u>	<u>6,111,509</u>	-	<u>6,111,509</u>
Total expenditures	<u>5,963,689</u>	<u>6,261,509</u>	<u>4,805</u>	<u>6,256,704</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (5,063,689)</u>	<u>(5,276,912)</u>	<u>1,130,118</u>	<u>\$ 6,407,030</u>
Fund balance, beginning		<u>5,276,912</u>	<u>5,276,912</u>	
Fund balance, ending		<u>\$ -</u>	<u>\$ 6,407,030</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
Nutrition Services Fund
For the Year Ended June 30, 2015

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	\$ 1,100	\$ 1,100	\$ 1,251	\$ 151
Charges for services	3,300,000	3,300,000	3,436,233	136,233
Other food service charges	60,000	60,000	19,016	(40,984)
State match	118,000	118,000	146,959	28,959
Commodities entitlement	550,603	550,603	534,454	(16,149)
National School Lunch/Breakfast Program	5,100,000	5,100,000	5,085,454	(14,546)
Total revenues	9,129,703	9,129,703	9,223,367	93,664
Expenditures				
Salaries	3,258,818	3,258,818	3,083,197	175,621
Benefits	1,025,068	1,025,068	1,102,129	(77,061)
Purchased services	175,000	175,000	69,583	105,417
Supplies and materials	4,513,202	4,513,202	4,491,261	21,941
Small equipment	221,576	256,576	131,132	125,444
Other	100,000	100,000	214,133	(114,133)
Total expenditures	9,293,664	9,328,664	9,091,435	237,229
Excess (deficiency) of revenues over (under) expenditures	(163,961)	(198,961)	131,932	330,893
Other Financing (Uses)				
Restatement due to accounting change	(965,261)	(1,046,337)	-	1,046,337
Net change in fund balances	<u>\$ (1,129,222)</u>	(1,245,298)	131,932	<u>\$ 1,377,230</u>
Fund balance, beginning		3,273,080	3,273,080	
Restatement, change in accounting principle		(1,046,337)	(1,046,337)	
Fund balance, restated		2,226,743	2,226,743	
Fund balance, ending		<u>\$ 981,445</u>	<u>\$ 2,358,675</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, 2015

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues				
Investment income	\$ 4,000	\$ 4,000	\$ 4,228	\$ 228
Athletic activities	2,200,000	2,200,000	2,155,064	(44,936)
Pupil activities	3,400,000	3,400,000	3,633,153	233,153
PTO/Gift activities	700,000	800,000	1,052,987	252,987
Total revenues	6,304,000	6,404,000	6,845,432	441,432
Expenditures				
Athletic activities	3,171,000	3,330,162	2,128,963	1,201,199
Pupil activities	5,541,802	5,521,079	3,434,670	2,086,409
PTO/Gift activities	1,170,000	1,059,196	886,281	172,915
Total expenditures	9,882,802	9,910,437	6,449,914	3,460,523
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(3,578,802)	(3,506,437)	395,518	3,901,955
Other Financing Sources				
Transfers in	-	-	6,669	6,669
Net change in fund balances	\$ (3,578,802)	(3,506,437)	402,187	\$ 3,908,624
Fund balance, beginning		3,506,437	3,506,437	
Fund balance, ending		\$ -	\$ 3,908,624	

See the accompanying Independent Auditors' Report.

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SUPPLEMENTARY SCHEDULES – PROPRIETARY FUND

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
Self Insurance Fund
For the Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment income	\$ 5,000	\$ 6,500	\$ 5,836	\$ (664)
Charges for services	15,697,130	14,750,000	14,967,215	217,215
Total revenues	<u>15,702,130</u>	<u>14,756,500</u>	<u>14,973,051</u>	<u>216,551</u>
Expenditures				
Salaries	153,800	153,800	143,162	10,638
Benefits	43,330	48,700	43,307	5,393
Purchased services	25,000	25,000	795,569	(770,569)
Supplies and materials	5,000	5,000	-	5,000
Other	-	12,500	12,500	-
Claims paid	15,475,000	14,850,000	14,248,070	601,930
Total expenditures	<u>15,702,130</u>	<u>15,095,000</u>	<u>15,242,608</u>	<u>(147,608)</u>
Net change in fund balances	<u>\$ -</u>	<u>(338,500)</u>	<u>(269,557)</u>	<u>\$ 68,943</u>
Net position, beginning		<u>4,238,685</u>	<u>4,238,685</u>	
Net position, ending		<u>\$ 3,900,185</u>	<u>\$ 3,969,128</u>	

See the accompanying Independent Auditors' Report.

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.

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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, 2015

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Additions				
Investment income	\$ 150	\$ 150	\$ 175	\$ 25
Contributions	50,000	50,000	47,998	(2,002)
Total additions	50,150	50,150	48,173	(1,977)
Deductions				
Scholarships	55,000	60,000	42,968	17,032
Total deductions	55,000	60,000	42,968	17,032
Change in net position	<u>\$ (4,850)</u>	(9,850)	5,205	<u>\$ 15,055</u>
Net position, beginning		219,184	219,184	
Net position, ending		<u>\$ 209,334</u>	<u>\$ 224,389</u>	

See the accompanying Independent Auditors' Report.

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St. Vrain Valley School District RE-1J

Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended June 30, 2015

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
Assets				
Cash and investments	\$ 157,620	\$ 107,489	\$ 135,794	\$ 129,315
Total assets	<u>\$ 157,620</u>	<u>\$ 107,489</u>	<u>\$ 135,794</u>	<u>\$ 129,315</u>
Liabilities				
Accounts payable	\$ -	\$ 259	\$ -	\$ 259
Undistributed monies	<u>157,620</u>	<u>107,230</u>	<u>135,794</u>	<u>129,056</u>
Total liabilities	<u>\$ 157,620</u>	<u>\$ 107,489</u>	<u>\$ 135,794</u>	<u>\$ 129,315</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, 2015

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Additions				
Elementary Schools	\$ 50,000	\$ 50,000	\$ 43,681	\$ (6,319)
Middle Schools	20,000	25,000	26,121	1,121
High Schools	50,000	50,000	37,428	(12,572)
Other additions	8,000	-	-	-
Total additions	<u>128,000</u>	<u>125,000</u>	<u>107,230</u>	<u>(17,770)</u>
Deductions				
Elementary Schools	103,641	124,682	43,010	81,672
Middle Schools	55,540	31,254	33,309	(2,055)
High Schools	126,170	114,999	59,475	55,524
Other deductions	19,995	11,685	-	11,685
Total deductions	<u>305,346</u>	<u>282,620</u>	<u>135,794</u>	<u>146,826</u>
Change in undistributed monies	<u>\$ (177,346)</u>	<u>(157,620)</u>	<u>(28,564)</u>	<u>\$ 129,056</u>
Undistributed monies, beginning		<u>157,620</u>	<u>157,620</u>	
Undistributed monies, ending		<u>\$ -</u>	<u>\$ 129,056</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. In October 2014, the charter was renewed to serve grades K through 8. 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), added a grade each year until 6th grade. In October 2013, the charter was renewed to serve grades pre-K through 8, adding grade 7 in fiscal year 2015 and grade 8 in fiscal year 2016.

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 added a grade each year until 12th grade.

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St. Vrain Valley School District RE-1J

Combining Statement of Net Position
Component Units
June 30, 2015

	Aspen Ridge Preparatory School	Carbon Valley Academy	Flagstaff Academy
Assets			
Cash and investments	\$ 1,104,330	\$ 864,076	\$ 3,682,465
Accounts receivable	73,757	-	7,920
Grants receivable	173,762	-	-
Prepays	4,666	10,080	56,086
Deposits	600	-	-
Restricted cash and investments	5,550,195	537,309	1,904,290
Capital assets,			
Non-depreciable	5,263,571	1,158,251	27,938
Depreciable, net	3,220	3,093,843	9,690,527
Total assets	12,174,101	5,663,559	15,369,226
Deferred outflows of resources	611,717	709,689	526,716
Liabilities			
Accounts payable	1,739	23,451	80,716
Due to primary government	184,183	10,094	90,319
Retainage payable	-	-	-
Accrued salaries and benefits	63,853	89,692	342,142
Accrued interest payable	-	21,965	387,765
Unearned revenue	17,550	-	48,303
Noncurrent liabilities			
Due within one year	-	110,000	230,000
Due in more than one year	11,235,000	4,520,000	12,675,000
Pension liability	2,449,151	3,790,127	10,572,687
Total liabilities	13,951,476	8,565,329	24,426,932
Deferred inflows of resources	137	212	592
Net Position			
Net investment in capital assets	(418,014)	(998,848)	(1,310,183)
Restricted for			
Emergencies	78,000	77,000	226,000
Debt service	-	-	-
Unrestricted	(825,781)	(1,270,445)	(7,447,399)
Total net position	\$ (1,165,795)	\$ (2,192,293)	\$ (8,531,582)

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
\$ 2,358,201	\$ 611,076	\$ 2,830,808	\$ 11,450,956
455	5,668	6,467	94,267
-	-	-	173,762
4,581	38,311	650	114,374
-	13,841	-	14,441
-	-	3,365,329	11,357,123
-	-	5,394,891	11,844,651
-	123,576	17,757,416	30,668,582
2,363,237	792,472	29,355,561	65,718,156
1,342,557	371,933	4,346,857	7,909,469
10,579	19,272	494,484	630,241
2,215	-	10,085	296,896
-	-	181,128	181,128
158,219	9,361	344,260	1,007,527
-	-	206,216	615,946
27,820	92,923	10,537	197,133
-	-	445,000	785,000
-	-	26,504,442	54,934,442
6,352,906	2,504,017	10,567,910	36,236,798
6,551,739	2,625,573	38,764,062	94,885,111
355	140	592	2,028
-	123,576	(431,806)	(3,035,275)
168,000	66,000	242,000	857,000
-	-	758,443	758,443
(3,014,300)	(1,650,884)	(5,630,873)	(19,839,682)
\$ (2,846,300)	\$ (1,461,308)	\$ (5,062,236)	\$ (21,259,514)

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, 2015

	Aspen Ridge Preparatory School	Carbon Valley Academy	Flagstaff Academy
Expenses			
Instruction	\$ 1,066,668	\$ 1,344,006	\$ 4,279,650
Supporting services	1,779,806	1,097,550	2,125,901
Interest expense	-	263,250	897,994
Total expenses	<u>2,846,474</u>	<u>2,704,806</u>	<u>7,303,545</u>
Program Revenues			
Charges for Services	289,792	164,439	903,540
Operating Grants and Contributions	318,018	141,840	125,725
Capital Grants and Contributions	51,245	43,593	141,292
Total program revenues	<u>659,055</u>	<u>349,872</u>	<u>1,170,557</u>
General Revenues			
Per pupil revenue	2,076,267	1,725,650	5,726,550
Mill levy override	104,852	441,065	772,877
Interest income	304	697	13,436
Other	-	105,097	32,186
Total general revenues	<u>2,181,423</u>	<u>2,272,509</u>	<u>6,545,049</u>
Change in net position	(5,996)	(82,425)	412,061
Net position, beginning	<u>590,572</u>	<u>862,609</u>	<u>1,285,933</u>
Restatement	(1,750,371)	(2,972,477)	(10,229,576)
Net position, restated	<u>(1,159,799)</u>	<u>(2,109,868)</u>	<u>(8,943,643)</u>
Net position, ending	<u>\$ (1,165,795)</u>	<u>\$ (2,192,293)</u>	<u>\$ (8,531,582)</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
\$ 2,767,353	\$ 1,430,572	\$ 3,966,780	\$ 14,855,029
2,958,882	739,831	3,046,647	11,748,617
-	-	1,008,974	2,170,218
<u>5,726,235</u>	<u>2,170,403</u>	<u>8,022,401</u>	<u>28,773,864</u>
488,443	260,838	292,775	2,399,827
52,753	105,224	79,464	823,024
103,065	30,185	167,769	537,149
<u>644,261</u>	<u>396,247</u>	<u>540,008</u>	<u>3,760,000</u>
4,160,084	1,223,393	6,799,657	21,711,601
633,051	127,356	944,939	3,024,140
-	418	642	15,497
174,090	524,593	-	835,966
<u>4,967,225</u>	<u>1,875,760</u>	<u>7,745,238</u>	<u>25,587,204</u>
(114,749)	101,604	262,845	573,340
<u>2,037,440</u>	<u>547,878</u>	<u>4,051,102</u>	<u>9,375,534</u>
(4,768,991)	(2,110,790)	(9,376,183)	(31,208,388)
<u>(2,731,551)</u>	<u>(1,562,912)</u>	<u>(5,325,081)</u>	<u>(21,832,854)</u>
<u>\$ (2,846,300)</u>	<u>\$ (1,461,308)</u>	<u>\$ (5,062,236)</u>	<u>\$ (21,259,514)</u>

See the accompanying Independent Auditors' Report.



**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.

Contents

Pages

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. 106 – 117

Revenue Capacity

The schedules contain information to help the reader assess the District's most significant local and state revenue sources..... 118 – 122

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. 123 – 127

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. 128 – 133

Operating Information

The schedules contain information to help the reader understand the staffing of the District, student population it serves, and capital asset data..... 134 - 141

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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities				
Net investment in capital assets (1)	\$ 10,755,304	\$ 20,092,457	\$ 17,752,278	\$ 16,389,200
Restricted	38,271,459	42,011,881	36,348,780	43,552,511
Unrestricted	2,416,984	(1,985,048)	14,481,434	35,783,693
Total governmental net position	<u>51,443,747</u>	<u>60,119,290</u>	<u>68,582,492</u>	<u>95,725,404</u>
Business-type activities (2)				
Net investment in capital assets	1,143,171	1,059,518	926,902	1,075,631
Restricted	-	-	-	-
Unrestricted	1,067,695	927,056	695,203	476,099
Total business-type net position	<u>2,210,866</u>	<u>1,986,574</u>	<u>1,622,105</u>	<u>1,551,730</u>
Primary government				
Net investment in capital assets	11,898,475	21,151,975	18,679,180	17,464,831
Restricted	38,271,459	42,011,881	36,348,780	43,552,511
Unrestricted	3,484,679	(1,057,992)	15,176,637	36,259,792
Total primary government net position	<u>\$ 53,654,613</u>	<u>\$ 62,105,864</u>	<u>\$ 70,204,597</u>	<u>\$ 97,277,134</u>

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

Note 2: Due to change in accounting effective July 1, 2014, Nutrition Services was no longer reported as a business-type activity but, rather, included in governmental activities.

2010	2011	2012	2013	2014	2015
\$ 5,837,277	\$ 1,650,384	\$ (4,553,120)	\$ 5,975,997	\$ 4,819,681	\$ 4,340,004
48,873,296	41,903,392	42,346,312	43,513,161	47,616,074	50,736,515
41,983,603	49,879,868	52,817,264	74,351,302	75,262,484	(355,968,501)
96,694,176	93,433,644	90,610,456	123,840,460	127,698,239	(300,891,982)
1,042,353	908,812	1,201,873	1,137,800	1,046,337	-
-	-	-	-	-	-
967,637	1,534,339	1,957,064	2,065,046	2,226,743	-
2,009,990	2,443,151	3,158,937	3,202,846	3,273,080	-
6,879,630	2,559,196	(3,351,247)	7,113,797	5,866,018	4,340,004
48,873,296	41,903,392	42,346,312	43,513,161	47,616,074	50,736,515
42,951,240	51,414,207	54,774,328	76,416,348	77,489,227	(355,968,501)
\$ 98,704,166	\$ 95,876,795	\$ 93,769,393	\$ 127,043,306	\$ 130,971,319	\$ (300,891,982)

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

	2006	2007	2008	2009
Expenses				
Governmental activities:				
Instruction	\$ 113,735,114	\$ 115,031,293	\$ 122,240,743	\$ 127,681,937
Supporting services	53,304,184	58,113,258	60,629,900	69,745,866
Interest	14,320,914	16,010,493	15,500,560	15,845,498
Total governmental activities expenses	<u>181,360,212</u>	<u>189,155,044</u>	<u>198,371,203</u>	<u>213,273,301</u>
Business-type activities:				
Food services	5,873,965	6,368,635	7,069,557	7,825,813
Total primary government expenses	<u>\$ 187,234,177</u>	<u>\$ 195,523,679</u>	<u>\$ 205,440,760</u>	<u>\$ 221,099,114</u>
Program Revenues				
Governmental activities:				
Charges for services				
Tuition and fees	\$ 3,280,966	\$ 6,299,455	\$ 7,167,010	\$ 8,182,298
Internal charges (1)	576,681	634,386	731,765	1,892,602
Operating grants and contributions	13,090,706	12,329,701	13,200,675	14,558,258
Capital grants and contributions	1,053,746	591,496	507,755	199,537
Total governmental activities program revenues	<u>18,002,099</u>	<u>19,855,038</u>	<u>21,607,205</u>	<u>24,832,695</u>
Business-type activities: (2)				
Charges for services	3,098,897	3,363,892	3,574,268	3,776,079
Operating grants and contributions	2,442,897	2,754,834	3,106,894	3,661,169
Capital grants and contributions	-	-	-	312,655
Total business-type activities program revenues	<u>5,541,794</u>	<u>6,118,726</u>	<u>6,681,162</u>	<u>7,749,903</u>
Total primary government program revenues	<u>\$ 23,543,893</u>	<u>\$ 25,973,764</u>	<u>\$ 28,288,367</u>	<u>\$ 32,582,598</u>
Net (expense) / revenue				
Governmental activities	\$ (163,358,113)	\$ (169,300,006)	\$ (176,763,998)	\$ (188,440,606)
Business-type activities	(332,171)	(249,909)	(388,395)	(75,910)
Total primary government net expense	<u>\$ (163,690,284)</u>	<u>\$ (169,549,915)</u>	<u>\$ (177,152,393)</u>	<u>\$ (188,516,516)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes	\$ 74,977,182	\$ 77,555,794	\$ 83,233,225	\$ 88,457,619
Specific ownership taxes	5,987,316	5,997,044	6,047,704	6,054,107
Mill levy override	-	-	-	15,923,875
State equalization	77,794,994	85,049,954	90,264,910	100,658,351
Investment income	2,511,220	4,805,951	4,350,866	1,690,910
Other	941,954	3,471,495	1,330,495	2,798,656
Transfers	(310,317)	1,095,313	-	-
Total governmental activities	<u>161,902,349</u>	<u>177,975,551</u>	<u>185,227,200</u>	<u>215,583,518</u>
Business-type activities:				
Investment income	25,035	25,617	23,926	5,535
Transfers	310,317	-	-	-
Total business-type activities	<u>335,352</u>	<u>25,617</u>	<u>23,926</u>	<u>5,535</u>
Total primary government	<u>\$ 162,237,701</u>	<u>\$ 178,001,168</u>	<u>\$ 185,251,126</u>	<u>\$ 215,589,053</u>
Change in Net Position				
Governmental activities	\$ (1,455,764)	\$ 8,675,545	\$ 8,463,202	\$ 27,142,912
Business-type activities	3,181	(224,292)	(364,469)	(70,375)
Total primary government	<u>\$ (1,452,583)</u>	<u>\$ 8,451,253</u>	<u>\$ 8,098,733</u>	<u>\$ 27,072,537</u>

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

Note 2: Due to change in accounting effective July 1, 2014, Nutrition Services was no longer reported as a business-type activity but, rather, included in governmental activities.

2010	2011	2012	2013	2014	2015
\$ 136,783,787	\$ 154,559,432	\$ 156,466,950	\$ 162,259,184	\$ 178,639,344	\$ 201,741,825
106,835,640	92,466,787	87,621,269	82,910,079	102,775,349	122,353,964
19,182,556	20,837,721	20,839,718	20,383,627	19,739,295	13,866,228
262,801,983	267,863,940	264,927,937	265,552,890	301,153,988	337,962,017
7,795,085	8,155,509	8,338,941	8,550,602	8,878,049	-
\$ 270,597,068	\$ 276,019,449	\$ 273,266,878	\$ 274,103,492	\$ 310,032,037	\$ 337,962,017
\$ 11,324,592	\$ 10,924,440	\$ 12,478,933	\$ 14,190,837	\$ 15,704,630	\$ 19,348,384
2,033,494	1,594,055	1,731,141	1,557,178	1,517,636	1,469,687
19,607,144	26,905,761	19,577,033	19,285,254	25,359,439	34,241,186
452,712	334,803	514,826	742,088	1,022,765	1,078,391
33,417,942	39,759,059	34,301,933	35,775,357	43,604,470	56,137,648
3,911,304	3,709,186	3,804,775	3,448,430	3,879,122	-
4,206,325	4,878,818	4,884,351	5,035,106	5,052,608	-
135,146	-	364,451	109,033	15,396	-
8,252,775	8,588,004	9,053,577	8,592,569	8,947,126	-
\$ 41,670,717	\$ 48,347,063	\$ 43,355,510	\$ 44,367,926	\$ 52,551,596	\$ 56,137,648
\$ (229,384,041)	\$ (228,104,881)	\$ (230,626,004)	\$ (229,777,533)	\$ (257,549,518)	\$ (281,824,369)
457,690	432,495	714,636	41,967	69,077	-
\$ (228,926,351)	\$ (227,672,386)	\$ (229,911,368)	\$ (229,735,566)	\$ (257,480,441)	\$ (281,824,369)
\$ 91,637,477	\$ 91,600,278	\$ 94,238,488	\$ 99,933,752	\$ 96,794,464	\$ 97,352,334
6,023,739	5,805,254	5,920,333	7,090,842	8,241,096	8,253,685
17,385,887	17,180,635	17,108,522	31,646,447	32,675,735	31,932,829
110,042,029	101,290,756	103,622,720	108,346,576	119,131,699	133,584,264
1,361,173	2,014,620	952,516	770,928	447,054	370,277
3,902,508	6,952,806	5,960,237	15,218,992	6,677,328	4,889,519
-	-	-	-	-	-
230,352,813	224,844,349	227,802,816	263,007,537	263,967,376	276,382,908
570	666	1,150	1,942	1,157	-
-	-	-	-	-	-
570	666	1,150	1,942	1,157	-
\$ 230,353,383	\$ 224,845,015	\$ 227,803,966	\$ 263,009,479	\$ 263,968,533	\$ 276,382,908
\$ 968,772	\$ (3,260,532)	\$ (2,823,188)	\$ 33,230,004	\$ 6,417,858	\$ (5,441,461)
458,260	433,161	715,786	43,909	70,234	-
\$ 1,427,032	\$ (2,827,371)	\$ (2,107,402)	\$ 33,273,913	\$ 6,488,092	\$ (5,441,461)

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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities:				
Property taxes	\$ 74,977,182	\$ 77,555,794	\$ 83,233,225	\$ 88,457,619
Specific ownership taxes	5,987,316	5,997,044	6,047,704	6,054,107
State equalization	<u>77,794,994</u>	<u>85,049,954</u>	<u>90,264,910</u>	<u>100,658,351</u>
Total finance act revenues	<u>\$ 158,759,492</u>	<u>\$ 168,602,792</u>	<u>\$ 179,545,839</u>	<u>\$ 195,170,077</u>
 Total governmental activities revenues (1)	 \$ 179,904,448	 \$ 197,830,589	 \$ 206,834,405	 \$ 240,416,213
 Public School Finance Act revenues as percentage of total governmental activities revenues	 88.2%	 85.2%	 86.8%	 81.2%

Note 1: Governmental activities revenues are a combination of
program revenues and general revenues as shown on page 108-109

2010	2011	2012	2013	2014	2015
\$ 91,637,477	\$ 91,600,278	\$ 94,238,488	\$ 99,933,752	\$ 96,794,464	\$ 97,352,334
6,023,739	5,805,254	5,920,333	7,090,842	8,241,096	8,253,685
110,042,029	101,290,756	103,622,720	108,346,576	119,131,699	133,584,264
<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>	<u>\$ 239,190,283</u>
\$ 263,770,755	\$ 264,603,408	\$ 262,104,749	\$ 298,782,894	\$ 307,571,846	\$ 332,520,556
78.7%	75.1%	77.7%	72.1%	72.9%	71.9%

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)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund				
Nonspendable	\$ 308,880	\$ 358,352	\$ 470,427	\$ 279,157
Restricted	62,808	3,586,569	3,335,550	5,887,253
Committed	-	182,924	1,430,725	4,637,168
Assigned	5,282,565	4,495,619	3,468,174	21,235,851 (2)
Unassigned	<u>2,079,433</u>	<u>3,466,093</u>	<u>6,758,492</u>	<u>3,675,281</u>
Total General Fund	<u>\$ 7,733,686</u>	<u>\$ 12,089,557</u>	<u>\$ 15,463,368</u>	<u>\$ 35,714,710</u>
All Other Governmental Funds				
Nonspendable	\$ 38,576	\$ 42,257	\$ 42,257	\$ 42,257
Restricted	33,802,155	38,425,312	33,013,230	37,665,258
Committed	21,426,345	73,272,726	23,459,105	114,283,595
Assigned	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 55,267,076</u>	<u>\$ 111,740,295</u>	<u>\$ 56,514,592</u>	<u>\$ 151,991,110</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.

2010	2011 (3)	2012	2013	2014	2015
\$ 368,341	\$ 412,819	\$ 436,926	\$ 1,093,153	\$ 550,152	\$ 564,695
7,012,090	7,152,152	7,058,536	7,253,916	8,255,777	8,581,421
6,448,562	6,797,608	12,435,243	14,714,696	16,712,437	17,356,755
22,768,212	23,713,563	24,551,891	37,334,057	29,144,534	30,313,348
5,750,977	8,526,501	5,409,629	4,126,286	11,494,113	22,041,660
<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>	<u>\$ 78,857,879</u>
\$ 42,257	\$ 42,257	\$ 14,537	\$ 14,537	\$ 606,233	\$ 886,069
41,861,206	34,751,240	35,287,776	36,259,245	39,360,297	42,155,094
162,632,220	104,057,163	78,979,099	46,545,871	38,120,748	26,529,450
-	1,712,983	-	-	-	-
-	-	-	-	-	-
<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>	<u>\$ 69,570,613</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)

	2006	2007	2008	2009
Revenues				
Property taxes	\$ 75,034,205	\$ 75,761,142	\$ 82,001,081	\$ 87,124,649
Specific ownership taxes	5,987,316	5,997,044	6,047,704	6,054,107
Mill levy override	-	-	-	15,923,875
Investment income	2,386,324	4,758,927	4,324,865	1,690,910
Charges for service	3,857,647	4,505,478	4,949,331	7,072,297
Student activities (1)	-	2,428,363	2,949,444	3,002,603
Miscellaneous	1,670,385	1,760,662	1,804,691	2,643,533
Local intergovernmental	22,619	32,296	33,559	24,271
State intergovernmental	82,136,479	90,760,436	96,769,997	106,647,109
Federal intergovernmental	8,749,221	7,577,197	7,720,045	8,569,500
Total revenues	<u>\$ 179,844,196</u>	<u>\$ 193,581,545</u>	<u>\$ 206,600,717</u>	<u>\$ 238,752,854</u>
Expenditures				
Instruction	\$ 97,521,908	\$ 102,077,107	\$ 107,631,101	\$ 118,531,065
Supporting services	50,716,187	56,356,357	59,126,506	65,842,654
Student activities (1)	-	2,124,971	2,839,834	3,317,010
Food service operations (2)	-	-	-	-
Capital outlay	25,050,564	12,796,447	54,797,679	11,845,608
Debt service				
Principal	10,680,000	11,700,000	18,835,000	11,045,000
Accrued interest	-	-	-	-
Interest, bond issuance costs, fiscal charges	13,047,785	14,638,580	15,222,489	16,214,243
Total expenditures	<u>\$ 197,016,444</u>	<u>\$ 199,693,462</u>	<u>\$ 258,452,609</u>	<u>\$ 226,795,580</u>
Excess of revenues over (under) expenditures	<u>(17,172,248)</u>	<u>(6,111,917)</u>	<u>(51,851,892)</u>	<u>11,957,274</u>
Other financing sources (uses)				
Issuance of bonds, coupons	\$ 43,455,000	\$ 56,800,000	\$ -	\$ 104,000,000
Premium received on issuance of bonds	2,520,719	3,622,791	-	504,199
Paid to bond agent	(45,964,371)	(479,707)	-	(751,347)
Proceeds from sale of land	-	2,309,767	-	-
Lease obligations	-	(473,254)	-	-
Transfers in (3)	126,455	5,585,026	705,425	377,825
Transfers out (3)	(126,455)	(423,614)	(705,425)	(360,091)
Total other financing sources (uses)	<u>\$ 11,348</u>	<u>\$ 66,941,009</u>	<u>\$ -</u>	<u>\$ 103,770,586</u>
Net change in fund balances	<u>\$ (17,160,900)</u>	<u>\$ 60,829,092</u>	<u>\$ (51,851,892)</u>	<u>\$ 115,727,860</u>
Debt service as percentage of noncapital expenditures	<u>13.0%</u>	<u>13.9%</u>	<u>16.6%</u>	<u>12.9%</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: Due to change in accounting effective July 1, 2014, Nutrition Services was no longer reported as a business-type activity but, rather, included in governmental activities.

Note 3: Transfers in may not equal transfers out due to transfers between governmental funds and other fund types.

2010	2011	2012	2013	2014	2015
\$ 92,597,766	\$ 92,576,990	\$ 94,084,083	\$ 97,617,286	\$ 97,868,432	\$ 95,556,636
6,023,739	5,805,254	5,920,333	7,090,842	8,241,096	8,253,685
17,385,887	17,180,635	17,108,522	31,646,447	32,675,735	31,932,829
1,361,173	2,014,620	952,516	768,369	441,771	364,441
7,492,878	7,572,312	8,823,864	9,657,975	11,233,462	13,976,867
5,865,208	5,273,683	5,386,210	6,090,040	5,988,804	6,841,204
4,210,074	6,398,209	5,962,833	5,870,507	7,684,697	5,815,650
10,000	889,400	147,779	149,260	-	152,260
116,754,564	108,561,877	111,631,898	115,745,102	129,412,975	145,784,457
12,894,609	19,634,640	11,567,855	11,886,728	15,078,163	22,040,993
<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>	<u>\$ 330,719,022</u>
\$ 136,127,577	\$ 137,948,105	\$ 135,709,381	\$ 139,805,061	\$ 155,545,205	\$ 160,954,003
106,358,121	82,318,652	80,315,183	80,357,118	100,099,062	103,793,219
5,588,472	5,351,321	4,544,634	5,047,925	5,737,781	6,416,414
-	-	-	-	-	8,960,303
11,933,633	63,702,969	28,764,568	39,198,675	16,466,640	14,786,624
11,695,000	12,560,000	13,060,000	13,870,000	13,360,000	14,205,000
-	-	-	-	-	-
19,906,806	23,023,214	22,209,181	21,597,766	20,513,917	19,139,633
<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>	<u>\$ 328,255,196</u>
<u>(27,013,711)</u>	<u>(58,996,641)</u>	<u>(23,017,054)</u>	<u>(13,353,989)</u>	<u>(3,097,470)</u>	<u>2,463,826</u>
\$ 85,000,000	\$ 65,505,000	\$ 35,395,000	\$ -	\$ -	\$ 50,355,000
1,191,756	8,370,336	4,224,186	-	-	10,821,491
-	(74,596,274)	(39,594,781)	-	-	(61,682,860)
-	-	-	-	-	-
675,521	5,034,643	217,592	3,972	50,123	6,669
(675,521)	(5,034,643)	(217,592)	(3,481,859)	(50,123)	(6,669)
<u>\$ 86,191,756</u>	<u>\$ (720,938)</u>	<u>\$ 24,405</u>	<u>\$ (3,477,887)</u>	<u>\$ -</u>	<u>\$ (506,369)</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>\$ 1,957,457</u>
<u>12.0%</u>	<u>13.5%</u>	<u>13.2%</u>	<u>13.2%</u>	<u>11.2%</u>	<u>10.4%</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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities:				
Property taxes	\$ 75,034,205	\$ 75,761,142	\$ 82,001,081	\$ 87,124,649
Specific ownership taxes	5,987,316	5,997,044	6,047,704	6,054,107
State equalization	<u>77,794,994</u>	<u>85,049,954</u>	<u>90,264,910</u>	<u>100,658,351</u>
Total finance act revenues	<u>\$ 158,816,515</u>	<u>\$ 166,808,140</u>	<u>\$ 178,313,695</u>	<u>\$ 193,837,107</u>
 Total revenues (1)	 \$ 179,844,196	 \$ 193,581,545	 \$ 206,600,717	 \$ 238,752,854
 Public School Finance Act revenues as percentage of total governmental funds revenues	 88.3%	 86.2%	 86.3%	 81.2%

Note 1: As shown on the Changes in Fund Balances of Governmental Funds schedule, pages 114-115

2010	2011	2012	2013	2014	2015
\$ 92,597,766	\$ 92,576,990	\$ 94,084,083	\$ 97,617,286	\$ 97,868,432	\$ 95,556,636
6,023,739	5,805,254	5,920,333	7,090,842	8,241,096	8,253,685
110,042,029	101,290,756	103,622,720	108,346,576	119,131,699	133,584,264
<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>	<u>\$ 237,394,585</u>
\$ 264,595,898	\$ 265,907,620	\$ 261,585,893	\$ 286,522,556	\$ 308,625,135	\$ 330,719,022
78.9%	75.1%	77.8%	74.4%	73.0%	71.8%

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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
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
2014	2015	957,810	537,785	174,325	48,086	547,850	122,912

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

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
\$ 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%
18,342	8,272	2,415,382	53.673 (2)	18,333,472	13.17%

**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
2014	2015	38.873	14.800	53.673	24.794	15.800	22.459	28.968	92.021	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	2006			2015		
	2005 Taxable Assessed Valuation	Rank	Percent of Total District Taxable Assessed Value	2014 Taxable Assessed Valuation	Rank	Percent of Total District Taxable Assessed Value (2)
Kerr-McGee Rocky Mtn. Corp.	\$ 37,479,560	1	1.98%	\$ 160,048,770	1	6.70%
Encana Oil & Gas (USA) Inc.	27,465,610	4	1.45%	101,072,467	2	4.23%
Amgen Inc.	36,815,790	2	1.95%	27,835,919	3	1.17%
Circle Capital Longmont LLC	33,296,550	3	1.76%			
Longmont Diagonal Investments LP				19,098,241	4	0.80%
Patina Oil & Gas Corporation	16,300,750	6	0.86%			
Public Service Co. nka Xcel Energy				15,835,827	5	0.66%
Xilinx Inc.	8,848,540	9	0.47%	14,658,919	6	0.61%
Seagate Technology LLC	21,637,770	5	1.15%	13,597,201	7	0.57%
Hub Properties Trust				11,232,954	8	0.47%
Digital Globe, Inc.				11,061,561	9	0.46%
Ramco-Gershenson Properties LP				9,655,458	10	0.40%
Qwest Corporation	9,431,200	7	0.50%			
Micro Motion Inc.	9,011,960	8	0.48%			
Twin Peaks Mall Associated Ltd.	8,351,770	10	0.44%			
Total	#####		11.05%	\$ 384,097,317		16.07%

Note 1: Based on a 2005 certified assessed valuation of \$1,888,396,072

Note 2: Based on a 2014 certified assessed valuation of \$2,388,961,051

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)
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
2014	2015	128,222,707	123,353,818	96.20%	1,600,853	124,954,671	97.45%	4,868,889

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		
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	4.0%	2,621
2014	411,565,000	736,161	300,000	412,601,161	(1)	2,525
2015	391,800,000	548,205	300,000	392,648,205	(1)	2,391

Note 1: Personal income data for 2014 and 2015 not available

Note 2: Personal Income and Per Capita data from the Demographic and Economic Information on pages 128-129

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)
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
2014	2015	391,800,000	34,035,743	357,764,257	1.95%	2,179

Note 1: Refer to Assessed and Estimated Actual Values of Taxable Property schedule on page 118-119

Note 2: Population data is in the Demographic and Economic Information on page 128-129

Source: District's financial records

St. Vrain Valley School District RE-1J
Debt Capacity
Direct and Overlapping Governmental Activities Debt
As of June 30, 2015
(Unaudited)

Name of Overlapping Entity	2014 Assessed Valuation	Outstanding General Obligation Debt	Outstanding General Obligation Debt Attributable to the District	
			Percent	Amount
Berthoud Fire Protection District	\$ 235,233,215	\$ 595,000	10.68%	\$ 63,546
City of Boulder	2,599,361,894	79,610,000	0.91%	724,451
Carbon Valley Park & Recreation District	392,810,230	5,025,000	63.06%	3,168,765
Central Colorado Water Conservancy	2,975,105,890	29,250,000	0.01%	2,925
City of Dacono	55,157,550	2,062,616	44.63%	920,546
Town of Erie	246,077,799	19,755,000	83.32%	16,459,866
Erie Commons Metro District No. 1	200	7,745,000	100.00%	7,745,000
Frederick-Firestone Fire Protection Dist.	349,842,930	2,225,000	66.97%	1,490,083
Harvest Junction Metropolitan District	18,628,841	8,100,000	100.00%	8,100,000
Liberty Ranch Metropolitan District	5,119,570	4,685,000	100.00%	4,685,000
Lyons Fire Protection District	50,858,300	655,000	98.97%	648,254
Mead Western Meadows Metro District	3,287,930	3,150,000	100.00%	3,150,000
North Metro Fire Rescue Authority	1,094,874,433	20,995,000	95.99%	20,153,101
Northern Colorado Water Cons. District	14,881,330,062	4,229,788	14.06%	594,708
Palisade Metropolitan District No. 2	231,672	3,735,000	100.00%	3,735,000
Stoneridge Metropolitan District	6,694,410	3,790,000	95.34%	3,613,386
Sweetgrass Metropolitan District No. 2	5,842,120	2,750,000	0.03%	825
Vista Ridge Metropolitan District	51,256,220	43,024,821	100.00%	43,024,821
Wildflower Metropolitan District No. 1	2,360,620	312,100	100.00%	312,100
Wyndham Hill Metropolitan District No. 2	7,192,300	3,370,000	100.00%	3,370,000
Total overlapping debt				121,962,377
Direct debt of the District				391,800,000
Total direct and overlapping debt				<u>\$ 513,762,377</u>

This chart includes a summary of the estimated overlapping general obligation debt, as of December 31, 2014, 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)

	2006	2007	2008	2009
Debt Limit	\$ 915,527,849	\$ 969,158,919	\$ 442,367,652	\$ 454,114,207
Total net debt applicable to limit	272,770,000	317,870,000	299,035,000	391,990,000
Legal debt margin	<u>\$ 642,757,849</u>	<u>\$ 651,288,919</u>	<u>\$ 143,332,652</u>	<u>\$ 62,124,207</u>
Total net debt applicable to the limit as a percentage of debt limit	29.8%	32.8%	67.6%	86.3%

Fiscal Year 2015 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	\$ 2,388,961,051 (1)	\$ 18,333,471,533
Debt Limit Percentage	20.00% (2)	6.00%
Legal debt limit	477,792,210	1,100,008,292
Amount of debt applicable to debt limit:		
Total bonded debt as of June 30, 2015	391,800,000	391,800,000
Legal debt margin	<u>\$ 85,992,210</u>	<u>\$ 708,208,292</u>

Note 1: The assessed valuation shown here includes \$26,420,396 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.

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

2010	2011	2012	2013	2014	2015
\$ 480,457,607	\$ 472,060,055	\$ 471,961,545	\$ 492,142,370	\$ 484,070,694	\$ 477,792,210
465,295,000	451,865,000	438,795,000	424,925,000	411,565,000	391,800,000
<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>	<u>\$ 85,992,210</u>
96.8%	95.7%	93.0%	86.3%	85.0%	82.0%

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

Population District-wide

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
142,172	146,193	148,920	150,949

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Boulder	\$ 14,192,102	\$ 14,841,031	\$ 15,039,895	\$ 14,584,246
Broomfield (1)	1,694,754	1,918,571	2,023,405	2,079,193
Larimer	9,953,554	10,541,856	11,378,132	11,291,870
Weld	5,919,700	6,384,960	7,067,989	6,925,906
Average	<u>\$ 7,940,028</u>	<u>\$ 8,421,605</u>	<u>\$ 8,877,355</u>	<u>\$ 8,720,304</u>

Source: United States Department of Commerce, Bureau of Economic Analysis
 Data subject to revision; not available for 2014 and beyond.

Annual Per Capita Personal Income by County

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Boulder	\$ 49,628	\$ 51,388	\$ 50,058	\$ 48,056
Broomfield (1)	32,949	35,781	36,915	37,135
Larimer	35,397	36,766	38,848	37,844
Weld	26,002	26,314	28,402	27,186
Average	<u>\$ 35,994</u>	<u>\$ 37,562</u>	<u>\$ 38,556</u>	<u>\$ 37,555</u>

Source: United States Department of Commerce, Bureau of Economic Analysis
 Data subject to revision; not available for 2014 and beyond.

Note: 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.

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<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
153,967	157,047	159,000	162,579	163,400	164,205

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 14,786,545	\$ 15,535,659	\$ 16,417,561	\$ 17,043,764
2,115,979	2,345,227	2,701,856	2,906,192
11,585,090	12,149,896	12,826,581	13,545,018
7,326,422	7,755,562	8,347,637	9,008,919
<u>\$ 8,953,509</u>	<u>\$ 9,446,586</u>	<u>\$ 10,073,409</u>	<u>\$ 10,625,973</u>

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 50,095	\$ 51,893	\$ 53,772	\$ 54,968
37,709	40,892	46,346	48,867
38,546	39,767	41,311	42,866
28,817	29,986	31,657	33,393
<u>\$ 38,792</u>	<u>\$ 40,635</u>	<u>\$ 43,272</u>	<u>\$ 45,024</u>

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

Median Age by County

	2006	2007	2008	2009	2010
Boulder	35.5	35.8	36.1	36.3	37.0
Broomfield	34.5	34.7	34.9	35.5	35.8
Larimer	34.9	35.1	35.2	35.5	36.3
Weld	31.3	31.5	31.7	31.8	32.4

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

Annual Unemployment Rate by County (1)

		2006	2007	2008	2009	2010
Boulder	(2)	4.1%	3.3%	4.8%	6.6%	7.1%
Broomfield	(3)	4.7%	3.8%	5.4%	7.5%	7.9%
Larimer	(4)	4.2%	3.4%	4.7%	6.6%	7.4%
Weld	(5)	5.0%	4.2%	5.6%	8.8%	10.2%

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

2011	2012	2013	2014	2015
37.3	36.5	36.6	37.2	37.5
36.1	36.9	37.0	37.3	37.5
36.7	35.8	35.9	36.4	36.8
32.6	33.6	33.8	33.9	34.0

2011	2012	2013	2014	2015 (6)
6.6%	6.1%	6.1%	4.1%	4.2%
7.7%	7.1%	7.1%	4.3%	4.2%
6.9%	6.4%	6.2%	4.3%	4.2%
9.7%	8.7%	8.3%	4.5%	4.1%

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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	2006		2015	
		Estimated Number of Employees (2)	Rank	Estimated Number of Employees (2)	Rank
IBM Corp.	Computer systems and services	4,500	1	2,800	1
Level 3 Communications Inc.	Communication/fiberoptic network	2,150	4	2,370	2
Boulder Community Hospital	Healthcare			2,260	3
Oracle Corp.	Network computer systems/software	2,700	3	1,980	4
Storage Technology Corp.	Data storage products	2,000	5		
Covidien (parent of Valleylab)	Surgical solution products	1,000	8	1,760	5
Exempla Good Samaritan Medical	Healthcare			1,480	6
Ball Aerospace & Technologies Corp	Aerospace instruments and data systems	2,975	2	1,440	7
Urban Lending Solutions	Mortgage industry professional services			1,390	8
Seagate Technology	Computer hard disc drives	1,200	7	1,370	9
Longmont United Hospital	Healthcare			1,250	10
Safeway Inc.	Food and drug retail	1,245	6		
Hunter Douglas Window Fashions	Window louvers	934	9		
ConAgra Foods	Food (turkey) products	920	10		
		<u>19,624</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: 2015 figures as of May 2014 from the Development Research Partners as posted by Metro Denver Economic Development Corp; and Longmont Area Economic Council
2006 data from The Daily Camera, "Top 50 Boulder and Broomfield County Employers," April 11, 2005

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	2006	2007	2008
Direct Instruction	Classroom teachers, special education and English as a Second Language teachers, teachers' aides, librarians (3), counselors (3)	1,515	1,571	1,753
Classroom Support	Librarians (3), counselors (3), school principals and assistant principals, support staff including speech services, attendance, and extra-curricular activities	381	395	441
Building Support	Student transportation, utilities, maintenance, custodial services, printing, purchasing, technology services, etc.	307	319	356
Central Support/ Administration	Human resources, finance, payroll, budgeting, legal, clerical support, supervision of instruction, public information, superintendent's office, etc.	30	31	34
Total FTE		<u>2,234</u>	<u>2,316</u>	<u>2,584</u>

Note 1: 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. However, beginning with fiscal year 2014, a mid-year approach was deemed more accurate and stable than a year end calculation.

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, and 56 FTE for direct instruction; 36, 44, 34, and 41 FTE for classroom support; and 2 for building support for fiscal years 2010, 2011, 2012, and 2013, respectively. In addition to grants funds, all other funds supported additional FTE of 364 and 399 for fiscal years 2014 and 2015, respectively.

Source: District's Human Resources Department

<u>2009</u>	<u>2010 (2)</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
1,514	1,612 (1,589 (4)	1,535 (4)	1,549 (4)	1,813 (4)	1,844 (4)
381	366 (388 (4)	406 (4)	382 (4)	401 (4)	430 (4)
307	336	338	354	374	386 (4)	398 (4)
30	32	34	36	37	36	38
<u>2,232</u>	<u>2,346</u>	<u>2,349</u>	<u>2,331</u>	<u>2,342</u>	<u>2,636</u>	<u>2,710</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)
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
2015	29,692.0	28,740.5

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)

<u>Fiscal Year</u>	<u>Expenses (1)</u>	<u>Enrollment (2)</u>	<u>Cost per Pupil</u>	<u>Pupil Teacher Ratio (3)</u>	<u>Number of Free and Reduced Students (4)</u>	<u>Percent of Free and Reduced Students in Lunch Program</u>
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%
2015	337,962,017	29,692.0	11,382	25.4:1 (5)	8,937	30.1%

Note 1: Expenses for governmental activities from Changes in Net Position 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)

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	2006	2007	2008	2009	2010
Elementary schools (2)	22	22	22	25	25
Total square feet	1,072,642	1,072,642	1,072,642	1,228,045	1,232,741
Total program capacity	10,411	10,411	10,411	11,505	11,641
Enrollment	9,632	9,778	9,971	10,890	11,236
Percent capacity	93%	94%	96%	95%	97%
(P)K-8 schools (3)					
Total square feet					
Total program capacity					
Enrollment					
Percent capacity					
Middle schools	9	9	9	9	9
Total square feet	905,153	905,153	905,153	905,153	908,105
Total program capacity	6,331	6,331	6,331	6,331	6,331
Enrollment	4,872	4,956	4,992	4,909	5,060
Percent capacity	77%	78%	79%	78%	80%
High schools	7	7	7	7	8
Total square feet	1,083,994	1,083,994	1,083,994	1,083,994	1,246,227
Total program capacity	6,995	6,995	6,995	6,995	7,721
Enrollment	6,461	6,728	7,019	7,026	7,147
Percent capacity	92%	96%	100%	100%	93%
Alternative schools (1)	2	2	2	2	2
Total square feet	97,032	97,032	97,032	97,032	152,516
Enrollment	554	572	556	558	552
Charter schools	4	4	3	4	5
Enrollment	1,120	1,420	1,397	1,887	2,308
Other District Facilities					
Total square feet	132,853	144,106	144,106	144,106	169,672

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

In 2015, the District included the online academy and homeschool.

Note 2 : Elementary school square feet include a standalone preschool which opened during fiscal year 2014.

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

2011	2012	2013	2014	2015
26	26	26	23	23
1,305,337	1,305,337	1,305,337	1,227,732	1,240,032
12,291	12,336	12,065	11,068	11,068
11,453	11,475	11,724	10,763	10,329
93%	93%	97%	97%	93%
			2	2
			284,649	284,649
			2,150	2,150
			1,750	1,747
			81%	81%
9	9	9	8	8
908,105	908,105	922,105	828,025	828,025
6,392	5,740	6,200	5,558	5,640
5,080	5,114	5,361	5,072	5,241
79%	89%	86%	91%	93%
8	9	8	8	8
1,301,849	1,492,200	1,372,591	1,461,491	1,461,491
8,413	8,738	8,834	7,721	8,890
7,255	7,440	7,681	7,897	8,169
86%	85%	87%	102%	92%
2	2	2	1	3
152,516	152,516	152,516	81,600	81,600
578	738	626	209	864
5	6	6	6	6
2,589	3,009	3,587	3,761	3,342
169,672	185,720	305,329	271,318	272,482

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

	2006	2007	2008	2009
General Capital Assets Group / Governmental Activities				
Land/Sites	\$ 17,281,724	\$ 18,564,441	\$ 19,792,539	\$ 19,792,539
Projects in progress	5,072,230	8,658,126	58,980,808	1,811,297
Water rights	4,089,516	4,089,516	4,122,407	4,340,807
Capital assets not depreciated	26,443,470	31,312,083	82,895,754	25,944,643
Land Improvements	16,974,890	19,261,023	19,261,023	20,163,514
Buildings	176,858,388	178,542,911	178,624,762	245,874,910
Building Improvements	99,353,087	99,556,995	99,725,058	99,876,713
Equipment	23,950,193	25,213,065	26,120,496	27,199,661
Capital assets depreciated	317,136,558	322,573,994	323,731,339	393,114,798
Less: accumulated depreciation				
Land Improvements	5,681,171	6,579,135	7,477,099	8,409,521
Buildings	35,314,984	39,654,107	42,877,045	46,979,138
Building Improvements	23,283,112	26,385,211	29,472,391	32,574,831
Equipment	12,658,701	14,658,269	16,644,245	18,731,165
Total accumulated depreciation	76,937,968	87,276,722	96,470,780	106,694,655
Capital assets depreciated, net	240,198,590	235,297,272	227,260,559	286,420,143
Total capital assets, General Capital Assets Group / Governmental Activities	\$ 266,642,060	\$ 266,609,355	\$ 310,156,313	\$ 312,364,786
Enterprise Fund / Business-type Activities				
Equipment	\$ 2,249,157	\$ 2,312,660	\$ 2,324,322	\$ 2,634,246
Less: accumulated depreciation	1,105,986	1,253,142	1,397,420	1,558,615
Total	\$ 1,143,171	\$ 1,059,518	\$ 926,902	\$ 1,075,631

Note 1: Due to change in accounting effective July 1, 2014, Nutrition Services was no longer reported as a business-type activity but, rather, included in governmental activities.

Source: District's financial records

2010	2011	2012	2013	2014	2015 (1)
\$ 19,792,539	\$ 20,073,379	\$ 20,073,379	\$ 20,073,379	\$ 20,053,379	\$ 20,053,379
25,144,438	70,274,929	23,008,224	46,882,404	6,542,968	12,080,092
4,943,227	1,095,578	1,095,578	1,095,578	1,083,578	1,083,578
49,880,204	91,443,886	44,177,181	68,051,361	27,679,925	33,217,049
20,178,134	23,402,497	23,402,497	24,051,471	24,106,959	24,106,959
246,727,350	249,187,029	300,679,143	301,587,741	301,936,554	302,473,799
100,398,102	112,542,642	130,861,657	135,461,032	183,639,236	185,061,854
29,210,118	30,357,183	24,868,107	25,752,447	27,311,492	32,364,256
396,513,704	415,489,351	479,811,404	486,852,691	536,994,241	544,006,868
9,298,853	10,271,324	11,308,292	12,366,859	13,412,046	14,460,119
51,412,991	56,207,902	61,282,240	66,768,318	71,843,136	77,325,154
35,740,474	39,379,006	43,833,351	48,617,140	54,690,125	61,727,094
20,548,985	22,192,475	18,069,528	17,801,645	19,292,822	22,781,556
117,001,303	128,050,707	134,493,411	145,553,962	159,238,129	176,293,923
279,512,401	287,438,644	345,317,993	341,298,729	377,756,112	367,712,945
\$ 329,392,605	\$ 378,882,530	\$ 389,495,174	\$ 409,350,090	\$ 405,436,037	\$ 400,929,994
\$ 2,756,630	\$ 2,823,299	\$ 3,291,862	\$ 3,377,603	\$ 3,402,259	\$ -
1,714,277	1,914,487	2,089,989	2,239,803	2,355,922	-
\$ 1,042,353	\$ 908,812	\$ 1,201,873	\$ 1,137,800	\$ 1,046,337	\$ -



COMPLIANCE SECTION

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**Independent Auditors' Report On Internal
Control Over Financial Reporting And On
Compliance And Other Matters Based On An
Audit Of Financial Statements Performed In
Accordance With *Government Auditing Standards***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of St. Vrain Valley School District RE-1J (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated [redacted]. Our report includes a reference to other auditors, who audited the financial statements of the Aspen Ridge Preparatory School, the Carbon Valley Academy, the Flagstaff Academy, Imagine Charter School at Firestone, St. Vrain Community Montessori School and Twin Peaks Charter Academy, as described in our report on the District's financial statements. This report does not include the results of the Twin Peaks Charter Academy, Flagstaff Academy, Imagine Charter School at Firestone, Carbon Valley Academy and St. Vrain Community Montessori School auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Aspen Ridge Preparatory School were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Compliance And Other Matters

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

Purpose Of This Report

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

**Independent Auditors' Report On Compliance
For Each Major Federal Program And
Report On Internal Control Over Compliance
Required by OMB Circular A-133**

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

Report On Compliance For Each Major Federal Program

We have audited St. Vrain Valley School District RE-1J's (the District) compliance with the types of compliance requirements described in the Office of Management and Budget (OMB) *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion On Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report On Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance, that we consider to be material weaknesses.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2015-001 to be material weaknesses.

The District's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

_____ *

DRAFT FOR
DISCUSSION PURPOSES
ONLY

ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Period Ended June 30, 2015

Federal Grantor/Pass-through Grantor Program Title	Federal CFDA Number	Program Or Award Number	Federal Expenditures
U.S. Department Of Education			
Direct award from the federal government:			
Investing in Innovation, Recovery Act	84.396	4396	\$ 750,372
Race to the Top - District Grants	84.416	5416	4,746,774
Passed through State Department of Education:			
Title I Grants to Local Educational Agencies (Title I, Part A of ESEA)	84.010	4010, 92xx	3,043,388
Migrant Education - State Grant Program (Title I, Part C of ESEA)	84.011	4011	—
Special Education - Grants to States (IDEA, Part B)	84.027	4027	3,811,782
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	5126	456,010
Special Education - Preschool Grants (IDEA Preschool)	84.173	4173	44,541
Education for Homeless Children and Youth	84.196	5196	35,609
English Language Acquisition State Grants (Title III, Part A of ESEA)	84.365	4365	262,254
Improving Teacher Quality State Grants (Title II, Part A of ESEA)	84.367	4367	489,469
Race to the Top: Early Learning	84.412	5412	4,189
Race to the Top Fund	84.413	4395	15,591
Charter Schools	84.282	5282,6282	187,818
Passed through Colorado Community Colleges & Occupational Education System:			
Career and Technical Education - Basic Grants to States (Perkins IV)	84.048	4048	140,865
Total U.S. Department Of Education			13,988,662
U.S. Department Of Agriculture			
Passed through State Department of Human Services:			
National School Lunch Program (non-cash commodities entitlement)	10.555	4555	534,454
Passed through State Department of Education:			
School Breakfast Program	10.553	4553	1,181,522
National School Lunch Program	10.555	4555	3,762,318
Summer Food Service Program for Children	10.559	4559	141,584
Total U.S. Department Of Agriculture			5,619,878
Total Expenditures Of Federal Awards			\$ 19,608,540

Please see the accompanying notes to schedule of expenditures of federal awards.

ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended June 30, 2015

1. Basis Of Presentation

The accompanying schedule of expenditures of federal awards, which includes the federal grant activity of the St. Vrain Valley School District RE-1J (the District), is presented on the modified accrual basis of accounting, except for the U.S. Department of Education grants, which are presented on the full accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the District's financial statements for the year ended June 30, 2015.

2. Noncash

The District receives food commodities from the U.S. Department of Agriculture for use in its food service program. The commodities are recognized as revenue when received. The commodities are recognized as expenditures when used by the schools. The majority of the commodities are stored at the individual schools, instead of a central warehouse. As such, the District has determined that the title to the commodities passes to the District upon receipt of the commodities. Since the District has received title to the commodities, the unused commodities are not reflected as deferred revenue.

ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended June 30, 2015

Section I - Summary Of Auditors' Results

Financial Statements

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported
- Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☒ yes ☐ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?

☒ yes ☐ no

Identification of major programs:

CFDA No	Name Of Federal Program Or Cluster
---------	------------------------------------

10.558, 10.555, 10.559	School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children
84.282	Charter Schools
84.416	Race to the Top - District Grants

Dollar threshold used to distinguish between

Type A and Type B programs:

\$588,256

Auditee qualified as low-risk auditee?

☒ yes ☐ no

ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
For The Year Ended June 30, 2015

Section II - Financial Statement Findings

There were no findings related to the District's financial statements for the year ended June 30, 2015.

Section III - Federal Award Findings And Questioned Costs

Finding 2015-001

Material Weaknesses, Internal Control Over Compliance

CFDA 10.553, 10.555, and 10.559 - School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children
CFDA 84.282 - Charter Schools
CFDA 84.416 - Race to the Top - District Grants

Federal Agency: U.S. Department of Agriculture and Education

Pass-Through Entity: Colorado Department of Education

Criteria Or Specific Requirement: Per the Procurement, Suspension, and Debarment compliance requirement, nonfederal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other specified criteria. When a nonfederal entity enters into a covered transaction with an entity at a lower tier, the nonfederal entity must verify that the entity is not suspended or debarred or otherwise excluded. This verification may be accomplished by checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA), collecting a certification from the entity or adding a clause or condition to the covered transaction with that entity (2 CFR Section 180.300).

Condition: The District does not have a control in place to verify purchases with vendors in excess of \$25,000 are not suspended or debarred.

Questioned Costs: Not applicable.

ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
For The Year Ended June 30, 2015

Context: No payments were made to debarred vendors; however, program personnel were unaware of the requirement to perform debarment searches. The District Procurement Department performed verification on some vendors but the procedures were not consistently applied throughout the fiscal year with respect to debarment searches.

Effect: The District could be out of compliance with Procurement, Contracting, and Debarment compliance requirements.

Cause: There is not a control in place at the program level to identify vendors with program transactions in excess of \$25,000 and to verify potential vendors are not debarred.

Recommendation: We recommend program management implement internal policies to identify vendors where transactions will likely exceed \$25,000 and route through the Procurement Department to ensure appropriate contracts and contract file documentation is in place.

Views Of Responsible Officials And Planned Corrective Action:

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ST. VRAIN VALLEY SCHOOL DISTRICT RE-1J
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*CONTINUED*)
For The Year Ended June 30, 2015

Section IV - Prior-Year Findings

None noted

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ONLY



MEMORANDUM

DATE: October 28, 2015
TO: Board of Education
FROM: Dr. Don Haddad, Superintendent of Schools
SUBJECT: Approval of Joint Use Agreement with the City of Longmont

RECOMMENDATION

That the Board of Education approve the Joint Use Agreement of Facilities between the City of Longmont 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 City and District facilities and programs.

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

This is a Joint Use Agreement (“Agreement”) made as of _____, 2015 by and between the City of Longmont, a Colorado municipal corporation, hereinafter referred to as the “City” and the St. Vrain Valley School District RE-1J, a public school district duly organized and existing under the laws of the State of Colorado, hereinafter referred to as the “District.”

1. Recitals

The parties to this Agreement are owners of various facilities and equipment, which they desire to make available for use by the other, and deem it in the public interest to so agree. Accordingly, this Agreement is entered into for the purpose of reducing to writing the understanding under which the parties will allow their respective facilities and equipment to be used.

2. Philosophy

Offering opportunities for all residents—children and adults—to be successful in school and throughout their entire lives is foundational to having a vibrant community, a healthy economy and a high quality of life in the Longmont community. The District and the City not only share in this commitment to offer lifelong learning opportunities to all, but as public agencies, are also committed to doing so by utilizing their publicly-funded facilities in the most efficient and effective manner possible.

Coordination between the City and District should be developed in four distinct areas – the use of facilities, the delivery of programs, shared infrastructure, and the planning of future development. Collaboration in the first two areas, use of facilities and delivery of programs, is essential, and should be maintained on an ongoing basis and promoted as a forerunner for collaborative planning.

3. Use of School District Facilities by the City

3.1 Maintenance

The District agrees to maintain and keep in usable condition certain school grounds and facilities (set forth on Exhibit A attached hereto), and to make available such school grounds and facilities when required by the City for the purposes of City sponsored activities.

3.2 Priority

It is understood that priority for the use of such school grounds and facilities by the parties and other users shall be as follows:

1. District
2. City
3. All other parties

3.3 Availability

The District agrees to make available such school fields and facilities when required by the City for the purposes of City-sponsored activities in accordance with the Board of

Education Policy KF and KF-R, Community use of School Facilities, the District Facility Use Rules Sheet and completion of the Contract for Community Use of School Facilities and Grounds. It is understood no structural changes or additions to these properties may be made by the City without the District's advance written permission.

3.4 Application

The District requires that approved written notification shall be on file for each use of said District facilities.

3.5 Programs and Activities

A. Activities sponsored and offered by the City at such school grounds and facilities may include, but will not be limited to, the following:

1. Youth and adult athletic practices and games
2. Special events
3. After school programs
4. Non-school day activities
5. Summer activities
6. Neighborhood programs and meetings
7. General leisure

B. The District agrees to allow the City use of Everly Montgomery Stadium (track and field) to host special and unique events. City use of the field or track will be decided on individual basis/need. The City should contact the Facility Scheduler who will check on availability as well as consult with the District's Facility Use Supervisor and the District Athletic Director on granting use of the stadium.

All activities are to be held during daylight hours. Users are responsible for clean-up and maintaining areas. No automobiles are to be driven on track or field at any time. No food of any kind is allowed on track or field (e.g., gum, sunflower seeds, peanuts, etc.)

Users of track and field equipment (including but not limited to the sound system, scoreboard and press box) will be charged a fee for a District facility manager/technician to operate the stadium's equipment.

C. The District will allow the City to use at least two classroom spaces in a Middle School or Elementary School during the year according to the following schedule:

1. During the summer, five and a half hours per day will be made available for recreation programming.
2. Commit to the use of two school classrooms by February 15th of each school year.
3. Determine which school and the hours of availability by May 15th of each school year.

3.6 Supervision

All activities sponsored and offered by the City will be under the direct supervision of a City employee who shall be over the age of 18 and a high school graduate – over the age of 21 is preferred but not required. The District shall charge the City for any direct costs the District incurs for supervisory services on behalf of the City.

3.7 District Services

The District shall charge the City for any direct costs the District incurs for any maintenance, repair and/or clean up requiring more than the ordinary costs usually incurred for such activities resulting from use, custodial services, or food preparation on behalf of the City.

When using District facilities, the City's Activity Supervisor shall be responsible for clean-up following activities.

Pursuant to District policy, food preparation requires a District kitchen manager on site when District kitchen facilities are needed or would be used.

4. Use of City Facilities by the District

4.1 Maintenance

The City agrees to maintain and keep in usable condition certain park grounds and facilities (set forth on Exhibit B attached hereto), and to make available such park grounds and facilities free of charge when required by the District for the purposes of District-sponsored athletic and/or educational activities.

4.2 Priority

It is understood that priority for the use of such facilities by the parties and other users shall be as follows:

- A. City
- B. District
- C. All other parties

4.3 Availability

The City agrees to make available such grounds and facilities when required by the District for the purposes of District-sponsored activities. It is understood no structural changes or additions to these properties may be made by the District without the City's advance written permission.

4.4 Application

The City requires that approved written notification shall be on file for each use of said City facilities.

4.5 Programs and Activities

A. Activities sponsored and offered by the District at such park grounds and facilities may include, but will not be limited to, the following:

- 1. Athletic practices, games leagues, and tournaments, camps, and clinics
- 2. Special events
- 3. After school programs
- 4. Non-school day activities (decided on individual basis/need)
- 5. Educational activities, programs, classes, and meetings
- 6. Summer activities (decided on individual basis/need)
- 7. Classroom activities/field trips

- B. The use of Sunset, Twin Peaks, and Ute Creek golf courses shall be granted to the District provided that the facilities are available. There shall be no green fees charged for use by the District's high school golf teams. Fees will be charged to the District for supplies such as range balls, golf merchandise, etc. High school practices and matches will be scheduled in advance and coordinated through the golf professional at each course. Special tournaments held as fundraisers, rather than conference competition, will be charged the regular golf rates.
- C. It is the intent that any park or greenway within the City parks system may be used by the District to further its outdoor educational programs. All class use shall be scheduled with the City and conducted within the general guidelines established by the City. Scheduled class use will not prohibit the public from use of any park or the greenway.
- D. The City will allow the District to use the pools set forth on Exhibit B according to the following schedule:
 - 1. Two and a half hours per day for instructional classes limited to 30 students, so as to allow the City to continue its swimming programs during this period. The times for use are to be established prior to each school year.
 - 2. Three hours per day for swim team practices.
 - 3. Swim meets on a schedule to be mutually determined each year according to the deadlines noted in this Agreement.

4.6 Supervision

All activities sponsored and offered by the District will be under the direct supervision of a District employee who shall be over the age of 18 and a high school graduate – over the age of 21 is preferred but not required.

The City shall charge the District for any direct costs the City incurs for supervisory services on behalf of the District.

4.7 City Services

The City shall charge the District for any direct costs the City incurs for any maintenance, repair and/or clean up requiring more than the ordinary costs usually incurred for such activities resulting from use, custodial services or food preparation on behalf of the District. The District will provide to the City chalk and/or paint for field game day preparation.

When using City facilities, the District and/or the Activity Supervisor shall be responsible for cleanup following activities.

5. Scheduling of Facilities

5.1 Staff and Alterations

To facilitate clear communication and avoid scheduling conflicts, the City's Athletic Supervisor and the District's Facilities Use Scheduler will serve as the contact persons for the purpose of reserving facilities. Joint use planning and decision-making will occur each year according to the established deadlines. Confirmation of joint use scheduling must be completed no later than one (1) month after the established deadline with the central scheduling offices of both parties.

The following deadlines have been established for requesting facility usage:

A. District use of City facilities:

1. June 1st for fall programs
2. November 1st for winter programs
3. February 1st for spring programs
4. April 1st for summer programs

B. City use of District facilities:

1. August 1st for fall programs
2. October 15th for winter programs
3. January 10th for spring programs
4. March 1st for summer programs

5.2 Resolving Scheduling/Space Availability Conflict

Efforts at resolution of scheduling and/or space availability issues are first encouraged directly between the City's Athletic Supervisor and the District Facilities Use Scheduler. The central scheduling offices of both parties will, whenever possible, identify options or ways to accommodate the interests of both parties.

If agreement cannot be reached on a space/scheduling request, the issue will be referred to the District's Assistant Superintendent of Operations and the City's Recreation and Golf Manager for resolution.

6. Miscellaneous Provisions

6.1 Commencement

This Agreement shall be in effect for one year from the date first set forth. Commencing at least ninety (90) days prior to the end of the term, the parties shall negotiate in good faith for a new Joint Use Agreement.

6.2 Renewal

This Agreement shall automatically renew for up to a maximum of two additional, one year terms, unless either party gives sixty (60) days written notice prior to the end of the then current term that the Agreement shall terminate at the end of that term.

6.3 Termination

Either party shall have the right to terminate this Agreement, upon thirty (30) days written notice to the other, if either party shall determine that its facilities or equipment are not being properly used or that reasonable steps are not being taken to protect such property from loss or damage, i.e., with cause. Either party shall have the right to terminate this Agreement without cause upon one hundred eighty (180) days written notice to the other.

6.4 Interagency Review

Key District staff and key City staff involved in the implementation of this Agreement shall meet to review this Agreement during the month of October of each year.

7. Insurance

Each party shall procure and maintain in full force and effect such insurance or self-insurance that will insure its obligations and liabilities under this Agreement, including workers' compensation, automobile liability, and general liability.

7.1 Liability

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 such actions or omissions of their respective employees and/or agents. Nothing in this Agreement shall be construed as a waiver by either party of any rights, immunities, privileges, monetary limitations, judgments, and defenses available to the parties under common law or the Colorado Governmental Immunity Act, Section 24-10-101 et seq., C.R.S., as amended.

7.2 Waiver

No waiver of any breach or default under this Agreement shall be a waiver of any other or subsequent breach or default.

7.3 No Third Party Beneficiaries

This Agreement is for the sole benefit of and binds the parties, their successors and assigns. This Agreement affords no claim, benefit, or right of action to any third party. Any party other than the City or the District receiving services or benefits under this Agreement is only an incidental beneficiary.

8. Notices

All notice required under this Agreement must be given by personal service or certified mail or registered mail, addressed to the proper party, at the following address:

District
Brian Lamer, Asst. Superintendent of
Operations
395 South Pratt Parkway
Longmont, CO 80501
303-682-7405

City
Jeff Friesner
Recreation and Golf Manager
700 Longs Peak Avenue
Longmont, CO 80501
303-651-8393

9. Status of Parties

The parties shall perform all services under this Agreement as independent contractors, and not as an agent or employee of the other party. No City official or employee shall supervise the District. No District official or employee shall supervise the City. Neither party shall represent that it is an employee or agent of the other party in any capacity.

10. Financial Obligations of the Parties

All of the parties' financial obligations under this Agreement are contingent upon appropriation, budgeting, and availability of specific funds to discharge those obligations. Nothing in this

Agreement constitutes a debt, a direct or indirect multiple fiscal year financial obligations, a pledge of the parties' credit, or a payment guarantee by either party to the other.

11. Authority

The parties warrant that they have taken all actions necessary or required by their own procedures, bylaws, or applicable laws to authorize their respective signatories to sign this Agreement for them and to bind them to its terms.

12. Counterpart Signatures

The parties may sign separate duplicates of this Agreement. So long as both parties sign, the signed duplicates shall constitute one Agreement, and the Agreement shall be effective as to both parties.

IN WITNESS WHEREOF, the parties have hereunto placed their hands and seals as of the date first set forth above.

CITY OF LONGMONT:

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

APPROVED AS TO INSURANCE PROVISIONS:

Assistant City Attorney

Risk Manager

APPROVED AS TO CONTENT:

PROOFREAD:

Originating Department

CA File: 9818

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

PRESIDENT

ATTEST:

SECRETARY

EXHIBIT A

USE OF DISTRICT GROUNDS/FACILITIES BY CITY

1. Elementary Schools (within the City boundary)
 - A. Cafeteria
 - B. Classrooms
 - C. Gymnasium
 - D. Fields, Playground
 - E. Library
2. Middle Schools (within the City boundary)
 - A. Cafeteria/Commons
 - B. Classrooms
 - C. Gymnasiums
 - D. Fields/Track
 - E. Library
3. High Schools (within the City boundary)
 - A. Cafeteria/Commons
 - B. Auditorium (Technology Manager and related fees will be assessed)
 - C. Standard Classrooms (excluding weight room)
 - D. Gymnasiums
 - E. Library
 - F. Use of Everly-Montgomery Stadium (track and field) is outlined in Paragraph 3.5 B of this Agreement
 - G. Tennis Courts

EXHIBIT B

USE OF CITY GROUNDS/FACILITIES BY DISTRICT

1. Sunset Golf Course
2. Twin Peaks Golf Course
3. Ute Creek Golf Course
4. Centennial Swimming Pool
5. Tennis Courts including but not limited to Affolter, Carr, Lanyon, Clark -Centennial and Pratt
6. Baseball and Softball Fields including but not limited to Kimball, Draper, Rodriguez, Montgomery and Garden Acres.
7. Soccer fields Clark – Centennial (behind Heritage Middle School)
8. Roger's Grove
9. Golden Ponds
10. All Parks (New parks typically require one year for growth and maturity before use. The City will need to approve when new parks are ready for use.)
11. St. Vrain Greenway
12. Sandstone Ranch Community Park
13. Longmont Recreation Center
14. Izaak Walton Clubhouse
15. Longmont Museum and Cultural Center Classrooms and Meeting Rooms
16. Longmont Youth Center
17. Union Reservoir
18. Affolter Playground – used daily by Indian Peaks Elementary

The following locations have been designated as evacuation locations (locations may be subject to change):

1. Affolter Park
2. Centennial Park
3. City Public Works Facility
4. City Service Center
5. Collyer Park
6. Kanemoto Park
7. Longmont Senior Center
8. Loomiller Park
9. Pratt Park
10. Raber Park
11. Rothrock-Dell Park
12. Spangler Park
13. Thompson Park
14. Stephen Day Park
15. Rough N Ready Park
16. Blue Skies Park

MEMORANDUM

DATE: October 28, 2015

TO: Board of Education

FROM: Dr. Don Haddad, Superintendent of Schools

SUBJECT: Approval of District Board Policy Manual Sections A, B, C, D, F, H, I, K, and L

RECOMMENDATION

That the Board of Education approve District Board Policy Manual Sections A, B, C, D, F, H, I, K, and L. Policies IHA, IHBK, IHBK-R, IJOC, IJOC-E, LDA and LDA-R are excluded from their respective sections.

BACKGROUND

The Board of Education of the St. Vrain Valley School District (SVVSD) approved a contract with the Colorado Association of School Boards (CASB) on November 13, 2013 to consult on its Board Policy Manual Overhaul Project. CASB representatives reviewed each of the current District policies and identified areas where policy changes should be considered.

Following receipt of CASB's monthly policy section revisions, the Board Policy Review Committee met with administrative department leaders and an attorney for the District to review each policy and finalize change recommendations. The Committee consisted of three Board members, and their meetings were publicly posted weekly over the course of the two years.

Following the conclusion of the Committee's meetings, edits were submitted to CASB to prepare updated policy documents. Committee members performed a final review of all CASB prepared documents prior to submission to the Board of Education for approval.

Policy manual sections A, B, C, D, F, H, I, K and L have been finalized, with the exceptions of policies IHA, IHBK, IHBK-R, IJOC, IJOC-E, LDA and LDA-R. (These seven policies are pending final Committee review of policy owner edits.) A detailed index including a list of all current and proposed policies for each Section is included in this Board packet.

Recommended changes to policies or new policies reflect current state statute and/or District best practices. The Committee also intended to create updated policies that are meaningful to the public and useful tools for staff and students. Board policies

recommended for repeal reflect outdated practice or law, are a restatement of current law (which is not necessary to repeat in policy), are more appropriately maintained at the administrative/procedural level, are duplicative and should be consolidated with overlapping policies, or are being moved (and re-coded) to a more logical user-focused location within the policy manual. Policies deemed administrative will be retained as procedures and posted in various District publications such as websites, handbooks, guidelines, and other parent notifications.

All changes to Section J were approved at the June 24, 2015 Regular Board Meeting.

The Committee anticipates that Sections E and G and unfinished policies from sections I and K will be ready for approval at the November 11, 2015 Regular Meeting.

Policy Review Executive Summary

Policy Section	Start	Updated*	Repealed	New	Total	Declined	
A - Foundations and Basic Commitments	21	12	9	1	13	6	Request approval 10/28/15
B - Board Governance and Operations	52	26	26	5	31	2	Request approval 10/28/15
C - General School Administration	16	10	6	1	11	1	Request approval 10/28/15
D - Fiscal Management	44	22	22	3	25	4	Request approval 10/28/15
E - Support Services	66	39	27	2	41	5	
F - Facilities Planning and Development	24	18	6	1	19	1	Request approval 10/28/15
G - Personnel	66	39	27	8	47	21	
H - Negotiations	9	2	7	0	2	1	Request approval 10/28/15
I - Instruction	73	29	44	6	35	4	Request approval 10/28/15
J - Students	125	88	37	7	95	24	BOE approved 6/24/15
K - School-Community-Home Relations	39	22	17	4	26	2	Request approval 10/28/15
L - Education Agency Relations	7	5	2	2	7	4	Request approval 10/28/15
	542	312	230	40	352	75	
		58%	42%				
<i>Primary purpose for changes:</i>							
Align with current law							
Reflect current/best practice							
Clear communication for public							
Effective tool for staff/students							
<i>General reasons for repeal:</i>							
Outdated law or practice							
Restatement of the law							
Not necessary at Board policy level; recommended at administrative level							
Consolidate policies							
Recoded to better index policy location							

* Policies IHA,IHBK, IHBK-R, IJOC, IJOC-E LDA and LDA-R are excluded from requested Board approval.
IHA, IHBK, IHBK-R, IJOC, IJOC-E, LDA and LDA-R are pending final review of policy owner edits. Board approval will be requested at a later Board meeting.

Policy Review Executive Summary

Policy	Title	Recommendation
Section A	Foundations and Basic Commitments	
AA	School District Legal Status	Update
AA-E	School District Legal Status (Legal Description)	Repeal
AC	Nondiscrimination/Equal Opportunity	Update/Required
AC-R	Nondiscrimination/Equal Opportunity (Complaint and Compliance Process)	Update/Required
AC-E-1	Nondiscrimination/Equal Opportunity	Update
AC-E-2	Nondiscrimination/Equal Opportunity (Complaint Form)	Update
ACE	Nondiscrimination on the Basis of Disability	Repeal
ACE-E-1	Nondiscrimination on the Basis of Disability	Repeal
ACE-E-2	Nondiscrimination on the Basis of Disability	Repeal
AD	Educational Philosophy/School District Mission	Update/Required
AD-1	School District Goals and Objectives	Repeal
ADC	Tobacco-Free Schools	Update/Required
ADD	Safe Schools	Update/Required
ADD-R	District Safety/Security Committees	Update
ADD-E	Safe Schools	Decline
ADE	Innovation in Education	Decline
ADE-R	Innovation in Education (Procedures for Establishment and Review of Innovation Schools and Innovation School Zones)	Decline
ADE-E	Innovation in Education	Decline
ADF	School Wellness	Update/Required
AE	Accountability/Commitment to Accomplishment	Update
AE-R	Accountability/Commitment to Accomplishment	Decline
AE-E	Accountability Process Timeline	Repeal
AE-R-1	District Accountability/Accreditation Committee (By-Laws)	Repeal
AE-R-2	School Building Advisory Accountability Committees (School Improvement Teams)	Repeal
AEA	Standards Based Education	Decline
AEC	Annual Report to the Public	Repeal
AED	Accreditation	Update/Required
AEE	Waiver of State Law and Regulation	Accept
Section B	Board Governance and Operations	
BB	School Board Legal Status	Repeal
BBA	Board Powers and Responsibilities	Update
BBAA	Board Member Authority and Responsibilities	Repeal
BBBA	Board Member Qualifications	Accept
BBBB	Board Member Oath of Office	Repeal
BBBC-BBBD	Board Member Resignation/Removal from Office	Repeal
BBBE	Unexpired Term Fulfillment/Vacancies	Update
BBBG	Board Elections	Update
BBBG-E	Director District Legal Description	Repeal
BC	School Board Member Conduct	Update

Policy Review Executive Summary

BC-R	School Board Member Disclosure	Update
BC-E-1	Code of Ethics for School Board Members	Accept
BC-E-2	Board Member Code of Ethics	Accept
BCA	Code of Ethics for Board of Education Members	Repeal
BCA-E-1	Code of Ethics for School Board Members	Repeal
BCA-E-2	Board Member Code of Ethics	Repeal
BCAA	Gifting, Awards, Honorariums and Sponsorships	Update
BCAA-E	Gifting, Awards, Honorariums and Sponsorships Guidelines	Update
BCB	Board Member Conflict of Interest	Update/Required
BDA	Board Organizational Meeting	Update
BDB	Board Officers	Update
BDC	Appointment of Secretary to the Board of Education	Repeal
BDF	Advisory Committees	Update
BDFA	District Personnel Performance Evaluation Council	Repeal
BDFB	Vocational Program Advisory Committees	Update
BDFC	St. Vrain Valley Early Childhood Council	Repeal
BDFC*	Preschool Council	Update
BDFD	District Drug Abuse Education and Prevention Advisory Council	Repeal
BDG	Legal Claims and Charges	Accept
BDG-1	School Attorney/Legal Services	Repeal
BDG-2	Legal Claims and Charges	Repeal
BE	School Board Meetings	Update/Required
BEAA	Electronic Participation in School Board Meetings	Decline
BEC	Executive Sessions/Open Meetings	Update
BEC-E	Minutes of an Executive Session of the Board of Education of the St. Vrain Valley School District RE-1J	Repeal
BEDA	Notification of Board Meetings	Update
BEDB	Agenda	Update
BEDB-R	Agenda	Repeal
BEDC	Quorum	Repeal
BEDD	Rules of Order	Update
BEDF	Voting Method	Update
BEDG	Minutes	Update
BEDH	Public Participation at Board Meetings	Update
BEDH-R	Public Participation at Board Meetings	Accept
BEDJ	Media Coverage of Board Meetings	Update
BF	School Board Work Sessions and Retreats	Repeal
BG	School Board Policy Process	Update
BG-R	Policy Adoption (Waiver Requests)	Decline
BGA	Policy Development System	Repeal
BGB	Policy Adoption	Repeal
BGD	Board Review of Regulations	Repeal
BGE	Policy Communication	Repeal
BGF	Suspension/Repeal of Policy	Repeal

Policy Review Executive Summary

BHC	Communications with Staff	Repeal
BIBA	Board Member Travel, Conventions, Workshops and Other Expenses	Update
BIBA-R	Board Member Travel, Conventions, Workshops and Other Expenses	Update
BID/BIE	School Board Member Compensation/Expenses/Insurance/Liability	Update
BIE	Board Member Insurance/Liability	Repeal
BK	School Board Memberships	Repeal
Section C	General School Administration	
CA	Administration Goals/Priority Objectives	Repeal
CBA/CBC	Qualifications, Powers and Responsibilities of Superintendent	Update
CBB	Recruitment of Superintendent	Update
CBD	Superintendent's Contract	Update
CBF	Superintendent's Conduct	Update
CBI	Evaluation of Superintendent	Accept
CBI-R	Evaluation of Superintendent	Decline
CC	Administrative Organization	Update
CC-E	Organizational Chart	Update
CCB	Line and Staff Relations	Update
CE	Administrative Councils, Cabinets and Committees	Repeal
CFBA	Evaluation of Evaluators	Repeal
CH	Policy Implementation	Update
CHC	Regulations Communication	Repeal
CHCA	Handbooks and Directives	Repeal
CHD	Administration in the Absence of Policy	Update
CI	Temporary Administrative Assignments	Update
CK	Administrative Consultants	Repeal
Section D	Fiscal Management	
DA	Fiscal Management Goals/Priority Objectives	Accept
DAB	Financial Administration	Accept
DAB-E	Financial Administration - Timeline for online posting documents	Decline
DB	Annual Budget	Update
DBC	Budget Preparation Calendar	Repeal
DBC-E	Budget Preparation Calendar Detail	Repeal
DBD	Determination of Budget Priorities	Update
DBE/DBF	Communication of the Proposed Budget Recommendations/Budget Hearings and Reviews	Repeal
DBG	Budget Adoption	Update
DBG-E	Budget Development Calendar	Repeal
DBG-E-1	Deadlines in Budgeting Process Set by Statute	Update
DBG-E-2	2014-15 Budget Development Calendar	Decline
DBH	Use of One-time Revenues	Repeal
DBI	Budget Implementation/Monitoring	Repeal
DBJ	Contingency Reserve/Budget Transfers and Borrowing	Repeal

Policy Review Executive Summary

DBK	Fiscal Emergencies	Update
DD	Grants Management	Update
DD-R	Grants Applications	Repeal
DD-E-1	Grant Application Process	Repeal
DD-E-2	"Letter of Internal Intent" to Apply for a Grant	Repeal
DD-E-3	Mini Grant Checklist	Repeal
DEA	Funds from Local Tax Sources	Update
DEB	Funds from State Tax Sources (Loan Programs)	Repeal
DFA/DFAA	Revenues from Investments/Use of Surplus Funds	Repeal
DFA/DFAA	Revenues from Investments/Use of Surplus Funds	Update
DG	Banking Services (and Deposit of Funds)	Update
DGA/DGB	Authorized Signatures/Check-Writing Services	Update
DH	Bonded Employees and Officers	Update
DI	Governmental Accounting Standards Board (GASB) 54 Compliance	Repeal
DI	Fiscal Accounting	Accept
DID	Inventories	Decline
DIE	Audits/Financial Monitoring	Update
DIE-R	Finance and Audit Committee Charter	Repeal
DJ	Purchasing Authorization	Repeal
DJ/DJA	Purchasing/Purchasing Authority	Update
DJB	Purchasing Procedures	Update
DJB-E	Cardholder User Agreement	Repeal
DJB-R	Purchasing Procedures	Update
DJC	Petty Cash	Repeal
DJD	Cooperative Purchasing	Repeal
DJE	Bidding Procedures	Update/Required
DJG	Vendor Relations	Update
DJGA	Sales Calls and Demonstrations	Repeal
DJG-R	Vendor Relations	Repeal
DKB	Salary Deductions	Decline
DKC	Employee Expense Authorization/Reimbursement	Update
DKC-R-1	Employee Expense Authorization/Reimbursement Guidelines	Repeal
DLB	Retirement Plans	Update
DLB-R	Retirement Plans	Update
DN	School Properties Disposition	Update
DN-R	School Properties Disposition	Update
Section E	Support Services - request for approval planned for BOE Nov. 11 meeting	
Section F	Facilities Planning and Development	
FA	Facilities Development	Update
FA-R	Facilities Development	Update
FB	Facilities Planning	Update

Policy Review Executive Summary

FB-R	Long Range Facilities Planning Committee (By-Laws)	Update
FBC*	Prioritization of Facility Improvements	Accept
FBC-R*	Prioritization of Facility Improvements	Decline
FC	School Capacity Mitigation	Update
FC-R	Capacity Mitigation Process	Repeal
FD	Facilities Funding	Update
FDA	Bond Campaigns	Update
FDB	Voluntary Capital Mitigation	Update
FDB-E	Mitigation of Impacts on Schools	Repeal
FDB-R	Voluntary Capital Mitigation	Update
FEA	Educational Specifications for Construction	Update
FEB	Architect/Engineer/Project Manager/Construction Manager	Update
FEB-R	Architect/Engineer/Construction Manager	Update
FED	Construction Plans and Specifications	Repeal
FEE	Site Acquisition	Update
FEE-R	Site Acquisition	Update
FEG	Construction Contracts Bidding and Awards	Update
FEGB	Contractor's Affidavits and Guarantees	Update
FEGB-R	Contractor's Affidavits and Guarantees	Repeal
FEH	Supervision of Construction - Construction Change Orders	Update
FEH-R	Community Facilities Advisory Committee	Repeal
FF	Naming of Facilities	Update
FF-R	Procedure for Naming of Facilities	Repeal
Section G	Personnel - request for approval planned for Nov. 11 BOE meeting	
Section H	Negotiations	
HA	Negotiations Goals/Priority Objectives	Update
HA	Negotiations Goals/Priority Objectives	Decline
HB	Negotiations Legal Status	Repeal
HD	Negotiation Style, Methods and Procedures	Repeal
HH	Negotiating Organization (Instructional Staff)	Update
HI	Rights and Responsibilities of the Negotiating Organization	Repeal
HJ	Payment of Negotiating Costs	Repeal
HK	Release of Negotiations Information	Repeal
HL	Preliminary Negotiated Agreement Disposition	Repeal
HO	Impasse Procedures	Repeal
Section I	Instruction	
IA	Instructional Goals and Learning Objectives	Repeal
IB	Academic Freedom	Repeal
IC/ICA	School Year/School Calendar	Update
IC/ICA-R	School Year/School Calendar	Repeal

Policy Review Executive Summary

IF	Use of Instructional Time: Elementary	Repeal
IF-R	Use of Instructional Time: Elementary	Repeal
IFC	Multiculturalism	Update
IG	Curriculum Development	Update
IGA	Curriculum Development	Repeal
IGA-E-1	Intent to Develop Curriculum	Repeal
IGA-E-2	Intent to Develop Curriculum - Building Support Document	Repeal
IGA-E-3	Checklist for Evaluating New Course or Program Proposals	Repeal
IGA-E-4	Questions for Evaluating New Course or Program Proposals	Repeal
IGA-E-5	Evaluation of Pilot Course	Repeal
IGA-E-6	Evaluation of Pilot Course - Building Support Document	Repeal
IGA-E-7	Questions for Evaluating Piloted Courses	Repeal
IGA-R	Curriculum Development	Repeal
IGD	Curriculum Adoption	Repeal
IGF/IL	Curriculum & Instructional Programs Review	Repeal
IHA	Basic Instructional Program	Repeal - final pending
IHAC	History and Civil Government Education	Repeal
IHACA*	Law-Related Education	Decline
IHAI	Career and Technical Education	Update
IHAIA*	Work Experience Opportunities	Repeal
IHAK	Character Education	Decline
IHAM	Health and Family Life/Sex Education	Accept
IHAM-R	Health and Family Life/Sex Education	Accept/Required
IHAM/IHAMB	Health Education	Repeal
IHAM/IHAMB-R	Health Education	Repeal
IHAMA	Teaching about Drugs, Alcohol and Tobacco	Update
IHBA	Special Education/Programs for Students with Disabilities	Update
IHBB	Gifted and Talented Education	Update
IHBD	Compensatory Education (Title I)	Repeal
IHBEA	English Language Learners	Update
IHBF	Homebound Instruction	Update
IHBF-R	Homebound Instruction	Repeal
IHBG	Home Schooling	Update
IHBH	Alternative School Programs	Repeal
IHBIB	Early Childhood Education Retitled: Primary/Preprimary Education	Update
IHBIB-R	Primary/Preprimary Education	Decline
IHBK*	Preparation for Postsecondary and Workforce Success	Accept/Required - final pending
IHBK*-R	Preparation for Postsecondary and Workforce Success	Accept/Required - final pending
IHCA	Summer School	Repeal
IHCA-E	Summer School	Repeal
IHCA-R	Summer School	Repeal
IHCB	Travel Study	Repeal
IHCB-R	Travel Study	Repeal

Policy Review Executive Summary

IHCD	Advanced College Placement	Repeal
IHCDA	Postsecondary Options/Concurrent Enrollment	Update
IHCDA-R	Postsecondary Options/Concurrent Enrollment	Decline
IHD	Adult/Community Education	Repeal
IHDA	Adult Basic Education/GED Programs	Repeal
IHDB	Adult High School	Repeal
IIB	Class Size	Repeal
IJ	Instructional Resources and Materials	Update
IJJ	Curriculum Review and Textbook or Materials Adoption	Repeal
IJJ-E	Curriculum Review and Textbook or Materials Adoption	Repeal
IJJ-R	Curriculum Review and Textbook or Materials Adoption	Repeal
IJK	Supplementary Materials Selection and Adoption	Update
IJK-R	Supplementary Materials Selection and Adoption	Repeal
IJL	Library Materials Selection and Adoption	Repeal
IJL-R	Library Materials Selection and Adoption	Repeal
IJNDAB*	Instruction through Online Courses	Accept
IJOA	Field Trips	Update
IJOA-E	Field Trip/Activity Permission Form	Update
IJOA-R	Field Trips	Update
IJOC	School Volunteers	Update - final pending
IJOC-E	School Volunteer Application	Update - final pending
IK	Academic Achievement	Update
IKA	Grading/Assessment Systems	Update/Required
IKA/IKAB	Grading/Assessment Systems	Repeal
IKE	Promotion, Retention and Acceleration of Students	Update
IKF	Graduation Requirements	Update/Required
IKF-R	Graduation Requirements-PE Waiver	Update
IKFA	Early Graduation	Update
IKFB	Graduation Exercises	Update
ILB/ILBA	District Program Assessments	Repeal
ILBB	State Program Assessments	Repeal
ILBC	Literacy and Reading Comprehensive Assessments (Third Grade Literacy)	Update/Required
ILBC-R	Early Literacy and Reading Comprehension (READ Act)	Accept/Required
IMB	Teaching about Controversial/Sensitive Issues	Update
IMBB	Exemptions from Required Instruction	Repeal
IMDB	Flag Displays	Update/Required
Section J	Students - approved by BOE 6/24/15	
Section K	School-Community-Home Relations	
KB	Parent Involvement in Education	Update/Required
KBA	District Title I Parent Involvement	Update/Required
KBA-E	School-Level Title I Parent Involvement Policy (School/Parent Compact)	Decline

Policy Review Executive Summary

KBBA	Custodial and Noncustodial Parent Rights and Responsibilities	Update
KBBA-R	Custodial and Noncustodial Parent Rights and Responsibilities	Update
KBE	Relations with Parent Organizations	Update
KBE-R	Organizational Options for Parent-Teacher Organizations (PTO) and Booster Clubs	Update
KC/KCA	School-Community Relations Goals (Purpose and Objectives)	Repeal
KCB	Community Involvement in Decision Making	Accept
KCD	Public Gifts to Schools	Accept
KCD-E	St. Vrain Valley School District Gift Acceptance Form	Accept
KD	Public Information and Communications	Accept
KDA	Public Information/School Communications Program	Repeal
KDB	Public's Right to Know/Freedom of Information	Update
KDB-R	Public's Right to Know/Freedom of Information	Update
KDB-E	Public Records Request and Payment Agreement Form	Repeal
KDB-E-2	Public Records Requests - Fee Guideline	Repeal
KDDA	Press Releases, Conferences and Interviews	Repeal
KDDB-R	Sports and Special Events Media Coverage (Commercial and Instructional Television)	Repeal
KDE	Emergency Management (Safety, Readiness and Incident Management Planning)	Update/Required
KE	Public Concerns and Complaints	Update
KE/KEF-E	Complaint Form	Repeal
KEC	Public Concerns/Complaints about Instructional Resources	Update
KEC-E	Public Concerns/Complaints about Instructional Resources (Citizen's Request for Reconsideration of Instructional Material)	Repeal
KEC-R	Public Concerns/Complaints about Instructional Resources	Repeal
KEF	Public Concerns/Complaints about Teaching Methods, Activities or Presentations	Update
KF	Community Use of School Facilities	Update
KF-E	Fee Schedule for Community Use of School Facilities	Repeal
KF-R	Community Use of School Facilities	Repeal
KFA	Public Conduct on School Property	Update/Required
KFA-R	Public Conduct on School Property	Repeal
KG	Public-Private Enterprise Opportunities	Update
KGA	School Foundations	Update
KGA-R	School Foundations	Repeal
KH	Public Gifts to Schools	Repeal
KH-E	St. Vrain Valley School District Gift Acceptance Form	Repeal
KHA	Public Solicitations in Schools	Repeal
KHB	Advertising and Sponsorships	Update
KHB-R	Advertising and Sponsorships	Update
KHC	Distribution/Posting of Promotional Materials	Update
KHC-R	Distribution/Posting of Promotional Materials	Update
KI	Visitors to Schools	Update/Required
KLB	Relations with Election Authorities (Voter Registration)	Repeal
KLG	Relations with State Agencies	Update
KLMA	Relations with Military Recruiters, Postsecondary Institutions and Prospective Employers	Decline

Policy Review Executive Summary

Section L	Education Agency Relations	
LB	Relations with Other Schools and School Systems	Repeal
LBB	Cooperative Educational Programming	Update
LBD	Relations with Charter Schools	Update
LBD-R	Relations with Charter Schools (Procedures for Establishment, Renewal and Revocation)	Update/Required
LBD-E	Charter School Intent to Apply Form	Update
LBDA*	Facilities Planning and Funding for District Charter Schools	Decline
LBDA*-R	Facilities Planning and Funding for District Charter Schools	Decline
LBDB*-1	Relations with Institute Charter Schools (School Boards with Exclusive Chartering Authority)	Accept
LBDB*-2	Relations with Institute Charter Schools (School Boards without Exclusive Chartering Authority)	Decline
LC	Relations with Education Research Agencies	Accept
LC-R	Relations with Education Research Agencies	Decline
LDA	Student Teaching and Internships	Update - final pending
LDA-R	Student Teaching and Internships	Repeal - final pending

MEMORANDUM

DATE: October 28, 2015
TO: Board of Education
FROM: Dr. Don Haddad, Superintendent of Schools
SUBJECT: Approval of Request to Grant Exception to Conflict of Interest Policy

RECOMMENDATION

That the Board of Education allow an exception to the current Conflict of Interest Policy GBEA-1. This would enable the Community School Program to use Heather Stenner, a substitute teacher in the District and the owner of Enthusic Music Company, to provide enrichment classes to our students.

BACKGROUND

Board Policy and Procedure GBEA-1, Staff Conflict of Interest, states, "No school district employee or firm owned by a school district employee shall be allowed to sell to the school district or to school districts served by the school district, goods or services of any kind without express prior written consent of the Board of Education."

Heather Stenner has been a licensed substitute teacher in the District since the fall of 2013. She is also the owner of Enthusic Music Company. Enthusic Music Company offers singing classes that include vocal techniques, choreography, silly songs and other skills to students. This has enabled the Community School Program to offer enrichment classes to students in the District.

MEMORANDUM

DATE: October 28, 2015
TO: Board of Education
FROM: Dr. Don Haddad, Superintendent of Schools
SUBJECT: Bond Planning Process Update

PURPOSE

To provide the Board of Education with an update of the 2016 Bond planning process and timeline.

BACKGROUND

Brian Lamer, Assistant Superintendent of Operations, will be available to update the Board and staff on the 2016 Bond planning process.

MEMORANDUM

DATE: October 28, 2015
TO: Board of Education
FROM: Robert J. Smith, President, Board of Education
SUBJECT: Areas of Focus for the Board of Education

PURPOSE

To provide the opportunity for the Board of Education to discuss areas of focus for 2016 and beyond.

BACKGROUND

The Board of Education discussed Board priorities and self-assessment at the October 21, 2015 Study Session with guest speaker, Ken DeLay, Executive Director of the Colorado Association of School Boards. This discussion item is meant to give Board members a chance to let its constituents know their plans moving forward with two new Board members. A Board retreat may be planned so that new Board members can become acclimated to the Board's areas of focus for the future.